



4 Top Bitcoin ETFs You Can Invest in Right Now!

Description

If you are looking to gain exposure to **Bitcoin**, you can do so by either purchasing the digital asset on a [cryptocurrency](#) exchange or by adding a Bitcoin ETF (exchange-traded fund) to your portfolio.

Here, we'll take a look at the top four Bitcoin ETFs you can buy right now and benefit from market-beating gains, especially if the ongoing bull run in the cryptocurrency space continues to gain pace in 2022.

Purpose Bitcoin ETF

An ETF that trades on the TSX, **Purpose Bitcoin ETF** ([TSX:BTCC.B](#)) has \$1.8 billion in assets under management. It is the first physically settled Bitcoin ETF available to investors with a management expense ratio capped at 1.5%. So, investors can easily gain access to the world's most popular digital asset at a click of a button without having to worry about digital wallets or keys and skip the hassle of self-custody.

When you purchase Purpose Bitcoin ETF, the fund purchases Bitcoin with your investment. So, you hold actual Bitcoin in your portfolio by buying the ETF. As of November 16, the Purpose Bitcoin ETF held 24,300.87 Bitcoins. Further, you can also hold the ETF in registered accounts such as the TFSA or RRSP and benefit from tax-deferred or tax-free gains.

Grayscale Bitcoin Trust

One of the largest Bitcoin ETFs in the world, **Grayscale Bitcoin Trust** (OTCMKTS:GBTC) is traded on the OTC markets. While there is no minimum investment required to buy the Purpose Bitcoin ETF, you need at least US\$50,000 to gain access to the Grayscale Bitcoin Trust. In a way, this ETF targets high-net-worth individuals and charges a 2% sponsor's fee annually.

With close to US\$39 billion in assets under management, Grayscale Bitcoin Trust has returned 39,835% to investors since its inception. In the last 12 months, it has returned 240.5%.

If you are located in the U.S., shares of Grayscale Bitcoin Trust are eligible to be held in certain IRA, Roth IRA, and other brokerage and investor accounts.

ProShares Bitcoin Strategy ETF

Launched in October 2018, **ProShares Bitcoin Strategy ETF** (NYSEARCA:BITO) is the first Bitcoin-linked ETF in the U.S. that offers you an opportunity to gain exposure to Bitcoin. The ETF aims to provide capital appreciation through managed exposure to Bitcoin futures contracts. Unlike the other two ETFs mentioned here, ProShares Bitcoin Strategy ETF does not directly invest in Bitcoin. In fact, the price of Bitcoin futures should be different from the spot price of the digital asset.

VanEck Bitcoin Strategy ETF

Another ETF that seeks capital appreciation by investing in Bitcoin futures contracts, **VanEck Bitcoin Strategy ETF** (NYSEAMERICAN:XBTF) is actively managed and offers exposure to Bitcoin-linked investments. The VanEck Bitcoin Strategy ETF claims to be the lowest-linked Bitcoin ETF on the U.S. market.

Launched this week, the ETF [has less than US\\$10 million](#) in assets under management, and this figure should move higher, driven by the widespread adoption of cryptocurrencies.

The Foolish takeaway

All the ETFs in this article simplify the complexities related with direct Bitcoin ownership. However, the volatility associated with cryptocurrencies makes investing in ETFs a high-risk bet. It's advisable to invest as much as you can afford to lose in the highly disruptive asset class.

CATEGORY

1. Cryptocurrency
2. Investing

TICKERS GLOBAL

1. TSX:BTCC.B (Purpose Bitcoin ETF)

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Date

2025/07/07

Date Created

2021/11/18

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