

Bitcoin fund launches on Dubai bourse in Mideast first

23 June 2021



Credit: CC0 Public Domain

The Middle East's first bitcoin fund launched on the Dubai bourse on Wednesday, with Canadian digital asset manager 3iQ Corp seeking to raise around \$200 million in the offering.

Created in 2008 as an alternative to [traditional currencies](#), bitcoin is the world's most popular virtual unit, but its price has slumped recently due to fresh moves from China to crack down on cryptocurrencies.

"3iQ Corp., Canada's largest digital asset investment fund manager... today officially listed The Bitcoin Fund on Nasdaq Dubai, the region's international exchange," the bourse said in a statement.

It said that "this fund is the world's first regulated major Bitcoin fund to be listed on the [capital markets](#) in the Middle East North Africa region".

"Bitcoin trades 24 hours a day around the world, and in Canada we trade around North American

market times and Dubai is almost perfectly opposite of (those) trading hours," 3iQ Corp chief executive Fred Pye told Bloomberg Television.

"We think if the market holds up for the next few months while we get the listing going, we expect to probably be quite far north of (\$200 million)."

Bitcoin fell under \$30,000 on Tuesday for the first time in five months, hit by concerns over China's ongoing crackdown.



The Middle East's first Bitcoin fund has launched on the Dubai bourse.

The unit had recovered some lost ground by 1040 GMT on Wednesday, punctuating a rollercoaster month of trading, standing at \$34,104 a piece.

Chinese mines power nearly 80 percent of the [global trade](#) in cryptocurrencies despite a domestic trading ban since 2017.

But in recent months several provinces have ordered mines to close as Beijing puts the industry under the regulatory microscope.

The 3iQ fund finished up 10.38 percent at \$38.30 following Wednesday trading, according to the Nasdaq Dubai website.

The fund's prospectus says that it seeks to invest in long-term holdings of [bitcoin](#) as a less volatile alternative to direct investments in unpredictable cryptocurrencies.

Bitcoin and other cryptocurrencies are minted by solving puzzles using powerful computers that consume enormous amounts of electricity.

© 2021 AFP

APA citation: Bitcoin fund launches on Dubai bourse in Mideast first (2021, June 23) retrieved 28 October 2021 from <https://techxplore.com/news/2021-06-bitcoin-fund-dubai-bourse-mideast.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.