



Forget Coinbase: Buy This Cryptocurrency Brokerage Stock Instead

Description

If you're thinking about buying **Coinbase** stock, I would suggest you think twice about it and consider another [cryptocurrency](#) brokerage stock that looks much better. Indeed, **Voyager Digital** ([TSX:VOYG](#)) looks like a better stock to invest in now than Coinbase. Coinbase plunged earlier in November after the crypto platform reported declining financial indicators in the third quarter.

Here are the reasons why Voyager Digital stock is a great buy in the cryptocurrency space.

Acquisition of Coinify

In August, Voyager Digital acquired Coinify, a leading global cryptocurrency payment company that provides payment services to merchants in over 150 countries. Coinify's payment system allows businesses to accept cryptocurrency online and in retail stores. It is integrated via payment service providers with more than 30,000 merchants around the world. This acquisition accelerates Voyager's international expansion and diversifies the company's products and revenue streams.

Earlier this month, Voyager Digital has integrated the Voyager token, VGX, into Coinify's global crypto payment platform. Voyager CEO and co-founder Stephen Ehrlich said that the integration of VGX into Coinify's crypto payment platform expands the functionality of the Voyager token well beyond the Voyager ecosystem.

Strong growth

Voyager Digital's business is growing fast, as evidenced by its strong growth in revenues.

Revenue for the quarter ended September 30 was \$65.6 million plus \$15.9 million from Coinify business for a total of \$81.5 million. Revenue of \$65.6 million represents an increase of 3,280% over the \$2 million in the prior-year quarter.

The operating loss was \$28.3 million in the first quarter of 2022 compared with an operating loss of

\$2.7 million in the first quarter of 2021. The company said the losses were mainly due to investments in loyalty and rewards programs and were reversed during the current quarter.

[Voyager CEO and co-founder Stephen Ehrlich said the following:](#)

“Although the global crypto industry saw reduced volumes in the September quarter, our strategic decision to invest in customer acquisition and retention during that period has paid off as it resulted in a significant increase in downloads and a rise in the app rankings. That coupled with the volume uptick in the first half of the December quarter has Voyager well-positioned to exceed our June quarter record revenues in this quarter.

If we look at our results on a calendar basis, we expect to exceed revenue of \$360 million for the calendar year. We saw the September quarter as just a speed bump for the industry, experienced by other platforms as well, and Voyager has fared better than others on a comparative basis.”

Voyager Digital is also seeing strong growth in the number of funded accounts.

On November 10, the crypto company announced that it has exceeded one million accounts funded on its platform.

This is a 23-fold increase from December 31, 2020, when Voyager Digital had 43,000 funded accounts, and an increase of 135,000 funded accounts from September 30, 2021. The company also announced that it now has more than 2.7 million verified users.

Voyager plans to diversify its income by adding coins that generate staking rewards as well as income streams through NFTs and crypto debit cards.

Significant marketing partnerships

In fewer than 12 months, Voyager Digital has entered significant marketing partnerships. Those partnerships include a collaboration with professional athletes Landon Cassill and Rob Gronkowski, and a five-year integrated partnership with the Dallas Mavericks. In addition, Voyager recently partnered with Fundstrat and its renowned and award-winning co-founder and industry expert Tom Lee as well as Market Rebellion led by Jon and Pete Najarian.

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