



NFTs, Bitcoin, or Ethereum: What's the Best Investment?

Description

Some of the most exciting investments over the last year have been in the cryptocurrency industry. There's, of course, Bitcoin, the next most popular blockchain Ethereum, and the revolutionary non-fungible tokens (NFTs) that have become wildly popular over the last few months.

The cryptocurrency industry continues to gain in popularity, because decentralized currencies are important to a lot of people. Bitcoin is a currency, meaning it's a store of wealth and, in some cases, a medium of exchange.

It's gotten extremely popular over the last year, and one of the main reasons is because it's decentralized.

People are watching currencies being devalued during the pandemic and are buying Bitcoin as a hedge against that inflation. That goes for investors in developed countries, but even more so for residents in countries where their local currency is collapsing.

[Cryptocurrencies](#) like bitcoin are increasingly relied upon worldwide, which is why it's not going anywhere anytime soon.

Another major benefit of Bitcoin, though, is its technology and all the possibilities and innovation that have spun off from the blockchain technology.

One asset that was created thanks to blockchain technology is NFTs.

NFTs are growing in popularity faster than Bitcoin

The market for NFTs is still early, and many still haven't heard of these revolutionary blockchain products. Basically, the idea behind NFTs, especially for art, is that the artwork in question can be sold repeatedly to new owners while the original creator can retain copyright and reproduction rights.

It's still early, and the industry has a long way to go to catch on. However, the idea makes a lot of

sense.

Early on, though, the industry will be prime for investors speculating, just like Bitcoin. So, while it's something you could make money on, there's certainly no guarantee. The only guarantee is that NFTs are a significantly risky investment.

That doesn't mean you should avoid them. Just know what you're getting into. I'd also suggest using play money you don't mind losing since nobody really knows how the industry might turn out.

Early on, some of the first NFTs were sports moments or iconic moments in time, such as NBA Top Shots, or the NFT that Jack Dorsey, the founder of **Twitter**, sold of the first tweet ever sent.

Anybody can create art and sell it as an NFT, though. So, it's still early and nearly impossible to tell which NFTs will appreciate over time and which are part of a bubble.

Are there stocks that make NFTs?

Another way to invest in this growing sector besides buying Bitcoin or the actual NFTs is through **CurrencyWorks** (TSXV:CWRK). CurrencyWorks is an intriguing [tech stock](#) that creates digital currencies, security tokens, and blockchain platforms.

Most recently, though, CurrencyWorks has been expanding into the NFT market, creating another unique way for investors to gain exposure to these revolutionary products.

The company has signed exclusive deals to create and distribute NFTs. So, it offers investors a slightly lower-risk way to gain exposure to the rapidly growing cryptocurrency industry. NFTs, though, may not be the asset with the most long-term potential.

If you want to make an actual investment in the cryptocurrency industry, rather than just speculating on NFTs, I would recommend investors consider Ethereum.

Ethereum has the most long-term potential

Ethereum is a decentralized, open-source blockchain. It was one of the first developments based on Bitcoin's revolutionary technology.

This is quite apparent considering that the Ethereum network has addressed several of Bitcoin's shortcomings.

One of the most important developments with the Ethereum network is that you can send more than just financial transactions. This is crucial and why many have called Ethereum the future.

Many developers continue to create decentralized applications that run on the Ethereum network. Even most NFTs run on Ethereum. This is ideal for investors, because anything running on Ethereum is powered by Ether, its native currency. That's why it's the second most popular cryptocurrency after Bitcoin.

With developments and innovation continuing to take place on Ethereum, there is a tonne of long-term potential for investors.

That's why many investors are so bullish on [Ethereum](#) and why it's one of the best investments you can make in the cryptocurrency industry today.

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danieldacosta

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