



Dogecoin or Bitcoin: Don't Let Elon Musk Decide Your Financial Future

Description

The cryptocurrency market continues to be one of the hottest investment topics this year. On Wednesday, **Tesla** ([NASDAQ:TSLA](#)) CEO Elon Musk's one tweet apparently wreaked havoc on the crypto market. In the tweet, Musk [said](#) that "Tesla has suspended vehicle purchases using Bitcoin." He cited the "rapidly increasing use of fossil fuels for Bitcoin mining and transactions" as a reason for the electric carmaker's latest decision.

The Bitcoin prices nosedived by nearly 13% on May 12 to US\$49,386, as Musk's tweet hurt crypto investors' sentiments. On May 13, the largest cryptocurrency by market cap fell below US\$47,000 before staging a minor bounce back.

Tesla and Musk: Key drivers for Bitcoin

Musk and his electric vehicle firm have been some of the key drivers for the crypto market in the last few months. In February 2021, [Tesla revealed](#) that the company changed its investment policy in January to diversify its investments and invested US\$1.5 billion in Bitcoin. This triggered a sharp rally in Bitcoin prices, as it rose by nearly 20% that day before extending these gains in the coming sessions.

Tesla sold some of its Bitcoin position later in the first quarter. It sold nearly 4,800 Bitcoin for about US\$272 million — out of the total 43,000 Bitcoins it bought for US\$1.5 billion.

Musk's love for Dogecoin

While Musk's tweets keep driving Bitcoin prices, his tweets are not limited only to this cryptocurrency. His quite frequent tweets about Dogecoin this year are one reason why the prices of this meme-based cryptocurrency have soared.

Earlier this week, Musk started a poll on **Twitter** asking his followers whether they “want Tesla to accept Doge?” The poll has received nearly 3.9 million votes — with over 78% of participants saying “Yes.”

Decide your financial future yourself

Clearly, Musk’s tweets and comments have been among the key factors deciding Bitcoin and Dogecoin price trends. Suppose if you invested in any of these digital assets, consider how helpless you would find yourself when some celebrities like Musk keep driving your investment portfolio up and down just by tweeting something. I wouldn’t want to be in that situation.

Investing in fundamentally good companies’ shares for the long term is a far better way to boost your savings, in my opinion. That’s exactly how [Warren Buffett](#) — the world’s one of the most renowned investors — has consistently generated extraordinary returns for decades.

Where to invest today

Canadian stocks are going through a correction for the last few days after starting May on a positive note. This could be a great opportunity for long-term investors to buy great stocks on a dip. Tech stocks **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) and **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)) are two of the fundamentally great stocks that are under pressure amid the ongoing tech sector correction.

Shopify reported a solid jump of more than 950% year over year in its latest quarterly earnings — crushing analysts’ consensus expectations. During the same quarter, its revenue rose by 110% to US\$989 million. Despite a solid trend in its fundamentals, Shopify stock has slipped by 31% in the last three months as of May 13.

Similarly, the shares of Lightspeed — the Canadian omnichannel commerce-enabling software company — have seen nearly 26% value erosion in the last month. The ongoing trend in its financials remains strong, with analysts expecting a 74% rise in its fiscal 2021 earnings.

Foolish takeaway

Overall, buying the shares of fundamentally good companies like Shopify and Lightspeed cheap is a much wiser investment decision than risking your hard-earned money by trading in the cryptocurrencies like Bitcoin and Dogecoin.

CATEGORY

1. Investing
2. Personal Finance
3. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:TSLA (Tesla Inc.)

2. NYSE:LSPD (Lightspeed Commerce)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:LSPD (Lightspeed Commerce)
5. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing
2. Personal Finance
3. Tech Stocks

Date

2025/08/17

Date Created

2021/05/14

Author

jparashar

default watermark

default watermark