



## Crypto Investors: Now What?

### Description

Crypto investors have had a hard 2022. Not only are growth stocks down, but the incredible gains made by cryptocurrency are all but lost. **Bitcoin** and **Ethereum** are both down from 52-week highs, 52% and 59% respectively, on the **TSX** today.

So what should crypto investors do now? Do you buy up these cryptos for a discount? Or is this set to be another bubble that will burst and never recover? Let's dig in.

### First off, why crypto?

Before you invest in anything, it's critically important that you understand what it is. There were a lot of crypto investors seeing it as a get-rich-quick scheme, and look how that worked out. Just as you would with anything in life, it's important not to hop on a bandwagon before knowing what you're getting into.

When it comes to crypto, investors should think about how it fits in with their long-term goals. Consider how long you want to hold it for. Is it for retirement? Do you need it in a few years? These factors should be carefully considered before getting into cryptocurrency.

So, if you're still interested in investing in cryptocurrency, make sure you understand it. There are plenty of resources out there to learn about [digital currency](#) for crypto investors, along with blockchain technology. Once you learn about it, you'll want to read the company's white paper. This should tell you about project developments, plans for future growth, and time frames. If the data isn't there, that's a bad sign. No white paper? That's a major red flag.

### Should you invest in a crypto winter?

The current economic environment for crypto investors has been dubbed a "crypto winter." Because of this, many experts suggest leaving crypto alone for now. And I mean that in two ways. First, you could opt to not buy crypto if it's anticipated to fall further, but I wouldn't necessarily sell either. It's going to remain volatile for a while, so if you've found a company you believe in, perhaps wait it out for better

days to come.

If you don't have an investment, consider saving up for when a recovery begins. In the meantime, do more research into the companies you're interested in. Stay up to date with what's going on, both privately and publicly as government institutions update their own digital currency. You may end up changing your mind about your investment down the line.

While you're saving, put aside only what you can. Don't assume you'll get a high reward from this high risk game. Crypto investors should only put aside each month what they're willing to lose in crypto. Because for the next few years, the scenario could remain unpredictable.

## When will it end?

The Canadian and American markets enjoyed some positive moves this past week. This has led some economists to believe there may be positive news for crypto investors in the next few weeks. But what it will likely come down to is the price of Bitcoin.

Should the price of Bitcoin stabilize, and move upwards, economists believe this could signal that a recovery is on the way. A rise in stocks usually leads to a rise in [cryptocurrencies](#). However, economists also warn that while a rebound could happen, another drop will likely follow.

So if a rebound begins, I would still stay away from crypto stocks for now. Crypto investors will likely want to wait until a sustained market recovery occurs before considering Bitcoin and other cryptocurrencies. In the last month, Bitcoin is up 4% and Ether is up 22%, but the month was filled with dips.

## Bottom line

Right now, crypto investors should stick to researching the industry and companies they want to hold long-term. Once financial institutions get back into cryptocurrency, with a market recovery underway, it may then be time to reconsider the industry. But until then, I'd recommend staying off this bandwagon.

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