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Original:

https://www.btcc.com/en-US/academy/research-analysis/why-did-trumps-strategic-bitcoin-reserve-executive-order-cause-a-10-drop-in-mstr-stock-price

Why Did Trump's Strategic Bitcoin Reserve Executive Order Cause a 10% Drop in MSTR Stock Price?

Immediately following Donald Trump's Executive Order for the U.S. Strategic Bitcoin Reserve, the price of MSTR's stock plummeted by 10%. Immediately following Donald Trump's Executive Order establishing the U.S. Strategic Bitcoin Reserve, the price of HeMSTR's stock plummeted by 10%. What went wrong is as follows. How did it go wrong?

Key Takeaways

- Following the revelation of the Bitcoin reserve, MicroStrategy's stock fell 10%.
- The Executive Order caused the price of MSTR's stock to plummet today, after experiencing significant fluctuation in recent days.
- Due to investors' inflated expectations, there was a significant sell-off, which ultimately caused a crash.

One of the most significant milestones in the business is the signing of the Donald Trump Executive Order for the Bitcoin Reserve. The market has, however, seen an unaltered result, particularly with regard to MicroStrategy Stock. The announcement's concealed bearish element is demonstrated by the 10% decline in the price of MSTR stock since the signing.

In addition, the price of Bitcoin plummeted by 5% as the rest of the <u>cryptocurrency</u> market recovered. Let's talk about what went wrong with this optimistic report.

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Why MSTR Stock Price Dropped 10%

The sentiment of crypto investors greatly influences the performance of the MSTR stock price. Their positive outlook on things causes it to increase in value, while a negative outlook causes it to decrease. While it's encouraging that Trump has given the Bitcoin Reserve his blessing, many details remain unclear.

This influenced the moods of the investors and intensified their desire to sell. Last but not least, at \$304.11 a share, MicroStrategy's stock price is down 10%.



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Market Expectations Were Excessive, Causing a Decline

Simple explanations for the market's complexities are the main grounds for the fall in the MSTR stock price. The investors have already made their trades in anticipation of a more substantial announcement. Some even predicted that the market would experience a rebound when the US government purchased billions of Bitcoin to add to the reserve.

The inverse, however, occurred when David Sacks announced that no purchases would be made. Rather, the funds set aside for asset forfeiture due to criminal and civil counterfeiting will be utilized.



A huge sell-off occurred since the announcement was not up to par. "Buy the rumor, sell the news" describes this typical occurrence, which led to individuals making money off of anything they could sell.

Previous speculations and institutional buyers like MicroStrategy fed this news, which in turn has moved Bitcoin and BTC-related equities to a more organic trading pattern.

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Overnight, MicroStrategy's Bitcoin Proxy Role Underwent a Transformation

One of MicroStrategy's most notable reputations is its Bitcoin buying method. Michael Saylor's endorsements and the purchase of Bitcoin have had an impact on the whole cryptocurrency industry. Even more crucially, MSTR is one of the best-performing equities, having returned 165% on its Bitcoin investment. This leads many to consider it a substitute for Bitcoin.



The digital currency was also better because of the regulatory uncertainties surrounding it. The crypto summit and executive order, however, are being hosted by Donald Trump, which is boosting trust in Bitcoin and providing better regulatory clarity.

This caused some investors to flee MSTR for Bitcoin, which put downward pressure on the price of

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What Will Happen to the Price of Bitcoin and MSTR Stock Next?

Investors are worried about MSTR's performance with the Bitcoin Reserve after its stock price crashed. While short-term selling pressure is anticipated, investors should maintain a longer-term perspective. Even more crucially, the basics have not changed.

The company still has a large amount of Bitcoin on hand and uses it for the neighboring asset. Despite the Bitcoin Reserve's hopeful outlook on Bitcoin's price trajectory, uncertainty may continue to hold it in check.

Therefore, this digital asset will also affect how well MicroStrategy stock performs. In order to make informed trades, investors need to keep a careful eye on the news stories related to this subject.

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FAQs

What link exists between the news about the Bitcoin Reserve and the collapse of the MSTR stock price?

Following Donald Trump's signature of the Executive Order for the U.S. Strategic Bitcoin Reserve, the stock price of MSTR plummeted by 10% as investors had higher expectations.

How did the announcement affect the price of Bitcoin?

Similar to MicroStrategy shares, the price of Bitcoin plummeted, falling 5% to \$89k.

Will the shares of MicroStrategy bounce back from this drop?

Recovery may occur after the sell-off subsides, as MicroStrategy's long-term prognosis is contingent on the direction of the Bitcoin price.

Why Choose BTCC?

BTCC is known as the world's longest-running exchange. Since its establishment, the platform has withstood multiple bull and downturn markets without reporting a single hacking incident, making it one of the most trusted exchanges in existence.



The firm's products are designed to meet the needs and desires of both rookie and experienced traders. Here are five reasons for using the exchange:

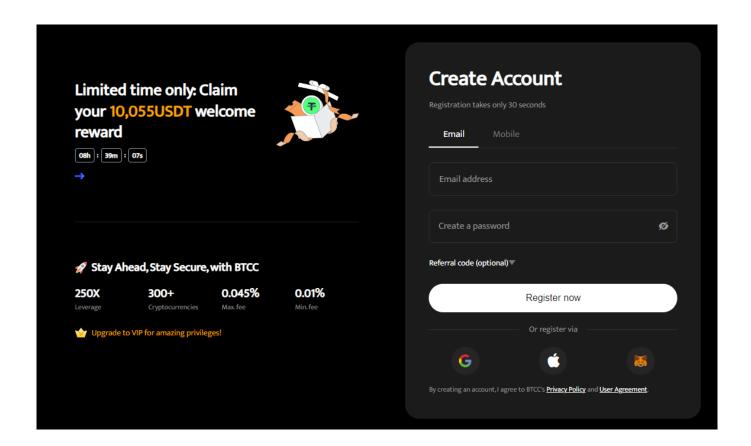
- Available Cryptocurrencies on the Exchange
- Easy to use
- Reputable Customer Service
- BTCC Trading Features and Tools
- Welcome Bonus and Campaigns

How to Trade Crypto on BTCC?

This brief instruction will assist you in registering for and trading on the BTCC exchange.

Step 1: Register an account

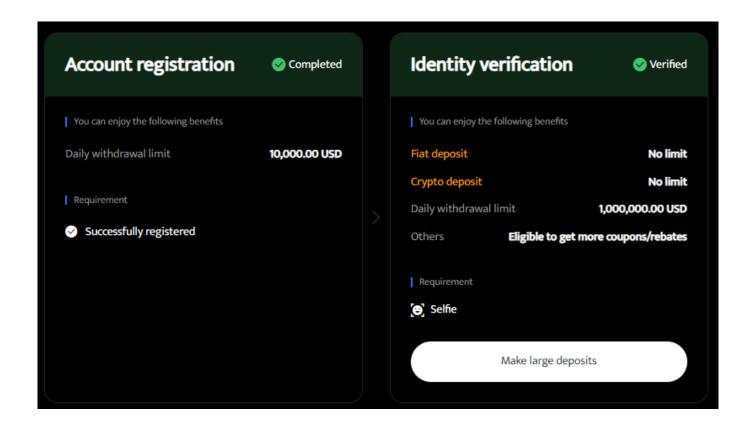
The first step is to hit the "Sign Up" button on the BTCC website or app. Your email address and a strong password are all you need. After completing that, look for a verification email in your inbox. To activate your account, click the link in the email.



Step 2: Finish the KYC

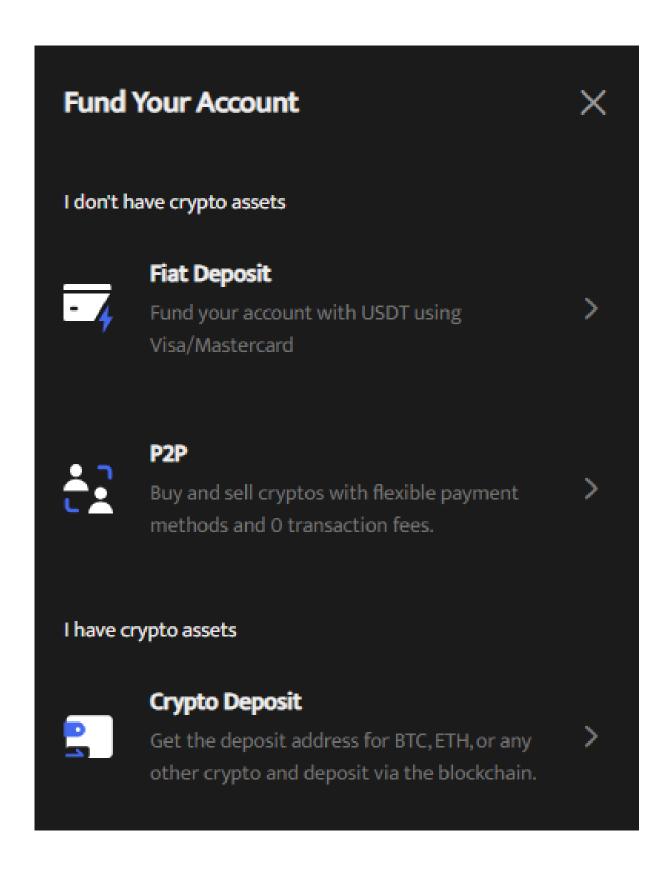
The Know Your Customer (KYC) procedure is the next step after your account is operational. The main goal of this stage is to maintain compliance and security. You must upload identification, such

as a passport or driver's license. You'll receive a confirmation email as soon as your documents are validated, so don't worry—it's a quick process.



Step 3. Deposit Funds

After that, adding money to your account is simple. BTCC provides a range of payment options, such as credit cards and bank transfers. To get your money into your trading account, simply choose what works best for you, enter the amount, and then follow the instructions.



Step 4. Start Trading

If you wish to follow profitable traders, you might go for copy trading, futures, or spot trading. After choosing your order type and the cryptocurrency you wish to trade, press the buy or sell button. Managing your portfolio and keeping track of your trades is made simple by the user-friendly

interface.



Look more for details: How to Trade Crypto Futures Contracts on BTCC

BTCC FAQs

Is BTCC safe?

Based on its track record since 2011, BTCC has established itself as a secure cryptocurrency exchange. There have been no reports of fraudulent activity involving user accounts or the platform's infrastructure. By enforcing mandatory know-your-customer (KYC) and anti-money laundering (AML) procedures, the cryptocurrency trading platform gives consumers greater

security. For operations like withdrawals, it also provides extra security features like two-factor authentication (2FA).

Is KYC Necessary for BTCC?

Indeed. Before using BTCC goods, users must finish the Know Your Customer (KYC) process. A facial recognition scan and legitimate identification documents must be submitted for this process. Usually, it is finished in a few minutes. This procedure has the benefit of strengthening the security of the exchange and satisfying legal requirements.

Because their accounts will have a lower daily withdrawal limit, those who do not finish their KYC are unable to make deposits. It should be noted that those who present a legitimate ID without a facial recognition scan will likewise have restricted withdrawal options.

Is There a Mobile App for BTCC?

Indeed. For users of iOS and Android, BTCC has a mobile app. The exchange's website offers the mobile app for download. Since both the web version and the mobile app have the same features and capabilities, they are comparable.

Will I Have to Pay BTCC Trading Fees?

Indeed. BTCC levies a fee for trade, just like a lot of other centralised exchanges. Each user's VIP level, which is unlocked according to their available money, determines the different costs. The BTCC website provides information on the charge rates.

Can I Access BTCC From the U.S?

You can, indeed. According to its website, BTCC has obtained a crypto license from the US Financial Crimes Enforcement Network (FinCEN), which enables the cryptocurrency exchange to provide its services to investors who are headquartered in the US.

According to BTCC's User Agreement document, its goods are not allowed to be used in nations and organisations that have been sanctioned by the United States or other nations where it has a licence.

BTCC Guide:

- How to Trade Crypto Futures Contracts on BTCC
- BTCC Guide-How to Deposit Crypto on BTCC?
- What is Crypto Futures Trading Beginner's Guide
- What is Leverage in Cryptocurrency? How Can I Trade at 100X Leverage?
- BTCC Review 2024: Best Crypto Futures Exchange

Crypto Buying Guides:

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- How To Buy Picoin
- How To Buy Ethereum (ETH)
- How To Buy Dogecoin (DOGE)
- How To Buy Pepe Coin (PEPE)
- How To Buy Ripple (XRP)

Crypto Prediction:

- Ethereum (ETH) Price Prediction 2024, 2025, 2030 Will ETH Reach \$10,000?
- Ethereum Price Prediction 2024, 2025, 2030: How High Can ETH Go in 2024?
- Bitcoin (BTC) Price Prediction 2024, 2025, 2030 Is BTC a Good Investment?
- Ripple (XRP) Price Prediction 2024, 2025, 2030 Will XRP Reach \$1 After SEC Lawsuit?
- Pi Coin Price Prediction 2024,2025,2030 Is Pi Coin a Good Buy?
- Pepe (PEPE) Price Prediction 2024, 2025, 2030 Will PEPE Reach \$1