

# Bitcoin prices fall as South Korea says ban still an option

January 16 2018, by Youkyung Lee



A man watches a screen showing the prices of bitcoin at a virtual currency exchange office in Seoul, South Korea, Tuesday, Jan. 16, 2018. Prices of bitcoin and other digital currencies have skidded after South Korea's top financial policymaker said a crackdown on trading of crypto currencies was still possible. (AP Photo/Ahn Young-joon)

Prices of bitcoin and other digital currencies have skidded after South Korea's top financial policymaker said Tuesday that a crackdown on trading of crypto currencies was still possible.

Finance Minister Kim Dong-yeon said in an interview with local radio station TBS that banning [trading](#) in digital currencies was "a live option." He said the decision was subject to a thorough government review.

"There are no disagreements over regulating speculation," such as using real-name accounts and levying taxes on crypto currency trading, Kim said. Shutting down digital currency exchanges is "a live option but government ministries need to very seriously review it," he said.

Bitcoin was trading at \$12,615.60, down 7.1 percent from the day before as of 8:03 a.m. GMT, according to Coindesk. The price of ethereum, another digital currency, had slipped 7.8 percent to \$1,190.45 as of 8:04 a.m. GMT.

South Korean officials' remarks have swayed the global markets for bitcoin and other crypto currencies in the past few weeks. The country has seen a huge bitcoin craze, with young and old betting on the crypto currency to build wealth. The high demand from South Korean investors has created what investors call a "kimchi premium," the extra price the South Koreans have to pay to buy digital currencies, sold in South Korea at higher than the average global [prices](#).



In this Thursday, Jan. 11, 2018, photo, South Korean Finance Minister Kim Dong-yeon, center, speaks during a meeting of economy-related ministers at the government complex in Seoul, South Korea. Prices of bitcoin and other digital currencies have skidded after South Korea's top financial policymaker said on Tuesday, Jan. 16, a crackdown on trading of crypto currencies was still possible. (Suh Myoung-geon/Yonhap via AP)

Last week, the justice minister's remark that the country will ban [bitcoin](#) and other digital currencies triggered big sell-offs and a public outcry. The presidential office then said that no final decision had been made.

An online petition on the presidential office's website has drawn more than 210,000 requests from people asking the government not to ban trading in digital currencies.

"We the citizens were able to have a happy dream that we had never had

in South Korea thanks to crypto [currency](#)," the petition reads. "You may think you are protecting the public but we citizens think that the [government](#) is stealing our dream."



In this Dec. 13, 2017, file photo, a screen shows the prices of bitcoin at a virtual currency exchange office in Seoul, South Korea. Prices of bitcoin and other digital currencies have skidded after South Korea's top financial policymaker said Tuesday, Jan. 16, 2018 a crackdown on trading of crypto currencies was still possible. (AP Photo/Ahn Young-joon, File)

© 2018 The Associated Press. All rights reserved.

Citation: Bitcoin prices fall as South Korea says ban still an option (2018, January 16) retrieved 26 April 2024 from <https://phys.org/news/2018-01-bitcoin-prices-fall-south-korea.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.