

Bitcoin price does not skyrocket after 'halving'

Instead of increasing rapidly like the previous three 'halving' periods, this year's most anticipated event did not promote the strong increase of Bitcoin.

At around 7:00 a.m. on April 20, the digital currency Bitcoin (BTC) completed its "halving," according to cryptocurrency data and analysis company CoinGecko. "Halving", an event that usually occurs every 4 years, was pre-programmed into the Bitcoin network by creator Nakamoto Satoshi. For every 210,000 units mined, the reward for miners will be halved. Combined with the finite supply (maximum 21 million units), the decreasing reward creates scarcity for BTC to ensure the supply remains in a controllable state.

Contrary to many predictions, the market price of Bitcoin was quite stable when the event took place, keeping around 63,700 USD per unit. Recently, the price increases of Bitcoin have not been too strong. On April 19, the market price dropped to the lowest level of 59,685 USD and then quickly increased again to above 65,000 USD.



Bitcoin enthusiasts have long been eagerly awaiting this year's "halving" event. Previous halvings occurred in 2012, 2016 and 2020. Some cryptocurrency fans point out that price increases have always followed, suggesting that this year's halving also added to the price. for Bitcoin cryptocurrency.

Chris Gannatti - head of global research at asset management company WisdomTree, said "halving is one of the biggest events in cryptocurrency this year".

But many people are skeptical and consider it just a technical change, introduced by speculators to increase cryptocurrency prices.

"We do not expect Bitcoin prices to increase post-halving as it completes the valuation cycle," JP Morgan analysts wrote in a new report released this week.

On the contrary, they expect the price of BTC to decrease after the "halving" because the currency has fallen into an overbought state and venture capital funding for the cryptocurrency industry is gradually "sinking" this year. Goldman Sachs added that for Bitcoin to increase in price like previous "halving" events, macro conditions need to support investors so they have a risk-taking mentality.

Andrew O'Neill - cryptocurrency analyst at S&P Global, feels skeptical about the lessons that can be learned when predicting prices from previous 'halvings'. According to this expert, that is just one of A myriad of factors can drive the price of Bitcoin.

Financial regulators have long warned that Bitcoin is a high-risk asset, with limited real-world uses, although more and more are starting to adopt inter-trade products. [linked to BTC](#).

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