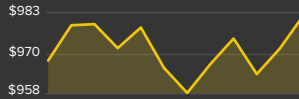



**TRENDING**  
CoinDesk Research Poll: Will Blockchain Disrupt Venture Capital?

**BITCOIN PRICE INDEX (24H)**  


**USD** -0.7% ▼  
**\$981.99**  
**EUR** €923.43

**CNY** 4.7% ▲  
**¥6,628.00**  
**GBP** £785.94

NEWS ▾ PRICE & DATA ▾ GUIDES ▾ EVENTS ▾ RESEARCH ▾ PRESS RELEASES ▾

Search 

NEWS • PRICES

# China Fears Spread Beyond Bitcoin As Crypto Markets Slide

Charles Bovaird | Published on February 9, 2017 at 21:30 GMT

NEWS



The digital currency markets experienced widespread price declines today, as concerns surrounding the latest developments in China motivated many traders to sell off not only bitcoin, but alternative digital assets.

The development follows the PBoC's announcement today that it [warned](#) several domestic exchange operators that they must comply with regulations or risk being shut down. Traders also received startling news from major operations Huobi and OKCoin that, effective immediately, they would [suspend](#) bitcoin withdrawals for one month.

Markets reacted strongly to these developments, with bitcoin prices [falling](#) to as little as \$942 at 14:30 UTC, a more than 10% decline from the opening price, according to the CoinDesk Bitcoin Price Index (BPI).

The digital currency then recovered, rising to \$975.21 at the time of report.

Yet, even after this increase, bitcoin prices were still roughly 7.5% lower for the session, BPI figures show.

## Impact spreads

Like CoinDesk? Send us a tip!



1GJ4F5zmu4BsFHSdq4Wb5ze26X3zCxEOUW

Contributions go towards 2017 investments in new bitcoin projects -- like testing how bitcoin micro-payments can replace paywalls and obtrusive ads.

BTW, you can do this automatically with Brave 🐼

DOWNLOAD BRAVE

DON'T MISS A SINGLE STORY

Subscribe to our free newsletter and follow us

Email Address

SUBSCRIBE

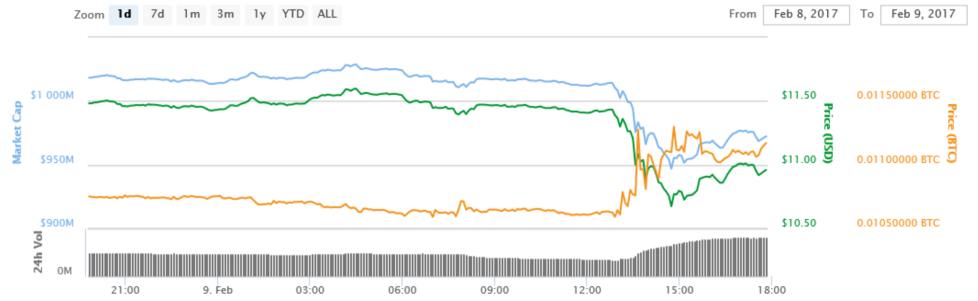
**consensus**  
2017**Registration Is Open!**

REGISTER NOW

Even in alternative digital asset markets, the impact of the development in bitcoin was widely felt.

Ether, which powers the smart contract-based platform ethereum and is the second-largest cryptocurrency by market capitalization, fell to as little as \$10.67 on [CoinMarketCap](#), down close to 7% since the start of the day.

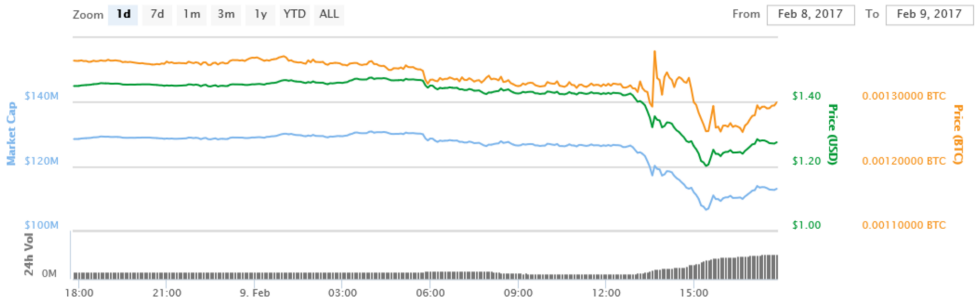
The digital token then recovered lost ground, reaching \$10.92 at the time of report. Yet, even after making these gains, ether was roughly 4.8% lower for the session at time of writing.



Ether classic, which was created roughly six months ago as a result of an ethereum hard fork, provided the most striking example of a price decline, dropping upwards of 20% for the day to \$1.20 on CoinMarketCap, after trading at \$1.47 at 12:04 UTC.

The digital currency, which helps power the smart contract-based platform ethereum classic, later rose to \$1.28 at the time of report.

At this price, ether was roughly 12% lower for the day.



Monero, a digital currency that leverages ring signatures to help provide market participants with a high level of privacy, fell to as little as \$11.83 during the day, close to 8% below the price of \$12.83 at 12:04 UTC, according to CoinMarketCap.

At the time of report, the digital currency had recovered slightly, trading at \$11.91, still more than 7% lower for the session.

### Sponsored Financial Content

- If you don't invest in marijuana right now, you'll regret it forever. (Money Map Press)
- Pay Off Your House At A Furious Pace If You Owe Less Than \$300k (Innovative Metrics)
- 3 Powerful Cycles Predict a Global Debt Collapse is Dead Ahead (Money and Markets)
- This stock could be like buying Amazon in 1997 (The Motley Fool)



### FEATURES



Charts: How an ETF Approval Could Impact Bitcoin's Price



A Bitcoin Hard Fork? The Science of Contentious Code is Advancing



Project Jasper: Lessons From Bank of Canada's First Blockchain Project



Bitcoin, Blockchain and Trump: Where Do We Go From Here?

### INDUSTRY PRESS RELEASES

- Feb 6 | 13:21 **Press ReleaseThe Blockchain Academy London – A 2-day event on Bitcoin and Blockchain Technology**
- Feb 6 | 13:16 **Press Release: The Bitcoin Users Group Welcomes Edward NG as Executive Director for Asia**
- Jan 30 | 16:57 **Press Release: CoinDesk Acquires Lawnmower, Accelerating Growth in Research Offerings**
- Jan 25 | 23:01 **Press Release: Bitcoin Faucets become the new entry points for Bitcoin in developing countries**

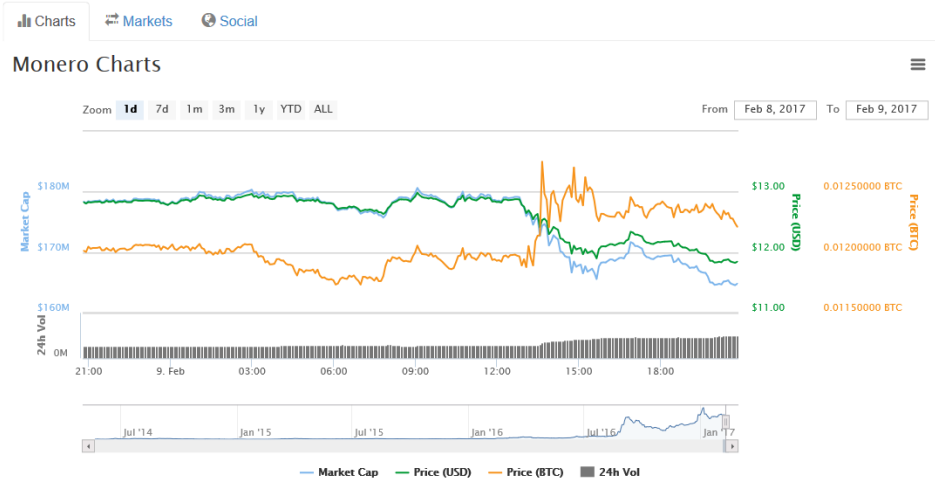
VIEW MORE

SUBMIT RELEASE

Got a news tip or guest feature?

### DON'T MISS A SINGLE STORY

Subscribe to our free newsletter and follow us



Growing up

The fact that digital currency prices suffered widespread declines today, and then proceeded to recover, is merely part of a broader trend, Jacob Eliosoff told CoinDesk.

He emphasized that in some cases, news that bodes poorly for bitcoin "may actually help (or at least be neutral for) other major coins." He pointed to a bug in bitcoin's blockchain or a major disagreement between bitcoin developers as potential examples.

However, news that causes bitcoin prices to push lower usually has the same effect on the price of altcoins, he said.

The high correlation that exists between the price of digital currencies may simply be a sign of the market's immaturity. Bitcoin was the first cryptocurrency to scale, and has grabbed the lion's share of the total market capitalization owned by these digital assets. (In most cases, you have to buy bitcoin before purchasing other altcoins).

Watch and wait

However, several altcoins have risen to prominence by offering some compelling value not provided by bitcoin.

Ethereum, whose currency ether had a market capitalization of roughly \$970m at the time of report, has drawn interest by offering developers a platform where they can create applications that rely on smart contracts.

Likewise, Monero, the fifth-largest digital currency by market capitalization according to CoinMarketCap, has carved out its own niche by offering a level of privacy far higher than that of bitcoin.

In this way, Eliosoff and others are hoping that the "extreme correlation" that exists between the prices of digital currencies today will diminish over time as more establish singular use cases and establish unique infrastructure.

As evidenced by today's moves, however, this development remains in the distance.

Dominoes image via Shutterstock

Ethereum Monero Prices

269

31

PREVIOUS ARTICLE

NEXT ARTICLE



Lawyer Arrested in Attempt to Sell Confidential Complaint...



Bitcoin, Blockchain and Trump: Where Do We Go From Here?

Don't miss a single story

Subscribe to our free newsletter and follow us

Email Address

SUBSCRIBE

Sponsored Financial Content

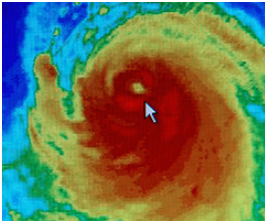
What's this?



A massive stock market rally is at our doorsteps, according to ...  
(Banyan Hill)



A new executive order is expected to shake up retirement savings.  
(Money Map Press)



3 Powerful Cycles Predict a Global Debt Collapse is Dead Ahead  
(Money and Markets)

RELATED STORIES



Feb 10, 2017 at 16:55 | Willy Woo

**Charts: How an ETF Approval Could Impact Bitcoin's Price**

How would the bitcoin market might react if a long-awaited ETF was approved? Crypto guru Willy Woo explores.



Feb 10, 2017 at 13:52 | Stan Higgins

**Ethereum Job Market Colony Enters Beta**

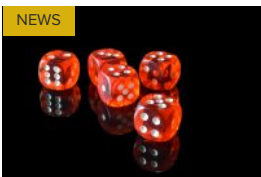
A new ethereum-based, decentralized platform for work collaboration has now entered private beta.



Feb 9, 2017 at 01:12 | Willy Woo

**3 Dead Cats And A Moon: A Guide to Bitcoin's Price Consolidation**

A tongue-in-cheek look at bitcoin's historical market performance told through contributor Willy Woo's unique charts.



Feb 8, 2017 at 23:00 | Charles Bovaird

**You Can Now Bet Bitcoin on Whether the Winklevoss ETF Will Go Live**

BitMEX has launched a prediction market that would let traders bet on the approval of the proposed Winklevoss ETF.

9 Comments    CoinDesk

Recommend Share

Login ▾

Sort by Best ▾



Join the discussion...



sjs • 10 hours ago

If bitcoin was operating as a decentralised commodity/currency instead of being subject to margin trading/leveraged trading/derivative trading (call it what you like) then these controlled takedowns (manipulations) would be much more difficult to execute over such a short time frame. If bitcoin cannot be withdrawn then what exactly is being sold off to cause this drop? The 'permitted' price seems to be around \$970 now. The 'permitted price of Au is \$1220 and the 'permitted' price of Ag is \$17.50. Cash is being crucified next and real estate will take a hammering as well. The 'authorities' suffocate all attempts to escape.

3 ^ | v • Reply • Share ›



Dinofelis → sjs • 7 hours ago

I think you're hitting the nail on the head.

1 ^ | v • Reply • Share ›



sjs → Dinofelis • 5 hours ago

Yes and I'm anything but happy about it.

^ | v • Reply • Share ›



Black Pirate • 19 hours ago

"effective immediately, they would suspend bitcoin withdrawals for one month."

What's the logic behind this decision? You halt the bitcoins withdraws but not the cash?

I am sensing that the biggest robbery of human kind is taking place. It be chaos when people will wake up from their denial.

2 ^ | v • Reply • Share ›



JAFO → Black Pirate • 19 hours ago

yes, i smell that too...The possibility of the PBoC going on a one month BTC buying spree is obvious.

2 ^ | v • Reply • Share ›



The Real Stig → Black Pirate • 5 hours ago

I think it only makes sense if they are spending the time to identify people whose activities the authorities are not happy with, with a view to confiscating their assets (bitcoins). I would expect the price to fall further if that is what is happening when news of it breaks.

^ | v • Reply • Share ›



CashInBitcoinOut • 17 hours ago

And seriously... This author apparently has \*absolutely\* no clue what he's talking about. The general crypto market didn't "go down because of China". The entire crypto market has \*always\* been directly tied to bitcoin. This little thing called arbitrage ensures it. Now... if there was a coin that dropped \*relative\* to BTC on a BTC/Altcoin1 market... THEN you might have something.

Seriously... This site's articles just seem more and more desperate to but \*something\*... \*ANYTHING\* up.

1 ^ | v • Reply • Share ›



Guest • 19 hours ago

Screw pboc

^ | v • Reply • Share ›



CashInBitcoinOut • 19 hours ago

MtGoxed!

^ | v • Reply • Share ›

ALSO ON COINDESK

Two of China's Biggest Exchanges Stop Bitcoin Withdrawals

135 comments • a day ago•

disqusrocks — PBoC = incredible market manipulators

Project Jasper: Lessons From Bank of Canada's First Blockchain Project

2 comments • 6 hours ago•

Vivir Bien — Precisely.What would be REALLY useful is an open source, permissionless, globally accessible ...

You Can Now Bet Bitcoin on Whether the Winklevoss ETF Will Go Live

10 comments • 2 days ago•

Hossein Tahmasebpour — Real interest in Coinomia/bigestmlmguruankurcampaign

Bitcoin Price Sinks Below \$1,000 as China's Exchanges Cut Withdrawals

13 comments • a day ago•

ᎠᎠᎠᎠᎠ Yarnell — sucks for people in china having there investment frozen

 Subscribe  Add Disqus to your site [Add Disqus](#) [Add](#)  Privacy

DISQUS