

Cryptocurrency News - The year has started badly for the world of cryptocurrency. [Bitcoin \(BTC\)](#) has lost about 40% of its price as of May 12, as well as [Ethereum \(ETH\)](#) and Binance Coin (BNB), which had both lost around 48% of their worth. The abovementioned currencies are the most valuable digital currencies by market capitalization, excluding stable coins like Tether (USDT) and USD Coin (USDC), which are backed by the US dollar. It was not the first time [digital currencies](#) plummeted. Cryptos had another huge collapse from mid-May to mid-July 2021, with Bitcoin falling more than 45 percent. Many traders are still into digital currencies, despite the volatility. Many people have invested in digital currencies in the hopes of becoming affluent. This conviction has undoubtedly been shattered. In this article, we are going to investigate the reasons for the cryptocurrency price fall in recent years. **Furious volatility** The Federal Reserve recently boosted interest rates by half a percentage point, and the stock market soared as a result. After that, investors changed their minds and brought markets crashing down, along with crypto values. Recently, cryptocurrencies have tended to move alongside the stock market. As a result, Bitcoin is replicating the Nasdaq. According to him, the tech-centric index is down 21% this year, while bitcoin is down 22%. When [bitcoin](#), which has a key role in the field of cryptocurrency, was valued between \$32,000 and \$36,000 last year, many speculators jumped into trading bitcoin. A further decrease to roughly \$30,000 may drive additional selling. Digital currency is locked in a sideways news process where investors

have to wait for Wall Street to quiet down before more individuals get confidence in investing. Experts still believe there is significant long-term value, but the investors must be willing to endure the volatility.

Mainstream adoption lagging Last year, a number of incidents highlighted the rising relevance of cryptocurrency in financial services. A rising number of businesses are accepting bitcoin as a method of payment for products and services, and El Salvador has declared it legal tender. Nowadays, there have been fewer milestones to track cryptocurrency's evolution as an investment and standard of trade. There's a perception that widespread acceptance of digital currencies will take much longer than anticipated. Currently, it appears like the crypto market is in a holding pattern. Investors are interested in learning more about the role of cryptocurrency in the growing metaverse and the laws that a special Biden administration task group may enact to govern digital money. **Investors want a more secure trading field** The current decline in crypto values is mostly due to traders responding to events in the larger economy and politics. As the stock market falls, most traders shift their money into less risky, more secure trading items like US Treasury bonds. Some cryptocurrency users are considering other investment choices, such as "shifting their money back to the real currencies such as the dollar, as a spot to begin with, and then checking what they'll do from there." **Source:** [The Pipsafe Team - Cryptocurrency News](#)