



Market Commentary: March 2021

This month in digital asset markets, the traditional asset management space continues to embrace cryptocurrency as a major investment bank launches its own basket of crypto linked investment products, a prominent family office revises its bitcoin investment thesis and its revealed how much assets under management institutions hold in crypto. Meanwhile, public and private companies embrace cryptocurrency as an alternative form of payment, as opposed to fiat, as a major tech company has begun polling users about using bitcoin for payments, Bison Trails provides key blockchain infrastructure to a major crypto company and Visa makes its largest play in crypto to date. Lastly, several of the biggest brands in professional sports are adopting crypto with a Major League Baseball team accepting bitcoin for season tickets, a recent Super Bowl champion launches his own NFT and a cryptocurrency exchange secures the naming rights for a professional sports arena.

J.P. Morgan is releasing an investment product that will invest in debt linked products tied to 11 publicly traded equities, which “directly or indirectly” have exposure too cryptocurrencies. This is the first time the investment bank has issued notes related to the performance of crypto companies (**Coindesk**). Soros Fund Management, one of the most well established family offices in the traditional investment industry, believes bitcoin and the rest of the cryptocurrency space is at a pivotal turning point. CIO, Dawn Fitzpatrick, stated that bitcoin was no longer a “fringe” asset due to the rapid increase in global monetary supply. Fitzpatrick also states that Central Bank Digital Currencies (CBDCs) will be here “quicker than people expect” (**Decrypt**). Digital asset manager, CoinShares, has revealed that the total amount of cryptocurrency assets held by institutional managers is now in excess of \$57B. Grayscale remains the world’s largest crypto asset manager with \$2.373B of assets under management. Interestingly, CoinShares’ analysis saw a drop in US institutional demand for crypto assets, while Europe and Canada saw an uptick in activity with Canada becoming a “hotbed” for bitcoin exchange traded funds (**Cointelegraph**).

Xbox’s online store for gaming may soon be accepting bitcoin as a payment option. The Microsoft based gaming console polled users about their payment preferences listing bitcoin as an option. However, this is not the first time Microsoft has allowed purchases in bitcoin. In 2014, Microsoft allowed users to purchase Windows content with the digital asset. Unfortunately, Microsoft will probably not follow Tesla’s move in holding bitcoin on its balance sheet as the President and Chief Legal Officer of Microsoft, Brad Smith, stated he hasn’t heard



of any related developments (**Decrypt**). Blockchain infrastructure provider, Bison Trails, is providing infrastructure to Crypto.org, an open source payments blockchain. Bison Trails will support the main-net launch with “participate clusters, query & transact clusters and seed nodes”. The Crypto.org beta has already processed an impressive 275 million transactions (**Cointelegraph**). In a groundbreaking development, Visa is now allowing the utilization of Circle’s US Dollar stablecoin, USDC, to settle transactions on its payment network. Visa has launched the pilot program with the crypto platform Crypto.com, the parent company of Crypto.org, and plans to expand its offering to more platforms this year. This is an important milestone for the stablecoin space as it will be a vital test in determining whether stablecoins pose an existential risk to the current monetary system (**Reuters**).

The Oakland Athletics, the professional San Francisco East Bay baseball team, is allowing fans to purchase season tickets that grant ticket holders access to a 6 person suite in exchange for one bitcoin. The Oakland Athletics baseball club is using this offer to test if they would like to implement the utilization of cryptocurrency in more aspects of its business (**Cointelegraph**). Super Bowl champion and tight end of the Tampa Bay Buccaneers, Rob Gronkowski, launched his own NFT collection, which quickly sold out generating \$1.6M in revenue. The collection features four different cards, each representing appearances on a winning Super Bowl team. Gronkowski is the first NFL player to launch an NFT (**Ledger Insights**). The Miami Heat’s home basketball arena, which previously granted the arena's naming rights to American Airlines, will now be renamed to FTX Arena, as the cryptocurrency exchange, FTX, has secured a \$135 million deal with the Miami-Dade commissioners. This is another major milestone for the cryptocurrency industry as it symbolizes the incredible growth and success the cryptocurrency industry has had since the inception of bitcoin (**Miami Herald**).