



Ethereum Merge: 3 Things All Investors Should Know

Kelly Chambers Published June 2, 2022 · 2 mins

Recently, Ethereum co-founder Vitalik Buterin said that the blockchain's highly anticipated 'merge' will happen in August. If you haven't been tracking every update like it's your job, don't worry, we've done it for you. Here are three to get you up to speed:

#1 The 'merge' signifies moving from Proof of Work to Proof of Stake.

There are currently two Ethereum blockchains, the main one called Mainnet which is Proof of Work, and a newer one launched in 2020 called Beacon Chain which is Proof of Stake. The merge will connect these two blockchains, adopting Proof of Stake from Beacon Chain and features like smart contracts from Mainnet.

#2 The 'merge' will make Ethereum more sustainable.

Proof of Stake eliminates the need for energy-intensive mining used in Proof of Work, and instead secures the network using staked ether. [Estimates](#) show that the 'merge' could result in a 99.95% reduction in total energy use from Ethereum.

#3 The 'merge' (or moving to Proof of Stake) has always been the plan.

This is not like your least favorite software company pushing out a bug fix forcing you to restart your computer. Ethereum has always planned to move to Proof of Stake since launching in 2015. It's part of the long-term [vision](#) to make Ethereum sustainable, scalable, and make network participation [more accessible](#) to smaller participants (i.e. anyone with a computer).

BONUS #4 Do you have to do anything as an investor?

That's the best part... no! We say keep on keeping on with your long-term investment plan. When the 'merge' occurs we'll continue to provide updates. And when it comes to the price of ETH, we don't believe in short-term forecasts on whether or not the 'merge' will have a positive impact, especially with 2022 being as volatile as it has been. Whether or not you own ETH, there is nothing you need to technically do.

DISCLOSURE:

Argonaut Asset Management Inc. (d/b/a "Makara") is a wholly-owned subsidiary of Betterment Holdings, Inc., and an affiliate of Betterment LLC. This above material and content should not be considered to be a recommendation. Investing in digital assets is highly speculative and volatile, and cryptocurrency is only suitable for investors who are willing to bear the risk of loss and experience sharp drawdowns. Purchases or holdings of cryptocurrency are not FDIC or SIPC insured. Any links provided to other websites are offered as a matter of convenience and are not intended to imply that Betterment or its authors endorse, sponsor, promote, and/or are affiliated with the owners of or participants in those sites, unless stated otherwise.

Makara is an investment adviser registered with the US Securities and Exchange Commission. Registration as an investment adviser does not imply a particular level of skill or training. Makara exclusively provides investment advisory services related to investing in cryptocurrencies and other digital assets. Makara is not a broker-dealer, exchange, custodian, or wallet provider, and is not intended for frequent trading activity. Investing in digital assets is highly speculative and volatile and Makara is only suitable for investors who are willing to bear the risk of loss and experience sharp drawdowns. Past performance is not a guarantee of future results. For more complete disclosures and information about how Makara works, please visit our [Terms of Service](#) and [FAQ](#).

M A K A R A

COMPANY

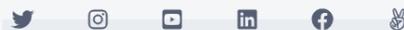
[Home](#)
[About Us](#)
[Team](#)
[Press](#)

LEARN

[Blog](#)
[EDU](#)
[Baskets](#)
[Assets](#)
[FAQ](#)

LEGAL

[SEC Form CRS](#)
[SEC Form ADV Part II](#)
[Advisory Agreement](#)
[Terms of Service](#)
[Privacy Policy](#)



© 2022 Argonaut Asset Management Inc.
dba Makara Digital Corporation ("Makara").
All rights reserved.

8 W. 24th Street, 6th Floor
New York, NY 10010

Original article is no longer available on Makara.com. To see an archive, visit <https://web.archive.org/web/20220929175139/https://makara.com/blog/ethereum-merge-3-things-to-know>