

Bitcoin surges to all-time peak as crypto sentiment improves

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Bitcoin rose to its highest level on record on Wednesday, eclipsing the previous high from January, as risk sentiment continues to improve after last month's tariff-induced selloff.

The world's largest cryptocurrency touched a high of \$109,760.08, and was last up 1.1% at \$108,117.

Its ascent was driven by a combination of factors including easing trade tension between the United States and China and Moody's downgrade of U.S. sovereign debt which has prompted investors to seek alternative investment sources to the dollar.

"Now that January's high has been surpassed – and the 50 percent upside from April's lows has been achieved – bitcoin enters blue sky territory with tailwinds in the form of institutional momentum and a favorable U.S. regulatory environment," Antoni Trenchev, co-founder of digital asset trading platform Nexo, said in an emailed comment.

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That has also coincided with continued weakness in the dollar, a further boost for bitcoin's exchange rate against the U.S. currency.

Crypto market participants often point to increased involvement from traditional financial firms as reasons for its gains. This week they have referenced JPMorgan CEO Jamie Dimon, a longtime crypto skeptic, who said the bank will let clients buy bitcoin. Earlier this month, crypto exchange Coinbase was added to the S&P 500 index. Coinbase said on Monday the U.S. Department of Justice has opened a probe into a recent data breach at the company.

"We're still in year four of the bitcoin price cycle – the year after the bitcoin halving when miner rewards are slashed in half – which historically means its best days are still ahead of it and – while macro uncertainty and the threat of further volatility remains, a target of \$150,000 in 2025 is still very much on the cards," Trenchev said.

Meanwhile, ether, the second-largest cryptocurrency, surprisingly did not rise in tandem with bitcoin. It was last down 0.5% at \$2,513.