



HIVE Stock: Is This Blockchain Company a Buy Right Now?

Description

HIVE Blockchain Technologies is a Vancouver-based cryptocurrency company that operates in Canada, Sweden, and Iceland. It mines and sells digital currencies like Ethereum, Ethereum Classic, and Bitcoin.

The stock has gained momentum over the last 18 months and is popular among growth investors. In the past year, it has returned a stellar 830% to investors and is up 50% year to date. However, as it's a mid-cap company exposed to the crypto market, HIVE stock is extremely volatile and suits high-risk investors better.

HIVE's stock price will be tied to the currency it mines

The crypto market has a lot of potential in the coming years. Firstly, due to continuous innovations in the decentralized finance sector, like the up-gradation of Ether, the industry is attracting new users, driving overall adoption rates higher. Secondly, cryptocurrencies might come under government regulation under the [new infrastructure bill](#) that has been signed in the United States, and this move will further solidify people's trust in digital assets.

Despite all these amendments the crypto market is going through, the natural development in its popularity will still require a lot more time. So, the faster an investor invests their money in this market, the more benefit they will be able to reap over the coming years. But investors should also note that cryptocurrencies are a high-risk asset class due to the volatility associated with this space as well as the lack of regulation.

Investment in multiple currencies

The best thing about HIVE is it does not focus only on a single currency but rather on an array of currencies, unlike most other mining stocks available in the market. This makes Hive superior to many of its peers, [as it can benefit](#) from the developments impacting multiple cryptos, which diversifies overall risks.

Hive holds a lot of Ethereum on its balance sheet. Ethereum is considered to have the highest growth potential compared to other cryptos and has only continued to get more attractive with every development. Ether has managed to increase investor wealth at a much faster pace than most other cryptos in the market. So, as the value of Ether starts rallying again, Hive stands to benefit handsomely from it.

Also, because of having such a diversified portfolio, the stock has delivered some stellar financial results. Hive's most recent quarterly report showed its income from currency mining and EPS have gone up by 174% and 400%, respectively, when the price of cryptos was rallying.

Major focus on crypto mining

HIVE focuses more on crypto mining than selling. Holding and mining cryptos has higher growth potential than selling them, because mining leverages a company's operations as per the ongoing price of the cryptos they mine.

HIVE is one of the leading crypto miners in the world and focuses on mining several high-valued digital currencies in different jurisdictions. Also, as mining requires high-quality computing equipment, the company is rapidly upgrading its computing infrastructure and is investing more in growing its production capability and mining competitiveness.

Due to the diversification and ways of business execution, HIVE stock has significant growth potential in the coming years. By investing in this stock, investors can experience gains from the developments in multiple cryptocurrencies without having to spend their time and efforts tracking those individually every time.

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