

Bitcoin price nears \$73,000 in fresh record high

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Bitcoin has reached a new record price of almost \$73,000 (£57,000), as the UK financial regulator said it would allow the trading of cryptocurrency-backed securities. The cryptocurrency hit a fresh high of \$72,720 as of Monday evening having last week overtaken its previous November 2021 high of nearly \$69,000. The latest price move came as the UK financial regulator said on Monday it would “not object” to investment exchanges creating a UK-listed market segment for cryptoasset-backed exchange traded notes [cETNs], a financial product that can be traded like a stock. However, the Financial Conduct Authority said it would not permit the sale of the cETNs to retail investors, or members of the public. “The FCA continues to remind people that cryptoassets are high risk and largely unregulated. Those who invest should be prepared to lose all their money,” it said in a statement. Bitcoin has been helped this year by the US financial regulator approving exchange-traded funds [ETFs] – a basket of assets that can be bought and sold like shares on an exchange – that track the price of the cryptocurrency. The chair of the Securities and Exchange Commission, Gary Gensler, also expressed scepticism about bitcoin despite the approval, referring to it in January as a “speculative, volatile asset” used for illicit activities including ransomware and terrorist financing. An upcoming “halving” of bitcoin, in which the amount of new bitcoin being generated is reduced, is also expected to support the currency by causing a reduction in supply – and therefore bolstering the price. Neil Wilson, the chief analyst at the brokerage Finalto, said the FCA move was a “positive” sign for the cryptocurrency market. He added that “parabolic” market moves – referring to sharp price increases – tended to end in a big pullback but “we cannot be sure with bitcoin any more”. “There is a question of the amount of spare cash sitting around that can be allocated to it,” he added.