



Could Bitcoin Return to All-Time Highs in 2022?

Description

This past year was an incredibly volatile one for most top [cryptocurrencies](#). Many top tokens, including **Bitcoin** ([CRYPTO:BTC](#)), hit all-time highs, but also saw significant drops. Unfortunately, 2022 has been a year that's seen more drops than surges for crypto investors.

Could Bitcoin break through the \$69,000 threshold and surge toward all-time highs this year? Or is the bear market for risk equities too strong?

Let's discuss.

There's still some enthusiasm from experts for Bitcoin

Bitcoin has been on a bumpy ride of late. However, over the past month, this top cryptocurrency has seen signs of life, [surging above the \\$45,000](#) level two weeks ago. Now back below \$40,000 per token, some recent investors may be getting antsy with Bitcoin's price action.

Fair enough.

However, various crypto experts taking the long view of Bitcoin appear to remain bullish on this token. A number of high-profile talking heads on the subject, from Cathie Wood to other high-profile analysts, have commented on price targets in excess of \$100,000 to as much as \$1 million by 2030.

Those are some bullish takes.

Most of this enthusiasm comes from the idea that Bitcoin could displace some of the institutional capital flows that typically go into gold or other safe-haven assets. As inflation surges, expectations are that "safe-haven" bets could continue to pick up steam. The question many have right now is whether Bitcoin fits the description of a safe-haven asset or not.

Other factors investors should consider

In addition to Bitcoin's comparison to gold, there are some other factors investors need to keep in mind with this top token. There's a scarcity argument that's often made due to how Bitcoin's supply is structured. There is a maximum supply of only 21 million Bitcoins in the world. Accordingly, similar to gold or other physical assets with limited supply, increased mining costs contribute to the underlying value of these tokens.

However, Bitcoin's increased correlation to risk assets such as equities has some investors on edge. As the stock market has plunged recently, particularly for highly valued equities, Bitcoin has followed suit. For those looking for a market hedge, Bitcoin has not represented the fundamentals many thought would be pervasive of late.

Bottom line

Should investors expect another surge to all-time highs this year? I think the jury remains out on this topic.

There's significant uncertainty in the market, which Bitcoin appears to be tethered to of late. That's not a good thing.

However, over the long term, Bitcoin has proven to be a strong investment from a return standpoint. Perhaps Bitcoin bulls will continue to be rewarded.

For now, I remain on the sidelines with respect to Bitcoin. However, this is a top token on my watchlist right now, and I'll continue covering this token as it surges and plunges in the future. That's the nature of the crypto space, after all.

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