

Four of the Most Explosive Crypto Stocks to Own

Let's start with some profit taking.

Over the last few weeks, we recommended taking a position in explosive marijuana stocks. And so far, they have yet to disappoint.

- Kush Bottles (KSHB) ran from \$3.80 to \$5.45 – Sell half
- Lifestyle Delivery (LDSYF), which ran from 72 cents to 82 cents
- OrganiGram Holdings (OGRMF), which ran from \$3.50 to \$3.95
- Aphria Inc. (APHQF), which ran from \$14.05 to \$16.95—Sell half
- Canopy Growth (TWMJF), which ran from \$24 to \$31.70 – Sell half

Congratulations on the wins. On pullbacks, we may look to buy even more.

As for today, our next round of opportunity can be found in crypto-related stocks.

Crypto currencies aren't the only investments turning thousands into millions of dollars.

In fact, any stock even remotely related to the crypto boom has been just as exciting.

Eastman Kodak (KODK) just announced it was launching Kodak Coin, a crypto currency for photographers. As a result, shares exploded from \$3.10 to \$13 in just days, in January 2018. According to The Verge:

KodakCoins will work as tokens inside the new blockchain-powered KodakOne rights management platform. The platform will supposedly create a digital ledger of rights ownership that photographers can use to register and license new and old work. Both the platform and cryptocurrency are supposed to “empower photographers and agencies to take greater control in image rights management.”

By simply announcing a relationship with crypto currencies, stocks have exploded.



Look at Overstock.com (OSTK) for example.

What's interesting about OSTK is that it was the first retailer to accept bitcoin and even made the coin

offering through its exchange, tZero, according to CNN. In fact, according to analysts at DA Davidson, “Overstock stands head and shoulders above the others, when it comes to having developed a portfolio of companies with significant efforts to exploit blockchain technology.”



In December 2017, Overstock CEO Patrick Byrne made things a bit more exciting when he said he may want to sell OSTK’s e-tailing operations and put even more cash into speeding up the blockchain-business instead.

Since August 2017, the stock has exploded from a low of \$14.30 to a high of \$90.

While the bid-ask spreads on OSTK options are a bit wide, we can still buy the underlying stock here at market prices.

Even shares of Square Inc. (SQ) have been explosive.

When it comes to its exposure to the crypto market, Square’s Cash app is now giving users the option to buy or sell Bitcoin. According to a Forbes report:

“A Square spokesperson said in a statement: ‘We’re always listening to our customers and we’ve found that they are interested in using the Cash App to buy Bitcoin. We’re exploring how Square can make this experience faster and easier, and have rolled out this feature to a small number of Cash App customers. We believe cryptocurrency can greatly impact the ability of individuals to participate in the global financial system and we’re excited to learn more here.’”

According to Business Insider, Credit Suisse said Square’s venture in crypto could be a tailwind translating into \$30 million in revenues.

"See ~\$30m revenue opportunity in two years: We estimate that if SQ can accumulate 10m bitcoin buyers over two years (tracking Coinbase’s growth), this could drive an incremental \$30m in revenue (~2% additional growth to our current forecast). This assumes average bitcoin purchases of \$200/yr and fees of 1.5%."

That’s just part of the reason shares of Square ballooned from \$26 to a high of \$50 recently.



We can buy the SQ stock and also pick up the SQ March 16, 2018 43 calls.

We can even look at Digital Power (DPW).

Not long ago, the company announced that its subsidiary Coolisys Technologies would launch a new line of power systems aimed at crypto currency mining. The company said it believes Coolisys could make great strides in reducing the power load crypto currency mining consumes and the costs that come with higher demand.

According to Digital Power President and CEO, Amos Kohn:

“Coolisys Technologies is very pleased to announce this new relationship with PoW Digital Mining whose management has vast experience in all facets of the crypto currency marketplace. Starting with our current catalog of power efficient and durable products as a base, we will collaborate with PoW and combine our efforts to develop a unique in-demand portfolio of equipment and packaged solutions for personal miners and the large pool operators exploiting mining and other activities within this exciting and still often misunderstood sector. Crypto currencies recently surpassed the milestone of generating revenues of \$1B annually.”

No wonder the stock popped from 56 cents in November 2017 to a high of \$6 in just weeks.

Over the last few days, it appears DPW caught support at \$2 a share. As it begins to show signs of recovery, we believe the stock could run back to \$4, near-term.

These are just a few of the many related stocks to keep an eye on in 2018.