

Turab Musayev on How Bitcoin Is Affecting the Price of Gold

LONDON, UK, June 2, 2021 /EINPresswire.com/ -- Is Bitcoin Affecting the Price of Gold? [Turab Musayev](#) Discusses the Connection

The price of Bitcoin has been largely on the rise, which has had many investors asking what (if anything) is going to happen to the price of gold. Turab Musayev looks at the relationship between the old standard and the new.

Capitalization Rates

In late 2020, JPMorgan noted that the heavy metal's exchange-traded funds lost \$7 billion while a reputable Bitcoin trust saw a \$2 billion increase. These are notable numbers but not necessarily enough to draw a straight-line conclusion.

Gold is still coming out on top in every way, at roughly three times the value (Bitcoin's \$343 billion to gold's \$10 trillion), and wealthy families are also still favoring gold at an average of 3.3% to .18%. If you look at the six-month trajectory of the two, you can see that both values were rising around the transition period from 2020 into 2021.

Why Are People Buying Bitcoin and Gold?

Investors are buying the two assets primarily because these are considered more likely to hold value even in the face of economic collapse. Governments all over the world are printing more money, trying to get their economies back on track after the pandemic.

[Turab Musayev believes](#) that the two aren't necessarily competing as much as they are subject to the same market forces. This doesn't mean that Bitcoin can't drag down the price of gold, particularly when it's easier to use Bitcoin on a global scale, only that they're both likely to skyrocket when investors see inflation on the horizon.

Turab Musayev on Cryptocurrency Today

Turab Musayev has watched the market caps for different kinds of cryptocurrency and taken stock of the attitudes that drive the changes. The more time people spend online, the more likely they are to put stock in what they find in a virtual world.

After going through COVID and reading plenty of negative financial reports, it's easy to see why investors are looking toward technology as the answer. As we watch the financial dust settle, Musayev expects there to be more attention paid to cryptocurrency, but not necessarily to the detriment of gold.

Tangible and Non-Tangible

This largely comes down to what we can see and touch pitted against what we can't. Cryptocurrency is designed to lower transaction fees around the world and make money easier to move around the globe. However, it will take some time (if ever) before it's replaced by the reassuring quality of a tangible asset. [Turab Musayev will](#) continue to watch how the two prices correlate or conflict with one another as more financial news pours in.

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