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A Closer Look at the Profitable Crypto Mining

Crypto Mining is one of the most popular ways to make money with [cryptocurrency](#). However, as time went on, its profits became less and less. Nevertheless, mining is still one of the most important components in the crypto world, not only because it is necessary for the normal operation of the [blockchain](#), but also because of its near-cult status.

Mining is something many enthusiasts want to try, even if it doesn't bring them any profits. However, this does not mean that cryptocurrency mining is not profitable. In this article, we are taking a closer look at the profitable crypto mining, and everything you should know about it.



Profitable Crypto Mining

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Do you Know What is Crypto Mining?

cryptocurrency mining does not include exciting items like pickaxes or diamonds. However, it does not require you to do any manual work, and you can get a treasure that is more valuable than the most shiny Gem - crypto.

In short, crypto mining is a process of solving complex mathematical equations to verify crypto transactions. Mining can vary according to the cryptocurrency being mined: if it has a proof of work (POW) hashing algorithm, it will cost a lot of electricity and have first-class mining equipment. POS based cryptocurrencies require you to have a large number of the above cryptocurrencies: the more you have, the more profits you can make. That's why it's called "proof of equity," POS

How to Mine Crypto?

Cryptocurrency mining can be divided into three categories according to the hardware used. Here are them.

ASIC Mining

ASIC miner, that is, Application-Specific Integrated Circuit Miner, may be the least known but the most effective hardware form of cryptocurrency mining. Unlike CPU or GPU, ASIC is designed for a single purpose: for ASIC miners, it is naturally "mining", or solving complex mathematical problems, verifying and protecting blockchains.

Generally speaking, most ASIC mining machines are designed and created for mining specific cryptocurrencies. ASICs are generally not that expensive, with an average cost of about \$300 to

\$500. Compared with the best CPU and GPU miner, ASIC miner is about 100,000 times more efficient and has higher hash rate — they have great mining capacity. However, one disadvantage of ASIC mining is that it is not applicable to all cryptocurrencies. In addition, unlike the other two types of mining equipment, ASIC can not be upgraded and is not so durable.

GPU Mining

GPU, or Graphics Processing Unit, is basically a graphics video card, which we use to watch movies or play games on computers. It can also be used to mine cryptocurrencies. GPU mining is not as efficient as ASIC (although the hash rate is still very high), and it is more expensive on average. However, it gives miners the flexibility to mine different coins using the same hardware.

In addition, GPU miner can also be used in non mining activities, which is already owned by many people. On the other hand, although most people already have GPU, the computer it uses may not be powerful enough to be considered as a profitable mining equipment, enough to meet the requirements of GPU mining.

So, you not only have to buy an expensive GPU, but also pay for a computer that can really support it. In addition, due to the high energy consumption of GPU, the maintenance cost of GPU miner is also very high. In order to mine with GPU (or CPU), you need not only the usual wallet hardware combination, but also compatible mining software.

CPU Mining

CPU, the Central Processing Unit, is the oldest and most outdated type of mining hardware. CPU miner allows you to use the processing power of your computer to mine cryptocurrencies. It is not only extremely slow and inefficient, but also CPU mining is harmful to your computer. In most cases, the profit you get from using CPU miner will be very meager and not worth it.

CPU mining also includes mobile mining. It's definitely not worth it. It can easily overload, consume too much energy, and overheat can damage your equipment — all for little or no return. However, for those who pursue experience rather than profit, CPU and mobile mining are both good choices, because you don't really need to make an initial investment. If this is the case, please make sure you choose a cryptocurrency that is not too difficult to dig and a cryptocurrency that does not require a lot of computing power.

Crypto Mining Method

In addition to the hardware used, cryptocurrency mining can be divided into three subcategories,

depending on what method is used to extract coins.

Solo Mining

As its name suggests, Solo mining involves miners acting alone without any type of support. This can be anything from a novice farming coins on their mobile phones to a large-scale mining operation, including a warehouse full of mining machines. Unless you have the latter, this mining method will not make a big profit, if any.

Pool Mining

The mining of ore pool is completed by using the collective power of several equipment to jointly mine a block. Although costs and power consumption have decreased, profits have also decreased: the reward for block mining is shared by everyone in the pool. Pit mining requires you to have your own mining equipment. There are many different pools, and we recommend that you thoroughly study them before adding one.

Cloud Mining

Cloud mining allows you to mine cryptocurrencies without owning a mining rig or having to pay for electricity. Using this method, you basically rent other people's mining equipment and get a return from their profits. On the contrary, if you already own a mining rig, you can rent it out to help pay various fees and costs - but your profits will also be reduced. Usually, the mining rig you rent belongs to a large mining company, and its cost is much lower than that of an individual who owns one or two mining machines. Similar to using a mining pool, cloud mining does not give you all block rewards.

FAQ

Is it a good idea to mine Bitcoin?

[Bitcoin](#), as the most popular cryptocurrency, may be the cryptocurrency that most novices want to dig. However, they soon found that this was not a good idea - Bitcoin mining will not make any money in 2022. There are several reasons for this. First, as we have already mentioned, Bitcoin is the most popular cryptocurrency — which means that its demand is quite large, to say the least.

Therefore, many people are mining Bitcoin. Even if the collective profits remain unchanged, the individual profits will still decline. The price of Bitcoin is rising, but its block mining reward is declining. Secondly, as Bitcoin approaches its total supply, each block requires more and more computing power to mine, so mining and power costs rise. Therefore, it is difficult for Bitcoin miners to make profits, making Bitcoin mining less worthwhile than before.

Is cryptocurrency mining profitable?

Yes, cryptocurrency mining can still be profitable, depending on its way and what cryptocurrency you are mining. However, compared with 2014 or even 2017, its profits are certainly not as good as before. Today, mining is mostly profitable only when you join a pool or use cloud Mining Services - although you won't get all the block rewards in this way, it will help you offset rising costs.

Which cryptocurrency is worth mining in 2022?

There is no cryptocurrency we can confidently say is the best cryptocurrency in 2022 or any other time. See what options are available, dyor, and discover the cryptocurrency that best suits you.

Does Ethereum deserve to mine in 2022?

It depends on how you dig it. [Ethereum](#) prices are rising, so as long as you dig it effectively, it is still worth it. If you already have a good mining equipment, we suggest you join a mining pool. If you don't, you can participate in cloud mining.