



Shiba Inu Continues to Fall, Should You Buy the Dip?

Description

Shiba Inu ([CRYPTO:SHIB](#)) has been one of the most interesting cryptocurrencies to watch from the sidelines in 2021. However, if you're thinking of buying the cryptocurrency because it looks cheap today, it may not be the best idea.

Even with the price down by 71%, there are several cryptocurrencies that offer better potential. Here's why.

Here's why Shiba Inu might not be the best cryptocurrency to buy

Shiba Inu, which naturally marketed itself to **Dogecoin** ([CRYPTO:DOGE](#)) investors (given the name of the token is the same breed of dog as on Dogecoin's logo), gained a lot of popularity quickly. This resulted in the [token](#) gaining tonnes of value and some investors earning massive rewards.

And as is typically the case, especially in recent years, when an asset like Shiba Inu rises quickly in value, it naturally attracts heaps of attention.

The issue with Shiba Inu and why it's not worth a long-term investment is that there's nothing special about the token. It's not that it doesn't have use cases, but the use cases it does have, are the same that many other cryptocurrencies have.

So while Shiba Inu could have some value, it's nowhere near a top 20 cryptocurrency. Therefore, even today, at 71% off its all-time high, which it reached just three months ago, it still, in my opinion, has more downside risk potential than upside reward. And what's interesting is that back in October as well as in the summer, when Shiba Inu saw its biggest gains, its use cases were far fewer than they are today.

This just goes to show the speculation that's gone on from many in the market. So not only is it riskier than other cryptocurrencies due to all this speculation, but it's also overvalued.

Right now, Shiba Inu is the 14th most valuable cryptocurrency and worth more than several other popular blockchains, [decentralized exchanges](#), and play-to-earn game cryptocurrencies. So although it's down significantly from its high, it still looks overvalued today.

Is it possible SHIB could still rally?

Although Shiba Inu is just another **Ethereum** ([CRYPTO:ETH](#)) token that offers many of the same use cases as others, that doesn't mean it can't rally in the short term. I wouldn't try to speculate because it could be quite risky, and I also wouldn't buy for the long haul because there are better opportunities. But that doesn't mean that it couldn't rally tomorrow as the result of some positive news, such as a new exchange deciding to list it.

If you're looking to find a high-quality cryptocurrency that you can buy and hold for years, though, one I would suggest today is **Fantom** ([CRYPTO:FTM](#)).

FTM is the native token of its own blockchain, an Ethereum-compatible chain that's been gaining popularity rapidly. Not only does this already make it a better long-term investment than Shiba Inu, but Fantom's [market cap](#) is also less than half of Shiba Inu's.

Fantom is a much better investment because almost anything of value that you can do with Shiba Inu, you can also do with Fantom. However, there are other natural reasons that give FTM value, such as the fact that you need it to pay for transactions on Fantom's blockchain.

So if you're looking to invest in cryptocurrencies, I'd stick to ones that offer exposure to high-quality, high-potential projects.

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