



Forget Bitcoin! 3 Reasons Why Ethereum Is Superior

Description

The 2008 global financial crisis brought economic shock that caused even top American banks and financial institutions to request government bailouts. Soon after, the first cryptocurrency was established. Satoshi Nakamoto, a person or entity, is the presumed Bitcoin (BTC) developer in 2009.

Since then, the digital currency has become very popular, even if the creator's identity remains unknown today. Bitcoin rose to fame and introduced crypto investing. Fast forward to 2021, and it's still the face of cryptocurrency.

Despite ruling the space, Bitcoin hasn't erased its image as a [highly volatile asset](#). Now, there's a contender to the cryptocurrency throne. Ethereum (ETH), the world's second-largest cryptocurrency, could overtake Bitcoin, because it brings so much more to the table.

Not a pure cryptocurrency

Ethereum was created to compete with Bitcoin but in a different way. The rival isn't a pure cryptocurrency like Bitcoin, which focuses only on the store of value and an alternative medium of exchange to traditional fiat currencies. The creator built a platform where Ether is the native cryptocurrency.

The blockchain platform run programmatic contracts and applications through its own currency. For the layman, Ethereum's functions are similar to the **Apple** or Android app stores.

Unlimited supply

Bitcoin has a hard cap of 21 million, which means miners can't exceed the volume. As of February 24, 2021, the reported number in circulation is 18.5 million. Thus, miners will exhaust the supply when it unlocks 2.5 million more. No one is certain whether the Bitcoin network protocol will change after miners achieve the maximum limit. Ethereum doesn't have an issuance limit yet, so the supply is indefinite and increases every year.

More adaptable to current needs

Some crypto investors believe the evolving Ethereum platform adapts to the current needs, especially if you're banking on the future of its blockchain platform. Grayscale Investments' research director Phil Bonello said, "Investors often look at Ethereum as a growth-type investment, making a bet on the continued development of the decentralized ecosystem built on Ethereum."

Bonello discusses [non-fungible tokens](#) (NFTs); an investor bought NFT art in an auction for US\$69 million. Ethereum is the blockchain that hosts NFTs. The new asset could be photos, audio, videos, and other types of digital files.

Ether ETF

Canadians who want exposure to Ethereum can invest in the stock market via **Purpose Ether ETF** ([TSX:ETHH](#)). Purpose Investments, the company behind the world's first physically settled Ether ETF, is the same group that launched the **Purpose Bitcoin ETF**.

The Ether exchange-traded fund debuted on April 20, 2022, and currently trades at \$11.35. According to Purpose Investments, investors can own a piece of history with its Ether ETF. You don't have to worry about the tokens' security or custody, because you don't need to create a digital wallet or have a key.

You buy real Ether when you invest in the ETF. When you hold the ETF, you also have actual Ether in your portfolio. The ETF trades like regular stocks. Purpose Investment says it's eligible in a Tax-Free Savings Account or Registered Retirement Savings Plan.

Developing rivalry

BTC owns the first-mover advantage in the cryptocurrency market, although ETH poses a serious challenge. Canadian investors can forget about owning cryptos. If you think ETH is better, consider Purpose Ether ETF that invests directly in physically settled Ether tokens.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. TSX:ETHH (Purpose Ether ETF)

PARTNER-FEEDS

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

Category

1. Investing
2. Tech Stocks

Date

2025/07/21

Date Created

2021/05/31

Author

cliew

default watermark

default watermark