



2 Top Bitcoin Stocks in Canada: Halfway to \$100,000

Description

Crypto rallies tend to be different from stock rallies and market bull-runs. They are more erratic, rapid, and not as uniform across different crypto assets as stocks tend to be, at least within a sector. Still, Bitcoin's movements and trends are the most pronounced in the crypto market, and its movement is often considered indicative of the sector as a whole.

And if that's the case, then crypto is recovering. Bitcoin, after it slumped down to around US\$30,000, rebounded earlier this month and reached US\$50,000. The value has stabilized in the last few days, and it's neither going up nor down at a considerable pace.

The US\$50,000 mark, while not as high as Bitcoin's peak earlier this year, indicates the asset moving halfway to its new potential peak, US\$100,000. Many experts believe Bitcoin is ready to hit six digits and that growth can catapult the valuation of most Bitcoin stocks.

A blockchain infrastructure company

Bitfarms (TSXV:BITF) is a [Quebec-based blockchain](#) infrastructure company with five facilities and a hash rate of 1,420 PH/s. The company uses clean hydropower, which might benefit it in the future if any sanctions are placed on Bitcoin mining and blockchain operations that adversely impact the environment.

The stock has a history of growing disproportional to the growth of Bitcoin itself. Between October and February 2021, the stock grew by about 2,500%. And at its recent peak, the stock grew over 128%. It had slumped in the last three weeks (when Bitcoin's growth momentum slowed down a bit), but the stock is ideally positioned to rise at an expedited pace if Bitcoin starts moving toward a US\$100,000 valuation.

Another blockchain company

DMG Blockchain Solutions ([TSXV:DMGI](#)) is a B.C.-based company with a market capitalization of

\$200 million, making it significantly smaller compared to Bitfarms and some other players in the crypto market. Even though it also focuses on data centres and sustaining and maintaining blockchain transactions, the company is also focused on crypto-based financial solutions.

The latter would be [highly relevant](#) in the coming years, and the company might carve out a decent place for itself in niche segments of the crypto market. The stock offered even more magnified returns during the last crypto bull run. Between October 2020 and February 2021, the stock grew almost 5,000% and could replicate the feat in the next phase of Bitcoin growth.

Foolish takeaway

Crypto-focused [tech stocks](#) are an interesting way to gain exposure to the asset that's quite actively traded on its own as well. These stocks usually move in sync to the underlying assets, albeit at a slower pace and usually offering better gains than the asset itself. And since the stocks can be placed in your tax-sheltered, registered accounts, also remain free of the Canada Revenue Agency's clutches.

In some cases, these stocks are an even better option than Bitcoin ETFs that offer more direct exposure to the asst.

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