



Bitcoin vs. Ethereum: Which Crypto Should Canadians Buy?

Description

Earlier this week, I'd discussed why Canadian investors may want to consider stashing [blockchain stocks](#) instead of Bitcoin or a Bitcoin fund. The cryptocurrency bull run has swept up the investing world in late 2020 and early 2021. Its success has become impossible to ignore, attracting institutional investors and now a slew of retail investors.

Today, I want to look at the performance of the top two players in the crypto market: Bitcoin and Ethereum. Which is the better buy right now? Let's dive in.

Cryptocurrency rally: Ethereum is stealing Bitcoin's thunder

Bitcoin managed to rise above the US\$40,000 mark in early January. It has since retreated from that record level and entered a holding pattern. This has sparked some worry from onlookers. Analysts at **JPMorgan** recently warned that if Bitcoin fails to reclaim its previous record highs, it could face an investor exodus. However, there are still plenty of Bitcoin bulls who are confident that the top digital currency will continue to build momentum after taking a breather in the middle of January.

Ethereum, Bitcoin's top rival in the digital currency space, has benefitted from the latter's January stall. It has more than doubled its price over the past month. Ethereum was up 13% in early morning trading at the time of this writing, hovering around the US\$1,400 mark. Moreover, Ethereum has been building momentum ahead of a network upgrade. Its status as a legitimate rival to Bitcoin may be firmly established in the months ahead.

Which is the better buy in your TFSA?

Last week, I'd discussed whether Bitcoin was [headed for a crash](#) in January. Analysts have struggled to explain its meteoric rise over the past several months. The weakening of the U.S. dollar has undoubtedly played a key role in driving investors toward alternative assets. Cryptocurrencies have seemingly beat out precious metals, at least in the near term.

Canadians who want to stash Bitcoin in their TFSA can look to **The Bitcoin Fund** ([TSX:QBTC.U](#)) today. This offers investors the chance to track the price of the top digital currency in their portfolios. Last week, a prospectus was filed with the Ontario Securities Commission (OSC) for a new Bitcoin ETF. This will be a development to watch for crypto investors going forward.

Ether Fund (TSX:QETH.U) provides Canadians the opportunity to stash an Ethereum-tracking asset in their portfolios as well. This brand-new fund is barely a month old. Like Ethereum, in that short time, it has already doubled its value.

Ethereum is clearly benefitting from Bitcoin's price lapse in the near term. Investors who are jumping into the crypto market should already be aware of the risks and volatility. Canadians on the cryptocurrency wave may want to consider the Ether Fund over The Bitcoin Fund in the latter half of January. This market looks mighty overheated right now, but there are nice gains on the table for those who can stomach the risk.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:QBTC (The Bitcoin Fund)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing

Date

2025/07/05

Date Created

2021/01/19

Author

aocallaghan

default watermark

default watermark