



Why I Still Don't Invest in Cryptocurrency

Description

In the three-and-a-half years I've been writing for The Motley Fool, I have seen crypto prices rise and fall many times. I first started writing here in 2018, when a **Bitcoin** ([CRYPTO:BTC](#)) crash was underway. Shortly after that, Bitcoin and other cryptocurrencies rallied — a trend that continued through 2020 and the first half of 2021. Then in the second half of 2021, crypto started falling again. Today, Bitcoin is down about \$20,000 from its all-time high.

It's been a wild ride. At several points throughout this adventure, I considered buying a little cryptocurrency. Around August 16, just when Bitcoin was starting to recover from its summer 2021 rout, I wrote an article where I said that I had come around to BTC and was [considering taking a position](#). I was pretty serious about getting into crypto then, but I ultimately backed out. In this article, I will provide two reasons why I made that decision.

Banks have better payment solutions

One of the big reasons I'm still not sold on crypto is because it isn't extremely efficient as a payment method. Last year, there were a number of negative stories in the media, such as

- Long Bitcoin transaction times;
- High **Ether** gas fees; and
- People waiting hours for crypto transactions to close.

These stories frankly put me off. You could say to me, "That's just the media; you haven't seen it for yourself yet. Why not give it a try?" That's a fair point, but the highly reputable financial data provider YCharts says that [Bitcoin transaction confirmations currently take 25 minutes](#).

That is, quite frankly, inferior to the service that banks offer. Through a bank like **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), you can get

- Instantaneous credit card payments
- Nearly instantaneous e-transfers

- International wire transfers that take about a day
- No fees on most transfers within Canada

That's a pretty sweet deal. On the whole, TD's miscellaneous payment services look better to me than what crypto offers. I am aware that through exchanges like **Coinbase**, you can get bank-like speed, since the company records the transaction independently of the network. But to gain this advantage, you need to use an intermediary, which defeats the whole point of crypto (i.e., decentralization).

There are so many to choose from

Another issue I have with cryptocurrency is the sheer number of them that are available. According to various online sources, there are over 10,000 cryptocurrencies in existence. That's a lot to choose from, and it's not clear which one is the best.

At least some of these cryptocurrencies appear to have advantages over Bitcoin. For example, underdog **XRP** offers faster transaction times and lower fees compared to Bitcoin. Other "alt coins" like Ether, **Solana**, and **Dogecoin** hold these advantages over Bitcoin as well. It appears we have a situation where some of the newer cryptocurrencies being developed are technologically superior to the incumbent player. So, it's hard to say why Bitcoin should stay on top forever and even harder to say which alt-coin will someday take its place. For this reason, I prefer to stay away from crypto altogether.

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