Forget Ethereum: 1 Canadian Stock to Buy in June 2021

Description

The growth market that Canadians became accustomed to in 2020 seems to finally be levelling out. But it has many investors hungry for more. It's therefore little wonder the cryptocurrency soared during the first half of 2021. Yet lately there has been a bit of a pullback — that is, until recently with cryptocurrency Ethereum seeing a massive climb.

But before you put everything you have on Ethereum and the potential for quick riches, there is a Canadian stock I would definitely consider instead. It offers sustained growth, but also major jumps in the months to come.

It's this sustainable growth that we at the Motley Fool continue to recommend. That's because while there are opportunities to strike it rich, you might as well be rolling the dice at a Black Jack table. It'd be far more fun, and you also stand to lose just as much.

So instead of hoping you'll get rich overnight, look for a Canadian stock that could help you achieve riches eventually. This can happen easily by simply choosing strong stocks and holding them for decades. This will help you strike it rich but just requires a bit more patience.

Buy a hyper-growth Canadian stock instead

It's likely that if you're not investing in Ethereum already, there's a reason. You want to wait for the right moment, and when that moment comes and goes you feel like you missed the boat. It's likely that happened recently when the former head of China's digital Yuan stated its currency could operate through Ethereum. The cryptocurrency also plans to move to "proof of stake" rather than "proof of work," a more environmentally friendly way to ensure users cannot copy cryptocurrency they don't have. This helped raise the price even higher.

But this is a complicated industry, similar to the dot-com bubble. And the bubble is likely to eventually burst as cryptocurrency consolidates. While it has a future, it's likely to be one that becomes far more tailored. So instead of Ethereum, where should investors put their cash?

A Canadian stock multi-bagger

If you want a Canadian stock that is set to be around for decades, look to industries that are sure to be around for decades. **Dye & Durham** (TSX:DND) did just that. The company provides Software-as-a-Service support for legal firms, government agencies, and financial service institutions. Institutions that will around pretty much until the apocalypse.

Because this company operates within industries that are essential services, it too will remain essential in the years to come. And it looks like larger businesses have seriously latched on to that growth prospect.

Just this week, this Canadian stock was offered an acquisition price of $3.4 billion from a "management group," for $50.50 per share. Given that it currently trades at around $47 per share, that's a potential upside of 6% as of writing. But it gets better. The company is also accepting other offers, so the $3.4 billion prices could only be the beginning.

I believe that Dye & Durham stock is only in the beginning phase of its growth because of this. Yet it's come a long way in just a year. Shares of the company are up 221% in the last year alone, 16% from the potential acquisition news. Yet it remains at high-value trading at just 3.8 times book value.

Like Ethereum, Dye & Durham isn't without risk. No Canadian stock is. It's likely that once the excitement passes, many investors will want to take their returns and go. But if you're looking for a strong long-term hold that could be a multi-bagger in the years to come, I would definitely consider Dye & Durham today over Ethereum and cryptocurrency in general.

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