



3 Ways to Invest in Crypto in Canada

Description

Many investors fear missing out on cryptocurrencies because of their massive upside potentials. Hardbacon's survey results released in August 2021 showed that crypto and meme investing are gaining ground in Canada. About 28% of poll respondents have Bitcoin or Ethereum in their portfolios.

However, only 5% of Canadians thought that crypto is a safe investment. Government bonds (65%) and stocks (21%) are [safer choices](#) than digital assets. Hardbacon's CEO, Julien Brault, said people know they're taking many risks and that Bitcoin and other cryptos are speculative. Still, others believe these assets will change the financial services industry.

Bitcoin is the world's most popular cryptocurrency, yet it's very volatile, given its [wild spikes and dips](#). An investor can either derive substantial gains or incur considerable losses. The price as of this writing is US\$48,936.61, or a year-to-date gain of 68.74%.

Alternative investments

Fortunately, Canadians can mitigate the inherent risks and gain exposure to cryptocurrencies via the stock market. Your alternatives are a digital asset miner and two exchange traded funds (ETFs). The best part about this route is that you don't need a digital wallet to store your cryptos.

Second, they trade like regular stocks, so you can buy and sell them as you please. Last, all of them are eligible investments in registered accounts like the Tax-Free Savings Account (TFSA) and Registered Retirement Savings Plan (RRSP).

Cryptocurrency mining company

The Bitcoin mining operations of **Hut 8 Mining** ([TSX:HUT](#))([NASDAQ:HUT](#)) in Alberta (Drumheller and Medicine Hat) are industrial scale. This \$1.76 billion company is also one of the oldest and largest digital asset miners in North America.

As of December 21, 2021, the [growth stock](#) trades at \$10.57 per share and outperforms Bitcoin with its 202.87% year-to-date gain. The one-year price return is 311.28%. Had you invested \$10,000 on this crypto stock on year end 2020, your money would be worth \$30,286.53 today.

Hut 8's strategy is to mine and hold Bitcoin. In the nine months ended September 30, 2021, revenue soared 317.95% to \$115.87 million versus the same period in 2020. Net income reached \$32 million compared to a \$5.6 million net loss in the prior year period.

The company is aware of the historical price volatility of Bitcoin. However, it believes that crypto is a digital storage of value and the future of global digital money.

Bitcoin and Ethereum ETFs

The launching of the **Purpose Bitcoin ETF** ([TSX:BTCC.B](#)), the world's first bitcoin ETF, on February 18, 2021, was a milestone moment for the TSX. It provides investors with exposure to the leading cryptocurrency by investing directly in physically-settled bitcoin.

On April 20, 2021, **Purpose Ether ETF** (TSX:ETTH) debuted on the TSX. Investors gain exposure to Ether, the cryptocurrency of the Ethereum network. Ethereum technology is home to digital money, global payments, and applications.

As of December 21, 2021, BTCC.B has 29736.474035 Bitcoin in custody, and ETTH.U has 91327.023338 Ether. The former trades at \$9.29, while the latter sells for \$17.78. Since their debuts, Ether ETF outperforms Bitcoin ETF, 66.79% versus -7.93%.

Safer options

Only people with high-risk appetites invest in Bitcoin and other cryptos. However, regular investors who want exposure to cryptocurrencies are safer investing in Hut 8 or the Bitcoin and Ether ETFs.

CATEGORY

1. Cryptocurrency
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:HUT (Hut 8 Mining)
2. TSX:BTCC.B (Purpose Bitcoin ETF)
3. TSX:ETTH (Purpose Ether ETF)
4. TSX:HUT (Hut 8 Mining)

PARTNER-FEEDS

1. Business Insider
2. Koyfin

3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. cliew
2. gsmiley

Category

1. Cryptocurrency
2. Investing
3. Tech Stocks

Date

2025/08/24

Date Created

2021/12/24

Author

cliew

default watermark

default watermark