

Bitcoin Slips Below \$113,000 as Economic and Political Uncertainty Rattles Markets

August 3, 2025

— Categories: *Crypto*



Download IPFS

Bitcoin (BTC) fell sharply on Friday, dropping to an intraday low of \$112,792 amid escalating macroeconomic and geopolitical pressures. The decline marks a nearly 6% drop from its recent range between \$116,000 and \$120,000, placing the world's largest cryptocurrency firmly back in bearish territory.

The downturn was triggered by a combination of factors, including a disappointing United States (US) jobs report, the introduction of broad new tariffs by the White House, and rising tensions between the US and Russia.

Bitcoin's decline mirrors broader trends across the digital asset market, with most major cryptocurrencies also registering significant losses. The current environment of heightened uncertainty appears to be driving investors away from risk-on assets like cryptocurrencies and towards more stable, traditionally safer options.

According to data from cryptocurrency analytics platform CoinGlass, the market selloff led to more than \$900 million in liquidations over 24 hours. Long positions, bets that prices would rise, made up \$823 million of that total, underscoring the extent of misjudged optimism among investors.

The US Department of Labour's latest employment report, released earlier in the week, significantly missed market expectations. The disappointing figures prompted US President Donald Trump to dismiss the official responsible for compiling and releasing the data. The move was widely viewed as an attempt to reassert control over the economic narrative ahead of what is expected to be a contentious election cycle.

In tandem with the weak jobs data, the White House introduced sweeping new tariffs on major trade partners, fuelling anxiety in both traditional financial and digital asset markets. The aggressive trade policy, aimed at bolstering domestic industries, was seen by analysts as a potential drag on global economic growth. Cryptocurrencies, often sensitive to shifts in investor confidence, responded swiftly to the deteriorating outlook.

Adding to the market's unease, President Trump announced that he had ordered multiple nuclear submarines to patrol near Russian waters. The order came in response to recent threats made by a senior Russian official, escalating fears of renewed military conflict. The geopolitical flare-up added further volatility to an already fragile investment climate.