

March 21st, 2022 - Issue Two

The Monday Read

Weekly Crypto Insights

Crypto Briefing



The crypto market is plenary of mysteries and unsolved puzzles, but recent developments have begun to reveal their secrets. The last few months of chaos demonstrated why Bitcoin and other crypto-assets are so valuable: They are tools of globalization, luxury goods for the intricate and well-functioning markets. However, they are not protections against hostile governments.

One widely circulated notion, particularly in libertarian circles, has been that cryptocurrencies will provide an essential refuge when inflation ramps and regimes confiscate private affluence. However, it is becoming more pellucid that this notion is inaccurate. The attack by Russia on Ukraine has raised the prospect of a wider war, possibly involving nuclear weapons. Nevertheless, this too has not been advantageous to the crypto-ecosystem.

Wealth confiscation has been implemented against various Russian oligarchs, most notably in Europe, and the policy appears widespread. Yet the recent crypto price increase appears to be the result of a relatively tolerant executive order by President Biden on crypto regulation, as well as an increase of 0.25 percent in interest rates by the Federal Reserve last Wednesday. Since last week, the crypto sector has grown by almost 4%, bringing a market capitalization of over \$1.83 trillion.

So rather than cogitating crypto as the last resort for totalitarian regimes, I suggest more prosaic veracity: Cryptocurrency assets will have the greatest impact if they join the financial and regulatory establishment, rather than rebel against it. Crypto will be most prosperous when utilized in conjunction with other financial networks, not as a stand-in.

Let's take a closer look at what's happening around the crypto industry

The Russian war could lead Central Banks and countries around the world to fight for crypto adoption. While Russia's incursion is further pressuring markets, crypto's role in helping Ukraine may magnetize users to the broader crypto industry, with approximately \$100 million raised for essential supplies, fuel, and bulletproof vests for Ukraine. The tough times in Russia will spur stablecoin adoption, just like they did in Turkey. That could further erode the influence of central banks everywhere.

As a result of events in Ukraine, Western sanctions hit the heart of Russia's the financial system and Sberbank was among the targets. In February, a source in the financial market told Reuters that Sberbank was actively preparing to launch Sbercoin.

Amid fears that cryptocurrencies could undermine Russia's financial stability and monetary policy sovereignty, Russia's central bank has clashed with the finance ministry over the authority to regulate cryptocurrencies.

In North America, the Bank of Canada is partnering with the Massachusetts Institute of Technology (MIT) to explore central bank digital currencies (CBDCs). In a formal statement released last week, Canada's central bank announced it has

signed an agreement with the MIT Media Lab's Digital Currency Initiative (DCI) to carry out a 12-month project that will examine "how advanced technologies could affect the potential design of CBDCs."

Meanwhile, Malaysia's

Communication Ministry proposed that cryptocurrency, such as bitcoin, be adopted as a form of legal tender in Asia earlier this morning. The deputy minister Zahidi Zainul Abidin further added, "We are trying to see how we can legalize this, so that we can develop youth participation in crypto and assist them."

Furthermore, **the European Parliament committee** voted on a proposed legislative framework on March 14th, 2022. The framework includes language regarding limiting proof-of-work cryptocurrencies. The Markets in Crypto-Assets Directive, or MiCa, include language seemingly looking to outlaw proof-of-work cryptos over energy usage concerns.

Crypto Catalyst Calendar

- March 21 - PBoC Interest Rate Decision
- March 22 - UK Unemployment Rate
- March 23 - Germany Markit Manufacturing PMI
- March 24 - EU Markit PMI Composite

Cryptonary

What is Crypto-OTC Desk?



OTC = Over-the-counter. OTC Desk in the crypto space is usually referred to as a marketplace where a trading desk connects buyers and sellers who are looking to execute large-scale trades.

Very often, finding the right liquidity at the best-executed prices can become a challenge for the parties. On top of that, counterparty risks can be significant. Imagine looking to trade 100 BTC without any slippage in prices or headache over the settlement.

If you were to attempt to purchase 100 BTC, you would run into numerous problems. You would have to purchase it from multiple sellers to buy it all on one exchange. It is unlikely that one individual will ever sell 100 BTC simultaneously. You'd likely buy the first chunk at the current market rate but would end up buying the last portion at a significantly higher price — this is known as slippage.

To avoid slippage, you would have to purchase across several exchanges and buy smaller amounts of BTC at the best price available on each exchange. However, this would require you to be registered on multiple exchanges. Even then, you would have to spend considerable time executing each individual trade, all while being charged a transaction fee per trade.



This is where BitBit Financial's OTC desk comes into play. BitBit Financial is a wholly-owned subsidiary of iMining Technologies, a public company traded on TSXV under iMin. We simplify the process of buying, selling and investing in cryptocurrencies, making us one of Canada's best sources of liquidity for digital assets.

Liquidity: Crypto exchanges often struggle to execute large orders effectively, so they break the order into smaller pieces and increase slippage risk. On the other hand, you can minimize price spikes by purchasing cryptocurrencies through BitBit's OTC desk.

Confidentiality: All counterparties trading through our OTC Desk go through a rigorous compliance process to protect all parties involved. This allows our clients to conduct their transactions without threats or fear.

Direct transactions: BitBit OTC Desks enable buyers and sellers to conduct real-time trades without any intermediaries or restrictions. This directly addresses the issue of scam schemes that most often operate under the banner of third parties, commonly called "plugs". Direct transactions make it possible for buyers to track their sellers.

Reach us at



Toronto Office: 860 Progress Court,
Oakville, Ontario, L6L 6K1, Canada



1 (844) (464-6464)



Info@iMining.com