

Bitcoin Holds Firm as Stock Market Faces Potential 15% Drop

August 6, 2025

— Categories: *Crypto*



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Bitcoin just closed out its strongest month on record, but its momentum is now being tested by broader economic uncertainty. Concerns over a potential 15% downturn in the stock market have some investors on edge, with fears fueled by weak job data and global trade instability.

Market analysts are warning of a tough quarter ahead, as American equities face pressure from economic data that suggests a slowdown may be underway. The added strain of escalating tariff risks under President Trump's leadership, which has struggled to steady markets amid global economic tension, isn't helping investor confidence.

Stocks gave back much of their July gains in recent weeks, and cryptocurrencies have followed suit, although Bitcoin has remained relatively resilient.

"Any pronounced weakness in US equities is likely to exert short-term pressure on Bitcoin, given its notable correlation with risk assets," said Joel Kruger, market strategist at LMAX Group, a crypto-focused institutional exchange, in a recent interview with *DL News*.

Bitcoin's price dipped roughly 7% from its all-time high above \$122,000, triggered by a late-month \$9 billion selloff and broader market concerns. However, this setback hasn't shaken its long-term strength, according to several experts.

Kruger noted that Bitcoin continues to benefit from its reputation as a store of value, institutional inflows through exchange-traded funds (ETFs), and favorable regulatory tailwinds, a notable contrast to the regulatory hostility seen in previous years.

These factors, Kruger explained, are likely to keep new investment flowing into Bitcoin, helping to support its price through market volatility.

In a separate comment earlier this year, BitMEX co-founder Arthur Hayes argued that Bitcoin would not buckle the next time global markets slump due to Washington's unpredictable trade moves, a nod to the kind of policy uncertainty that's become more common under the current administration.

Amid expectations that the Federal Reserve may cut interest rates in September, American investors have increased their exposure to Bitcoin, betting on further gains. Some analysts suggest the price could reach \$150,000 by year-end if these trends continue.

Still, not all crypto assets are showing the same strength.

"The market is displaying a structural divergence in performance between Bitcoin and the rest of the crypto asset class," analysts at Bitfinex told *DL News*.

This growing gap reflects Bitcoin's evolving role as a resilient, institutional-grade asset, while other cryptocurrencies struggle to keep pace. The analysts noted that conditions remain fragile across the market, with altcoins lacking the capital inflows and demand needed to spark a broad rally.

The current phase appears highly reactive, with sharp selloffs driven by excessive leverage and speculative trading positions.

Current Market Snapshot

- Bitcoin: Down 0.8% in the last 24 hours, now trading at \$114,014
- Ethereum: Down 1.7% over the same period, at \$3,624

While uncertainty clouds the equity markets, Bitcoin continues to stand apart not as a hedge against everything, but as a maturing asset with growing appeal to serious investors.