



## Forget Meme Stocks: This Stock Could Double in 2021

### Description

Ah, investing. It should be fairly straightforward when you think about it. After all, history is fairly clear. If you simply invest in top-performing stocks that have decades of growth ahead, you'll be golden. Holding onto these stocks for decades can create a multi-bagger portfolio that your peers will be envious of. But then came the meme stocks.

### What are meme stocks?

Meme stocks have [become a trend](#) that comes from the social news aggregate site Reddit. Specifically, the subreddit r/wallstreetbets has made recommendations, feeding into an aggressive and risky trading strategy, if you can call it that. These retail traders and investors ignore fundamental investment practices and risk-management techniques in favour of highly speculative, leveraged options trading. This has been made possible thanks to no-commission brokers and mobile online trading, but it's still super high risk.

I know I've seemed a bit biased on this strategy, but I can't say that meme stocks are a bad investment. The problem is, the meme stocks getting pushed by these traders are creating "pump-and-dump" schemes. Day traders will try to pump up shares as high as possible, creating popularity and bringing in investors that aren't able to watch tickers 24 hours a day. Then when shares are high enough, day traders will start to "dump" these stocks, creating a short squeeze in the process.

But here's the main issue: these meme stocks are usually good investments! If not for the pump-and-dump strategy, many have great valuations and strong future outlooks that would make them a good investment when things cool down. So, while you might make some cash, you're taking on a lot of risk to do it. Instead, it's far better to find a stock that has a solid future growth strategy and perhaps a boost from current movement.

### Get some golden cryptocurrency

Instead of meme stocks, **Hut 8 Mining** (TSXV:HUT) is a way for you to get in on cryptocurrency

without the risk of latching on to one type of currency. Instead of opting for Dogecoin or Bitcoin or Ethereum, you can invest in something that mines it all. Hut 8 engages in industrial scale bitcoin mining operations in Western Canada. The company boasts the number one position of self-mined Bitcoin in the world. Hut 8 was also the first publicly traded miner on the **TSX**.

However, the company is now stepping up its game to become listed on the **NASDAQ**. In a recent release, Hut 8 was approved to be listed on the NASDAQ. This comes on the back of multiple announcements, such as its partnership with TAAL Distributed Information Technologies.

The company is focused on growth, hashing (or mining) 6.8 Bitcoin per day. While it may take a while for the company to create substantial revenue, especially as the cryptocurrency fluctuates, it will get there eventually. Meanwhile, it has created record revenue during the last quarter, seeing it rise by a whopping 156% year over year!

Yet shares of Hut 8 continue to trade under \$5 per share. This creates an opportunity for investors before it's listed on the NASDAQ. There's likely to be a boost from this move, as with other miners. So, buying now would mean you get a solid jump in share price. But holding long term is even better. As cryptocurrency expands, you'll be thankful you stayed away from meme stocks and stuck with miners.

## CATEGORY

1. Investing
2. Personal Finance
3. Tech Stocks

## TICKERS GLOBAL

1. TSX:HUT (Hut 8 Mining)

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