



3 Top Cryptocurrency Stocks You Could Buy Right Now

Description

There are several ways to gain exposure to cryptocurrencies. You can either buy these digital assets directly or invest in companies, such as **Coinbase** ([NASDAQ:COIN](#)), **Hut 8 Mining** ([TSX:HUT](#)) ([NASDAQ:HUT](#)), and **Voyager Digital** ([TSX:VOYG](#)), that operate in the cryptocurrency segment.

The widespread adoption of [cryptocurrencies](#) and the increasing utility of blockchain networks has meant the demand for **Bitcoin** and peer tokens has risen at an exponential rate since 2020. Let's see why the above-mentioned stocks should be part of your portfolio if you remain bullish on cryptocurrencies.

Coinbase

In Q4 of 2021, Coinbase [reported revenue](#) of US\$2.49 billion and net income of US\$840 million. The bull market of 2021 resulted in higher trading volume and an uptick in sales for Coinbase. Its monthly users stood at 11.4 million in Q4, up from 7.4 million in the previous quarter. Its verified user base also increased from 73 million to 89 million in this period.

Coinbase also aims to diversify its revenue base and derived US\$500 million in subscription and services revenue last year. It ended Q4 with US\$7.1 billion in cash and more than US\$1 billion in crypto on its balance sheet.

The ongoing pullback in the cryptocurrency space will lead to lower trading volumes and lower sales for Coinbase in 2022. Analysts expect sales to fall by 9% to US\$7.13 billion in 2022 while adjusted earnings might decline by 70% to US\$4.35 per share.

Analysts remain bullish on COIN stock and have a 12-month average trading price of US\$315, which is 60% above its current trading price.

Hut 8 Mining

A Canada-based cryptocurrency company, Hut 8 Mining is the first blockchain company to be listed on the **S&P/TSX Composite Index**. Hut 8 Mining ended Q1 of 2018 with 891 Bitcoins, and this number grew to 5,826 Bitcoins in January 2022. So, the value of the company's BTC tokens stands at US\$256 million, at the time of writing.

Hut 8 claims to own more self-mined Bitcoin compared to any publicly traded crypto mining company. Analysts tracking Hut 8 expect sales to rise by 339% to US\$179 million in 2021 and by 129% to US\$409 million in 2022. Comparatively, its adjusted earnings are forecast to rise from US\$0.06 in 2020 to \$US0.84 in 2022.

So, HUT stock is valued at a forward price-to-sales multiple of 2.5 and a price-to-earnings multiple of 7.5, which is very reasonable. The stock is also trading at a discount of 135% to consensus analyst estimates.

Voyager Digital

Another cryptocurrency exchange to make the list is Voyager Digital, a company valued at a market cap of US\$1.82 billion. Its revenue in the fiscal Q2 of 2022 (ended in December) stood at US\$164.8 million — an increase of 4,400% year over year. In the last 12 months, its revenue rose to US\$415.8 million compared to just US\$6.6 million in the year-ago period.

The company's rapid expansion of its top line allowed it to report an adjusted EBITDA of US\$17.4 million compared to US\$2.8 million in Q2 of fiscal 2021. Its operating income stood at US\$3.2 million in Q2 compared to a loss of US\$2.9 million in the prior-year period.

Voyager stock is also trading at a discount of 132% to consensus price target estimates.

CATEGORY

1. Cryptocurrency
2. Investing

TICKERS GLOBAL

1. NASDAQ:COIN (Coinbase Global)
2. NASDAQ:HUT (Hut 8 Mining)
3. TSX:HUT (Hut 8 Mining)

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