

BITCOIN ON A ROLLER-COASTER

Bitcoin (BTC) has been on a volatile price spree over the last few days. The asset has been fluctuating between \$28,000 - \$35,000, and currently trades at \$33,736 levels. Since yesterday, the asset has been showing some strength, but given the volatility, we ought to remain cautious. Over the past 24 hours, the asset is up

Bitcoin post making the low of \$28,800 showed subtle signs of recovery and rallied almost 23.5% up to \$35,500. The asset faced resistance and yet again witnessed sell-off over the last weekend. However, it did not test the recent lows and reversed from \$30,173. Technically, the asset started to move upwards making a 'Higher Highs Higher Lows' pattern and made the weekly high of \$36,675 where it again faced stiff resistance and corrected almost 10.5% from the recent high.

U.S. Securities and Exchange Commissioner Gary Gensler gave what may be the strongest sign of support yet from the agency for a Bitcoin exchange-traded fund. Crypto fans, though, are not exactly thrilled.

At the center of the issue is what an approved fund would track. Gensler, in his first major speech centered on cryptocurrencies, suggested an openness to an ETF focused exclusively on Bitcoin futures, which require that investors put down a substantial amount of money on margin to trade. That'd be different from a Bitcoin-backed fund, which is what most crypto enthusiasts have been hoping for.

"We see Bitcoin futures-based funds as inferior products that have consistently underperformed the Bitcoin price and bring additional complexities in regards to how they must be managed, at a higher cost than ETFs," Matthew Sigel, head of digital assets research at VanEck, said by phone. "Simply put, they are substandard vehicles." His firm has crypto-focused applications in registration.

U.S. regulators have yet to approve a crypto ETF though more than a dozen companies are looking to launch one. Nine have filed for authorization since the end of 2020, Meanwhile, Canada has approved several Bitcoin ETFs -- the first-ever in the country launched at the start of the year.

Source: Investing.com

