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Should I Buy Bitcoin Before or After the Halving?

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In the lively world of cryptocurrencies, halving is a typical yet unmistakable process for each digital token. Besides Bitcoin, cryptocurrencies such as Litecoin, Dash, and Zcash undergo halvings, which reduce the creation of new coins, therefore increasing scarcity that often brings about a price increase. BTC's prestige and market dominance make it appropriate to consider in discussions about interoperability, although more indirectly. The halving event is poised to bolster the expansion of the entire cryptocurrency ecosystem beyond investors and miners. The halving gives Bitcoin value, triggering a ripple effect in the cryptocurrency sphere.

The cryptocurrency market typically reacts by embarking on a bull run, that is, a time when most investors buy Bitcoin, demand exceeds supply, and prices rise. If projections materialize, BTC could break past $300,000 in 2025. Ethereum co-moves with Bitcoin, so the Bitcoin halving positively impacts Ethereum and the broader cryptocurrency market, according to many industry experts. If you know how to buy ETH, you'll be just fine. Research is the key to successful investing. The halving, coupled with the significant demand from spot ETFs, alters traditional trading strategies, so investors have no choice but to adapt to the new landscape.

The Pre-Halving Period Can Be a Profitable Time to Hold Bitcoin

According to Bryan Legend, the CEO of Vulcan Blockchain and co-founder of OOXY Labs, as the pre-halving rally unfolds, Bitcoin tends to experience a surge in price, meaning it's an excellent time to realize gains. The breakout marks the end of a prolonged cooldown period. Nonetheless, it's necessary to time the market to know when to get out at the top, which can be difficult, if not impossible. You must predict when the cryptocurrency market will go up or down to make trades that bring a profit. Market timing isn't impossible, but you should focus on investing for the long term.

The decision of the SEC to approve spot Bitcoin ETF established a pathway for traditional investors to purchase BTC without creating a cryptocurrency wallet. One of the major entry barriers for cryptocurrency users is the complicated features they must be familiar with. Cryptocurrency still struggles with creating a smooth experience to encourage adoption. Allowing traditional financial institutions to offer spot Bitcoin ETFs makes it possible for amateurs to invest in the world's most popular cryptocurrency.

The price of Bitcoin at the time of writing is $104,754.70, so if you can't afford one BTC, your best bet is to buy 1/10 of a Satoshi via the new ETFs. The cryptocurrency can be bought (and sold)

as fractional shares, so your investment can be as low as, say, $25. This is true for all digital assets, but it's particularly true for Bitcoin which costs tens of thousands of dollars. There's no guarantee of solid future returns, but Bitcoin's been around long enough to impress investors. It's one of the best investments as far as the historical rate of returns is concerned. BTC has already risen past its previous cycle's all-time high, well before the halving.

If You're Looking to Refine Your Trading Strategies, Keep an Eye on ETFs and LTHs

The current market conditions present new challenges. Strictly speaking, the impact of new coins mined and released into circulation is becoming less profound in the context of booming ETFs, which acquire approximately 10,000 BTC daily. Post-halving, this could amplify scarcity and drive Bitcoin prices up. ETFs are mitigating the halving's impact by narrowing the available supply via substantial and continuous buying activity. In other words, these funds exert a significant influence on Bitcoin's availability, introducing their own complexities to market dynamics. It would be best to closely monitor ETF activity in terms of purchases and sales.

Let's not forget about the influence of long-term holder supply. The decisions of long-term holders (LTHs) to buy or hold can greatly influence market demand and supply, adding to market pressure. As we come closer to peak LTH distribution, the cryptocurrency market may advance towards equilibrium and achieve price tops. In light of this fact, it's recommended to closely monitor the LTH market inflation rate because it can accurately guide your strategies, particularly when it comes to identifying a rising or falling market to make a profit. Remember that the Bitcoin halving is really different this time, meaning we're in uncharted territory.

150-400 Days After the Halving Can Be a Good Time to Buy Bitcoin

Even if it's not the first or the last halving event, the cryptocurrency world is expected to enter the unknown. ETFs are already impacting the supply-demand balance, but a move by long-term holders could be the critical moment that defines the market's direction post-halving. The predictions regarding market movements are just predictions, so it's impossible to know for sure whether Bitcoin will fall, stabilize, or rise. The halving impact is slow and consistent, which means the effect isn't at all immediate and makes an impact over time.

Since BTC prices tend to move at a leisurely speed, think about buying Bitcoin 150-400 days after the halving, as miners will be selling less. The value of traditional assets is questionable at the time, and Bitcoin is a great hedge against inflation. Nevertheless, it all depends on your viewpoint of the market. The 2025 bull market will be decided by the state of the financial markets and the outlook on the world, so it's not impossible for Bitcoin to see a 30-150% rally in the upcoming year. The effects of the Bitcoin halving will continue into 2025, and regulatory clarity could lead to more investors participating in the cryptocurrency market.

Conclusion

The halving, the condition that defines Bitcoin's protocol, is one of the most important events in the cryptocurrency world. Predicting the exact direction of Bitcoin post-halving is hard, if not impossible because it's subject to various factors, such as market sentiment, demand and supply, and overall adoption. Now could be the right time to make your first investment, so don't be afraid to step into the cryptocurrency world. Once BTC halves, prices rise, and it's too expensive to

acquire.

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