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Long-Term Cryptocurrency Investments

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At present, long-term investment in cryptocurrency has proved to be profitable, but it is important that you understand the market before investing. Fortunately, long-term investment can be one of the simplest forms of investment, at least in theory. New investors may find it difficult to stick to their investments after more than 50% movement in either direction.

There are many mature cryptocurrencies in the market. In the long run, many of these assets have completely appreciated. Many of these assets have a market value of billions of dollars, and we will focus on cryptocurrencies with the largest market value, because many of these investments have the best long-term potential.

Long-Term Investments of Cryptocurrencies

This type of cryptocurrency investment means that you expect its price to increase over time – usually an investment that must be maintained for at least six months to a year. In some cases, long-term cryptocurrency investors plan to hold their investments for decades. Investment can be divided into parts, and the dollar cost averaging method is a good strategy for many investors.

Many long-term investors can also earn interest when holding digital assets. If you hold bitcoin, Ethereum or other cryptocurrencies, you might as well earn interest from them to accumulate more coins in the long run. Platforms like hodlnaut make it possible for you to earn up to 12% interest on your digital assets.



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Benefits of Long-Term Investment of Cryptocurrencies

Long term investments in cryptocurrencies have three main benefits.

- Historically, it is effective. In five years, some indexes showed similar returns. The S & P 500 generally returns 60% over five years, while the FTSE 100 returns 25% over the same period. This has happened almost every five years in history because the market tends to rise. In the same period of time, the cryptocurrency market has appreciated by more than 10000%. Although it is unlikely to see these returns again, cryptocurrencies may still outperform traditional investment markets in the near future.
- Lower costs. Active trading will increase transaction costs. By using a long-term strategy and taking a long-term perspective ignoring your investment after buying, you won't incur any transaction costs. A long-term investor will not trade every day, so they will not reduce their profits through transaction costs.
- Less risk. When you keep going in and out of the market, you may miss a profitable
 opportunity outside the market. With a long-term investment strategy, you are always in the
 market.

Long Term Investment Tips

Before investing any amount, we must clarify our investment objectives.

Will you sell when cryptocurrency grabs a certain price, or after a certain time? Will you sell in batches at different times or at one time? Are you willing to trade your long-term vision for short-term investment? For example, if gambling strategies change or new laws apply, which may affect the economic situation and the long-term price of your investment, it is likely that you should reconsider selling in advance. You should do some research to determine which cryptocurrencies are most convenient or suitable for long-term investment, which is very convenient.

Another long-term strategy used by many cryptocurrency investors is to earn interest on their digital assets. Instead of simply holding your bitcoin, Ethereum or altcoin, you can mortgage it through your cryptocurrency wallet and earn more than 2% to 10% interest from your cryptocurrency every year. The advantage of this is that the interest is paid in the cryptocurrency you mortgaged, so you will be able to passively accumulate more cryptocurrency. Users can encrypt their wallets and currencies to pay interest securely. Exodus can be used on IOS, Android and desktop for free.