

# Forum:[Hack Forums](#)

Thread: [New Tariffs \(25%-100%\): Will Crypto Benefit from Rising Inflation?](#)

**Schiphol** - February 2, 2025, 10:53 am

With new tariffs ranging from 25% to 100% on various imports, global markets are bracing for another wave of inflation. When trade costs rise, prices for goods and services follow, reducing the purchasing power of fiat currencies. Historically, inflationary periods have sparked increased interest in alternative assets like gold and, more recently, cryptocurrency.

Many believe Bitcoin is a hedge against inflation, as its fixed supply makes it resistant to currency devaluation. However, others argue that crypto is still too volatile and speculative to serve as a true safe haven. Meanwhile, governments may respond to economic instability with tighter crypto regulations, which could impact adoption and market behavior.

Some key points to consider:

1. Will higher inflation actually drive more investors into Bitcoin and stablecoins, or will risk-averse investors prefer gold and other traditional assets?
2. How might governments respond to crypto adoption if inflation worsens—could we see more regulation, or even increased institutional investment?
3. With rising trade costs, could crypto-backed remittances and cross-border transactions gain traction as a cheaper alternative to traditional banking?

With so many factors at play, it's tough to predict how crypto markets will react. What do you think—will these tariffs strengthen crypto's role in the global economy, or will they introduce new challenges?

**Tyr** - February 2, 2025, 10:56 am

I don't know. I am scared actually. He pissed me off about this. It's one of the few things I dislike about Trump when it comes to him being a baby over macroeconomic issues although he is somewhat correct. He has been saying he would do this for the longest time but I did not take him as serious as I should have. Right now things are scary, that's all I have to say. I would like to hear what others say though because this is arguably one of the most crucial things right now economically as we are about to see not only crypto take a hit but average things such as groceries which will diminish the amount of people who are able to become new investors as they are less likely inclined to buy low amounts of the coin such as during crazes etc.

Psychological indicators in the upcoming week should be interesting to look at. I think there will always be a certain market for gold, silver, etc. however I see these tariffs having a bigger impact on devices that utilize microchips of which are primarily made in China, etc.

I got work to do and I love economics so I will go on forever and I will wrap up here.

**Mewtwo** - February 2, 2025, 11:10 am

These shitty tariffs are what's going to drive the costs of living, and more investors pulling out their money in order to afford. This is something I really disagree on trump on.

**Schiphol** - February 2, 2025, 2:11 pm

(Feb 2, 2025 11:56 AM)Tyr Wrote: [\[CITE\]](#) I don't know. I am scared actually. He pissed me off about

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Yeah, it's definitely a challenging time right now, and I get why it feels unsettling. The impact of tariffs on things like microchips and the potential ripple effects on industries is something that's been discussed a lot, especially with how intertwined the global supply chain is. It's tough to predict exactly how it will unfold, but keeping an eye on psychological indicators sounds like a good strategy. Gold, silver, and other safe havens will likely remain strong, but it's true that rising living costs could make it harder for people to invest. I agree that there's a lot of uncertainty ahead, and it's good to stay informed. Hopefully, the market will find some stability soon!

**Tyr** - February 3, 2025, 10:28 am

This needs to be stickied imho. [Omniscient](#)

**Omniscient** - February 3, 2025, 11:01 am

Tariff's are Trumps biggest negotiating tool. Example is Mexico 25% tariff paused for 30 days after the Presidents spoke on the phone and Mexico agreed to deploy 20,000 troops to secure border.

Trump is doing the right thing using Tariff's to get what he wants done FOR THE AMERICAN PEOPLE. He's not doing things to punish Americans, his mission, Make America Great Again and he's crushing it with just 2 weeks in office. He's gotten more done in 2 weeks than Biden (or any POTUS) has done in 2 years.

Have some faith. Markets going up and down based on news is common and an over-reaction. It's not doomsday.

**Braco22** - February 3, 2025, 11:13 am

(Feb 3, 2025 12:01 PM)Omniscient Wrote: [CITE](#) Tariff's are Trumps biggest negotiating tool. Example is Mexico 25% tariff paused for 30 days after the Presidents spoke on the phone and Mexico agreed to deploy 20,000 troops to secure border.

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I just can't come to sense as to why he hasn't arranged a truce between Russia and Ukraine yet? That'll be a good catalyst.

Omniscient - February 3, 2025, 11:19 am

(Feb 3, 2025 12:13 PM)Braco22 Wrote: [\[CITE\]](#) Exactly. China will come to sense and offer something good and beneficial for the American people thus will result in a big market relief for the S&P 500, Gold and our beloved Bitcoin.

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Because in the grand scheme of things the war will likely die out the moment Zelenski realizes the US won't offer support anymore. He'll negotiate himself with Putin.

Also Trump's main focus is USA. It's not foreign wars.

Schiphol - February 3, 2025, 11:21 am

(Feb 3, 2025 12:01 PM)Omniscient Wrote: [\[CITE\]](#) Tariff's are Trumps biggest negotiating tool. Example is Mexico 25% tariff paused for 30 days after the Presidents spoke on the phone and Mexico agreed to deploy 20,000 troops to secure border.

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Tariffs, as a tool of economic policy, can indeed serve as a powerful means of negotiating favorable terms in trade agreements. The example with Mexico illustrates how tariffs can be leveraged to achieve specific outcomes, such as enhanced border security. However, it's important to consider the broader economic implications of such policies. While they may lead to short-term successes in negotiations, the long-term impact on consumers, businesses, and international relationships requires careful assessment. Tariffs can raise costs for American businesses and consumers, and their effects can ripple across various sectors of the economy.

Furthermore, while markets may experience volatility in response to news, this is often a reaction to a variety of factors, not just trade policies. It's crucial to adopt a holistic perspective and evaluate the full spectrum of economic strategies to ensure they promote sustainable growth and stability for the long term.

Also, The President-elect asserts that over the past four years, Canada has effectively opened its borders to terrorists, criminals, and cartels, allowing them to freely operate within its territory. As a result, these groups can easily carry out their plans in America and smuggle drugs across the border.

He warns that the influx of criminals into Canada is so overwhelming that if the country doesn't close its borders immediately, it will be beyond saving. The only viable solution, he suggests, is to annex Canada as the 51st state, allowing the U.S. to restore order and address the situation [warn]

Omniscient - February 3, 2025, 12:55 pm

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HF ain't gonna tolerate AI posts.