



## 1st Bitcoin ETF Is Live: Should You Buy Right Now?

### Description

Bitcoin prices remain strong today. The price of a single Bitcoin has increased more than 600% in a year at writing — a very impressive return in 12 months. Even non-crypto investors have started to gain interest in the non-traditional asset class.

There is a lot of fear among investors who have typically stayed away from cryptocurrencies. Investors inclined toward more traditional asset classes now have the opportunity to gain exposure to Bitcoin through the [first cryptocurrency-centric exchange-traded fund](#) (ETF) called **Purpose Bitcoin ETF** ([TSX:BTCC.B](#)).

Today I will discuss the ETF to help you make a more well-informed decision about whether it could be worth considering for your portfolio.

### Retail investors are on a strong run

With the recent rise of “meme” stocks like GameStop taking Wall Street by storm, it is becoming clear that retail investors have a far greater pull than ever before. However, cryptocurrencies like Bitcoin are the original “meme” stocks, considering the fact that Bitcoin garnered no interest from institutional investors in its early years. Its growth was powered by retail investors whose faith in the cryptocurrency drove its value.

The launch of the ETF has already seen millions in cash flow come into the ETF as the fund is targeted mainly towards the retail investor segment. Investors seeking easier exposure to Bitcoin may choose the ETF as the primary option.

A number of analysts have predicted that Bitcoin could exceed the US\$100,000 mark this year. A single Bitcoin unit is worth US\$55,500.50 at writing. It would take an incredible surge for the cryptocurrency to hit the fabled US\$100,000 mark, but it might not be impossible.

## What *is* moving the needle?

While retail investors have a stronger pull in the markets than before, the real reason for Bitcoin's current surge could be attributed to institutional investors and companies with billions to spare. 2020 saw **Paypal** and **Square** enter the fray, along with well-known investors Paul Tudor Jones and Stanley Druckenmiller. Elon Musk's **Tesla** recently purchased US\$1.5 billion worth of Bitcoin earlier this year, sending its prices skyrocketing again.

With institutional investors holding a significant chunk of Bitcoin, any major movement from the likes of Elon Musk to sell a large chunk of Bitcoin could result in a drastic decline in the cryptocurrency's price. The cryptocurrency and any asset related to it might be too speculative. It poses a greater risk to retail investors than it does to the likes of Elon Musk.

If you just can't help yourself, you can consider keeping a tiny allocation in Purpose Bitcoin ETF as a safer way to go. Alternatively, you could consider another asset trading on the **TSX** if you want [immense wealth growth](#) with more than speculation backing the asset.

## Foolish takeaway

**Shopify Inc.** ([TSX:SHOP](#))([NYSE:SHOP](#)) could be a far better investment to consider if you seek immense capital growth. The Canadian high-growth tech stock has recently been taking a beating and could slip into value territory. Unlike Bitcoin, the tech stock has substantial tangible demand that can drive its demand.

Shopify has gained about 4,000% since its initial public offering (IPO), and this was not due to random speculation. Institutional and retail investors have understood that the company is playing an essential role in society as it changes. Despite the recent setback in its valuation, Shopify remains one of the strongest publicly-traded companies on the TSX.

Suppose you are banking on growing your capital to become a wealthier investor in the long run without running the risk of speculation. In that case, Shopify could be a better asset to consider adding to your portfolio instead of Purpose Bitcoin ETF.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:BTCC.B (Purpose Bitcoin ETF)
3. TSX:SHOP (Shopify Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin

3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

**Category**

1. Investing

**Date**

2025/09/14

**Date Created**

2021/03/18

**Author**

adamothman

default watermark

default watermark