

Crypto worth \$99 million withdrawn from Milei-backed Libra token, researchers say

Elizabeth Howcroft, Hannah Lang : 5-6 minutes : 2/19/2025

- Summary
- Crypto wallets linked to Libra withdrew from liquidity pool
- Argentina President Javier Milei promoted Libra token Friday
- Libra token rose to \$4.50 before plummeting

Feb 19 (Reuters) - Around \$99 million worth of cryptocurrency was withdrawn from the marketplace of a coin at the centre of a scandal in Argentina by eight digital wallets linked to the crypto token's creator, blockchain researchers said.

Argentinian President Javier Milei [recommended](#) the little-known crypto coin \$LIBRA late on Friday in a post on X, but later deleted the post and denied having any link to the cryptocurrency.

A federal judge is [investigating](#) the token's launch and Milei's involvement in it, after the coin, promoted by Milei on Friday, soon shot up above \$4.50 apiece then plummeted [just hours later](#).

Milei has accused his rivals of trying to take advantage of the situation.

According to blockchain researchers Chainalysis, eight crypto wallets withdrew roughly \$99 million worth of tokens from the \$LIBRA token's so-called liquidity pool - a kind of crypto marketplace where people can trade.

Chainalysis could not confirm the identities of the owners of the wallets that withdrew the crypto, but said they were wallets that received tokens directly from the creator of \$LIBRA.

"The on-chain behavior suggests that these addresses are closely related to the Libra creator team based on the fact that those addresses were funded directly from the Libra token creator," Chainalysis told Reuters.

Chainalysis did not comment on when exactly the funds were withdrawn.

Meme coins are crypto tokens that feature branding or names referencing memes or internet trends or jokes. They often collapse after quickly soaring in value as earlier traders take profits.

While the coins have long been a fixture in the crypto industry, it is rare for them to involve politicians. In a surprise move, U.S. President [Donald Trump](#) and his wife launched their own [last month](#).

The tokens withdrawn from Libra's liquidity pool were the stablecoin USDC and another cryptocurrency called SOL, or Solana, Chainalysis said, adding that the dollar value of these funds varies as token prices fluctuate.

Argentina's President Javier Milei attends the G20 summit at the Museum of Modern Art in Rio de Janeiro, Brazil, November 19, 2024. REUTERS/Pilar Olivares//File Photo [Purchase Licensing Rights, opens new tab](#)

Another blockchain analytics firm, Nansen, told Reuters on Wednesday that wallets which removed tokens from Libra's marketplace "still hold a combined value of about \$87 million".

Nansen said "it is fair to say that there is still a lot of money in the hands of those related to the Libra launch."

The value of holdings can change in dollar terms as the price of the cryptocurrencies they are stored in changes.

The token was launched on a crypto exchange called Meteora. The exchange could not immediately be reached for comment.

From Sunday to Tuesday, 70% of wallets trading \$LIBRA lost money, Nansen said.

PLAN GONE WRONG

Hayden Davis, whose now-unavailable LinkedIn page said he is CEO of a crypto company called Kelsier Ventures, described himself in a statement on the company's X account on Sunday as a "launch advisor" for the token.

Davis said in the statement that he had as much as \$100 million of crypto from the Libra marketplace under his control, without describing how or why he acquired the funds. He said he intends to "reinvest" this money back into the token.

"I was to make it unequivocally clear that I have not, nor will I, take any of these funds for my personal benefit," Davis said in the written statement on X.

In an interview published on Monday with crypto YouTuber Stephen Findeisen, known as "Coffeezilla", Davis said the token was not a so-called rug-pull, a scam in which a coin's backers lure investors, sending its value soaring, then quickly withdraw their funds, leaving investors with worthless tokens. Davis said he had been trying to stop the token falling further.

"It's not a rug. It's a plan gone miserably wrong with \$100 million sitting in an account that I'm the custodian of," he said.

Reuters spoke to Findeisen to confirm the interview's authenticity. Reuters was unable to reach Davis for comment. A spokesperson for Davis did not respond to a request for comment.

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Elizabeth Howcroft reports on finance and technology, including Europe's "fintech" industry and cryptocurrencies. She was part of the team which won a Loeb award and SABEW award for covering the collapse of crypto exchange FTX in 2022.

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