



My 2 Favourite Canadian Crypto Stocks to Buy Before February Ends

Description

The [cryptocurrency](#) market has undergone a steep correction phase after scaling new heights in November 2021. Between November 10 and January 24, some of the largest cryptocurrencies, including **Bitcoin** and **Ethereum**, saw massive value erosion of roughly around 50%. This crypto market crash triggered a selling spree in Canadian crypto stocks. Nonetheless, some of these cryptocurrency-related shares have shown a rebound in the last few weeks due to a potential positive reversal in the crypto market.

That's why it could be the right time for long-term investors to buy some cheap cryptocurrency stock on the **TSX**. In this article, I'll talk about two of my favourite Canadian crypto stocks investors could buy right now and hold as long as they want to get outstanding returns on their investment.

Hut 8 Mining stock

Hut 8 Mining ([TSX:HUT](#))([NASDAQ:HUT](#)) has been one of my favourite crypto stocks in the Canadian stock market. This cryptocurrency miner currently has a market cap of about \$1.3 billion, as it currently trades with 23.7% year-to-date losses at \$7.58 per share.

The ongoing growth trend in Hut 8's financials looks impressive. In Q3 2021, the company reported total revenue of \$50.3 million, showcasing a massive jump compared to its total revenue of just \$5.8 million in the same quarter of the previous year. Similarly, its adjusted earnings for the quarter stood at \$0.15 per share, crushing analysts' consensus estimate of about \$0.12 per share. While HUT is yet to report its Q4 results, I expect its financial growth trend to strengthen further, as its average Bitcoin production rate remains strong. As of January 31, the company had a 5,826 Bitcoin balance in its reserve.

Despite all these positive factors, this cryptocurrency stock has dived by more than 50% in the last three months. I expect its improving fundamentals and recovering cryptocurrency prices to help Hut 8 Mining stock yield outstanding returns in the long run.

Bitfarms stock

Bitfarms (TSXV:BITF)([NASDAQ:BITF](#)) could be another great Canadian crypto stock to buy now. It's a Toronto-based Bitcoin self-mining company that has a market cap of \$867 million at the moment. After surging by about 155% last year, this crypto stock in Canada has seen more than 30% value erosion in 2022 so far.

Street analysts expect Bitfarms to report US\$172.4 million in total revenue for 2021. This revenue figure is nearly five times compared to its total revenue of US\$34.7 million in the previous year. Similarly, its earnings for the year are expected to be around US\$0.24 per share compared to its adjusted net loss of \$0.19 per share in 2020.

In the first week of January 2022, Bitfarms purchased 1,000 Bitcoin for about US\$43.2 million. With this, the Canadian crypto miner increased its Bitcoin holdings by 30% to over 4,300 as of January 10. While its strategy to buy the dip in Bitcoin might not be profitable yet, it could turn out to be a great deal as the value of the largest cryptocurrency continues to recover in the coming months.

Bitfarms stock could be perfect for investors who want exposure to the currency market, as the company [aims](#) to "accumulate the most Bitcoin for the lowest cost and in the fastest amount of time."

CATEGORY

1. Cryptocurrency
2. Investing

TICKERS GLOBAL

1. NASDAQ:BITF (Bitfarms Ltd.)
2. NASDAQ:HUT (Hut 8 Mining)
3. TSX:HUT (Hut 8 Mining)

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