

Digital Currency - How Many Cryptocurrencies Exists?

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In brief

We have seen the rise of more and more cryptocurrencies that can be exchanged in the real world as digital assets such as cryptocurrencies, NFT ventures, and the like have grown in popularity.

We have seen the rise of more and more cryptocurrencies that can be exchanged in the real world as digital assets such as cryptocurrencies, NFT ventures, and the like have grown in popularity. In addition to the most well-known cryptos, such as Bitcoin and Ethereum, there are NFT gaming coins and others that the vast majority of the general public is unaware of.

This raises the following question:

How many cryptocurrencies are there currently?

There are a large number of coins registered on various crypto sites. There are already over 20,000 cryptocurrencies, and the growth rate is astounding. The number of cryptocurrencies increased by more than 100% between 2021 and 2022. By the end of 2021, around 1,000 new cryptocurrencies will be launched to the market each month.

It is important to know that many of these newly created and registered tokens have an overall trading volume of just a few hundred dollars, which means there is almost no activity.

This is not entirely good news, as many new cryptocurrencies don't do much besides make money for their creators. So, as a crypto investor, you must be careful when choosing which ones to buy.

The first cryptocurrency and its emergence

It all started in 2009 with the creation of Bitcoin, the most well-known and widely utilized cryptocurrency in the virtual market today. However, Satoshi Nakamoto, its founder, and developer, is a character still unknown today, as no one knows if he is a man, a woman, a group of people, or an isolated individual.

We know that Bitcoin was the forerunner to cryptocurrency as we know it today: completely digital, with features and applications that do not exist in the physical world.

Along with its growth came Blockchain, the decentralized network that functions as a ledger for monetary transactions.

In addition to Bitcoin, other currencies began to emerge and acquire market traction. This was the case with Litecoin, Namecoin, and Peercoin, all of which debuted between 2011 and 2012.

What are the main cryptocurrencies in the present-day digital market?

Now that we've addressed the issue of the quantity of cryptocurrencies, it's time to showcase the most well-known coins on the market. Due to a large number of cryptocurrencies on the market, it is impossible to identify and name them all in this piece, but we can discuss the most notable ones in further detail. First, we look at currencies with high investment potential. Take a look at them below:

Bitcoin (BTC): As previously said, Bitcoin was the first successful cryptocurrency to enter the market. Furthermore, despite slow transaction speeds and the obligatory usage of specialist mining equipment, it now has the highest market capitalization. With a market capitalization of \$382 billion, Bitcoin remains one of the industry's primary cryptocurrencies with significant investment and transaction possibilities.

Ethereum (ETH) is undoubtedly one of the most famous cryptocurrencies. This is because, behind bitcoin (BTC), the blockchain asset has the highest market capitalization (\$166 billion), a position that the cryptocurrency has attained in under two years. Furthermore, while BTC introduced the concept of decentralized money and, later, a store of value, ETH demonstrated the concept of a decentralized computer.

Because of its superior programming, Ethereum has attracted several organizations who have decided to build their products and services on its blockchain.

Cardano (ADA): Cardano and its coin ADA form a blockchain similar to Ethereum. This cryptocurrency is appealing because its smart contracts solution was developed using a research-based approach by engineers, mathematicians, and crypto professionals. This is its backbone and is intended to make transactions highly secure, speedy, and dependable. At the time of writing, Cardano has the eighth-largest market value at \$15 billion, and one ADA sells for 43 cents.

Solana (SOL): Ethereum-like assets have tremendous investment potential in the coming years, and Solana stands out among them.

The Solana blockchain (SOL), which is entirely open source, aims to create a high-performance network while maintaining decentralization and security. Solana's ability to support massive numbers of users and transactions is one of its most significant features.

Long term, this smart contract solution has considerable upside potential. As a result, the smart contract solution piques the interest of developers and the crypto community. The current market capitalization is \$11 billion.

Polkadot (DOT): DOT is a one-of-a-kind proof-of-stake cryptocurrency that promises to promote blockchain interoperability. Indeed, its protocol intends to connect blockchains and oracles to allow systems to collaborate. Its important component is its relay network.

It enables network interoperability and the creation of "parachains" or parallel blockchains with their native tokens. This Polkadot approach is known as shared security. Polkadot has a market valuation of \$7.5 billion, and DOT is trading at \$33.7.

Litecoin: Litecoin was created to be the money equivalent of bitcoin. As the amount of silver surpasses the supply of gold, the maximum supply of Litecoin is 84 million tokens, which is four times the supply of bitcoin. Litecoin has a market capitalization of almost \$4 billion. We can say that Litecoin is like Bitcoin but lighter. Although Litecoin is comparable to Bitcoin in many aspects, the two cryptocurrencies have basic technological differences, such as Litecoin's higher block creation rate, which results in a shorter transaction confirmation time.

While knowing the key cryptocurrencies in the market is vital for making excellent crypto trading decisions, understanding where to purchase them without getting scammed is even more important. As a result, you must conduct your research and stick to a platform where it is possible to buy crypto assets simply and quickly.

Conclusion

Knowing exactly how many cryptocurrencies exist worldwide is impossible, although estimates suggest around 20,000. However, our focus is limited to cryptocurrencies we believe should perform well in the following market cycle; hence, it is critical to stay current on the subject. Follow our blog, so you do not miss out on any subjects, information, or news from the world of digital currencies!

References

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