# Trump announces universal tariffs impacting markets and cryptocurrency



On April 2, 2025, President Donald Trump announced a significant tariff plan that includes a universal 10% tariff on nearly all imports into the United States, complemented by additional reciprocal tariffs targeting 57 specific countries. The announcement, which marks a noteworthy shift in U.S. trade policy, sparked immediate repercussions in financial markets, given the potential implications of a trade war.

The following day, on April 3, reactions to the tariff announcement were swift, particularly within the cryptocurrency sector and the broader stock market. Investors appeared to retreat from risk-sensitive assets, leading to notable decreases in stock prices across various industries, including cryptocurrency. Bitcoin experienced a decline of approximately 3.4%, dropping below the $82,000 mark before recovering slightly to around $83,361.88 on April 4.

Crypto-related stocks faced even steeper declines. Coinbase Global, a major cryptocurrency exchange that had previously supported Trump during the November elections, saw its stock price drop nearly 12% in the aftermath of the tariff announcement. Other cryptocurrency mining companies, including Marathon Digital Holdings (MARA) and Riot Platforms, recorded stock declines ranging from 4% to 6%. The CoinShares Crypto Miners ETF, which tracks a diversified selection of Bitcoin mining stocks, fell approximately 13% following the announcement, reflecting widespread investor caution.

The impact of these tariffs extended beyond immediate stock price fluctuations. Companies in the cryptocurrency sector are reconsidering their plans for initial public offerings (IPOs) due to the prevailing market instability. Circle, a stablecoin issuer, has reportedly halted its IPO plans for 2025, opting to delay any decisions as it assesses the turbulent market environment. Other companies, including fintech firm Klarna and ticketing platform StubHub, are also contemplating postponing or altering their IPO intentions in light of the current economic outlook.

Major U.S. stock indices during this period, including the S&P 500 and Nasdaq, fell by about 10%, as traders anticipated the ramifications of a potential trade war instigated by the new tariffs. Investment bank JPMorgan noted in a report that it had raised its estimated likelihood of a global economic recession in 2025 from 40% to 60%, and classified “disruptive U.S. policies” as a significant risk to the global outlook.

Reflecting on the broader implications of President Trump's tariff strategy, JPMorgan indicated that the potential for retaliatory measures, coupled with declining U.S. business sentiment and disruptions to supply chains, could exacerbate the economic impact. As the markets continue to adjust to these new policies, the cryptocurrency sector, traditionally seen as a volatile investment, also faces challenges in maintaining stability amid these significant developments.

Despite the pressures on the cryptocurrency market, some analysts have observed that Bitcoin may be starting to “decouple” from the broader stock market, maintaining resilience by holding its value above the $82,000 threshold in the face of significant declines in traditional equity markets. The situation remains fluid as stakeholders in both traditional and cryptocurrency markets navigate the uncertainties introduced by the latest U.S. trade policies.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

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