

CoinShares Data – Bitcoin posts outflow for 2nd straight week

Bitcoin investment products and funds registered outflows for a second consecutive week in a row, according to information from digital asset manager CoinShares released on Monday, highlighting the cautious sentiment of investors in the cryptocurrency space as prices continue to slide.

Bitcoin outflow reached \$10.4 million (approximately Rs 77 crore) in the week ended July 16. . For the month of July, bitcoin outflows amounted to \$15 million, though inflows for the year were still a robust \$4.2 billion. Bitcoin price in India is Rs. 22.2 lakhs on July 20 at 10:30 am IST.

Overall the data shows that the cryptocurrency sector had a net inflow of \$2.9 million (approximately Rs 20 crore) in the latest week.

The world's largest cryptocurrency by market capitalization was down 12.1 per cent this month. On Monday, it was testing the key support of \$30,000 (approx Rs 22 lakh) and was down 3.4 per cent at \$30,694 (approx Rs 22.9 lakh).

"Bitcoin is looking uncertain and trading lower with global markets due to concerns about an economic recovery," said Pankaj Balani, chief executive officer of derivatives trading platform Delta Exchange.

"Volatility is also starting to increase. If bitcoin breaks below \$30,000 (around Rs 22 lakh), we could see a sharp downside move," he added.

That said, James Butterfill, investment strategist at CoinShares, pointed out that bitcoin outflows last week were

minimal relative to May and June this year. He also believes that the timing of some of the crypto investment product launches, in which investors gained access for the first time, has led to recent profit-taking.

Ether-based investment products and funds, the token used for the Ethereum blockchain, had \$11.7 million in net inflows last week. So far this year, ether inflows were close to \$1 billion. Indian price for Ethereum is Rs. 1.29 lakh on July 20 at 10:30 am IST.

Ether's price, however, was down 20% against the U.S. dollar and was last 4% weaker at \$1,819.

Grayscale remains the largest crypto asset manager, but the assets under its watch have grown further to \$27.681 billion (approximately Rs 2,07,220 crore).

CoinShares, the second-biggest digital asset manager, saw its AUM dip to \$3.1 billion from \$3.3 billion the previous week.