



## Forget \$50,000: Could Bitcoin Hit \$100,000 in 2021?

### Description

Bitcoin recently crossed the US\$50,000 threshold, a three-month high, a breath of fresh air for crypto investors after an almost 50% drop. The current momentum seems strong enough to carry Bitcoin to the previous peak and possibly farther, and it's not the only crypto on the mend. Ethereum has grown 52% in value in the last 30 days, while litecoin is just a little behind with a 49% growth in the same period.

Crypto *is* recovering as a whole, but we've yet to see whether it's a long-term recovery or a temporary spike. More importantly, how high can cryptocurrencies like Bitcoin be likely to climb during this spell?

### Is Bitcoin going for a US\$100,000 price tag?

In a word, yes. A decent number of experts are expecting the world's premier cryptocurrency to reach US\$100,000 [before the year ends](#). It's actually a step down from a relative minority of experts who believe that Bitcoin has the potential to reach a half-million-dollar price tag in the next few years. While the current momentum might not be enough for that, a US\$100,000 price is certainly attainable.

One reason for this is that the crypto adoption rate is picking up pace. It grew 880% between June 2020 and July 2021. More and more businesses around the globe are researching the viability of bitcoin as a medium of exchange, and more institutional investors are now interested in crypto. Tesla alone owns 42,000 bitcoins.

But all is not well in the crypto realm. China's crackdown on miners has triggered something called the "great mining migration." Thousands of machines are being moved out of and will be moved from China to more favourable countries, which is quite a costly process. Still, that's not enough of a detriment in the progress of Bitcoin, and the movement to US\$100,000 might continue without a dip.

### A stock to consider

If the actual cryptocurrency is not your cup of tea and you still want to capitalize on the potential 100%

growth, you may consider gaining indirect exposure via a crypto mining company like **Hut 8 Mining** (TSXV:HUT)([NASDAQ:HUT](#)). [The stock](#) is already tracing the rise of Bitcoin at a slightly magnified rate. The stock has already grown 64% in the last 30 days.

Another good reason to consider this stock is that it's quite appropriately valued. The price-to-book is 3.5 times, and price-to-earnings is 22.9 right now, making it almost fairly valued.

And since the stock has already gained momentum, the sooner you decide to make a move, the more growth you are likely to capitalize on, and since many investors might not start selling the moment Bitcoin starts dipping (assuming it will come back), you may have a sizeable window to exit the position and realize decent gains.

## Foolish takeaway

Bitcoin is on the rise, and even if it doesn't reach US\$100,000, the current momentum is well-poised to take the crypto farther than its recent peak. If you invest directly in Bitcoin, anything short of the US\$100,000 mark would mean that you don't double your investment. But given that crypto [growth stocks offer](#) "magnified" exposure, you might get 100% growth even if crypto falls short.

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