Is Bitcoin usurping gold in times of crisis?



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The coronavirus is effecting markets, and people are transferring into safe haven assets, but gold is only up 4% during January, whereas Bitcoin has risen 27%. So, are times changing?

Bitcoin, like gold, is easily transferable and redeemable around the world, ans it’s easier to see younger people in, say, Asia, looking to crypto as a safe haven, possibly avoiding currency regulations at the same time. You don’t take anything physical out of the country with a Bitcoin wallet.

So us traditionalists may be a little bit dismayed at our traditional safe haven and store of value being usurped by younger people, but you have to remember, if the web fails of you can’t connect to it for any reason, your Bitcoin is not accessible. Physical gold on the otherhand, although more bulky, is always available, although bulky and more difficult to transport, with the potential for theft etc.

So, on balance, what’s best to have in reserve for the next crisis? My personal view is there is a strong case for having some of each available, stored and accessible, that way you are covered for virtually all eventualities.

Even traditionalists will have to concede Bitcoin has a place in a safety net type portfolio, just be careful with the

wallet password!