

Bitcoin ETF denied- Causes large fall in Bitcoin value on the day

Bitcoin {BTC} requested an ETF be established to allow market participants to be able to trade Bitcoin in the market rather than in an electronic wallet, but this has been refused, and that refusal resulted in a 15% drop in value, in a sharp reversal.



Bitcoin suffered a sharp reverse upon hearing the BTC ETF had been denied, but the price is already recovering as the lower price brought out bargain hunters.

The assumption was that an approved ETF would open the floodgates to both Wall Street and regular investors who want a stake in the digital currency but didn't feel comfortable purchasing it on their own. This influx of new investors would then drive up the price of Bitcoin. even further.

Instead, the rejection of the proposal had a devastating opposite effect. The value of the digital currency dropped from \$1,295 to as low as \$1,000, and stabilised at \$1,120, for a 15% drop on the day.

The reason the SEC gave for the rejection of Bitcoin is the very reason it has become so popular, it is an extremely unregulated currency, and doesn't comply with SEC standards.

Are the authorities running scared of crypto currencies such as BTC?