BITFINEX Alpha

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EXECUTIVE SUMMARY

Bitcoin has been on a tear, hitting $70,000 on Bitfinex today (29 July), despite a brief pullback mid-week and after facing some tough resistance. BTC has now bounced back more than 30 percent from the July 5 low, which we had earlier predicted as likely the local bottom.

This upward momentum coincided with the Bitcoin 2024 Nashville conference. Implied volatility in the BTC options market also initially spiked but later declined as traders de-risked. With a significant options expiry looming on Friday, August 2nd, a return of some calm to the market potentially presages a period of consolidation or minor pullbacks for prices.

Indeed, despite upper resistance being breached, net market selling was evident last week, as profit taking pressured the market, aided also by the gradual distribution of BTC to Mt. Gox creditors. However, the market absorbed this well, suggesting stronger hands are stepping in. In addition, the current short-term holders' realised price at $65,700 acted as solid support. Futures markets also saw a surge in open interest, indicating that leverage is back in play. Despite the spot market selling, leveraged longs have been buoying the price.

Looking ahead, the market's next moves will be crucial. The recent reduction in implied volatility and the increase in leveraged positions suggest a short-term stall or range-bound trading. With key support holding and bullish momentum building, the stage is set for an intriguing week ahead for BTC.

The US economy demonstrated stronger-than-expected growth in the second quarter of 2024, with GDP increasing at an annual rate of 2.8 percent, surpassing forecasts. This growth was fueled by significant consumer spending and business investment, highlighting the resilience of the economy.

Inflation pressures also eased, with prices rising moderately as lower goods costs offset increased service prices, reinforcing the likelihood of a Federal Reserve interest rate cut in September. However, the housing market remains a drag on growth, with existing home sales dropping more than anticipated due to record-high median house prices. Despite this, increasing supply and decreasing mortgage rates bring hope for a potential rebound. Overall, the economic outlook is cautiously optimistic, with robust growth, moderated inflation, and potential improvements in the housing market.

In crypto news last week, the SEC approved the 19b-4 form for Grayscale's new Bitcoin Mini Trust, trading under the ticker "BTC.” This trust will distribute new shares to GBTC shareholders, enhancing transparency and market order. Meanwhile, the State of Michigan Retirement System has invested $6.6 million in the ARK 21Shares Bitcoin ETF, following a similar - though significantly larger - investment by Wisconsin City.

On the regulatory front, the Federal Reserve Board terminated all enforcement actions against Silvergate Bank and its parent company, Silvergate Capital Corporation. However, despite ceasing banking activities, Silvergate still faces legal challenges, including a recent SEC lawsuit for alleged involvement in the FTX fraud.

In the political arena, US presidential candidate Donald Trump highlighted Bitcoin's potential to revolutionise the US economy, emphasising his desire for American dominance in cryptocurrency. Trump promised to appoint a new SEC chairman supportive of crypto innovation and proposed establishing a strategic national Bitcoin stockpile. He also predicted that Bitcoin's value would surpass traditional assets and opposed central bank digital currencies, pledging to make the US a leading crypto nation.

Have an excellent trading week.

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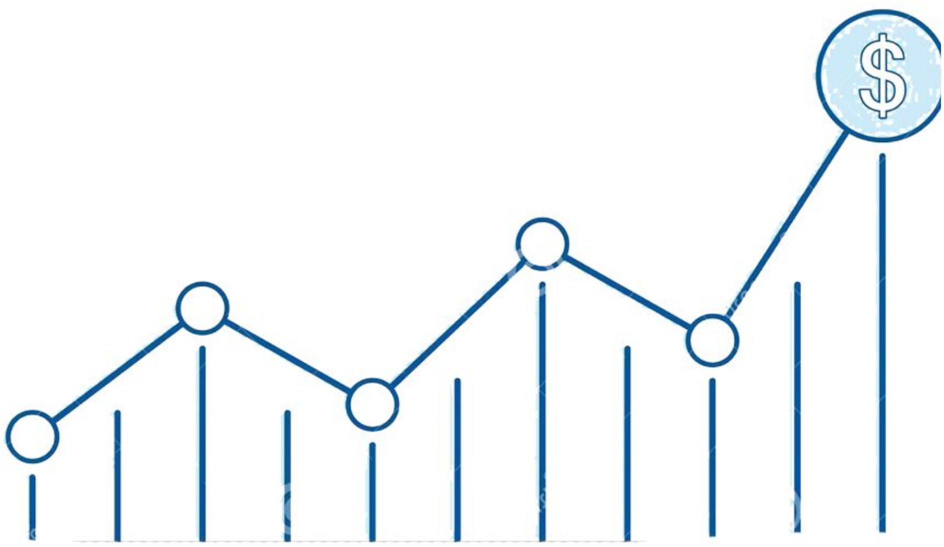

WHAT'S ON-CHAIN THIS WEEK?

BTC Continues Upward Momentum But Options Stall

Bitcoin continued its upward trajectory, touching $70,000, following a brief intra-week pullback where it held crucial support levels, including the current Short-Term Holder (STH) Realised Price. However, despite this bullish momentum, implied volatility in the options market declined as traders likely closed positions heading into the Bitcoin 2024 Nashville conference.

Figure 1. BTC/USD Daily Chart. (Source: Bitfinex)

As is evident from the figure above, BTC had experienced strong upper resistance at the $68-69,000 region and also weathered a 7.24 percent intra-week pullback, as an accumulation trend in the spot markets (as highlighted in last week's *Bitfinex Alpha*), continued in anticipation of former President Donald Trump and presidential candidate Robert F. Kennedy's speeches at Bitcoin 2024 Nashville. Its final break through $69,000 was the first time it had reached this level since June 12th. We expect that the $68-69,000 level to continue to act as resistance however and we expect to chop in a range or decline slightly around these levels.

Following the decision by US President Biden to step out of the race for this year's election, volatility return to the market. Implied volatility in BTC options initially spiked to a 4 month high of 68.6 percent last week, before declining due to a majority of swing/positional traders de-risking ahead of the Nashville conference.

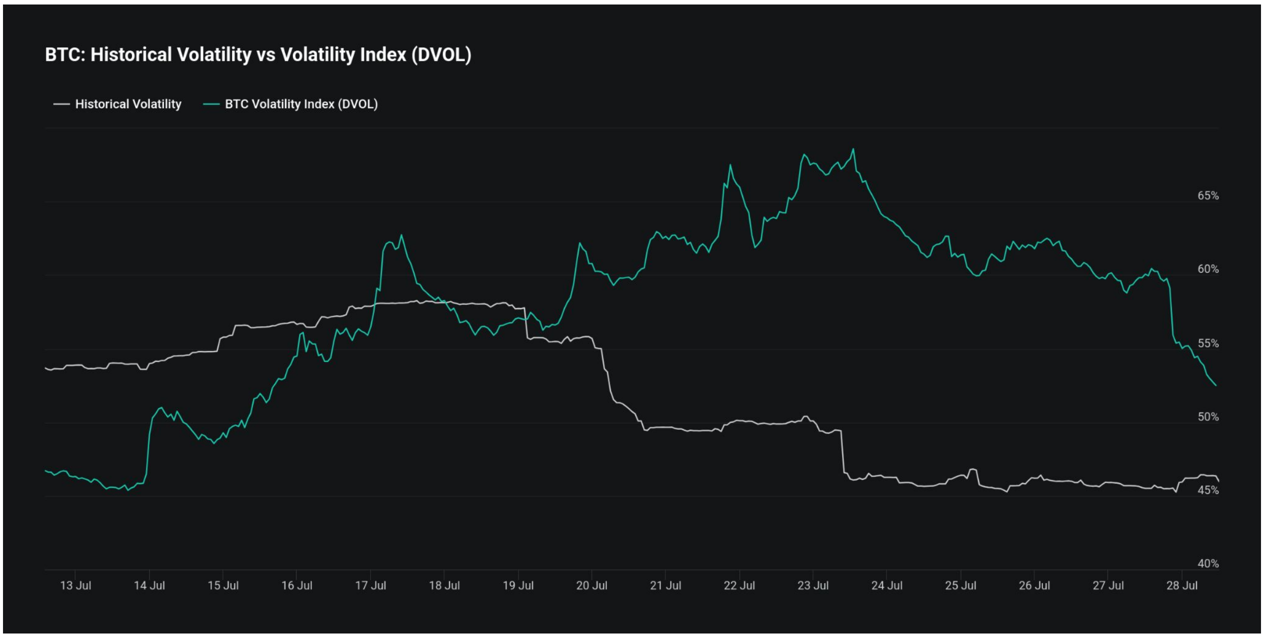

Figure 2. Bitcoin Historical vs Implied Volatility. (Source: Deribit Metrics)

Over the weekend and during the conference, we saw a short spike in realised volatility but implied volatility continued to decline significantly, which is consistent with typical behaviour before an options expiry, particularly if there are no significant impending events or catalysts.

We believe this activity in the options market is driven by some de-risking of both short-dated calls and puts as short-term price catalysts like the Ethereum ETF launch and the Nashville conference passed. Another critical influence is the monthly expiry on August 2nd which, although it has contracts with net open interest of around $2.2 billion notional value (refer Figure below), is seen as having less time value as the expiry approaches and so often results in a decline in implied volatility.

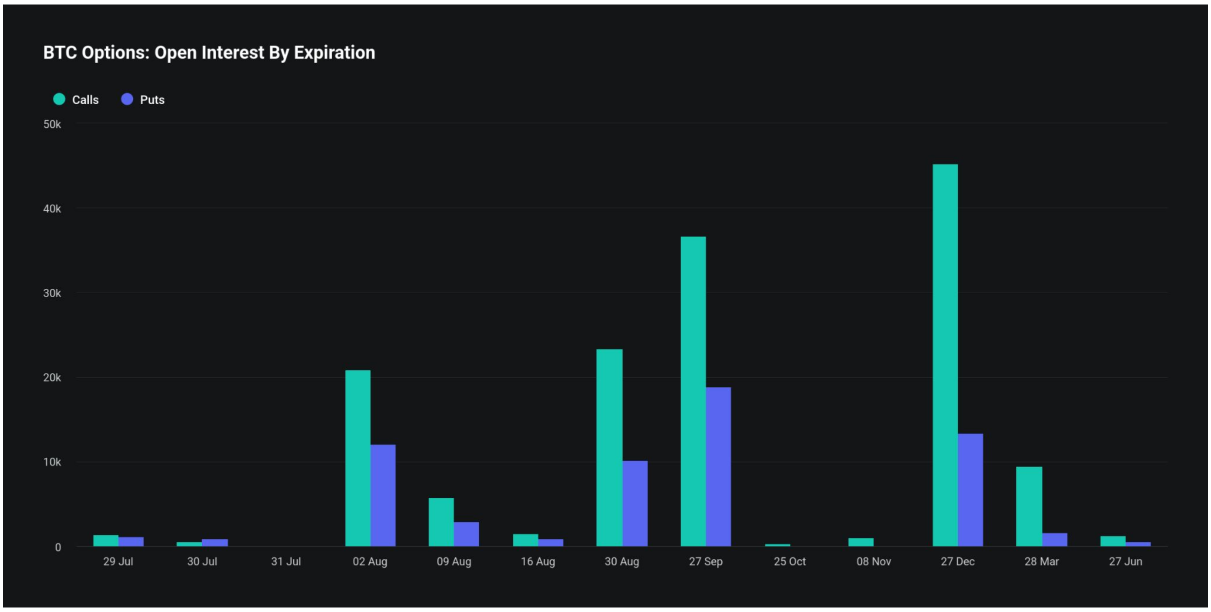

Figure 3. Bitcoin Option Open Interest By Expiration. (Source: Deribit Metrics)

Options tell the story

One day before the Nashville conference, on July 26th, the options market saw significant activity with the expiration of Bitcoin and Ethereum options:

- Bitcoin Options: A total of 61,000 BTC options expired, with a Put Call Ratio of 0.62. The max pain price, where the greatest number of options would expire with no value, was pegged at $63,500, representing a notional value of approximately $3.1 billion.

- Ethereum Options: On the same day, 490,000 ETH options also expired, with a Put Call Ratio of 0.45 and a max pain price of $3,350, amounting to a notional value of $1.6 billion. This lower put-call ratio suggests a more bullish sentiment among Ethereum option traders compared to Bitcoin traders, perhaps a buy-the-dip effort or hedges against shorts in the futures market.

Looking ahead, the market will continue to digest news from Nashville, and adjust as the monthly expiry takes place at the end of the week. We expect potential further downward pressure on implied volatility.

The decline in implied volatility will likely see BTC stalling, if not pulling back a little from the $68,000-69,000 resistance zone.

Bitcoin Spot Selling Is Observable as a Sign of Potential Derisking

Net market selling, potentially as a part of a de-risking process, was a feature of last week's BTC market, with the spot Cumulative Volume Delta metric indicating a greater dominance of sells over buys.

BTC spot Cumulative Volume Delta declined significantly between July 19th and July 25th (refer Figure below), resetting to lows close to the July 5th bottom, driven by net aggressive selling from spot market participants. Cumulative Volume Delta (CVD) is a key metric used to assess the aggressiveness of participants in the order books. It measures the urgency with which traders are willing to buy or sell at current market prices, rather than placing limit orders at desired price levels. Essentially, CVD helps in identifying whether market participants are acting as aggressive buyers or sellers by analysing the net volume of market orders that move the price upward versus downward. This urgency to transact at the prevailing price indicates the prevailing market sentiment and can provide insights into potential price movements based on the dominant buying or selling pressure.

Figure 4. BTC/USD Hourly Chart With Spot Cumulative Volume Delta Across All Exchanges (Source: Coinalyze)

Among the factors driving this activity has been the gradual distribution of BTC to Mt. Gox creditors. As per Cryptoquant data, the Mt. Gox reserve has decreased by 66 percent (-94,458 BTC). This means that the most concerning supply overhang for Bitcoin over the past 10 years is gradually coming to an end, and while the market has experienced sharp declines in the past in reaction to news related to Mt. Gox, the actual effect of the distribution on price has been very encouraging, indicating that a lot of the BTC being distributed is not being sold on the open market. That said, part of the Mt. Gox distribution is likely to be adding to the net market selling effect.

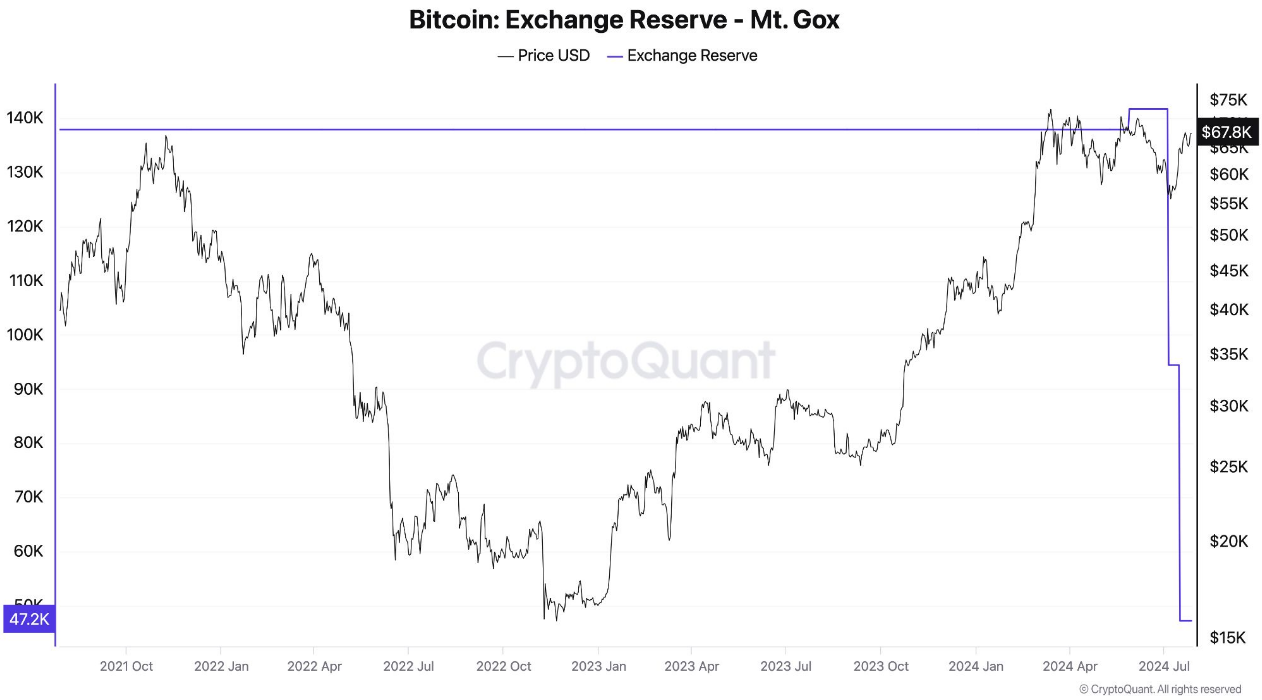

Figure 5. Bitcoin Exchange Reserve Mt. Gox. (Source: CryptoQuant)

One important support level for the market that was also retested and held on a daily closing basis last week, was the Short-Term Holder Realised Price at $65,700. (refer Figure below)

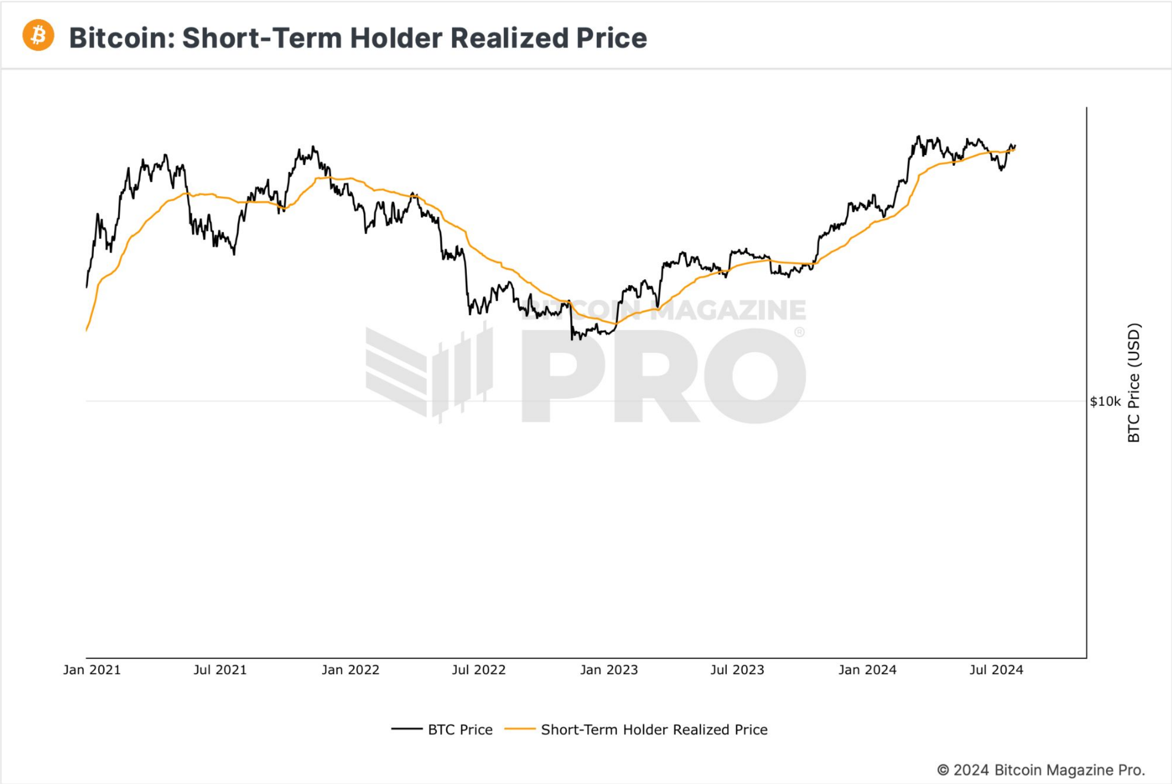

Figure 6. Bitcoin Short-Term Holder Realised Price. (Source: Bitcoin Magazine Pro)

The Bitcoin Short Term Holder Realised Price (STHRP) is a metric that represents the average acquisition price of Bitcoin for investors who are considered short-term holders, typically defined by the movement of coins that have been held for less than 155 days. The STHRP has continued to move up gradually, helped by Bitcoin ETFs which have seen significant inflows, and resulted in an increase opf the Short-Term Holder average acquisition price. We have found that the average cost basis for short-term holders acts as a dynamic support/resistance level on the higher timeframes.

Another useful data point is the increase in open interest and futures positions, particularly longs, over the past week. While spot markets have seen a net market selling effect, futures markets have seen the opposite since July 25th. The figure below shows the significant increase in global BTC open interest (OI) and the sharp increase in futures CVD and OI after July 25th, indicating perpetual long positions have entered the market, buying the intra-week dip ahead of the Nashville conference on leverage.

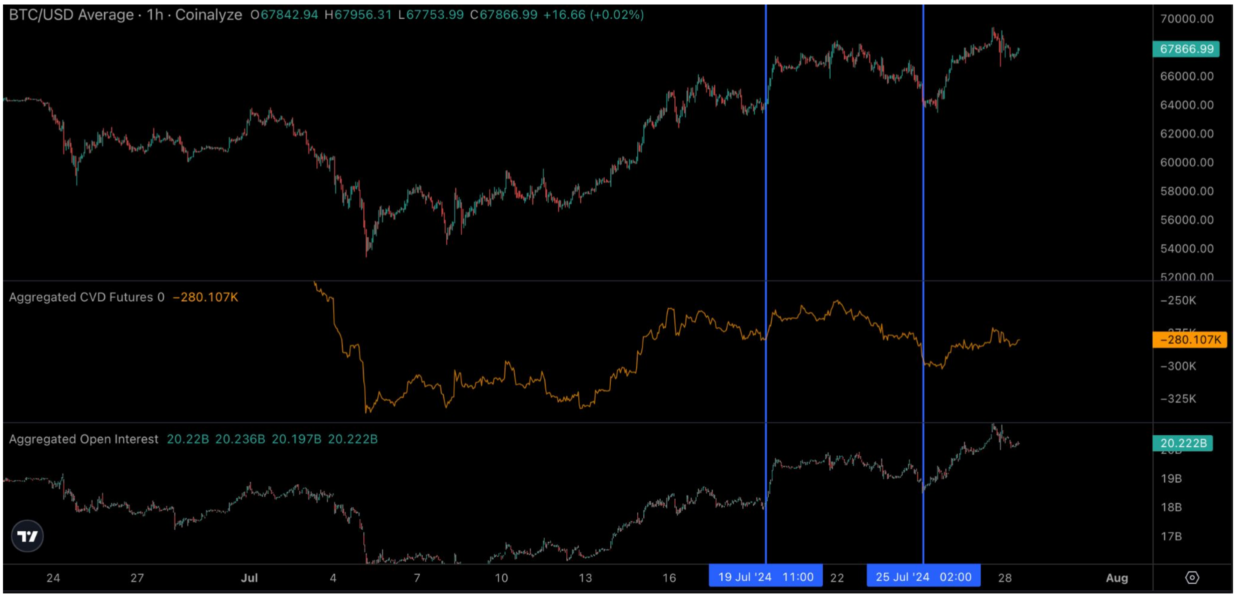

Figure 7. BTC/USD Futures CVD and Open Interest. (Source: Coinalyze)

Coinglass data suggests that global open interest for Bitcoin futures trading pairs has increased to $37.26 billion which is close to the all-time high of $39 billion recorded in March.

In a nutshell, we are currently holding support and rejecting from crucial resistance levels at a time when the market lacks options speculation and short-term bullish or bearish catalysts. In addition to this, we are also seeing a return of leveraged long positions holding up the market rather than the spot market pushing price up, thus while the market is in a firm higher timeframe uptrend, a short-term price decline or range is likely, and if the options market positioning is any indication, directional trades, especially leveraged should be avoided.

GENERAL MACRO UPDATE

US Economy Surges with Unexpected Growth in Q2 As Inflation Eases And Fed Eyes September Rate Cut

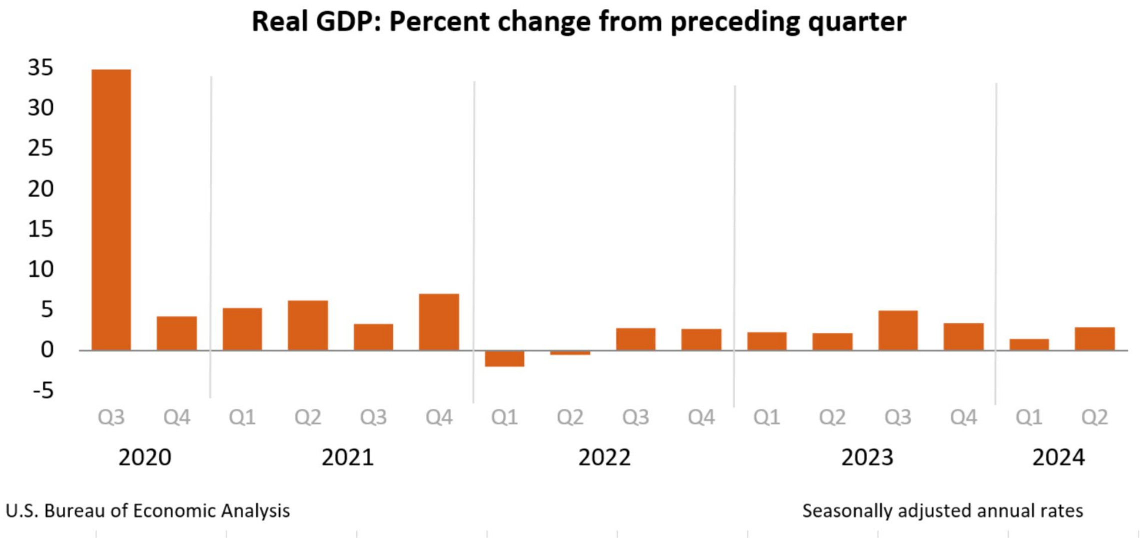

Figure 8. Real GDP Percent Change from the Preceding Quarter

The US economy experienced stronger-than-expected growth in the second quarter, propelled by significant consumer spending and business investment. Concurrently, inflation pressures eased, reinforcing the likelihood of an interest rate cut by the Federal Reserve in September.

According to the Bureau of Economic Analysis' advance report on second-quarter Gross Domestic Product (GDP), issued last Thursday, July 25th, GDP increased at an annual rate of 2.8 percent in the second quarter of 2024, surpassing consensus forecasts of 2.1 percent.

In the first quarter, real GDP increased 1.4 percent. This growth was primarily driven by household consumption, private investment, and inventory accumulation. The housing market however was a drag on growth, and coupled with the widening of the trade deficit, offset the headline number.

Consumer spending, or Personal Consumption Expenditure, which constitutes over two-thirds of the economy, grew at approximately 2.3 percent in the second quarter, up from the 1.5 percent rate in the first quarter. This increase was fueled by higher expenditure on healthcare, housing, utilities, and recreational activities.

Despite this overall strong growth in the second quarter, the economic outlook for the latter half of the year still remains uncertain. A slowing labour market will affect wage growth, and while wages have risen, disposable income adjusted for inflation and taxes grew more slowly, increasing at a 1.0 percent rate compared to the first quarter's 1.3 percent.

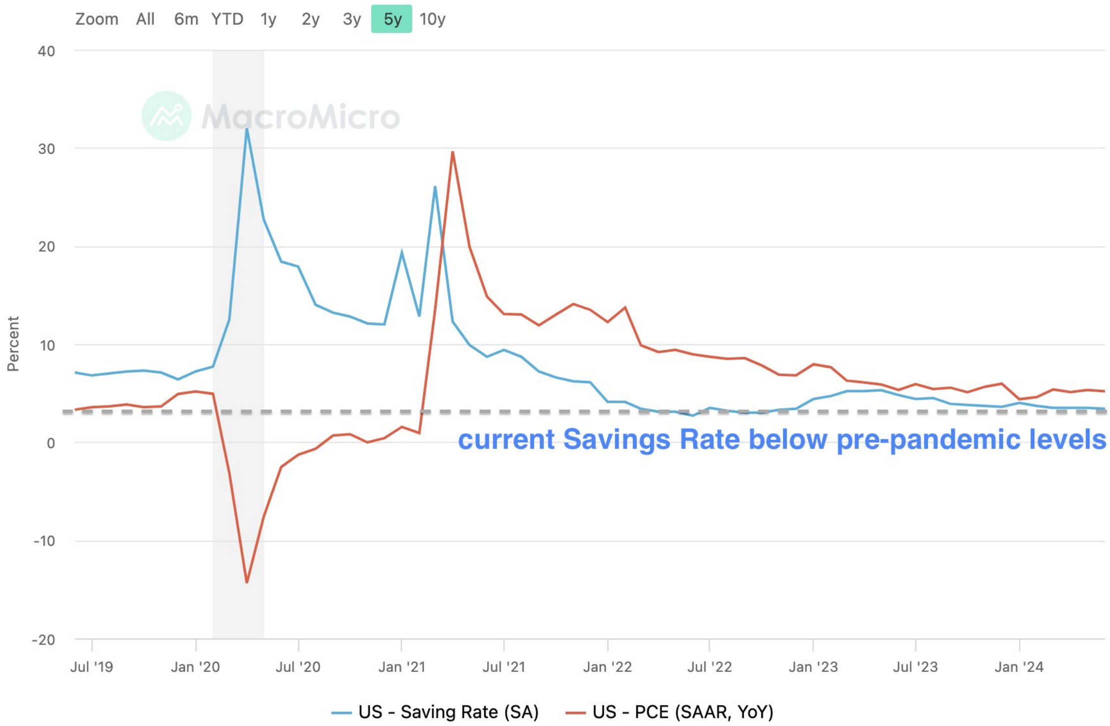

Figure 9. Personal Consumption Expenditure (YoY) and Savings Rate (Source:Macromicro)

With slower income growth, consumers increasingly relied on savings to fund their expenditure, leading to a decline in the saving rate to 3.5 percent from 3.8 percent in the first quarter, which is significantly below pre-pandemic levels. We still believe that the full impact of the Fed's rate hikes has yet to be realised.

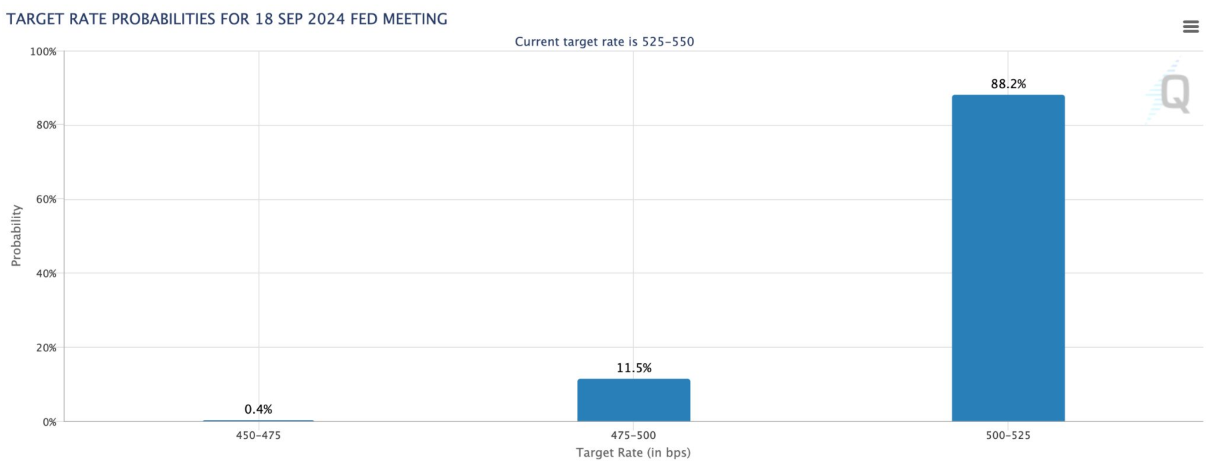

Figure 10. Target Rate Probabilities for September 18 FED Meeting (Source: CME FedWatch Tool)

	CME FEDWATCH TOOL - CONDITIONAL MEETING PROBABILITIES										
	MEETING DATE	300-325	325-350	350-375	375-400	400-425	425-450	450-475	475-500	500-525	525-550
	7/31/2024					0.0%	0.0%	0.0%	0.0%	6.2%	93.8%
1st Rate Cut	9/18/2024	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	11.5%	88.2%	0.0%
2nd Rate Cut	11/7/2024	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	7.5%	60.5%	31.8%	0.0%
3rd Rate Cut	12/18/2024	0.0%	0.0%	0.0%	0.0%	0.2%	7.0%	56.9%	33.8%	2.1%	0.0%
	1/29/2025	0.0%	0.0%	0.0%	0.2%	5.0%	42.3%	40.5%	11.4%	0.6%	0.0%
	3/19/2025	0.0%	0.0%	0.1%	4.1%	35.6%	40.8%	16.6%	2.6%	0.1%	0.0%
	4/30/2025	0.0%	0.1%	2.4%	22.4%	38.7%	26.8%	8.5%	1.1%	0.0%	0.0%
	6/18/2025	0.1%	1.7%	15.9%	33.3%	30.7%	14.5%	3.5%	0.4%	0.0%	0.0%
	7/30/2025	0.7%	7.7%	23.3%	32.2%	23.7%	9.8%	2.2%	0.2%	0.0%	0.0%

Figure 11. Conditional Meeting Probabilities: Three Rate Cuts this Year (Source: CME FedWatch Tool)

Despite these challenges, we do not expect any recession in the near future, with monetary policy easing predicted for this year. Although a rate cut at the upcoming Fed meeting this week seems unlikely, the forecast for a September rate cut remains unchanged. According to the CME FedWatch Tool, the market also expects two additional 25 basis-point cuts by year-end.

PCE, The Fed's Preferred Inflation Measure, Moderates

	2024				
	Feb.	Mar.	Apr.	May	June
	Percent change from preceding month				
Personal income:					
Current dollars	0.3	0.5	0.2	0.4	0.2
Disposable personal income:					
Current dollars	0.2	0.5	0.2	0.4	0.2
Chained (2017) dollars	-0.1	0.2	-0.1	0.3	0.1
Personal consumption expenditures (PCE):					
Current dollars	0.6	0.7	0.2	0.4	0.3
Chained (2017) dollars	0.2	0.3	-0.1	0.4	0.2
Price indexes:					
PCE	0.3	0.3	0.3	0.0	0.1
PCE, excluding food and energy	0.3	0.3	0.3	0.1	0.2
Price indexes:	Percent change from month one year ago				
PCE	2.5	2.7	2.7	2.6	2.5
PCE, excluding food and energy	2.8	2.8	2.8	2.6	2.6

Figure 12. Personal Consumption Expenditure (Source: Bureau of Economic Analysis)

In June, US prices rose moderately, as lower goods costs balanced out increased service prices, helping to deliver an improving inflation environment. This shift supports our expectations for an interest rate cut in September.

The Bureau of Economic Analysis' Personal Income and Outlays report also noted a slight slowdown in consumer spending last month. With signs of easing price pressures and a cooling labour market, Fed officials may gain confidence that inflation is moving toward the central bank's two percent target.

Personal Consumption Expenditures (PCE) inflation matched the consensus forecast, with the index rising by 0.1 percent in June after being flat in May. Excluding food and energy, the core PCE price index rose 0.2 percent last month from 0.1 percent in the previous month. Year-on-year, PCE rose by 2.5 percent in June from 2.6 percent in May. Year-on-year core PCE inflation rose 2.6 percent, consistent with May's rise.

The Fed monitors PCE price measures for monetary policy decisions. The recent inflation data suggests that the inflation spike in the first quarter was temporary. If rental inflation has also slowed as recent data indicates, inflation is most likely on a sustained downward trend.

Both the second-quarter GDP report and the June PCE data, has strengthened the market's conviction of a rate cut by September. The crucial question is whether the positive momentum seen over the last three months will continue into the September meeting. The Fed is likely to use this week's meeting to prepare for a potential rate cut in September.

US Housing Market Faces Decline Amid Record-High Prices in June

In June, existing home sales in the United States dropped more than anticipated as the median house price reached a new record high. However, increasing supply and decreasing mortgage rates bring hope for a potential rebound in the coming months.

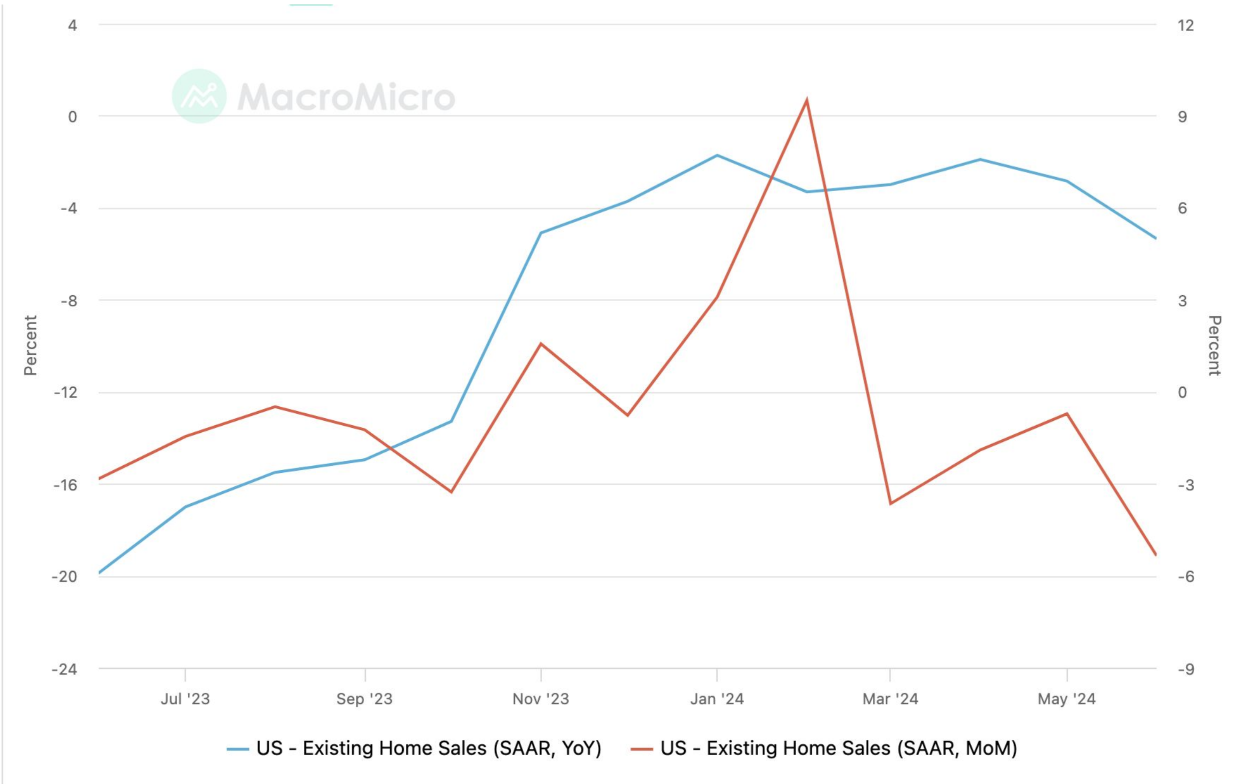

Figure 13. Existing Home Sales (Source: MacroMicro)

The National Association of Realtors reported last Tuesday, July 23rd, a fourth consecutive monthly decline in existing home sales, indicating a contraction in the housing market for the second quarter. This downturn follows a period of growth in the first quarter of the year.

June saw a 5.4 percent decline in home sales, bringing the seasonally adjusted annual rate to 3.89 million units, the lowest since December. This figure fell short of the consensus forecast of a drop to 4.00 million units.

High home prices and elevated mortgage rates significantly impacted existing home sales in June. Interest rate cuts from the Federal Reserve, which could consequently decrease mortgage rates, could lead to a modest recovery in home sales this year.

Figure X. 30-Year (Blue) and 15-Year (Green) Fixed Rate Mortagage (Source: Freddie Mac)

Freddie Mac data shows that the average rate on a 30-year fixed-rate mortgage is at 6.607 percent as of Wednesday last week. The rate has decreased from a six-month high of 7.22 percent in early May amid expectations of an interest rate cut by the Fed in September. Meanwhile, Median existing home prices saw a 4.1 year-on-year increase to a record $426,900. However, the price increase has slowed.

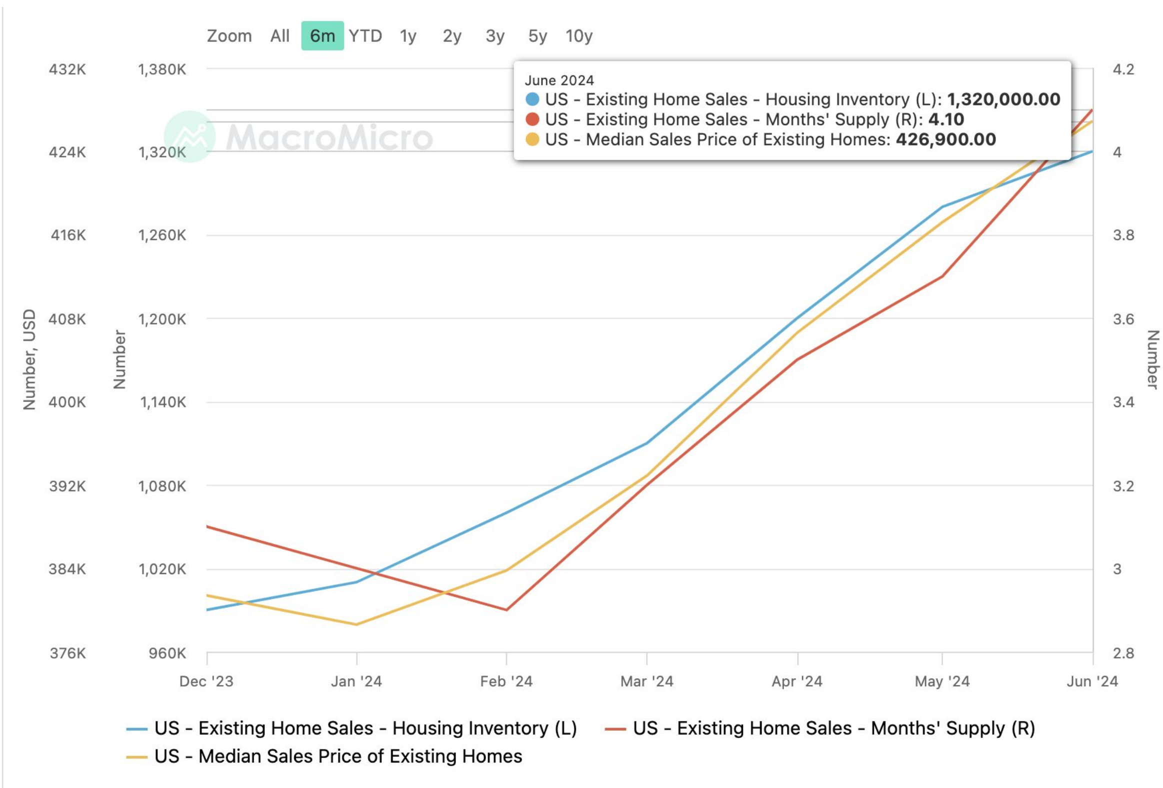

Figure X. Existing Homes Inventory, Existing Homes Month's Supply, Median Sales Price of Existing Homes (Source: Macromicro)

The increase in housing supply also offers another hope for recovery in the housing market. Housing inventory increased by 3.1 percent to 1.32 million units in June, the highest level since October 2020. This represents a 23.4 percent increase from a year ago. Rising insurance premiums, driven by an increase in weather-related claims, are forcing some homeowners to list their properties.

Despite these trends, homes remain scarce, and new construction is insufficient. June Residential Construction data showed a decline in single-family house starts to an eight-month low in June, with permits for future construction at their lowest in a year.

At the current sales pace, it would take 4.1 months to deplete the existing home inventory, the highest level since May 2020, up from 3.1 months a year ago. A four-to-seven-month supply is generally considered balanced.

The US housing market continues to face challenges with declining home sales and record-high prices. However, increasing housing supply, easing prices and the potential for lower mortgage rates offer hope for recovery. The market's future will depend on the Fed's monetary policy, which will then affect affordability and construction activities.

NEWS FROM THE CRYPTO-SPHERE

SEC Approves Grayscale Bitcoin Mini Trust: A New Chapter for Bitcoin ETFs

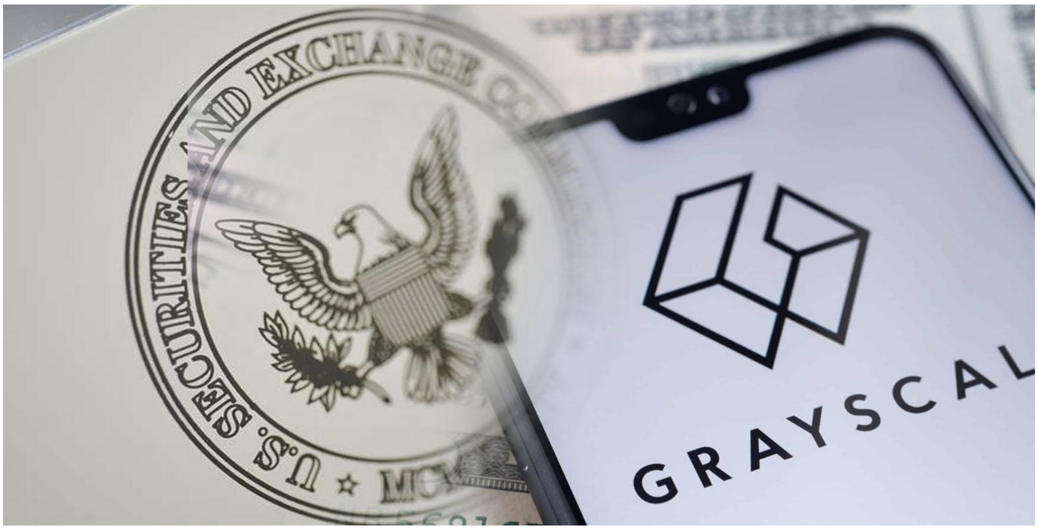

Figure 14. SEC Approves Grayscale Bitcoin Mini Trust: A New Chapter for Bitcoin ETFs

- **SEC approves Grayscale's 19b-4 form to issue its new Bitcoin Mini Trust, trading under the ticker "BTC"**
- **The Mini Trust will distribute new shares to existing Grayscale Bitcoin Trust holders, in order to enhance transparency and market order**

The US Securities and Exchange Commission (SEC) gave its green light to Grayscale's mini version of its Grayscale Bitcoin Trust (GBTC), named the Grayscale Bitcoin Mini Trust.

Designed as a "spin-off" of the original GBTC, the Grayscale Bitcoin Mini Trust will distribute new shares to GBTC shareholders. This process includes GBTC contributing a specified amount of bitcoin to the mini trust. The SEC's decision is rooted in the trust's ability to ensure fair disclosure, maintain transparency, safeguard non-public information, and promote orderly markets.

"The Commission, therefore, finds that the Proposals, as with other ETPs that the Commission has approved, are reasonably designed to promote fair disclosure of information that may be necessary to price the shares of the Trusts appropriately, to prevent trading when a reasonable degree of transparency cannot be assured, to safeguard material non-public information relating to the Trusts' portfolios, and to ensure fair and orderly markets for the shares of the Trusts," stated a SEC document last Friday, July 26th.

This approval comes over seven months after the SEC first approved 11 spot Bitcoin ETFs, which have collectively attracted billions in investment. Earlier this year, the SEC also approved spot Ethereum ETFs. Grayscale has received approvals for both a spot Ethereum ETF and a spot Bitcoin ETF.

Michigan Retirement System Invests in ARK 21Shares Bitcoin ETF

Figure 15. Michigan Retirement System Invests in ARK 21Shares Bitcoin ETF

- **The State of Michigan Retirement System has invested $6.6 million in 110,000 shares of ARK 21Shares Bitcoin ETF**
- **This move move follows Wisconsin city, another public pension fund to incorporate spot Bitcoin ETF into its investment portfolio**

The State of Michigan Retirement System has acquired 110,000 shares of the ARK 21Shares Bitcoin ETF, as disclosed in a 13F filing last Tuesday, July 23rd. The shares are valued at approximately $6.6 million.

The investment represents a small fraction of the fund's overall portfolio but signifies a significant move. In May, the Wisconsin state agency revealed holdings of 2,450,400 shares of BlackRock's IBIT, valued at nearly $100 million, and 1,013,000 shares of Grayscale's GBTC, worth around $64 million as of the end of March.

Currently, ARK 21Shares Bitcoin ETF holds a 6.22 percent share of the total spot Bitcoin ETF market. The fund manages assets of more than $3 billion.

Jersey City Mayor Steven Fulop also noted the city will invest into spot Bitcoin ETFs. “The Jersey City pension fund is in the process of updating paperwork...to allocate percentage of the fund to Bitcoin ETFs similar to the [amount] Wisconsin Pension Fund has done (2 percent). It Will be completed by the end of the summer and I’m sure eventually it will be more common”, said Fulop last Thursday in a message on X.

Federal Reserve Ends Enforcement Actions Against Silvergate Bank

Figure 16 Federal Reserve Ends Enforcement Actions Against Silvergate Bank

- **The Federal Reserve Board terminated all enforcement actions against Silvergate Bank and its parent company, Silvergate Capital Corporation**
- **Despite ceasing banking activities last year, Silvergate still faces legal challenges, including a recent SEC lawsuit for alleged involvement in the FTX fraud**

The Federal Reserve Board has announced the termination of all enforcement actions against Silvergate Bank and its parent company, Silvergate Capital Corporation. The decision follows Silvergate's successful winding down of operations, customer reimbursements, and a cessation of banking activities.

Silvergate Bank's downfall began in March 2023 amidst severe financial instability. In a report issued by the US Securities and Exchange Commission (SEC), the digital asset bank revealed that it experienced substantial deposit outflows in the final quarter of 2022. By February 2023, it had become Wall Street's second-most shorted stock, with 72 percent of its shares borrowed for short positions. The situation worsened when Silvergate delayed its 10-K form submission in early March, causing its stock to plummet by 31 percent.

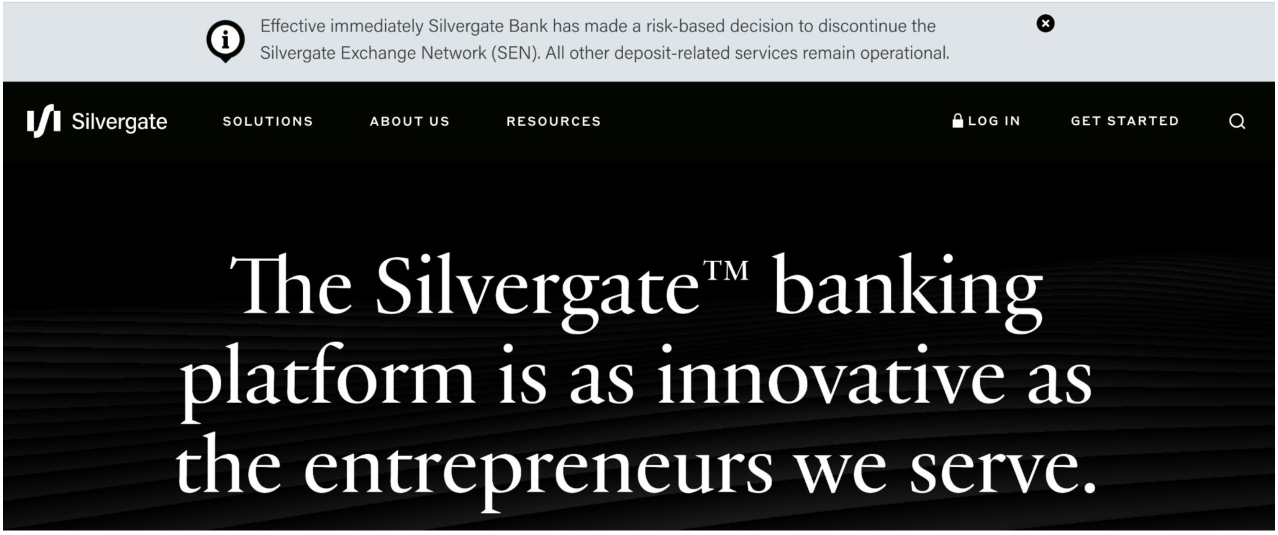

Figure 17. Screenshot from Silvergate's website on March 4, 2023. Source: Silvergate

The bank's collapse on March 8, 2023, was attributed to financial strains from the FTX collapse and significant withdrawals by major clients. Under the Federal Reserve Board's oversight, Silvergate implemented a self-liquidation plan focused on maximising customer reimbursements. Despite these efforts, the liquidation plan faced criticism, leading to lawsuits against the defunct bank.

While the Fed has ended its enforcement action, Silvergate Capital Corporation still faces legal issues, including a recent lawsuit from the Securities and Exchange Commission for alleged involvement in the FTX fraud.

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Donald Trump Champions Bitcoin at Nashville Conference

Figure 18. Donald Trump Speech at the Bitcoin Conference

- **Presidential candidate Donald Trump highlighted Bitcoin's potential to revolutionise the US economy, comparing it to historic industrial breakthroughs and emphasising the need for American dominance in cryptocurrency.**
- **Trump promised to appoint a new SEC chairman supportive of crypto innovation and proposed establishing a strategic national Bitcoin stockpile**
- **Trump predicted Bitcoin's value surpassing traditional assets, opposed central bank digital currencies, and pledged to make the US a leading crypto nation**

On Saturday, July 27, Presidential candidate Donald Trump delivered a speech at the Bitcoin conference in Nashville, and emphasised the potential of cryptocurrency to revolutionise the American economy.

Drawing parallels between Bitcoin and historical industrial breakthroughs, Trump likened the cryptocurrency's rise to the steel industry of a century ago. "In just 15 years, Bitcoin has gone from merely an idea posted anonymously on an internet message board to being the ninth most valuable asset anywhere in the world," he remarked, noting its potential to surpass traditional assets like gold and silver.

Throughout his speech, Trump underscored the strategic importance of embracing cryptocurrency. "If we don't do it, China is going to be doing it, others are going to be doing it. Let's do it and do it right," he urged. He emphasised the necessity for the United States to dominate in technology, including Bitcoin, to maintain its global leadership.

Bold Steps for Bitcoin's Future

Trump laid out a series of bold commitments to the Bitcoin community, promising transformative changes upon his potential return to the White House.

"On day one, I will fire Gary Gensler and appoint a new SEC chairman who believes America should build the future, not block the future," he declared to enthusiastic applause. This move aims to create a more favourable regulatory environment for cryptocurrency innovation.

Further cementing his support for Bitcoin, Trump announced plans to establish a strategic national Bitcoin stockpile: "if I am elected, it will be the policy of my administration, United States of America, to keep 100 percent of all the Bitcoin the U.S. government currently holds or acquires into the future, we'll keep 100 percent. I hope you do well, please. This will serve, in effect, as the core of the strategic national Bitcoin stockpile. ... Most of the bitcoin currently held by the United States government was obtained through law enforcement action." he said. "The federal government almost has 210,000 Bitcoin or one percent total supply that will ever exist. But for too long our government has violated the cardinal rule that every Bitcoiner knows by heart: Never sell your Bitcoin.."

Bitcoin's Role in the Future Economy

Trump expressed his belief in Bitcoin's potential to surpass traditional assets. "It's already bigger than Exxon Mobil. Soon it will be surpassing the entire market cap of silver. It's not bad about gold. How about gold? Let's go gold", he predicted, reinforcing his optimism about Bitcoin's long-term value.

He also reiterated his stance against a central bank digital currency (CBDC). "There will never be a CBDC while I am President of the United States," he asserted, emphasising the importance of financial freedom and independence.

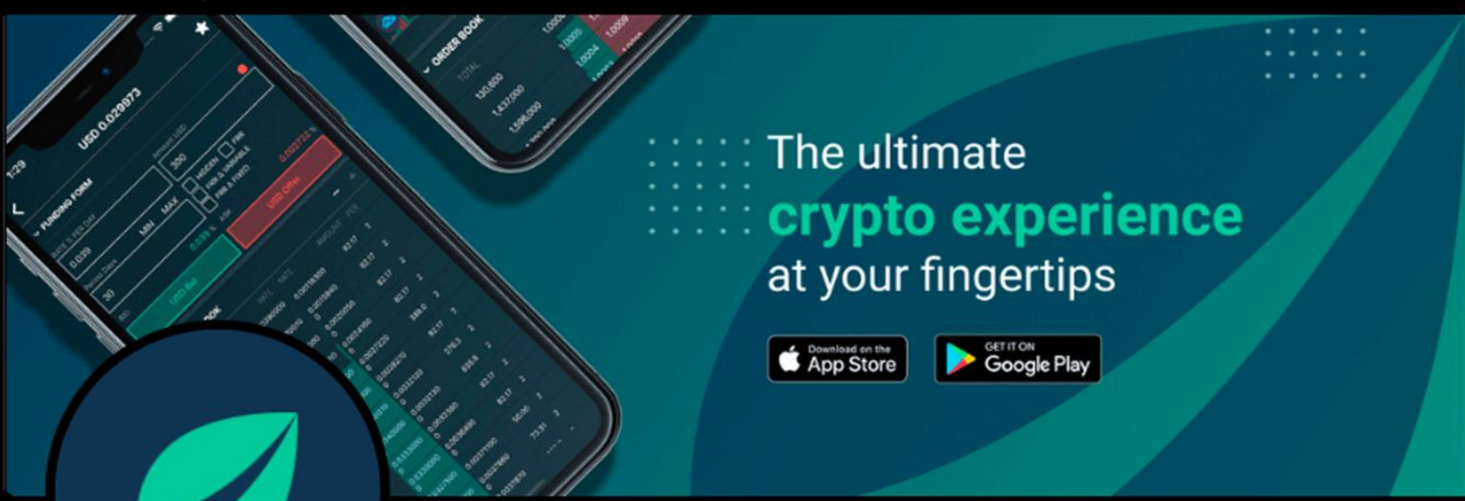
In a nod to the community's values, Trump highlighted Bitcoin's significance: "Bitcoin stands for freedom, sovereignty, and independence from government coercion and control," he said. He criticised the current administration's policies, stating, "Bitcoin is not threatening the dollar; the current US government is threatening the dollar."

Commitment to the Bitcoin Community

Trump also reaffirmed his pledge to commute the sentence of Ross Ulbricht, the founder of Silk Road. "I reaffirm my pledge to commute Ross Ulbricht's sentence. It's enough," he stated, drawing significant approval from the audience.

Promising a new era for cryptocurrency, Trump declared, "Bitcoin and crypto will skyrocket like never before, even beyond your expectations." "I'm laying out my plan to ensure that the United States will be the crypto capital of the planet and the Bitcoin superpower of the world, and we'll get it done.", he also said

He concluded by committing to ending the current administration's stance on crypto. "I pledge to the Bitcoin community that the day I take the oath of office, Joe Biden and Kamala Harris' anti-crypto crusade will be over," he proclaimed.



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