



2 Reasons to Buy Ethereum Right Now

Description

Is crypto simply a passing fad? Or will this sector continue to take off on a longer-term trek higher? For investors in top-tier [cryptocurrencies](#) such as **Ethereum** ([CRYPTO:ETH](#)), this is a key question many are asking right now.

Ethereum's recent price volatility has certainly been hard on investors' stomachs. Turbulent swings have seen ETH hit all-time highs late last year, followed by a halving in fewer than three months. This downward pressure undoubtedly has many investors concerned.

That said, let's dive into two reasons why investors may want to consider Ethereum on this recent dip.

Ethereum: A crypto creating tangible

As the lifeblood of the decentralized finance (DeFi) revolution, Ethereum's blockchain is often viewed as the mega-cap ecosystem upon which most intelligent life exists in the crypto universe. Now, there are other blockchains that are attempting to replicate Ethereum's success. But for all intents and purposes, this crypto favourite remains top dog for a reason.

The Ethereum ecosystem features more than 4,000 developers actively working on this blockchain network. Additionally, more than 40 top cryptocurrencies are fundamentally built on top of Ethereum. This cryptocurrency represents the largest developer and use case ecosystem by a country mile.

The blockchain's early introduction of smart contracts is largely responsible for this. Those bullish on the continued rise of DeFi ought to look at Ethereum first, before considering all the options.

This blockchain isn't sitting still

As mentioned, Ethereum is far from the only kid on the block. Other blockchains are innovating to provide similar value in a faster and cheaper manner.

In some ways, these competitors are gaining ground, and Ethereum investors should be concerned. Congestion on the Ethereum network has resulted in skyrocketing fees and slowing transaction speeds. Indeed, there are flaws that many investors reasonably point out could dissuade some developers from building on top of the Ethereum network.

That said, Ethereum is currently undertaking a series of updates that will bring its main net 2.0 online shortly. Ethereum 2.0 promises to be lightning fast, low cost, and address most of the issues with its existing network. A great deal of this has to do with the network's switch away from a proof-of-work validation model to a proof-of-stake model.

Besides being better for the environment, Ethereum should retain its status as the DeFi top dog — that is, assuming these updates go along as planned.

Bottom line

In the crypto world, there are few mega-cap tokens providing the risk/reward Ethereum does right now. This top token is my largest crypto holding and remains a token I'm bullish on over the long term. Should the Ethereum 2.0 update go well this year, I think investors could see a sharp rebound toward the latter half of 2022.

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