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Token Metrics Navigator

Spot Bitcoin Exchange-Traded Funds

Did you *spot* the trend of the week? Fidelity Investments, Invesco, and Fintona Group have all launched spot Bitcoin exchange-traded funds (ETFs) around the globe. Spot Bitcoin ETFs are funds that directly buy actual Bitcoin rather than purchasing it through a derivative asset, such as futures. Although there are Bitcoin futures ETFs in the United States, none of them are spot Bitcoin ETFs as the Securities Exchange Commission (SEC) has still not approved of them.

Fidelity Investments, one of the largest asset management firms in the world (let alone the United States) with over \$4 trillion AUM, didn't want to wait around for the SEC to approve spot Bitcoin ETFs. Instead, they headed over to Canada to launch their Fidelity Advantage Bitcoin ETF (FBTC), which will hold physical Bitcoin. The ETF will be listed on the Toronto Stock Exchange, actively managed, and investors will be able to purchase the fund with Canadian dollars or U.S. dollars.

Fidelity Investments was not the only firm to take its business elsewhere. Asset Manager Invesco, soon after dropping a filing for a Bitcoin futures ETF in the US, decided to launch a spot exchange-traded note (ETN) in Germany. An ETN is similar to an ETF, as it is designed to track an underlying asset, but it is more like a bond, as it is an unsecured debt note issued by an institution. On Monday, November 29th, the German stock market operator Deutsche Boerse announced Invesco's ETN, the Invesco Physical Bitcoin ETN (BTIC), on its digital stock exchange, Xetra.

Following the trend, Singapore-based fund manager Fintonia Group launched the country's first spot Bitcoin ETF after receiving approval from the Monetary Authority of Singapore (MAS). One of Singapore's goals in launching this ETF is to become one of the focal points for crypto assets in the global economy. In contrast to several countries like China and the United States, the managing director of the MAS said, "We think the best approach is not to clamp down or ban these things."

Bottom line: The United States does not want to trail behind other countries in terms of economic growth, technological development, and innovation. By continuing to restrict spot ETFs, the United States government is only hurting itself. The US is allowing other



countries to attract billions of dollars in investments, while it is stuck in regulatory limbo. We foresee the United States allowing Spot ETFs within the next year, and definitely after clear regulations are passed.

Square Changes Name to Block

In an effort to acknowledge the company's ecosystem of businesses, Square is renaming itself to Block. This will take effect later this month and the stock ticker will remain SQ. This move comes days after Block CEO Jack Dorsey resigned as Twitter's CEO, where he had previously been pulling double-duty.

Square believes this rebranding is necessary as its current name aligns mostly with its merchant-payment services, while Block better matches the company's focus on technologies (such as blockchain) and its growth into other businesses. Since its founding in 2009, the company acquired digital payments provider Cash App, streaming service TIDAL, and created the decentralized exchange tbDEX. Also, a separate part of the company, Square Crypto, which is dedicated to advancing Bitcoin, will change its name to Spiral.

Jack Dorsey is one of the highest-profile backers of Bitcoin. At a Bitcoin conference earlier this year, he said, "I don't think there's anything more important in my lifetime to work on." Block holds about \$220 million of Bitcoin in its corporate treasury. Its CashApp business allows users to buy and sell bitcoin.

Block said in a statement that "The name has many associated meanings for the company — building blocks, neighborhood blocks and their local businesses, communities coming together at block parties full of music, a blockchain, a section of code, and obstacles to overcome."

Bottom line: Coming only a little over a month after Facebook rebranded itself to Meta in an attempt to move into the world of virtual reality and create its own metaverse, Square rebranding to Block only cements the role of crypto and blockchain in our future. It is undeniable at this point that major global companies need to participate in the crypto and blockchain ecosystem if they want to stay relevant and profitable -- whether that is by accepting cryptocurrencies or changing their name to "Verse" or "Chain."





Silk Road Founder's NFT Collection

Ross Ulbricht, the founder of the notorious dark web marketplace Silk Road, is launching an NFT collection of artwork detailing various points of his life. Proceeds from the Ross Ulbricht Genesis Collection will help the incarcerated and their families. The minting ceremony took place on Thursday, December 2nd, at Art Basel Miami 2021. It will run from December 2nd-December 8th on the SuperRare platform, curated by Entopic.

The NFT collection will feature 10 original artworks and writings handmade by Ulbricht between the ages of 3 and 37. The early artwork depicts animals and comic book characters, while his more recent work depicts scenes from the court trial and from his time in prison. There will also be an original animation by digital artist Levitate with a voiceover by Ulbricht, inspired by Ulbricht's experience in prison.

Proceeds from the auction will go toward funding a trust which supports Ulbricht's efforts to be released from prison. Another portion of the proceeds will help launch the donor-advised charitable fund Art4Giving, which is "dedicated to relieving the suffering of the incarcerated and their families."

Bottom line: Ross Ulbricht is a household name in the crypto space. Many attribute him with pioneering the adoption of Bitcoin, as he created the Silk Road marketplace which only accepted Bitcoin, but controversially also served to connect contraband buyers with contraband sellers. He was sentenced to two life terms in federal prison plus 40 years with no chance of parole in federal prison in May 2015. Many of his supporters believe that he should be released, and the social media hashtag #freeross refers to those efforts. Those who are interested in his story and charitable cause should check out the NFT auctions.





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