



## Cryptocurrency: Why Today's Selloff Is the Biggest Bargain of 2022

### Description

Cryptocurrency stocks continue to drop in today's market. Investors around the world wanted in on the next big thing, and they got it with crypto stocks. However, as inflation rises, the pandemic wages on, and interest rates bump up, it has many wanting out.

This has led to cryptocurrency companies and stocks dropping across the board. **Bitcoin** ([CRYPTO:BTC](#)) dropped by 13%, and **Ethereum** ([CRYPTO:ETH](#)) dropped by 23% in the last month alone. This is after both reached all-time highs in 2021.

This year is certainly not off to a great start. But that also means cryptocurrency stocks could offer the biggest bargain in 2022 — one that's not going to last long.

### Major drop to incredible recovery

While cryptocurrency may be down, certainly don't count it out. **GameStop** became the most recent target of cryptocurrency hunters after announcing it would expand into the world of non-fungible tokens (NFT). This saw shares rise 14% for the meme stock, yet those gains were then almost immediately lost.

It's important to first realize that 2021 was weird, to say the least. Young people entered the market in droves, with cryptocurrency taking the lead, as tech stocks and other themes soared as well. Everyone wanted the gains they saw in 2020, but those came after a major crash, and they aren't something future investors should count on.

So, it seems like in 2022, there is already a shift towards normalcy. Cryptocurrency like Bitcoin and Ethereum started to drop, which led to many taking their returns. And that's all right! But now might be the time long-term investors want to get back in.

### What to expect in 2022

The excitement of 2021 is unlikely to [shift](#) over to 2022. Well, at the beginning of the year it may be not as much exciting as it will be dramatic. Shares continue to drop across sectors that saw major gains last year. But when the smoke clears, normalcy will reign supreme.

What that normalcy could look like in 2022 is, of course, anyone's guess. But analysts have some idea. They believe investors should keep their expectations in check. A normal market means there are both ups and downs. And that will remain true for cryptocurrency. And it's why long-term investors need to have patience. While over the next year, you may not see major gains, as we did in 2021, in the long run, cryptocurrency is likely to continue on its pace upwards.

## What investors should do now

If you're looking to get in on cryptocurrency, that's great. But Bitcoin and Ethereum are still volatile areas of the [market](#). Even the exchange-traded funds (ETFs) that offer at least some versatility aren't likely to be immune from the volatile market.

That being said, I would therefore recommend in this next year taking a hard look at your portfolio. Are there stocks that made you incredible gains? Sell them and reinvest in some safer companies. Do you have a lot of risk? Again, think of putting shares elsewhere, whether that's ETFs or banks — wherever.

Then put aside maybe 10% of your portfolio for something fun and a bit risky like cryptocurrency. That way, if things go sideways, you can have the patience to wait for a rebound.

With all that in mind, cryptocurrency now offers a substantial chance for long-term investors to get in while the market is down. When it does eventually level out, there may indeed be dips, but there are unlikely to be drops in the near future like we've seen. So, now is your chance to buy at a bargain and hold on for decades.

### 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. alegatewolfe
2. kduncombe

**Category**

1. Cryptocurrency
2. Investing

**Date**

2025/09/28

**Date Created**

2022/01/11

**Author**

alegatewolfe

default watermark

default watermark