



## 5 Predictions for the Cryptocurrency Industry in 2022

### Description

Over the last couple of years, there has been a tonne of optimism around the cryptocurrency industry. But perhaps as we head into 2022, the hype and excitement surrounding the long-term potential of the cryptocurrency industry is at the highest it's ever been.

So, as we head toward the new year, here are five of my predictions for the cryptocurrency industry in 2022.

### Bitcoin continues its domination of the cryptocurrency industry

**Bitcoin** was the first cryptocurrency created and continues to be the most valuable cryptocurrency by far. It currently makes up a whopping 40% of the total [market cap](#) of all cryptocurrencies.

Bitcoin does have a lot of drawbacks, though, that other cryptocurrencies have addressed. Many think that it's only a matter of time before a better cryptocurrency that is used strictly for payments can threaten its dominance.

I don't see that happening for a while, though. While I could see Bitcoin's percentage of the total market value of all cryptocurrencies fall, I would still expect it to remain the most valuable cryptocurrency through 2022.

### Ether closes the gap to Bitcoin

While I expect Bitcoin will still be the most valuable cryptocurrency in the industry at the end of 2022, I expect **Ether**, the native token of Ethereum, to close the gap.

Right now, while Bitcoin accounts for 40% of the total cryptocurrency market cap, Ether accounts for 20% of it.

The two are clearly the most dominant. But there is certainly more potential for the industry to grow through all the potential that smart contracts offer, which is the main difference between Ether and Bitcoin.

This is why Ether is one of my top recommendations for 2022, as it should continue to close the gap to Bitcoin.

## **DeFi will continue to gain popularity and help the cryptocurrency industry to grow**

Another reason I believe Ether and other blockchains with smart contract functionality will continue to rally in 2022 is due to my belief that [decentralized finance](#) (DeFi) will continue to gain in popularity through 2022.

Decentralized finance is one of the top reasons why so many investors have gotten into the crypto space. There is certainly a tonne of risk with investing your capital into DeFi apps. However, there is a tonne of opportunity for these tokens to not only soar in value but for investors to earn passive income, too.

Plus, over time, I'd expect new projects to launch and more innovation to help drive the growth of DeFi and the cryptocurrency industry in general.

## **Metaverse projects will continue to soar in 2022**

In addition to DeFi, I believe the number of users looking to learn about and start investing in the metaverse will grow as well. There are different metaverse projects ongoing at the moment, whether it's from a massive company like **Meta Platforms** or a decentralized protocol like Decentraland, which has the native token **MANA**.

There have already been countless news pieces highlighting the impressive gains some investors have made buying and selling real estate in the metaverse. As more investors are intrigued and look to gain exposure to the space, I'd expect that metaverse projects will be some of the best performers in the cryptocurrency industry during 2022.

## **Play-to earn games and their tokens will be some of the biggest gainers in 2022**

Lastly, in addition to the metaverse seeing a massive increase in popularity through 2022, I believe that play-to-earn video games will also become a lot more popular.

Right now, there are still many who have yet to hear of play-to-earn games. In addition, there are still

only a handful of high-quality games that seem worth playing. However, already the potential for this industry is showing, and it looks like it could offer some incredible rewards to investors.

Already this year, we've seen the likes of games such as Axie Infinity (which has the native token **AXS**) skyrocket in value. And the game still isn't even fully developed yet. So, as these games continue to add more features and new games are launched, I'd expect play-to-earn video games to be one of the fastest-growing areas of the cryptocurrency industry in 2022.

## CATEGORY

1. Cryptocurrency
2. Investing

## PARTNER-FEEDS

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

## PP NOTIFY USER

1. danieldacosta
2. kduncombe

## Category

1. Cryptocurrency
2. Investing

## Date

2025/07/19

## Date Created

2021/12/23

## Author

danieldacosta

default watermark

default watermark