



3 Takeaways From the New Bitcoin Bull Market

Description

It's official: Bitcoin is back. After an awful 2018, the world's most popular cryptocurrency has gone on an [absolute tear in the markets](#), reaching as high as \$10,800 in a few short months. While Bitcoin still has a long way to go before it surpasses the 2017 rally or reaches the coveted \$100,000 mark, it's clear that the bears are eating their words.

At this point, Bitcoin has been rising (with some interruptions) for about 10 straight years. Comparisons to tulip bulbs should be out of the question, as Bitcoin's rise has lasted much longer than history's famous speculative manias.

Nevertheless, there is still serious doubt as to whether Bitcoin has any inherent value and whether it will ever see widespread adoption as a currency. Before exploring that, let's take a look at why Bitcoin has been such a long-term winner in a market full of scams, schemes, and charlatans.

Interest in crypto is here to stay

Bitcoin is notable as the oldest cryptocurrency, the most valuable per unit, and the one with the most consistent long-term rise. With 10 years of incredible gains under its belt, it's probably not a conventional bubble (although each of its individual bull runs could be considered a miniature bubble).

Many Bitcoin fans are holding on to the coin for the long term, with notable business leaders like Jack Dorsey and the Winklevoss Twins (of *The Social Network* fame) being among them. This kind of name recognition shows that there are some very smart people backing Bitcoin and backing it long term. But does that really mean Bitcoin has value?

The price isn't driven by demand for Bitcoin as a currency

On the question of whether Bitcoin has real utility as a currency, the answer is mixed. Although Bitcoin's main use case as a darknet market currency has been diminished by the closure of many such markets, the coin is now seeing mainstream acceptance at stores like Whole Foods and **Home Depot**

. This could indicate that [mainstream acceptance](#) of Bitcoin is taking off. However, with the volume of in-store transactions involving Bitcoin being minuscule at the moment, it's undeniable that speculative frenzy is the main driver of its price.

Banks are getting on board

Probably the strongest positive sign for Bitcoin right now is its increasing acceptance by mainstream financial institutions. **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), which previously banned Bitcoin purchases, has opened itself to allowing Bitcoin futures trading by TD Ameritrade customers. This move suggests that big banks may be warming to Bitcoin, which was long seen as the financial sector's number one enemy.

Speaking of TD: if you want some exposure to cryptocurrency without the volatility of actual Bitcoin, an investment in TD could provide a small amount of indirect exposure should the bank go ahead with allowing crypto trading. Bitcoin futures are already permitted by TD Ameritrade, so a direct investment in that partial TD subsidiary could make sense as well.

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