

BitMEX XRP trading flash crash highlights the dangers of trading cryptos



[Crypto traders furious at BitMEX](#)

The dangers of leveraged trading of cryptos, which is an **unregulated market**, were highlighted after account holders on BitMEX trading the US\$/XRP pairs trade had their accounts wiped out after a 'flash crash' which dropped the price by 60% for 2 seconds wiped out their entire accounts, after stop losses failed to trigger.

BitMEX is refusing to compensate those traders who have lost everything as a result of their stops not activating, resulting in furious comments on social media.

[Crypto traders furious at BitMEX](#)

The dangers of leveraged trading of cryptos, which is an unregulated market, were highlighted after account holders on BitMEX trading the US\$/XRP pairs trade had their accounts wiped out after a 'flash crash' which dropped the price by 60% for 2 seconds wiped out their entire accounts, after stop losses failed to trigger.

The crash occurred at 14.00 UTC on Feb. 13 2020, and saw the

XRP / USD fall 60% from \$0.33 to just \$0.13, for just two seconds.

Before the XRP v/ \$US flash crash, its year-to-date return was over 70%. As a result many traders were long the pair, as they were betting the trend. This exacerbated the impact of the mega dump.

Some traders were using leverage of 50, which is about as high risk as it gets if things go wrong quickly, as in this case.

BitMEX is a cryptocurrency exchange and derivative trading platform. It is owned and operated by HDR Global Trading Limited, which is registered in the Seychelles and has offices worldwide.

BitMEX is refusing to compensate those traders who have lost everything as a result of their stops not activating, resulting in furious comments on social media.

This shameful episode serves to highlight the risks involved with trading in unregulated markets.