



## Should You Avoid Crypto for All of 2022?

### Description

We are already through the halfway mark, and the crypto has seen nothing but a decline in 2022. However, the probability of the slump continuing all the way to the end of the year is quite unlikely, especially considering that institutional investors and famous crypto advocates like Elon Musk haven't left the ship yet.

It's quite possible that cryptocurrencies will experience a recovery phase before the year is over. Or they may start a long-term bullish phase that may peak the next year. But even if the recovery and recovery-fueled growth is a serious possibility, not all crypto investments might be equally worthy.

### A crypto mining stock

As one of the first publicly traded crypto miners in the world, **HIVE Blockchain** ([TSXV:HIVE](#))(NASDAQ:HVB) already has a distinction compared to most other miners. But there are other things in its favour as well.

For example, its crypto mining focus includes both **Bitcoin** and **Ethereum**. And with the top two cryptos in its portfolio, one of which is also tied to NFTs, HIVE may be better positioned for recovery than most other miners.

However, the mining business is also a relatively risky investment right now. Crypto miners across the globe are handling the slump in their own ways. Some of them are tapping into their crypto reserves, which, at the current prices, is a less-than-ideal approach. Others are finding it difficult to manage their debt.

HIVE is not in either boat right now. It has a healthy debt-to-cash ratio, and it may be some time before it has to sell the Bitcoin it owns or mines to pay for the operational expenses. But if Bitcoin moves to a proof-of-stake consent mechanism, it will deal an unprecedented blow to the miners.

## A cryptocurrency

A cryptocurrency like **Solana** ([CRYPTO:SOL](#)) might be a much better pick than a crypto miner when the market finally starts recovering. Solana is one of the most rapidly growing cryptocurrencies in the world, and it's considered a major Ethereum alternative. It can offer much faster transactions, has a lower block time, and the gas fee is a pittance compared to Ethereum.

The cryptocurrency has fallen enough that if it just recovered to its peak value in 2021, it would grow your capital by six-fold if you buy now. And if it crosses that threshold and reaches new heights, say \$1,000 a unit, you can get 20 times returns if you buy now. For this level of growth, it might be smart to hold this crypto for one or even two decades — that is, *if* such growth is possible.

## Foolish takeaway

For many investors, [crypto investing](#) is too risky an endeavour right now. There is a lot of uncertainty in the market, and even investors willing to bet on crypto are still waiting for their favourite crypto assets to fall down further, so they can take full advantage of the discounts offered by this market slump.

### CATEGORY

1. Cryptocurrency
2. Investing

### TICKERS GLOBAL

1. CRYPTO:SOL (Allbridge Bridged SOL (Near Protocol))
2. TSXV:HIVE (Hive Blockchain Technologies)

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