Crypto prices continue to fall in September



Crypto Currencies

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The most obvious question is why have the currencies and tokens fallen back so much when there was so much optimism just over a year ago? The answer surely has to be that the meteoric rise of currency values was irrational exuberance, driven by hedge funds and investors piling money into a market without anyone selling.

That can only go on for so long, and then eventually someone wants to convert their profits into the much despised fiat, where they can be used to buy capital goods and discretionary expenditure. That point seems to have been reached around the 7th January 2018.

Since that time some quite alarming falls of price and market value have taken place, and continue to do so. I had thoght the main crypto currencies (the top 20) would make it, and most underneath that top group would slowly wither away and die, but with currencies like Ethereum falling so quickly, you wonder whether even the top 10 are safe?

With monthly falls of 44% (Stratis), 41% (NEM, and 39% Ethereum, in a single month, the cryptos don’t appear to have the stability to become a replacement for money due to slow transaction times and volatile prices.

I have always questioned what problem cryptos solve? And still do.

Bitcoin is a useful international payment tool, but so are PayPal, and Western Union, and both deliver almost instantaneous delivery, whereas Bitcoin can be slow and clunky.

It will be interesting to monitor coin and token prices over the next few months, sooner or later the average Joe will be selling down and that could et very interesting!