



LMAX | Digital **LIVE** BTCUSD \$ 17,294.53 0.67% ETHUSD \$ 1,334.76 1.25% BCH USD



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The Sweet Spot: Financial Products Built on Sound Fundamentals with High Transparency

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What potential could investors realize if they had access to a financial product built on a sound store of value, supported by highly liquid global markets, and with daily transparency reporting to enable the investor's trust? A bitcoin ETF offers a sweet spot the SEC and legacy investors should be ready for.

Industry proponents have long considered a bitcoin ETF (BTC ETF) an important step in changing the perception of bitcoin from that of a murky financial tool favored by shadowy super coders to an institutional-class asset embraced by mainstream investors. The SEC's rejection of several spot bitcoin ETFs this fall, Valyrie's and VanEck's being the most recent, highlights the challenges facing crypto exchange-traded products in the U.S. The SEC has repeatedly cited its concern over the potential for market manipulation as the reason for spurning applications.

While market manipulation is a legitimate concern, and there is no debate about the need for investor protections, the SEC's reasoning misses the mark. A financial product built on top of bitcoin's blockchain is part of a greater transformational shift that is already underway, where the most distributed and secure ledger ever created will drive investors, managers, auditors and regulators to reimagine what is possible. Assurance tools to provide data transparency and financial insight on -



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only publicly listed asset manager to offer real-time visibility into liabilities and assets through Armanino’s [TrustExplorer Real-Time Attest](#) technology. As of today, CoinShares’ total assets under management is approximately \$6 billion and TrustExplorer has issued over 7,120 attest reports in the past 15 months. Over the same time period, the largest ETF products have produced only a handful of reports.

Currently, ETFs available for commodities such as gold, rare metals, or income-producing assets like real property are far more opaque to markets, regulators and investors than a spot bitcoin ETF would be. With on-demand attest over the underlying assets and note obligations, there is simply no match. A bitcoin futures ETF is a better-than-nothing start, but the spot ETF, supported by Real-Time Attest, will usher in a new era of financial products built on transparent foundations and auditability to support customer protection, market protection and well-informed capital formation.

For questions or to learn more, contact our [Digital Assets & Blockchain team](#).

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