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# JPMorgan Says It May Have to 'Adapt' to Counter Crypto Adoption

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 Nikhilesh De
 



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NEWS

Global financial services company JPMorgan Chase has become the latest bank to label the rise of cryptocurrencies as a threat to its business.

In its [annual 10-K filing](#) with the U.S. Securities and Exchange Commission, the bank noted the potential impact that cryptocurrencies could have on payment processing under its "risk factors" section, saying the institution could be disrupted by the still nascent technology.

The bank wrote:

*"Furthermore, both financial institutions and their non-banking competitors face the risk that payment processing and other services could be disrupted by technologies, such as cryptocurrencies, that require no intermediation. New technologies have required and could require JPMorgan Chase to spend more to modify or adapt its products to attract and retain clients and customers or to match products and services offered by its competitors, including technology companies."*

The comment echoes those made in the Bank of America (BoA) and Goldman Sachs annual filings. Both financial giants also included cryptocurrencies under their risk factors sections, though for various reasons.

Bitcoin

\$10.8

Ethereum

\$8

Bitcoin Cash

\$1.2

Litecoin

\$

XRP

\$0

Which cryptocurrency would you use to send a transaction you don't want anyone to know anything about?

☐ Bitcoin
 ☐ Ether
 ☐ Dash
 ☐ Monero
 ☐ Zcash
 ☐ Other


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Like JPMorgan Chase, [BoA](#) noted that clients could choose to use digital currencies instead of traditional banking services and crypto competition could force it to adopt new technologies.

[Goldman Sachs](#) took a similar tack, saying in its filing that the company could become "exposed to risks related to distributed ledger technology" due to how clients are turning to new financial products.

However, BoA also included concerns about following anti-money laundering and know-your-customer regulations, given the lack of regulatory oversight on cryptocurrencies.

This is the first time JPMorgan has included cryptocurrencies in its annual filing - the term did not appear [in prior years](#). The declaration is notable both because of its timing, and because not so long ago, the bank's chief executive Jamie Dimon called [bitcoin a "fraud,"](#) saying that cryptocurrency markets were in a bubble that would eventually collapse.

While he later said he regretted the comments, he has not retracted his view of a [possible impending collapse](#).

[JPMorgan Chase](#) image via Shutterstock

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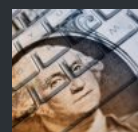
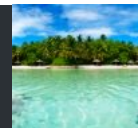
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South Africa's central bank has launched a program that will trial JPMorgan's Quorum blockchain for interbank clearing and settlement.



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## ECB President: EU Banks Show 'Limited Appetite' for Cryptocurrencies

Mario Draghi, president of the European Central Bank, has said credit institutions in Europe are not as keen on cryptocurrencies as the public.

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**Unknownxn Facexbook** · 21 hours ago

risky in that they won't be getting enough [fiat money] to keep the banking ponzi going...

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The only impeding collapse is the equities market as interest rates get hiked.

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In order for banks to determine their daily cash position, they will have to eventually convert the currency over especially being that the FMV of the currency is always moving; not constant.

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Banks should reconsider their support for cryptocurrency given the number of active sanction programs that exists in the US as well as in the EU.

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lol these dumb banks tried to dig their heels in against crypto and now are starting to realize they better get with the game or they will lose billions of dollars! Crypto is here to stay and people still fighting it will regret not getting in now!

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