



Bitcoin dropped as much as 32% to \$3,915, its weakest since March 2019, (Reuters)

Bitcoin drops 50% in epic two-day tumble

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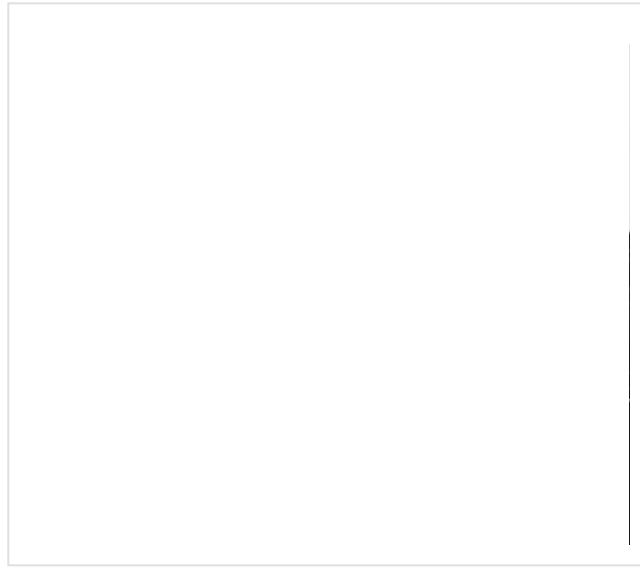
[Eric Lam](#) , [Bloomberg](#)

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Bitcoin is now down about 50% from its most recent February high

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Bitcoin is proving to be no haven asset amid the current global market meltdown.

The price of the largest digital currency continued to swing wildly in Asia Friday as a rout that began in earnest overnight in New York showed no signs of slowing down. Bitcoin dropped as much as 32% to \$3,915, its weakest since March 2019, before clawing back most of that loss by midday in Hong Kong, according to consolidated pricing compiled by Bloomberg. Its drop of as much as 50% over the past two days is among the biggest ever.

[Bitcoin](#) was down 7.8% to \$5,280 as of 12:25 p.m. in Hong Kong.

The wider Bloomberg Galaxy Crypto Index tracking a basket of digital assets hit a historic low in data going back to August 2017, sliding as much as 49% over the two sessions. Rival token Ether briefly flipped positive to reverse an earlier 30% loss, while XRP pared declines.

“This sell-off has caused cascading margin calls with the vast majority of investors shifting to exposure to cash,” said Wayne Trench, chief executive of digital asset brokerage and exchange

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operator OSL. “In this situation, correlation converges to 1 and even impacts potential ‘safe havens’ like gold and Bitcoin to varying extents.”

Global markets have been rocked in recent weeks by an escalating number of macro headwinds from the intensifying coronavirus outbreak to a shock plunge in oil prices. U.S. President Donald Trump’s address to the nation Wednesday, which included curbs on most travel to Europe and unspecified relief spending, spurred further selling in equity markets around the world with the S&P 500 sinking the most since 1987 on Thursday.

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Asia market strategist at Axicorp. “Obviously I want cash.”

Bitcoin is now down about 50% from its most recent February high. The crypto had been on the upswing this year to that point, as investors looked ahead to the so-called “halvening” -- a scheduled reduction in the Bitcoin mining rate designed to combat price inflation.

“Traders are pulling money out of Bitcoin to fund their margin calls on other asset classes,” said Ross Middleton, chief financial officer at crypto exchange DeversiFi. “Perhaps they think that there will be better short-term opportunities to go long other asset classes in the near future.”

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