

Is Bitcoin in bubble territory?

Bitcoin \$BTC – After doubling in value in only two months, is Bitcoin \$BTC now in bubble territory?

After recent setbacks Bitcoin and many other crypto currencies are now soaring, and one wonders whether we have now entered bubble territory? Tulip mania springs to mind, but is it different this time?



Are crypto currencies the new tulip mania?

Bitcoin was the pioneer in the new blockchain, an uninterrupted ledger of transactions or encrypted keys. It has now been joined by around 800 new “coins”, with **Dash** and **Ethereum** the closest competitors, but they are currently a fraction of Bitcoin's size.

Bitcoin currently has a ‘market cap’ of US \$ 37.24 billion!

The challengers are the silver to Bitcoin's gold, poor partners if you like, but also surging in value as the tide takes up all crypto currencies to record levels, and at an astonishing pace.

One wonders how a crypto coin with no asset backing is now worth nearly twice the price of an ounce of gold, having only surpassed the value of gold in the very recent past? I find it incredible that people can give such values when gold, the traditional store of value over thousands of years, languishes unable to gain any traction.

Is this proof of the manipulation of gold? Quite possibly, IMO, whereas Bitcoin cannot be manipulated by central banks, hence the exponential rise without interference.

One wonders whether this isn't a new tulip mania, a madness that will cost people their savings when common sense prevails, or whether indeed this is a new paradigm of wealth?

Time will tell, but I have a hard job getting my head around how a crypto currency can so easily exceed the value of gold, maybe it's my age?