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— *Categories: Crypto*



The world's largest cryptocurrency dropped by 2.4%, reaching \$115,890 by 13:22 GMT, with weekly losses nearing 3%. The broader crypto market also remained under pressure, as traders shifted away from risk assets amid growing global economic uncertainty. Other major coins, including Ethereum and Solana, also posted declines during the day.

This downturn followed news that U.S. President Donald Trump had signed a new executive order imposing tariffs on a range of American trading partners. While the tariffs are set to take effect in seven days, markets are still awaiting clarity on the exact details, especially as last-minute trade talks are reportedly ongoing with several major economies, including China and the European Union.

These developments have added to the Federal Reserve's cautious stance. Earlier this week, the central bank announced it would maintain current interest rates, citing the need to observe the full impact of the tariffs on inflation and economic growth. Fed Chair Jerome Powell reiterated that monetary policy would remain data-dependent, leaving room for adjustments in either direction.

Adding to the mixed signals, U.S. job data for July showed a slower pace of hiring than expected. While unemployment edged slightly higher, analysts suggested the figures may reflect early signs of strain in the labor market—another potential influence on Fed policy in the months ahead. Wage growth also showed signs of softening, complicating the inflation outlook.

Despite positive corporate earnings, even major Bitcoin backers like Strategy (NASDAQ: MSTR) failed to boost confidence in the market. The firm, one of the largest institutional holders of Bitcoin, reported better-than-expected quarterly results and continued adding to its cryptocurrency holdings. However, its shares remained largely unchanged, suggesting that investors were focused more on macroeconomic headwinds than company-specific performance.

Analysts suggest that the market is now in a profit-taking phase, with traders locking in gains after Bitcoin's rally to record highs in mid-July. The current price correction may also reflect broader caution as global markets reassess the risks posed by rising protectionism and shifting monetary policies.

Although the crypto market has faced short-term pressure, long-term investor interest remains strong, particularly in emerging markets like Pakistan and Nigeria, where digital assets continue to draw attention as an alternative investment.