



## Is Galaxy Digital Stock Worth a Buy After Its Third-Quarter Earnings?

### Description

This morning before the market opened, **Galaxy Digital** ([TSX:GLXY](#)), one of the top stocks you can buy for exposure to cryptocurrencies, reported its third-quarter earnings for 2021.

Although cryptocurrencies have been hot lately and gained a tonne of momentum over the last few weeks, much of this growth came just after the third quarter ended. So while it's crucial to get an idea of how Galaxy performed through the summer, we already know that its business has likely seen another major gain over the last few weeks.

### What does Galaxy Digital stock do?

Most companies that operate in the cryptocurrency industry are considered tech stocks. Galaxy, though, is considered a financial services stock that serves the [cryptocurrency industry](#). This is crucial because instead of trying to create a product or service and competing with other tech stocks, Galaxy is building a business that can serve the entire industry.

The company operates through five main segments. Galaxy Digital stock also has an investment banking segment, where it advises on mergers and acquisitions in the space. In fact, during its earnings report, Galaxy said that it's currently advising on two mergers and acquisitions that have yet to be announced publicly.

Another division is its trading segment, where it mainly serves institutions and high-net-worth individuals. It also has its own propriety mining business and a segment for venture capital investments.

### Galaxy Digital's earnings

The company reported its net comprehensive income increased by more than 1,000% year over year to \$517 million. Its assets under management now stand at \$3.2 billion and continue to grow as the popularity in the industry expands rapidly.

In addition, Galaxy Digital stock also deployed another \$62 million in [NFT](#)-related companies during the quarter. And on top of that, it also bought two highly-prominent NFTs.

Galaxy also was the main partner in launching two passively managed ETFs for investors looking to gain exposure to digital assets and blockchain technology.

Also, its principal investments division, which I think offers investors the most exciting potential for growth, now has 110 total investments in 71 different companies.

Galaxy also announced that as of September 30, 2021, the partnership had a material net holding in Bitcoin of approximately \$555.2 million and [Ether](#) of approximately \$261.4 million, excluding non-controlling interests.

Its mining segment also saw strong results. During the third quarter, Galaxy was mining Bitcoin at a cost that was more than 80% below its fair market value.

## Should you buy the crypto stock today?

So far this year, Galaxy Digital stock has already gained an incredible 292%. However, despite this massive growth, there is still a tonne of potential for the company to expand its operations. Furthermore, the cryptocurrency revolution is still only just getting started.

There is clearly a tonne of potential with blockchain technology and cryptocurrencies, which is why we continue to see institutions adapt and look for ways to join the space. And with Galaxy, the company is building a multi-segmented business that serves all areas of the growing industry.

The business looks to be progressing well and firing on all cylinders, which is why it might just be one of the best crypto stocks you buy.

Just remember, though, that this industry can be quite volatile. Furthermore, there can be periods of slower growth, as we saw through the third quarter this year. So if you're looking to gain exposure to Galaxy Digital stock, it's crucial to make a long-term commitment.

### CATEGORY

1. Cryptocurrency

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1. TSX:GLXY (Galaxy Digital)

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