



What's in Store for XRP This Year?

Description

Though the [cryptocurrency](#) space has been under pressure lately, some signs indicate that digital coins will become well-respected programming and financial tools. So, as a whole, there's reason to believe this "crypto winter" can't last forever, and the snow may be melting. Time will tell.

However, one token that's been under pressure for some time is Ripple's **XRP** ([CRYPTO:XRP](#)) token. The question many investors have is, can XRP have a better year in 2022?

Let's dive in.

Looking forward to finality on litigation

Generally speaking, whether it's a company or a crypto project, investors don't like litigation. When it's the Securities and Exchange Commission that's putting forward a lawsuit, even less so.

As I've touched on in recent pieces, XRP's biggest headwinds right now is the [SEC lawsuit](#) that was handed to Ripple, the parent company behind XRP, in late 2020.

That's right; this litigation has been pending for more than a year now. However, CEO of Ripple Brad Garlinghouse aims for a 2022 conclusion to the entire SEC drama. And he considers the conclusion of this litigation to potentially be a positive one for this project.

Garlinghouse stated that U.S. Magistrate Judge Sarah Netburn seems to understand the crypto market's complex nature, and that every digital asset must not be treated in the same manner. In other words, the CEO looks forward to a reasonably positive outcome fairly soon.

Be it for cryptos or stocks, investors don't like uncertainty. And the overhang from a lawsuit proves to be a big deal for them. In fact, investors prefer knowing that the underlying business model of their chosen investment won't face disruption in any major way.

Unfortunately, a series of hearing delays led this crypto to face a considerable amount of uncertainty

regarding this matter. However, now that investors can expect a resolution this year, there's reason to believe that certainty could be around the corner for this cryptocurrency.

Ripple payments system finding new real-world use cases

The Ripple payments system is finding new real-world use cases globally. For instance, Morocco's biggest bank joined the RippleNet blockchain network a few days back.

Also, in the summer of 2020, Spanish mega-bank Banco Santander joining the network. This financial institution also formed its own international payment services based on XRP and RippleNet.

Additionally, RippleNet's customer list features other blue-chip American lending institutions among its customers.

However, it's expected that XRP's growth as a cross-border payments solution is likely to be slower than usual until this SEC litigation is resolved.

Bottom line

XRP is certainly an interesting token to consider right now. On the one hand, Ripple has found a way to create tremendous utility via low-cost, fast, cross-border payments utilizing XRP and Ripplenet.

However, this ongoing SEC litigation is likely to continue to eat into investor sentiment — at least over the near term.

Accordingly, those looking to time the bottom on this token may have a difficult time. There's always the potential the SEC could prevail in its lawsuit and shut this project down. That's a worst-case investors hope won't happen, but some may think the risk is simply too high to justify an investment now.

Personally, I'm on the sidelines with XRP and will be until this litigation is resolved. Until then, this will be a fun token to watch from the sidelines.

CATEGORY

1. Cryptocurrency

TICKERS GLOBAL

1. CRYPTO:XRP (HarryPotterObamaPacMan8Inu)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media

6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. chrismacdonald
2. kduncombe

Category

1. Cryptocurrency

Date

2025/08/25

Date Created

2022/02/06

Author

chrismacdonald

default watermark

default watermark