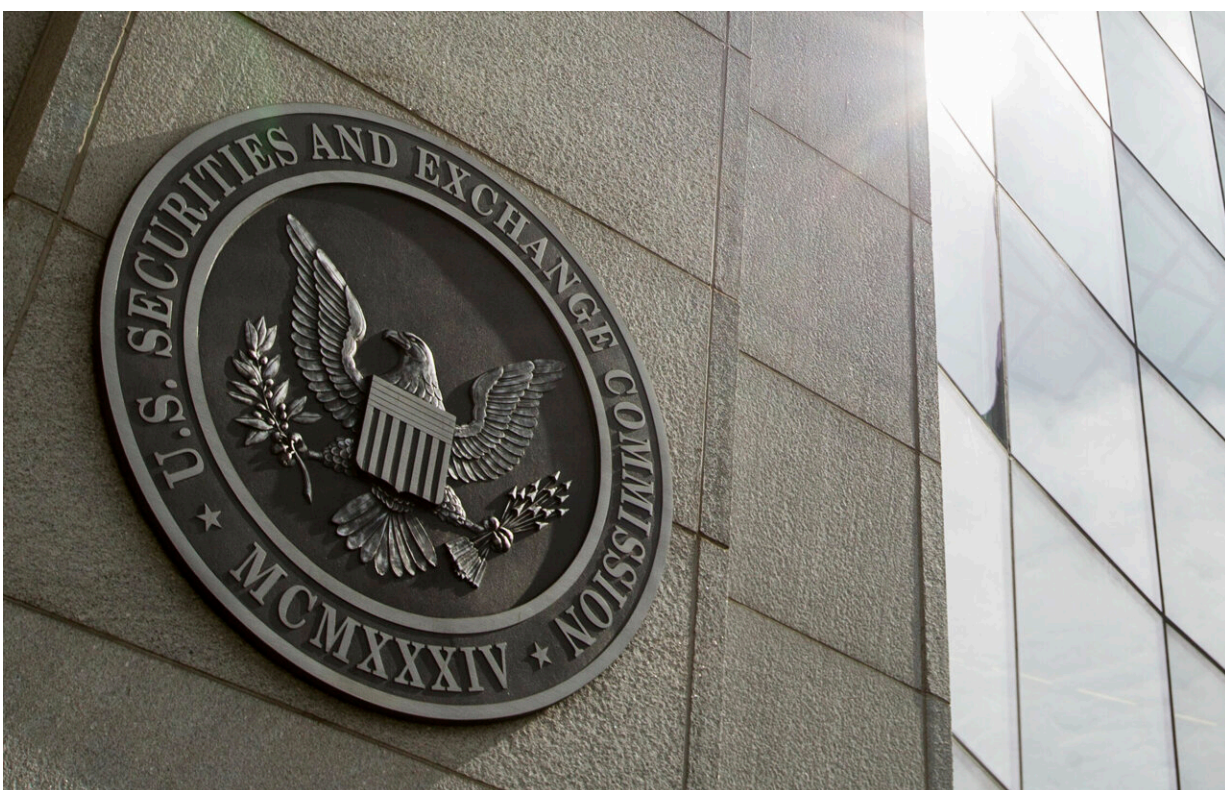


# SEC chair denies a bitcoin ETF has been approved, says account on X was 'compromised'

January 10 2024, by Ken Sweet

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The seal of the U.S. Securities and Exchange Commission at SEC headquarters, June 19, 2015, in Washington. The Securities and Exchange Commission said Tuesday, Jan. 9, 2024, that a post on X, formerly known as Twitter, announcing that the securities regulator had approved the trading of exchange-traded funds holding bitcoin was fake, and that the agency's account had been "compromised." Credit: AP Photo/Andrew Harnik, File

The Securities and Exchange Commission said Tuesday that a post sent from the agency's account on the social platform X announcing the approval of a long-awaited bitcoin exchange-traded fund was "unauthorized," and that the agency's account had been "compromised."

The price of [bitcoin](#) briefly spiked more than \$1,000 after the post on X, formerly known as Twitter, claimed "The SEC grants approval for #Bitcoin ETFs for listing on all registered national securities exchanges." Cryptocurrency investors had already driven bitcoin's price above \$46,000 in anticipation of the approval.

An ETF would provide a way to invest in bitcoin without having to buy the cryptocurrency outright on a crypto exchange such as Binance or Coinbase.

But soon after the initial post appeared, SEC Chairman Gary Gensler said on his personal account that the SEC's account was compromised and "The SEC has not approved the listing and trading of spot bitcoin exchange-traded products." Gensler called the post unauthorized without providing further explanation.

"Welp," wrote Cory Klippsten, CEO of Swan Bitcoin, on X. Like many bitcoin investors, Klippsten had been expecting the agency to approve bitcoin ETFs potentially as soon as this week.

The price of bitcoin swung from about \$46,730 to just below \$48,000 after the unauthorized post hit, and then dropped to around \$45,200 after the SEC's denial. It was trading around \$46,150 at 6:15 p.m. ET.

It was unclear how the SEC's social media account was compromised. Shortly after Gensler's statement, it appeared that the SEC had gotten control over the [account](#).

Politicians, particularly Republicans who have long expressed frustration at how Gensler operates the SEC, quickly expressed anger at the SEC's lax security controls over its accounts.

"Just like the SEC would demand accountability from a [public company](#) if they made a colossal market-moving mistake, Congress needs answers on what just happened," said Sen. Bill Hagerty, R-Tennessee, who sits on the Senate Banking Committee.

This is not the first time there has been false market-moving information about the future of bitcoin on regulated exchanges. A false report back in October implied that fund manager BlackRock had gotten approval for bitcoin ETF, causing bitcoin prices to jump sharply.

A spokesman for X did not immediately respond to a request for comment.

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