

The momentum for bitcoin is not as expected

Bitcoin investors have been eagerly waiting for the 'halving' event, which takes place on April 20. Bitcoin halving, also known as block halving, is the process of reducing the rate at which new cryptocurrencies are created.



Bitcoin's "halving" event has so far not had much impact on the price of this currency.

Instead, industry experts say that bitcoin's performance depends more on financial market sentiment and the geopolitical situation.

Bitcoin investors have been eagerly waiting for the "halving" event, taking place on April 20. Bitcoin halving, also known as block halving, is the process of reducing the rate at which new cryptocurrencies are created.

This term can also be understood as the process of halving the reward for miners when mining a new block of bitcoin.

The purpose of halving the block is to avoid the risk of inflation for the world's largest coin. This causes the supply of bitcoin to be limited, and eventually there will be no more than 21 million bitcoins in the world. That's often the factor behind a new price increase.

However, as of 9:15 p.m. on April 22 (Vietnam time), the above event had almost no obvious impact. Bitcoin rose 1.2% last week and was up 3.4% on April 22, but has been mostly flat since hitting an all-time high of \$73,794 last month.

Mr. Mick Roche, senior trader at Zodia Markets, a cryptocurrency subsidiary of Standard Chartered, said that current geopolitical events are having a greater impact than the impact of the halving event.

Global stocks recovered somewhat on April 22, as investors eased the cautious stance they had previously maintained due to concerns about a broader conflict in the Middle East.

Eric Demuth, CEO of Austrian digital currency brokerage Bitpanda, said bitcoin is increasingly subject to market sentiment and there is no clear pattern in retail trading activity. around the halving event.

He said digital currencies are becoming very similar to stocks, and people who are trading stocks and technology stocks are also investing in digital currencies.

Excitement surrounding the US approval of spot bitcoin exchange-traded funds (ETFs) helped the currency recover last year after a series of declines in 2022.

Mr. Ben Laidler, global market strategist at eToro, said that for bitcoin, the current focus is on attracting institutional investors.

The expert said individual investors dominate the bitcoin market, but he predicted future regulatory changes could make it easier for companies, banks and central banks to own bitcoin. than.

Cryptocurrencies remain a 'niche' asset class, with a total value of about \$2,500 billion, according to market tracking firm CoinGecko.

Regulators warn that cryptocurrencies are speculative, highly risky and of little practical use.

The digital currency market is also waiting to see whether the US Securities and Exchange Commission (SEC) will approve spot ETFs for Ethereum, the world's second largest digital currency, but many experts Experts say the prospect of this happening in May is gradually receding./.

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