



## 2 Cryptocurrency Stocks Investors Can Buy Right Now

### Description

The decision of the Federal Reserve to hike interest rates throughout 2022 has sent markets into a tailspin. While interest rates need to be increased and offset inflation, it will also increase the cost of debt and impact the profit margins of corporates. Further, as bond yields rise, capital will shift towards lower-risk asset classes, sending prices of stocks and cryptocurrencies lower.

While equities are expected to remain volatile in 2022, long-term investors should view every major dip as a buying opportunity. In fact, according to financial experts, generational wealth has often been accumulated during [bear markets](#). So, let's see which beaten-down [cryptocurrency](#) stocks investors should own at current prices.

### Coinbase

The massive decline in crypto prices in the last six months has translated to lower trading volumes on **Coinbase** ([NASDAQ:COIN](#)). Valued at US\$16.5 billion by market cap, Coinbase stock is now down 82% from all-time highs.

Coinbase [ended Q1](#) with 98 million verified users, making it one of the largest crypto exchanges in the world. Its transaction fees accounted for 87% of total sales, which shows the company generates a majority of revenue from trading. Further, Coinbase aims to expand the utility of cryptocurrencies and is widening its suite of products and services. So, now, customers can stake their crypto holdings and access an NFT marketplace on the Coinbase platform.

However, building a robust digital asset platform is very expensive, and Coinbase reported a net loss of US\$430 million in Q1 compared to a net income of US\$840 million in Q4 of 2021.

Due to a remarkable run in cryptocurrencies and rising trading volumes, Coinbase reported adjusted earnings per share of US\$14.5 and revenue of US\$7.84 billion in 2021. However, the onset of a bear market suggests Coinbase sales might fall by 41.4% to US\$4.59 billion with an adjusted loss per share of US\$7.26 in 2022.

Its quite evident that the performance of COIN stock is tied to the cryptocurrency prices until it diversifies the revenue base. But if you believe cryptocurrencies are here to stay, the lower valuation of Coinbase is too attractive to ignore.

## Hut 8 Mining

A company that mines **Bitcoin** ([CRYPTO:BTC](#)), **Hut 8 Mining** ([TSX:HUT](#))([NASDAQ:HUT](#)) is valued at \$550 million by market cap. It has two digital asset mining sites in Canada located in Ontario and Alberta. Hut 8 Mining has one of the highest capacity rates among miners and one of the largest inventories of self-mined Bitcoin.

In Q1, Hut 8 Mining reported revenue of \$53.3 million compared to \$32 million in the year-ago period. The uptick in sales can be attributed to its digital asset mining operations. In Q1, the company mined 942 BTC tokens, generating \$49.3 million in sales.

Hut 8 also explained the acquisition of higher performance computing operations added \$3.3 million in sales. It expects recurring revenue from this vertical to increase between 15% and 18% in 2022 with gross margins ranging between 35% and 40%.

Hut 8 Mining is forecast to increase sales by 39% to \$242 million in 2022, while adjusted earnings are estimated at \$0.54 per share. So, the stock is valued at 2.3 times forward sales and less than six times forward earnings, which is very reasonable.

### CATEGORY

1. Cryptocurrency
2. Investing

### TICKERS GLOBAL

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

2. kduncombe

**Category**

1. Cryptocurrency
2. Investing

**Date**

2025/06/29

**Date Created**

2022/05/19

**Author**

araghunath

default watermark

default watermark