

What's Next in Crypto? 4 Trends to Watch This Year

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The global cryptocurrency market saw some ups and downs last year. While El Salvador became [the first country to adopt bitcoin as legal tender](#), China declared all cryptocurrency transactions illegal and [banned them](#) from the country entirely. Crypto is a volatile asset, so it does make sense that news surrounding the market is a bit all over the place.

Despite all the ups and downs, it was an exciting year for crypto. In addition to El Salvador's groundbreaking decision, the market reached [over \\$3 trillion](#), bitcoin saw [a 70% gain](#), and there were a number of other cryptocurrencies that saw [a 5,000% gain](#). But enough about last year. What surprises does 2022 hold for the crypto market?

Just coming back from the Crypto Bahamas / FTX / SALT conference in the Bahamas, here are some of the trends to watch for this year:

1. A New Regulatory Landscape

I've already mentioned El Salvador's adoption of bitcoin as legal tender and China's crypto ban, both of which demonstrate how global governments and financial institutions are beginning to weigh the impacts of cryptocurrencies on their economies. 2022 will be no different. In fact, we'll see even more governmental interest and regulatory activity.

One aspect of the regulatory landscape that will evolve is the introduction of central bank digital currencies, or CBDCs. There are already 79 countries in various stages of research and development of their own unique digital currencies, which you can learn more about [in the CBDC Tracker](#).

2. Expansion of Non-Fungible Tokens (NFTs)

Even if you're still a bit confused about what exactly NFTs are, chances are you're familiar with them to some degree, especially now that larger corporations are getting involved in the market.

Media Publishers (the publishers of Esquire, Vogue, etc.) and blockchain company VIDY [announced their partnership](#) to create an NFT platform that allows consumers to trade digital music, art, and fashion. The NBA put out [WNBA collectible packs](#). Major video game companies are [adding NFTs to their games](#). I could go on, but these examples are all proof that non-fungible tokens and the blockchain technology behind them, are here to stay and have a real world application in almost every industry.

3. More Institutional Crypto Investments

Last year, the number of crypto investments done by major corporations and financial organizations reached new heights. Venture capitalists invested [a record \\$30 billion](#) in the crypto market, and this will only continue to increase.

Meta and Microsoft are two of the companies that are getting their feet wet in the metaverse, with companies like Nike already conceptualizing and creating digital products for consumers — they're NFT sneakers are going for [upwards of \\$8k](#) in the metaverse.

4. Cross-Blockchain Bridges

As their name suggests, cross-blockchain bridges make it possible for people to send cryptocurrencies to one another. Currently, there are around 20 commonly used bridges, but other networks, like THORChain, are hard at work to facilitate more peer-to-peer swaps. The goal is to also work on creating a multichain ecosystem as well.

This is just a short list of what the crypto market will surely experience this year. It's exciting to watch the crypto industry evolve, and I'm equally as excited to work in an industry that is being transformed by these digital currencies.