Bitcoin price hits $50K for first time since May

The world’s largest cryptocurrency by market cap just surpassed $50,000. At the time of writing, it’s up 2.6% in the last 24 hours, 5.6% in the last week, and 55% in the past month, according to CoinGecko. The last time Bitcoin saw $50,000 was in mid-May, just after Tesla CEO Elon Musk said his company would no longer accept Bitcoin as payment for its cars due to environmental concerns. That news along with a crackdown in China sent Bitcoin tumbling in the days and weeks that followed. Musk’s 180-degree turn stunned investors since Tesla had bought $1.5 billion worth of Bitcoin just three months earlier, and that purchase had boosted confidence among institutional and retail investors.

The damage was further exacerbated the following week when the Chinese government vowed to crack down on Bitcoin mining and trading—and later did. The wider crypto market tends to tailgate Bitcoin’s price movements, and all major cryptocurrencies began to plummet following the bad news. Bitcoin lost more than half of its value, falling below $30,000 on multiple occasions over the past few months. But much of the loss has slowly been recouped, and the rest of the market has followed. Like all round numbers with plenty of zeroes, many traders consider $50,000 a psychological marker of success. Breaching it paves the way to further neat numbers, like $55,000 or $60,000. While Bitcoin initially led the crypto market recovery earlier this month, many altcoins have since surged. At the time of writing, Cardano (ADA), Polkadot (DOT) and Solana (SOL) were all boasting double-digit gains for the week.
Cardano Reaches All-Time High As Rally Reaches New Heights

The price of Cardano (ADA) has reached an all-time high of $2.88 today, breaking the previous record of $2.54 set on Friday. ADA now trades for $2.82, up 7.5% from yesterday, according to data from crypto metrics site CoinGecko. Cardano is the native token of the eponymous blockchain project helmed by Ethereum co-founder Charles Hoskinson. The altcoin overtook stablecoin Tether on August 13 as the third-largest cryptocurrency, with a market cap of $82 billion. ADA’s up 17% over the past week and 116% in the past month. Cardano’s price surge began in earnest on August 10, when Hoskinson “pre-announced” the date when smart contracts would be integrated on the platform as part of the Alonzo network upgrade later this year. Three days after that “announcement of an announcement,” the development company behind Cardano, Input Output, disclosed the date as September 12. Last month, Cardano received a big boost when investment firm Grayscale’s Digital Large Cap Fund included the asset in its portfolio. Latest rally is likely due to an upcoming test phase of an upgrade that will, among other things, allow smart-contract functionality and allow for a range of decentralized finance (DeFi) applications to be used on the Cardano network. That update is expected to land as early as Sept. 12, though it could take a bit longer. The lack of smart-contract functions has been pointed to before as the crypto’s biggest Achilles’ heel. Smart contracts are a way to ensure agreements can be validated securely—and are seen as one of the biggest strengths of Ethereum.

Deloitte Survey: Crypto Will Rival or Replace Fiat Within 10 Years

Deloitte’s annual global blockchain survey has found that 76% of finance professionals think that digital assets “will serve as a strong alternative to, or outright replacement for, fiat currencies in the next 5–10 years.” Deloitte is one of the “Big Four” accounting firms along with KPMG, EY, and PwC. It’s conducted a blockchain survey for the last four years. 2021’s survey is the first to explicitly cover the commercial activities enabled by blockchain. The firm surveyed more than 1,000 finance professionals based in Brazil, China, Hong Kong, Japan, Singapore, South Africa, the United Arab Emirates, the United Kingdom, and the United States. It was conducted between March 24 and April 10, the heyday of the cryptocurrency market this year. 81% of respondents agreed that the technology is “broadly scalable and has achieved mainstream adoption.” 73% thought that their business should adopt blockchain and digital assets, and would lose a competitive advantage if they do not adopt the technology. But it wasn’t all roses. 65% of finance professionals considered existing financial infrastructure among the biggest obstacles to the acceptance of digital assets. 68% thought cybersecurity is another barrier, and 60% saw regulatory obstacles. When it came to the question of how crypto would be deployed, 43% of those surveyed said that their business may eventually adopt cryptocurrencies as a payment option, and 45% would tokenize their assets. 44% said crypto would allow their institution to access decentralized finance.
Coinbase CEO Brian Armstrong announced via Twitter on Friday that the publicly traded cryptocurrency exchange received board approval to add $500 million of cryptocurrency assets to its balance sheet. Not just that, but it'll be placing 10% of all future profits into cryptocurrency. In February, as it prepared to go public via direct listing, Coinbase published an S-1 filing showing it held somewhere in the range of $365 million in crypto. Of that, $230 million was in Bitcoin, $53 million in Ethereum, $49 million in stablecoins, and $34 million in other crypto assets. Though it was good enough to rank Coinbase fourth among all companies for Bitcoin holdings, two of the three firms ahead of it—cloud software firm MicroStrategy and electric automaker Tesla—bought their first BTC within the last year; Coinbase has been around since 2012. Some thought a crypto-native company should have accrued more over that span, although accounting rules and treasury management principles may have made that imprudent. But back-to-back record quarterly profits, first of up to $800 million in Q1 and then $1.6 billion in Q2, have convinced Coinbase’s board it has room to diversify its holdings. The exchange, which makes most of its money from transaction fees, benefited from high trading volumes over the last quarter despite a crash in crypto prices, as Bitcoin slid from its perch above $60,000 all the way down to $30,000. According to Armstrong, the company would like to gradually "operate more of our business in crypto." For now, he shared, "it is still a mix."

All Binance Users Now Required to Complete KYC Registration

Cryptocurrency exchange Binance today announced that all users are now required to complete Know Your Customer (KYC) verification. The update also includes existing users who have not already completed KYC verification. Until this verification is completed, those accounts will only be able to withdraw cryptocurrencies, said Binance in an announcement. Though users are required to input their name and date of birth to complete the "basic" tier of verification, the latest announcement now demands that all users complete the "intermediate" tier. This tier means users must include passport details and upload a selfie image to the site. "We are announcing these measures to double down on efforts relating to Know Your Customer (KYC) and Anti-Money Laundering, which will further enhance user protection and combat financial crime," Binance tweeted. The crypto exchange said that the move was meant to "align" Binance with "the evolving global compliance standards," with which the crypto exchange has become very familiar of late. Yesterday, the Dutch Central Bank joined a growing list of countries that have warned Binance of operating without a requisite license. The bank said that the crypto exchange is not in compliance with Anti-Money Laundering (AML) or anti-terrorism financing legislation in Holland. Malaysia, Singapore, the UK, Italy, the Cayman Islands, and Japan have all taken similar positions over the past few weeks. Though it has not been clearly stated, Binance’s new KYC requirements appear to be a direct response to growing regulatory concerns.
Ethereum Rock JPEG Sells for $600K as NFT Frenzy Continues

$608,000 for a picture of a rock might sound too wild to be real. But today, one crude illustration from NFT project EtherRocks sold for just that. Now sellers want even more for the flashy JPEGs. The cheapest pet rock sells for $1 million. Just yesterday, the cheapest rock was priced at $305,000, and only two weeks ago, one sold for $100,000. The buyer of yesterday’s cheapest rock could have made $400,000 if they sold at today’s market rate. The rocks are NFTs, or non-fungible tokens: blockchain-based tokens that demonstrate ownership over digital items, such as images or video files, or physical assets. There are 100 EtherRocks, each created in 2017—ancient for an NFT project. The illustrations come from a royalty-free clip art database and were inspired by the Pet Rock toy craze of the 1970s. All 100 rocks look the same but some are painted in different colors. EtherRock 55, a rock that sold for $409,000 yesterday, is one of only four blue rocks. Its sale led to a spike in trading. TRON CEO Justin Sun, known for his flashy spending habits, said he bought a rock for half a million dollars this morning. He didn’t say which one but his tweet indicates a gray rock. But why buy these rocks in the first place? Andrew Kang, an avid NFT collector who told Decrypt he owned two rocks, tweeted his rationale today: “For some NFTs, you can make the argument that they are aesthetically pleasing, they have an amazing origin/generative story, they can be used in a game, etc.” None of these holds true for the rocks. And that’s what makes rocks “so desirable in the first place,” said Kang. “The ownership of something so utterly useless is a quintessential example of a flex.”

QUOTE OF THE WEEK:

“The most important thing that can be done today is moving away from the idea that coin voting is the only legitimate form of governance decentralization.”

Vitalik Buterin, Ethereum co-founder

Founded in 2013, CoinPayments is the leading crypto payments provider that supports payments for bitcoin and over 1,000 altcoins for 2.3 million businesses and user accounts across 182 countries. For further inquiries and collaboration, reach out to CEO Jason Butcher on LinkedIn or via email jason@coindays.com directly.