



Bitcoin Seems Unstoppable in 2021: Get in Now!

Description

It's official: we're in another Bitcoin bull cycle. This one already looks bigger than the previous one we experienced in 2017. The price of a single BTC is now US\$36,900 (CA\$46,765) as of writing. That's an all-time high and nearly double the previous high from 2017.

Here's why Bitcoin could sustain this momentum throughout 2021 and why you should consider adding it to your portfolio before it's too late.

Bitcoin momentum

Over the past year, the value of this cryptocurrency has surged because of institutional interest. Some heavyweight hedge fund managers added the digital currency to their portfolios, while online payment and stock trading platforms integrated it for easier access. One public corporation has put the majority of its balance sheet into Bitcoin.

However, retail investors and average savers have missed out on these gains so far. According to recent surveys, Bitcoin is still far from a mainstream investment option. This year, that could change. After all, ordinary Canadians can now access Bitcoin directly through their WealthSimple accounts.

Meanwhile, a Bitcoin exchange-traded fund and several Bitcoin mining stocks were listed in 2020 too. This means there's now plenty of options for retail investors to bet on the cryptocurrency. Retail interest could drive the price of this digital asset to new highs.

If you're looking to get in, this may be the perfect time.

Invest in BTC

The Bitcoin Fund ([TSX:QBTC.U](#)) is a convenient option for investors seeking exposure here. As a regulated and listed security, this fund probably provides a safer alternative to holding BTC directly. It also qualifies for your [Tax-Free Savings Account](#) (TFSA), so you could shield your impressive gains from taxes.

Another alternative is a Bitcoin mining stock such as **HIVE Blockchain Technologies** (TSX:HIVE). HIVE operates server farms that mint cryptocurrency. Part of this freshly minted currency is reinvested in the business to drive growth. The rest is held in reserves on the balance sheet.

As the value of BTC climbs, HIVE's operations and balance sheet become more valuable. This is reflected in the stock price, which is up 2,200% over the past 12 months. If you're seeking an aggressive growth strategy and a way to amplify your bet on BTC, this is certainly an ideal option.

However, bear in mind that these securities and the cryptocurrency space is still somewhat speculative. Expect heavy volatility in the coming months.

Bottom line

All the factors needed to drive Bitcoin higher seem to be coming together in 2021. There's growing demand from retail investors, and institutions are already deeply involved. This could be the year the cryptocurrency finally becomes a mainstream asset class.

If you're looking to get in and gain exposure to this bull cycle, this could be the perfect time to do so. You can now buy BTC directly or bet on it via mining stocks or an ETF. It's never been easier to add exposure to this sector. Good luck!

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. TSX:QBTC (The Bitcoin Fund)
2. TSXV:HIVE (Hive Blockchain Technologies)

PARTNER-FEEDS

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