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Bitcoin Eyes \$120K as Analysts Warn of Sharp Market Swings Ahead

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– Categories: Crypto



Bitcoin (\$BTC) surged close to \$119,000 on Sunday, recovering from recent declines and injecting fresh volatility into the crypto market ahead of the weekly close. Traders are now focused on the \$120,000 mark, viewed as both a psychological barrier and a high-risk liquidation zone.

After dipping to \$114,500 in recent weeks, Bitcoin has rebounded. According to Cointelegraph Markets Pro and TradingView, BTC/USD is attempting to close above its 10-day Simple Moving Average (SMA), a key technical indicator. This momentum comes amid

broader market stability following reports that the U.S. and China have agreed to delay further trade tariffs, offering short-term relief to investors.

Analysts are closely watching the \$119,500 to \$120,000 range. Crypto investor Ted Pillows wrote on X (formerly Twitter): “*\$BTC needs to break above \$119.5 for a big move. If that doesn't happen, this consolidation will continue.*” He forecasts a potential breakout in the coming month that could initiate the next upward phase.

Technical analyst Rekt Capital shared a similar view, stating that Bitcoin has reclaimed a previously lost range on the daily chart. He suggested that any pullback toward \$114,000 may serve as a healthy retest of support.

Not all perspectives are bullish. Trader CrypNuevo identified a downside zone between \$113,600 and \$114,500, where many leveraged positions are concentrated. “*The main liquidation level is at \$113.8, the natural mid-term target,*” he said.

CoinGlass, a crypto derivatives analytics platform, shows that \$119,650 is the current “max pain” level for short sellers, where the largest number of bearish leveraged positions would be liquidated. If Bitcoin were to approach its all-time high near \$123,000, liquidations could exceed \$1.1 billion.

Analysis from Coinank and TheKingfisher also points to increased volatility. Dealers are reportedly “short gamma,” a position that, under rising prices, forces aggressive hedging, which can accelerate price swings. “*This indicates dealers may amplify volatility to hedge their positions,*” TheKingfisher noted.

As Bitcoin tests the \$120,000 level, it may face intensified pressure from both bullish and bearish traders. With excessive leverage still present, even brief rallies could turn into sharp reversals. Investors are advised to approach the current market with caution.