



Here's Why Bitcoin's Selloff Shouldn't Last Much Longer

Description

For a few months now, **Bitcoin** ([CRYPTO:BTC](#)) and the rest of the [cryptocurrency industry](#) have been selling off. While initially, it was only a slight pullback, lately, the crypto industry has been mirroring the stock market. In total, Bitcoin is down 36% from its high, and the total cryptocurrency is off by roughly 30%.

And the biggest reason stocks are selling off is due to the expectation that there will be several interest rates later throughout the year.

Right now, Bitcoin and the rest of the cryptocurrency industry are treated much like high-growth stocks, specifically tech stocks. And while Bitcoin, specifically, has seen a tailwind from higher inflation (which higher interest rates would negatively impact) there are far more reasons to invest in both Bitcoin and other high-potential cryptocurrencies.

So, with the opportunities created by cryptocurrencies, this selloff isn't sustainable, especially as development in the sector continues to progress rapidly each day. In addition, there are still plenty of high-net-worth individuals, companies and institutions looking to gain exposure in addition to all the retail investors showing interest.

Mike Novogratz, a cryptocurrency billionaire and CEO of **Galaxy Digital Holdings**, a financial services company that services the cryptocurrency industry, recently said in an interview with *CNBC* that crypto's latest move down has been on low volume. In addition, he mentioned that there is a "tremendous amount of institutional demand on the sidelines."

So, if you're looking to take advantage of this significant dip in cryptocurrencies prices, here's how to gain exposure to Bitcoin.

How to gain exposure to Bitcoin

Nowadays, due to all the popularity of the industry and thanks to all the innovation, there are several ways to gain exposure to Bitcoin.

First off, you can buy the coin itself on the Bitcoin blockchain. To do this you would need to buy Bitcoin on a cryptocurrency onboarding app, or a cryptocurrency exchange, then send it to your own personal wallet. However, in addition to buying BTC on-chain, you can also gain exposure to BTC on **Ethereum's** ([CRYPTO:ETH](#)) blockchain.

The difference is that owning Bitcoin on-chain means you can only use it as a currency to send and receive financial transactions. On Ethereum's blockchain, you can use the **Wrapped Bitcoin** ([CRYPTO:WBTC](#)), which is [exchangeable one for one](#) with on-chain BTC, for decentralized finance (DeFi) purposes. This might be a better use for many investors who want to try and earn a yield on their crypto investments and participate in the growth of DeFi.

On top of buying actual cryptocurrency, there are also several stocks that you can buy if you're bullish on Bitcoin. There are Bitcoin-mining stocks, such as **Hut 8 Mining**, but also several ETFs to consider as well.

You could buy an ETF such as the **CI Galaxy Bitcoin ETF**, which is offered by Mike Novogratz's Galaxy Digital and gives you direct exposure to Bitcoin, without the hassle of having to buy it yourself. In addition, you could consider a Bitcoin Yield ETF, which uses a [covered-call strategy](#) to generate a distribution for investors.

Bottom line

Right now, cryptocurrencies such as Bitcoin offer investors a tonne of growth potential, but it's crucial to look at them as long-term investments.

So, although these assets can be highly volatile, if you truly believe in the long-term potential of the blockchain industry, then buying high-quality cryptocurrencies while they trade at a significant discount is one of the best opportunities there is today.

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