



3 Top Cryptos to Consider in May

Description

The cryptocurrency space witnessed a turbulent April and has continued to build momentum in the mainstream in the month of May. Today I want to look at three of the top cryptos that investors may be considering in the spring. Let's jump in.

Bitcoin

Last week I discussed whether Bitcoin could [bounce back](#) from its April dip. Bitcoin nearly reached an all-time high of US\$65,000 in the middle of April. However, it soon fell victim to a perfect storm of technical issues and concerning rumours.

On the weekend of April 17-18, a power outage in the Chinese Xinjiang region was believed to have disrupted the broader crypto market. The computing power behind the network's security suffered a 33% dive during the power outage. However, some experts contended that this was not a huge factor in Bitcoin's loss of momentum in the middle of April.

CEO Jesse Powell of the Bitcoin exchange Kraken warned in April that a regulatory crackdown on crypto was imminent, which managed to spook investors. Certainly, comments from top authorities have not helped. United States Treasury Secretary Janet Yellen has lobbed criticism at Bitcoin. Warren Buffett and Bill Gates have also warned against investment in crypto.

The **Purpose Bitcoin ETF** ([TSX:BTCC.B](#)), which is the first Bitcoin-focused exchange-traded fund launched in Canada, has climbed 2.6% since its debut. This demonstrates that Bitcoin's gains have been somewhat muted since the end of the winter. Investors will therefore want to see more momentum to justify the exposure to Bitcoin's volatility.

How Ethereum became a top crypto

When this year started, I [discussed](#) whether Bitcoin or **Ethereum** was the better hold. Ethereum has grown into the second-largest digital currency by market cap since its inception on July 30, 2015. The

price of Ethereum rose over US\$4,000 for the first time in its history over the past week. It has managed to gain momentum while other cryptos have floundered.

Unfortunately, Canadians do not have the option of adding an Ether-focused ETF. Meanwhile, they *do* have the opportunity to stash the **Ether Fund**. This fund has climbed 203% in 2021 at the time of this writing and is up 496% from the prior year.

Who says an investment can't start as a joke?

Dogecoin was launched back in 2013 as a sort of joke payment system. Unsurprisingly, it has gathered significant momentum with the broader crypto market. Elon Musk, who has injected himself into the crypto conversation in 2021, has routinely referenced Dogecoin. This has stirred controversy, though many of these comments may have been made with his tongue firmly planted in his cheek!

The price of Dogecoin has dropped sharply from its all-time highs on May 8 after Elon Musk's appearance on *Saturday Night Live*. He appeared in a skit during which he referred to the digital currency as a "hustle." Comments on comedy sketch shows aside, Dogecoin is another volatile hold in this space.

Crypto's rise has coincided with a massive Bull Run in broader global markets since the March 2020 market pullback. Markets have seen the benefits of multi-trillion-dollar rescue packages, especially in the United States. This surge in liquidity could continue to prop up digital currencies of all varieties in the months ahead.

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Date

2025/08/27

Date Created

2021/05/11

Author
aocallaghan

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