



Market Commentary: March 2019

Digital assets were bid in March igniting investor confidence in cryptocurrency markets. Securities and Exchange Commission Senior Advisor for digital assets, Valerie Szczepanik, confidently told a crowd at SXSU, that she believes investors will see a “crypto spring” in 2019. Specifically, Szczepanik believes that the SEC will approve a Bitcoin ETF and set a regulatory framework for cryptocurrencies this spring.

While the SEC works to create further transparency in the digital asset space, Colorado Governor, Jared Polis, recently signed The Digital Token Act into law on March 8th. By exempting cryptocurrencies from state security laws, Polis believes this act will spur a new digital asset driven job market in Colorado.

Outside of the regulatory sector, [BlockFi](#), a digital asset-backed lending firm, received an impressive \$35 million in cryptocurrency deposits in just two weeks after launching its new lending product. This marks BlockFi's entrance into one of the fastest growing digital asset sectors as they look to compete with both [Celsius Network](#), a crypto lending platform geared towards retail investors that did \$600 million in lending in the last 9 months and [Genesis Capital](#), an institutional crypto lending firm that did \$1.1 billion in lending in 2018.

Additionally, WesternUnion, the \$8.4 billion market cap global financial services firm that has been dubbed one of bitcoin's biggest rivals, officially made its entrance into the cryptocurrency industry via its partnership with [Stellar](#) collaborator Thunes. Western Union customers are now able to send funds directly into a mobile recipient's wallet.

In global markets, e-commerce giant [Rakuten](#) completed registration of its cryptocurrency wallet, Rakuten Wallet, which will go live next month. Rakuten is one of several billion-dollar market cap Japanese tech firms that is attempting to penetrate and capitalize on the digital asset evolution. Likewise, South Korean tech giant Kakao is also entering into the cryptocurrency space by integrating a crypto wallet onto its famous messaging platform, [KakaoTalk](#), for its 44 million users.

Lastly, it is interesting to note that in the last several months we have seen several prominent tech companies and traditional institutions enter into the cryptocurrency space such as Facebook, Rakuten, J.P. Morgan & Chase, Samsung, WesternUnion, and Kakao. Akin to the internet boom, global companies recognize the need to adapt to the digital asset boom or else, they risk becoming obsolete.