



2 Crypto Assets for Explosive Growth Potential

Description

Even though there are thousands of crypto tokens around the globe, many with dedicated and faithful communities, **Bitcoin** is often considered the “litmus” test to check the health of the crypto market. As the oldest, most well-known, and widely understood crypto-token, Bitcoin’s rise and fall tend to spur most investors to make investment decisions accordingly.

That’s more common with investors that don’t have in-depth exposure to cryptocurrencies and the crypto market, but that’s the majority.

And according to this litmus test, the crypto market is in trouble. Bitcoin itself has fallen about 44%, while **Ethereum**, the second-largest crypto, has fallen 47%. It’s scary and even devastating for investors that bought either token when they were on the rise, but the dip is also a great time to buy and take full advantage of the explosive growth potential of crypto assets.

An affordable crypto token

At \$1.3 apiece, **Cardano** ([CRYPTO:ADA](#)) is significantly more affordable than the giants in the industry. Right now, [the crypto](#) is not just affordable; it’s heavily discounted, as it’s trading at a 62% lower price than its 2021 peak value.

The last time this crypto token was this low was in April 2021, and it grew over 160% in under five months. But that’s almost nothing compared to its almost 8,000% growth from its early 2020 valuation to its recent peak. And even though it’s highly unlikely to reach the price it was trading at in early 2020, you shouldn’t miss the opportunity to buy the dip.

The reason is that despite being relatively younger crypto (started trading in 2017), it has climbed the ranks at a decent pace, and it’s already the sixth-largest crypto token by market cap. The team behind the crypto is quite dedicated and active, and Cardano is also making waves in the smart contract segment of the market. So, buying it when the dip reaches its final depth would be a smart thing to do.

A crypto stock

If you rather stay with the “big two” (Bitcoin and Ethereum), **HIVE Blockchain** ([TSXV:HIVE](#)) (NASDAQ:HVBV) is an interesting way to gain exposure to both without directly investing in the crypto tokens. As the first publicly traded [crypto miner](#), HIVE has enough history to draw parallels from. The stock usually lags behind the up and down movement of the underlying crypto assets, but it also has the potential to offer magnified growth.

In 2017, the stock grew by over 4,000% in under seven months. Bitcoin only grew about 1,000% during that time (over a longer period of one year). More recently, Bitcoin grew about 1,140% between a market crash and peak valuation, whereas the stock grew over 3,400%. The investment also gets ESG points since all of HIVE’s mining is done with renewable electricity.

Foolish takeaway

Crypto’s volatility helps it stand out, even among the relatively volatile pool of [tech stocks](#). But this volatility comes with explosive growth potential, making it a risk worth taking. Even if you make buying and selling decisions when the upward/downward trend is set and visible, you might turn in a higher profit in months than you might with most other stable growth stocks in years.

CATEGORY

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