

Coinbase Nearly Hit a \$100 Billion Valuation, Making It More Valuable Than GM, Twitter and FedEx

Coinbase's initial market cap hit \$85.8 billion this week, making it more valuable than some of the biggest American companies.

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Cryptocurrency exchange Coinbase had a strong debut on Nasdaq on Wednesday, closing at \$328.28 per share, according to *CNBC*.

Shares initially opened at \$381 and went up to as much as \$429.54 before dipping below their original price. Still, Coinbase's strong showing was reflected in its initial market cap of \$85.8 billion, making the cryptocurrency exchange more valuable than General Motors (\$84 billion), FedEx (\$76 billion) and Twitter (\$56 billion).

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Founded in 2012 to facilitate cryptocurrency transactions, Coinbase filed for a listing on Feb. 25. The SEC gave the exchange approval earlier this month to list its Class A common stock on the Nasdaq Global Select Market yesterday, which happened to be the day after Bitcoin hit an all-time high of approximately \$63,000.

CNBC reports that Coinbase now has 56 million users – a jump from the 43 million users it had last year. That, in turn, has translated into a record amount of revenue for the company. Last week, Coinbase announced its preliminary first-quarter results and estimated that its revenue during that period had increased nine-fold to approximately \$1.8 billion.

According to *Business Insider*, the cryptocurrency exchange is also currently worth more than twice as much as Chipotle (\$43 billion), eBay (\$43 billion) and Hilton (\$35 billion). But, at least one billionaire investor isn't buying into the hype for now.

"In the next week, certainly we could have some volatility because of the excitement around Coinbase," former Goldman Sachs partner and crypto investor Mike Novogratz said recently at a virtual event hosted by *MarketWatch* and *Barron's*.

"I've seen a lot of weird coins like dogecoin and even XRP have huge retail spikes, which means there's a lot of frenzy right now," the investor added. "That never ends well, and so we'll probably have a washout [of the broader market] at one point."

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