



Dogecoin Price: Could it Go up 100% Again?

Description

May 2021 hasn't been good for cryptocurrencies. Bitcoin, the premier cryptocurrency and the forerunner of the crypto investing trend, is down 27% from its recent peak. Speculators and market experts are pointing to several factors, but the two most prominent ones would be Elon Musk and China.

Elon Musk said he was worried about Bitcoin's impact on the environment, which is an argument most people against Bitcoin use quite frequently. He also made an ambiguous statement about **Tesla's** Bitcoin holdings (which he later corrected). China, however, has been cracking down hard on Bitcoin transactions.

The combination of these two factors pushed Bitcoin off the cliff. But if Elon's influence over the crypto community allows him to facilitate the downfall of the world's most famous crypto, can he leverage his influence to push the Dogecoin price to the moon?

Dogecoin's chances of going double

[Dogecoin](#) has been around since 2013. It officially started out as a joke but got a lot of attention right from the beginning, partially due to the meme community and partially because it had a different proof of transaction method than Bitcoin. It has two now well-known founders, but somehow, Elon Musk took it upon himself to make this joke crypto famous, and he declared himself the Dogefather.

His "efforts" and a trend to push the value of Dogecoin to US\$1 (started on TikTok) caused this particular crypto to grow at an impressive pace. It peaked in May, and the value reached US\$0.7, but it has come down substantially from that peak.

It might be the general "declining" aura of the crypto market, or Dogecoin might be going down for good. Still, if Elon or some other factor causes the price to spike again and it actually reaches its US\$1 price point, it will go up more than 100% from its current valuation.

Buy low

If you want to get into the action of Bitcoin, Dogecoin, or any other cryptocurrency, but you don't want to complicate your taxation by handling the crypto directly or can't cross the price barrier, an indirect way to gain exposure would be through a [Bitcoin-related stock](#) like **HIVE Blockchain Technologies** ([TSXV:HIVE](#)). The stock has come down 54% from its yearly peak, and with the direction in which Bitcoin is going, the stock might have yet to reach its full "depth" potential.

If you believe that Bitcoin will make a recovery and the current dip is just one of the cycles the currency goes through, then you might consider buying HIVE when it reaches rock bottom — i.e., somewhere around the time Bitcoin starts spiking again. The stock magnified the gains a Bitcoin investor would have gotten by investing in the crypto directly, and it might be able to repeat the feat.

Foolish takeaway

Cryptocurrencies have the potential to make you rich fast, and most such assets and investment opportunities carry a higher-than-normal risk. If you have the risk appetite for it *and* dispensable cash, Dogecoin might be a powerful investment, especially when it reaches rock bottom. But instead of focusing solely on Doge, it might be advisable to diversify your crypto investments a bit.

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Author
adamothonman

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