



## Bitcoin Crash: Time to Buy the Dip?

### Description

Over the past month, the price of Bitcoin has gone haywire. Since surpassing its previous all-time high in early December, the cryptocurrency kept up the momentum and increased another roughly 100% before finally selling off this past weekend.

This massive fall by Bitcoin may have been a shock to some investors. After all, if you only started investing in or watching Bitcoin's price closely in the last few months, the coin has only gone up.

This recent crash in price is a reminder to investors of just how volatile and risky Bitcoin can be. With any asset that can grow in price considerably and quite rapidly, it can lose those gains just as quickly, if not quicker.

### Bitcoin is a long-term investment

So, while this massive drop in Bitcoin's price is unpleasant, it should serve as a reminder of just how unpredictable it can be. That's why if you're considering an investment, it should surely be for the long run.

Despite one short-term blip on what looks to be Bitcoin's meteoric long-term rise, many investors and analysts still consider the cryptocurrency a buy. This makes the current dip a great chance to load up on more Bitcoin investments or get your foot in the door if you haven't already.

The trouble is knowing how much to buy. While dollar-cost averaging can help, it's impossible to know if Bitcoin will continue its rebound quickly or selloff further, offering an even bigger discount.

This is all the more reason to make a long-term investment. Of course, you want to buy it for the lowest price possible today, but even if you overpay slightly if you hold it for years and Bitcoin appreciates as many expect it to, the price you bought it at will be the last thing on your mind.

## How to invest in Bitcoin

As cryptocurrency is still relatively new and only slowly being accepted by the masses as a legitimate investment asset, more and more investment vehicles are popping up for investors to take advantage of.

While you can always buy the Bitcoin and hold it yourself, there are several considerable risks with doing that. Instead, investors might find it easier to just invest in a Canadian stock that offers exposure to the price of Bitcoin.

If you decided to buy a cryptocurrency stock to get exposure to Bitcoin, there are two main roads you can go down.

First, you could consider a [Bitcoin-mining company](#). One of the top Bitcoin miners in Canada is **Hut 8 Mining**.

These companies can be great investments, but they come with significant execution risk. So, in addition to taking on the risk of investing in the cryptocurrency, when you buy a miner, there are a lot of other issues that can cause your investment to perform poorly.

If you want to avoid those risks, you're better off buying a fund that simply holds the digital coin, such as **The Bitcoin Fund**. By investing in a fund that only holds the coin, all you have to worry about is whether its [price appreciates](#) over the long term.

In some cases, it may make sense to invest in a miner to have even more upside potential in the case of a rally. However, Bitcoin already offers such incredible growth prospects, as well as having a significant number of risks, that for most investors, it will make the most sense just to buy a fund holding the digital currency.

## Bottom line

There are ample opportunities for investors to make money with Bitcoin over the next few decades. All that's required is strict discipline, prudent decision making, and, most importantly, a commitment to the long term.

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