Can Ethereum Overtake Bitcoin as a better store of value?

by Despina Karpouli

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Cryptocurrency never stops making the news headlines these days! And for good reason, as the bitcoin and cryptocurrency market price has soared over $2 trillion (https://www.forbes.com/sites/billybambrough/2021/04/05/bitcoin-and-crypto-market-smashes-through-2-trillion-as-the-price-of-ethereum-binance-coincointelecoin-and-ripples-xrp-suddenly-soar/). That's a lot of 'money!'

Earlier this week, BTC Maximalist and CoinDesk columnist Nic Carter predicted that Ethereum could overtake bitcoin (https://coinpedia.org/news/ethereum-could-overtake-bitcoin/).

Let's face it, the majority of the working class can't afford to buy even half a Bitcoin. Whereas the majority of people should be able to afford at least half or even a whole Ethereum coin.

Well, apart from Ethereum's obvious affordability over Bitcoin, what else will drive it to overtake bitcoin?

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Well, let’s turn to Billionaire Mark Cuban for some answers.

Laura Shin interviewed Cuban on her Podcast ‘Unchained’ about how *Ethereum may be a better store of value than Bitcoin* and this is what he said.

“I think the applications leveraging smart contracts and extensions on Ethereum will dwarf bitcoin. Bitcoin, right now, has evolved to be primarily a store of value, and it’s very difficult to use it for anything else. You really have to work a lot harder on bitcoin than you do on Ethereum.”

Cuban also explained that he expects [Ethereum’s long-awaited 2.0 upgrade](https://www.forbes.com/sites/billybambrough/2021/03/12/ethereum-cofounder-reveals-how-radical-upgrade-could-challenge-bitcoin-for-crypto-price-dominance?sh=7f6048c34058) will spark the development of apps that “dwarf” bitcoin.

This prediction coming from a man who once said he’d “rather have bananas than bitcoin,” and claiming that crypto is “too complicated” shouldn’t be ignored.

However, the [Dallas Mavericks](https://www.mavs.com/) owner has since befriended cryptocurrencies, praising the emerging decentralized finance space. The EDI is largely built on top of the second-largest cryptocurrency after bitcoin, which is Ethereum.

The price of bitcoin has famously soared around 700% over the last 12 months. And cryptocurrencies have continued to rise as Elon Musk continues with his somewhat comical tweets (which actually move the [price of bitcoin](https://www.forbes.com/sites/ronshevlin/2021/02/21/how-elon-musk-moves-the-price-of-bitcoin-with-his-twitter-activity/?sh=66505445d27b)) and super billionaire Jack Dorsey ([https://www.forbes.com/sites/billybambrough/2021/03/07/twitter-ceo-jack-dorsey-sparks-huge-bidding-war-as-400-million-nft-crypto-mania-spirals-out-of-control/?sh=638121667ce0](https://www.forbes.com/sites/billybambrough/2021/03/07/twitter-ceo-jack-dorsey-sparks-huge-bidding-war-as-400-million-nft-crypto-mania-spirals-out-of-control/?sh=638121667ce0)) giving it their seal of approval.

Additionally, Wall Street giants have also begun [rolling out bitcoin services](https://www.forbes.com/sites/billybambrough/2021/03/15/jpmorgan-is- eyeing-bitcoin-and-crypto-clearinghouse-options-amid-huge-price-rally/), with Mastercard and PayPal hopping on the bitcoin bandwagon too.

Something that’s gained quite a bit of traction lately is that big investors are worried that inflation may be on the brink of undermining the value of traditional currencies like the US dollar and this has further pushed interest into whether bitcoin can potentially counteract rising prices.

Can Harvey, senior adviser to [Research Affiliates](https://www.bloomberg.com/quote/3883706Z:US) and a professor of finance at Duke University seems to disagree with the former.

“Cryptocurrency’s history is too short to judge whether it can provide protection against rising prices.”

However, the huge bitcoin price rebound has been obscured by Ethereum and some other cryptocurrencies, with the Ethereum price adding a staggering 1,100% since April 2020.

Cuban expects that the coming upgrades to Ethereum, which aren’t expected for completion until at least the beginning of 2022, will “give some people a reason to use *Ethereum as a store of value over bitcoin.*”

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Cuban also told Shin, and this perhaps outweighs in importance and clarity of what he said previously.

“In a few years, I think Ethereum and maybe two or three other blockchains will have their place, and those will be the winners,” Cuban said, adding that he’s not about to sell his bitcoin but that he does “own a lot more” Ethereum than bitcoin.

In the meantime, perhaps choosing a cryptocurrency to invest in should be based on your current financial circumstances and what you can afford to spend.

So, weighing up whether to buy bitcoin or Ethereum is largely a personal choice at this point.

According to Cuban, we may not know which of the two cryptocurrencies hold more value until at least 2022.

Any investment should always be backed up by proper research. Always consult a financial expert and research, research, research! You can never do enough personal investigation into where you’re investing your hard-earned money!!


Note: The author is not a financial expert, and this article is not intended to provide any financial advice. The exerts in this article were sourced from credible sources and senior financial experts in the Cryptocurrency field.

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