Bitcoin halving explained

Bitcoin (BTC)

Halving is planned for May 2020. What is Bitcoin Halving I hear you ask?

The halving is the 50% reduction of the reward for mining new Bitcoin blocks that take place once every four years and leads to a reduction of how many new Bitcoin are being released into circulation. Ok, so will it effect the price?

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However, what is more important than the technical side of the matter is the financial underpinning: the consequences of the halving for the market. In previous ‘halvings’, the price has risen afterwards substantially, so will history repeat itself this time?

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The question is whether history can repeat itself. As with any market, it can still be important to rely on historical data when anticipating any type of price movement – especially

considering that since the first halving, Bitcoin has skyrocketed 1,000 times in value.

A year after the first halving took place, on Nov. 28, 2012, Bitcoin’s price rose to $1,100 from just $11, a whopping 10,000% increase. The second halving, which took place in July 2016, resulted in a rise in price from $576 to $650 .One year later, on July 9, 2017, Bitcoin surged to $2,500, increasing 434% in value.

There are a few sceptics, but it would seem that the majority verdict is that the next halving will increase te value of Bitcoin going forwards, and if enough people believe it it could become a self fulfilling prophecy, we shall have to wait and see.