



3 Bitcoin Stocks Making People Rich in August

Description

It's the middle of August, and Bitcoin is rising once again. After an early summer bear market that took it down 50%, BTC began to climb, going as high as US\$46,000. Bitcoin stocks rose right along with it. Thanks to the bullishness in BTC, investors doubled down on Bitcoin stocks that make money mining crypto or processing crypto transactions. In this article, I'll explore three such stocks that made investors rich in August.

Coinbase

Coinbase Global ([NASDAQ:COIN](#)) is a major crypto exchange that went public just this year. Its IPO was widely viewed as a disaster, as the stock began falling immediately after listing. Initially, this was attributed to insiders selling their stock in large quantities. It's well known that several company executives sold hundreds of millions of dollars' worth of stock in COIN's first week trading, so there may be something to this theory. Another factor is that COIN's IPO coincided with the start of the 50% Bitcoin dip. Lower Bitcoin prices mean [less fees per transaction](#) for Coinbase, so the BTC slide probably contributed to COIN's stock price decline. Now, with Bitcoin rising, COIN is rising along with it. Perhaps if the Bitcoin bull market continues, COIN will enjoy more upside.

HIVE Blockchain Technologies

HIVE Blockchain Technologies ([TSXV:HIVE](#)) is another stock that has been rising thanks to Bitcoin's rally. In the first week of August, it rallied 20%, thanks to the rising prices of Bitcoin and Ethereum. HIVE is a [crypto mining stock](#) that makes money by mining BTC and ETH in cold-climate data centres. The cold climate areas it mines in (Iceland, Sweden, northern Canada) help reduce cooling costs, resulting in higher ROI. In the most recent quarter, HIVE's crypto mining income was up 13.7%. It may have risen more since then, but the company was delayed in reporting its second-quarter earnings, so we'll have to wait and see. Either way, this stock is highly correlated with Bitcoin, so it should keep rising if the crypto bull market continues.

Purpose Bitcoin ETF

Moving from stocks to ETFs, we have **Purpose Bitcoin ETFs** ([TSX:BTCC.B](#)). BTCC.B has risen 20.9% so far in August, mirroring the trend in Bitcoin itself. It's not surprising that Purpose is so closely correlated with Bitcoin, because, in many ways, it pretty much *is* stock market-traded Bitcoin. It's a fund that holds literally nothing but BTC. No Ethereum, no calls, no puts, no Bitcoin stocks — just a 100% pure play in Bitcoin. In exchange for holding their BTC for them, BTCC.B holders pay Purpose's fund managers 1% a year. Sound steep? Compared to most ETFs, it is. But the upside is that you can hold BTCC.B tax-free in a TFSA, sparing you all capital gains taxes on your Bitcoin. That's a benefit not easily achieved with direct Bitcoin holdings, so this is definitely one crypto play worth considering for those who plan to sell eventually.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:COIN (Coinbase Global)
2. TSX:BTCC.B (Purpose Bitcoin ETF)
3. TSXV:HIVE (Hive Blockchain Technologies)

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Author

andrewbutton

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