



## Why Solana Could Be the Cryptocurrency to Own in 2022

### Description

One of the best performers in 2021 in the [cryptocurrency](#) world, **Solana** (CRYPTO:SOL) has inspired a tremendous amount of interest from retail investors of late. Many believe this is a top blockchain network that could continue soaring long term.

However, this year is proving to be a difficult one for cryptocurrencies and risky assets in general.

What will 2022 have in store for Solana? Let's dive into the bull case behind Why Solana could be a great pick in 2022.

### A rapidly growing ecosystem

One of the key reasons investors have piled into Solana this year is the size of this token's underlying ecosystem. Different valuation models predict a token's worth, based on the utility that a particular blockchain creates. So, a blockchain with more projects would be theoretically valued higher.

Solana features smart contract capabilities coupled with a proof-of-stake (PoS) validation protocol. This implies that, similar to **Ethereum**, different decentralized finance projects can be created on Solana. Hence, this cryptocurrency has witnessed significant growth in its market share lately.

However, the primary factor that leads to Solana's popularity is the network's relatively low fees and high transaction speeds. This blockchain network comes with the capacity to carry out more than 50,000 transactions per second. This put Solana at par with major payment-processing companies. Moreover, the cost of transactions on Solana is much cheaper as opposed to other bigger networks such as Ethereum.

Various high-profile projects have been opting for Solana given its cost, speed, and NFT integration capacities.

## Huge addressable market

The recent continued traction Solana has seen is indicative of the immense opportunities in front of this crypto. Many experts believe the total addressable market of this cryptocurrency can be much bigger than what many of its investors expect. Solana is already a valuable player in the fast-growing NFT market.

Experts believe that the global decentralized finance market is currently worth roughly around \$200 billion. The NFT market has the potential to be a multi-trillion-dollar opportunity. Solana has a current market valuation that is slightly less than \$45 billion. Accordingly, there are many who believe that as Solana increases its market share, its underlying valuation could really soar over time.

## Bottom line

Solana is a robust and massively expanding blockchain network. However, similar to all other cryptocurrencies, this token provides a high-risk, high-reward opportunity. Those looking to invest in Solana amid this mass market de-risking should be aware of these risks.

That said, over the long term, I think Solana is a top token that should benefit from rising DeFi user and developer growth. I'm bullish on Solana and am looking at this dip as a potential buying opportunity here.

### CATEGORY

1. Cryptocurrency
2. Investing

### TICKERS GLOBAL

1. CRYPTO:SOL (Allbridge Bridged SOL (Near Protocol))

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### PP NOTIFY USER

1. chrismacdonald
2. kduncombe

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chrismacdonald

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