



## Market Commentary: August 2019

It was an interesting month for digital asset markets as we saw an unprecedented amount of cryptocurrency and blockchain developments within the sports entertainment sector. On one hand, several English Premier League football clubs have partnered with blockchain and cryptocurrency firms. Newcastle United ([CCN](#)) has partnered with cryptocurrency StormGain to give out unique promotions to fans, Manchester City ([Token Post](#)) has partnered with the blockchain gaming firm Superbloke so users can now build a digital football team by training and trading Manchester City digital player cards, and Leicester ([Cointelegraph](#)) and Everton (Everton FC) have partnered with the trading platform, Etoro, to promote cryptocurrency markets to football fans. On the other hand, the NBA has also made its way into the cryptocurrency space. The NBA has partnered with Dapper Labs, the creators behind CryptoKitties, to release a new cryptocurrency collectibles game where users can collect, trade and own “some of the greatest moments in league history on the blockchain” ([NBA](#)). If the NBA’s platform is successful, it could pave the way for a new alternative asset industry where we could see the tokenization of professional athletes, teams, and franchises.

In places encountering social, political and/or economic turmoil, bitcoin continues to act as a safe-haven asset. Although this has become such a trite reoccurring theme in cryptocurrency markets, the importance of bitcoin acting as a safe haven asset cannot be overlooked. Once again, in Venezuela, bitcoin trading has hit another all-time high as “the number of Venezuelan Bolivars that were exchanged for Bitcoin rose to nearly 67 billion” ([CCN](#)). Meanwhile, in Hong Kong, bitcoin was trading at a premium of as much as \$5,000 revealing that there was an enormous amount of demand to exchange the Hong Kong dollar for the cryptocurrency in the midst of the Hong Kong anti-extradition protests ([CCN](#)). Seeing this type of price action in a developed country like Hong Kong reinforces the legitimacy of bitcoin as an alternative asset.

Walmart, following in the footsteps of Facebook, is now planning to release their own cryptocurrency ([Forbes](#)). Although we are still unsure of the utility of Walmart’s cryptocurrency, several expect it to be more successful than Libra as Walmart’s cryptocurrency seems to be flying under the radar of regulators, while Libra continues to encounter regulatory scrutiny. In fact, several of Libra’s backers are now considering withdrawing from the project ([Cointelegraph](#)).

Lastly, we are witnessing the final days of fiat as a means of exchange as the PBOC has stated that it is ready to release their own cryptocurrency ([Futurism](#)). Alibaba and Tencent are two of seven entities that will first receive the cryptocurrency ([Forbes](#)). Several analysts believe that China’s cryptocurrency will make the private banking technologies Alipay and WeChat obsolete, which currently processes every 9 out of every 10 transactions in China. Additionally, China’s cryptocurrency will, unsurprisingly, not be anonymous or decentralized as the government will have full control over the centralized ledger ([Block Publisher](#)). Likewise, the capital city of South Korea, Seoul, is also releasing their own cryptocurrency, which is planning to launch this November. The cryptocurrency, dubbed S-Coin, will be used to encourage citizens to participate in governance, facilitate cooperation between citizens



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and collect information. The cryptocurrency will be programmed so that authorities can decide exactly how the cryptocurrency can be spent ([Cointelegraph](#)). As global powerhouses continue to adopt cryptocurrency, this begs the question, will the US fall behind in the cryptocurrency revolution? While foreign governments are integrating cryptocurrency into its citizens' everyday lives our regulators continue to stall on releasing a bitcoin ETF ([Cointelegraph](#)).