

BlackRock opens door to bitcoin in boost for cryptocurrency

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Wall Street investment giant BlackRock has said its funds may start investing in bitcoin in what could become a boost for the use of cryptocurrencies

BlackRock, Wall Street's biggest money manager, is opening the door to investing in bitcoin futures in a potential boost for the controversial

cryptocurrency.

Securities filings from the investment giant show at least two BlackRock funds may buy [bitcoin](#), a digital currency which has seen wild swings since being introduced over a decade ago.

BlackRock said it may buy bitcoin contracts which have been approved by regulators while acknowledging the risks of these investments. The company confirmed this was the first time it has indicated it may invest in the cryptocurrency.

"Bitcoin and bitcoin futures have generally exhibited significant price volatility relative to more traditional asset classes," the company said in a filing with the Securities and Exchange Commission.

"Bitcoin futures may also experience significant price volatility as a result of the market fraud and manipulation."

BlackRock noted that bitcoin values "are determined by participants in an online, peer-to-peer network" and that the digital asset is "not backed by any government, corporation, or other identified body."

The [digital currency](#) which is created through a complex computational process known as bitcoin "mining," has seen its value soar to as high as \$40,000 while also seeing plunges of 20 percent in recent years.

Bitcoin and other cryptocurrencies have been linked to nefarious activity on the "dark web" and some inexperienced investors have lost their digital assets.

Despite living on the margins of the investment world, bitcoin has attracted interest from established money managers seeking returns in a market which has been roiled by the [global economic crisis](#).

But such investments are still considered highly speculative.

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