

# What Is the Reason for the Exodus of Investors From Crypto? JP Morgan Reports.

According to [JP Morgan](#), one way to gauge the degree to which investors are running away from the crypto ecosystem is the shrinkage of the stablecoin market. Stablecoins, a type of cryptocurrency whose value is tied to another asset like the US dollar, is the equivalent of cash in the crypto world, bridging the gap between fiat and cryptocurrency, according to the report. The growth of the stablecoin market can be seen as a proxy for money flowing into the digital asset space. The report states that the combined market capitalization of the major stablecoins reached \$186 billion in May before the Terra/LUNA crash. The stablecoin universe is down \$41 billion since May, and almost half of that drop is due to the death of Terra. without Terra, one could argue that the stablecoin market peaked at around \$170 billion at the start of the year, changed little through May 2022, and has declined ever since, the bank stated.

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