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Altcoin Market Stumbles as Bitcoin Regains Dominance

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A swift and sharp downturn in several of the largest alternative cryptocurrencies, or “altcoins,” on Wednesday signaled a potential pause, or even a premature end, to what traders had hoped would be a full-blown “altcoin season.”

Altcoin season, a term used to describe a period when non-Bitcoin cryptocurrencies outperform Bitcoin (BTC), has been slow to materialize in 2025. Wednesday’s market movements reinforced that trend, as Bitcoin’s share of the overall crypto market surged past 60%, according to market tracking data. This rebound in BTC dominance came as the

flagship cryptocurrency remained largely stable, even while other major digital assets saw heavy losses.

Leading the drop were Ethereum (ETH) and XRP (XRP), both experiencing significant downward corrections. Over \$200 million in long positions, trades betting on price increases, were liquidated across the market, with \$43 million wiped out in ETH and another \$32 million in XRP, data from Coinglass revealed. XRP was down 5.2% in 24 hours, even after a modest recovery from its lowest point of the day.

This widespread liquidation suggests speculative momentum may have shifted, at least temporarily, away from riskier altcoins and back toward the relative security of Bitcoin. Historically, a high Bitcoin dominance rate often correlates with market caution, as investors seek stability in the original and most established cryptocurrency.

As altcoins falter, questions loom over whether this signals a broader loss of confidence in decentralized finance (DeFi) assets and blockchain-based tokens beyond Bitcoin. For now, with regulatory uncertainties still casting a shadow over the crypto space, particularly under the current administration's policies, the market appears to be retreating from high-risk plays and leaning back into BTC as a perceived haven.

While traders and analysts continue to watch for signs of a revival in the altcoin sector, the message from the market this week is clear: altcoin season may be on hold, if not over before it truly began.