

Reports: China orders bitcoin exchanges to shut down

September 14 2017



Credit: CC0 Public Domain

Regulators have ordered Chinese bitcoin exchanges to close, two

business newspapers reported Thursday, after uncertainty about the digital currency's future in China caused its price to plunge.

Regulators in Shanghai, the country's financial center, gave verbal instructions to exchange operators to shut down, China Business News and 21st Century Economic Report said on their websites. They gave no other details.

The central bank has yet to respond to questions about bitcoin's future in China but earlier warned it was traded without regulatory oversight and might be linked to fraud. The bank banned initial offerings of new digital currencies last week.

Bitcoin is created and exchanged without the involvement of banks or governments. Transactions allow anonymity, which has made bitcoin popular with people who want to conceal their activity. Bitcoin can be converted to cash when deposited into accounts at prices set in online trading.

Rumors that China planned to ban bitcoin has caused its market price to tumble 20 percent since Sept. 8.

Interest in China in bitcoin surged last year after the price rose. A Chinese business news magazine, Caixin, said at one point up to 90 percent of global trading took place in China.

Trading volume has fallen as regulators tightened controls.

© 2017 The Associated Press. All rights reserved.

Citation: Reports: China orders bitcoin exchanges to shut down (2017, September 14) retrieved 21 September 2024 from <https://phys.org/news/2017-09-china-bitcoin-exchanges.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.