



Better Buy: Shiba Inu vs. Dogecoin

Description

We're living in the era of meme coins.

And two coins are leading the charge:

Shiba Inu and **Dogecoin**.

Both of these coins rallied massively this year before giving up some of their gains. Shiba Inu rose last month before giving up its gains last week. Dogecoin, for its part, saw a massive gain earlier in the year then fell starting in early May. Both coins are still way up year-to-date. Dogecoin is up a handsome 5,660%, while SHIB is up an astonishing 73,000,000%!

Naturally, these kinds of returns are going to tempt investors. Cryptocurrencies, especially meme coins, are very risky, but it's natural to be tempted by their potential for outsized returns. In this article I will outline some potential reasons to invest in SHIB and DOGE, so you can decide which one is better for you.

The case for Shiba Inu

The main thing Shiba Inu has going for it right now is hype. The coin is one of the [most talked-about](#) cryptocurrencies [in the world](#), as its multi-million percentage return is being heavily covered by the media.

It's been a great run. But make no mistake: these gains have nothing to do with fundamentals. SHIB rose because some investors decided they liked it and because word got out. There is no way to predict how long this crypto will keep making gains. But if—and this is a big “if”—the hype remains, it could start rising again.

The case for Dogecoin

The case for Dogecoin relative to Shiba Inu coin is that it is actually being used in the real world. Several business owners have reported large volumes of DOGE transactions at their companies. Mark Cuban said that it was the crypto [most used to make purchases at his businesses](#), and Elon Musk said that he saw his employees using the coin. This is pretty encouraging. Not all cryptocurrencies are ever used as currency, but Dogecoin apparently is. So it's one crypto backed by something more than mere speculation.

This investment is safer than both

Having laid out a case for SHIB and a case for DOGE, I'll lay my cards on the table:

I wouldn't touch either of these coins with a 10-foot pole. Sure, Dogecoin is sometimes used to make purchases, but both of these coins are fundamentally vehicles for speculation. Their future price movements are fundamentally impossible to predict.

But there's still a strong case to be made for investing in crypto. Its real-world adoption is slowly but surely moving along, and we've reached a point where some countries accept **Bitcoin** as legal tender. So I would consider investing in one of the safer, more conservative crypto investments out there, such as the **Purpose Bitcoin ETF** ([TSX:BTCC.B](#)).

Purpose Bitcoin ETF is an exchange-traded fund that holds Bitcoin. It doesn't hold any assets other than that. You might wonder why, then, you should hold it instead of holding Bitcoin or some other crypto directly. The answer has to do with taxes: 50% of direct crypto holdings are taxed at your marginal tax rate. So if your marginal tax rate is 50%, then you'll pay a 25% tax on crypto holdings. That's always the case with crypto. But you can hold an ETF like BTCC.B in a Tax-Free Savings Account (TFSA) and pay no taxes whatsoever. So if you realize a big gain, the 1% annual management fee will prove to have been well worth it.

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