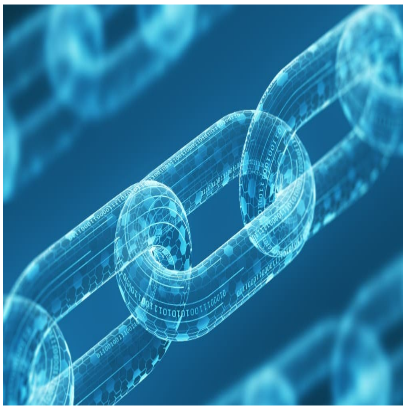

Attention! What Are the Crypto Whales Buying Right Now?

Description

A thread on social media platform **Twitter** analyzed the top 10 cryptocurrency wallets on DeBank. Let's see what the major takeaways from the thread were and what cryptocurrency whales actually buying right now.

Stablecoins

Most wallets hold stablecoins in order to trade in and out of different digital assets. Unlike most cryptocurrencies, stablecoins are backed by a reserve asset such as gold or the U.S. dollar. A stablecoin is a tokenized version of these underlying assets.

While **Bitcoin** can be used as a form of payment, the extreme price fluctuations make widespread adoption difficult. It does not make sense to invest in stablecoins, as they are pegged to a reserve asset. Instead, you can stake or lend these cryptocurrencies and create a passive-income stream.

Fantom

A blockchain platform launched in December 2019, **Fantom** (CRYPO:FTM) runs on a proof-of-stake consensus mechanism. It can execute thousands of transactions each second at a very low cost.

Further, Fantom is also compatible with Solidity, which is a programming language used to create smart contracts on **Ethereum** (CRYPTO:ETH). Right now, Fantom is already the sixth-largest DeFi platform with US$6 billion in total value locked.

Valued at a market cap of US$3 billion, the FTM token is down 70% from all-time highs, making it attractive to crypto whales.

Yield farming

Most of the wallets analyzed are staking their Ethereum tokens and have big positions in DeFi protocols such as **Aave**, **Curve**, and **Convex**, allowing them to earn a passive stream of income.

If you put your cryptocurrencies to work via lending protocols, you can earn generous returns. There are protocols where cryptocurrency holders can access the value of their holdings without liquidating their assets via overcollateralized loans.

The interest rate or annual percentage yield depends on the demand and supply of the underlying digital asset. The protocol part of the **Terra** ecosystem is called Anchor and provides lenders with a yield of 19.5%.

NFTs

Several wallets also have exposure to blue-chip NFTs, or non-fungible tokens. An NFT is created on a blockchain and is used to guarantee ownership of an asset in digital form. A majority of these NFTs have been launched on the Ethereum blockchain.

Here, artists can use NFTs and sell their paintings or creations to art collectors. So, the owner or creator of the NFT can also generate revenue via royalties when the art is used online. Similar to cryptocurrencies, NFTs are also highly risky, as they remain a speculative investment class.

Ethereum

Around 60% of the top 10 wallets have exposure to Ethereum, which is the second-largest cryptocurrency by market cap.

Launched in 2015, Ethereum was the first blockchain network to support smart contracts, which are computer programs that automatically execute when certain conditions are met. Smart contracts reduce the need for an intermediary, which reduces transaction costs while increasing reliability.

Additionally, Ethereum's blockchain can host other cryptocurrencies called tokens via its ERC-20 compatibility standard. This compatibility has been the most common use of the Ethereum blockchain as over 280,000 ERC-20 tokens have already been launched.

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