

Cryptocurrencies

Fidelity Will Offer Cryptocurrency Trading Within a Few Weeks

By [Matthew Leising](#)

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- ▶ Asset manager will target institutional customers, not retail
- ▶ Crypto markets continue to be plagued by fraud and theft



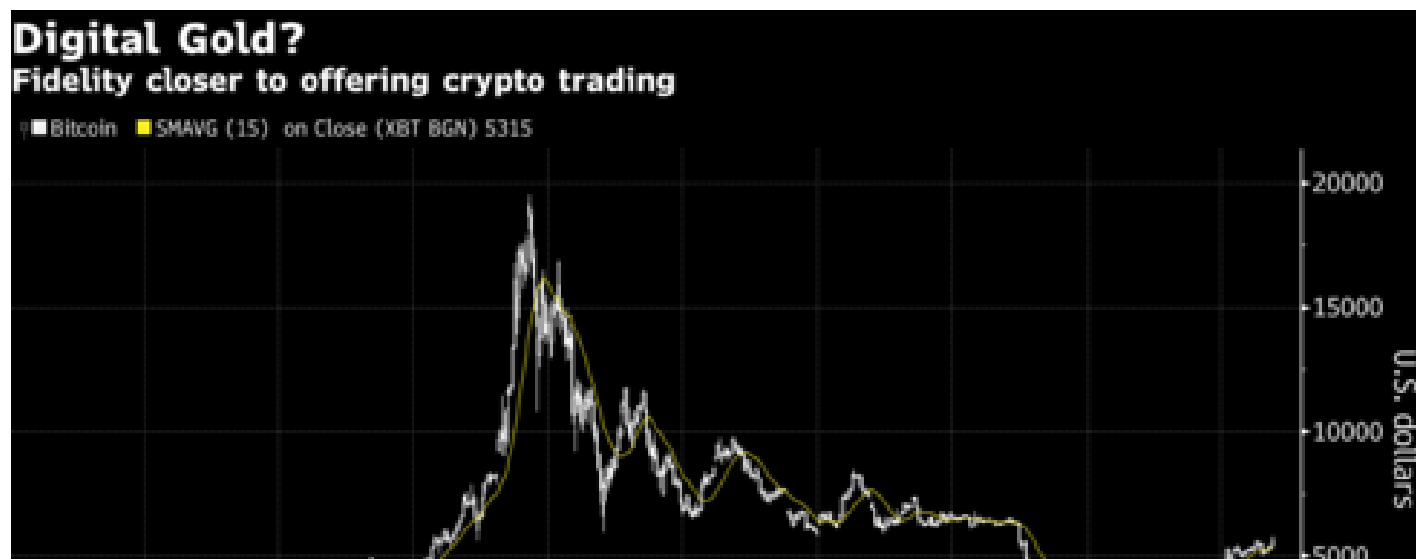
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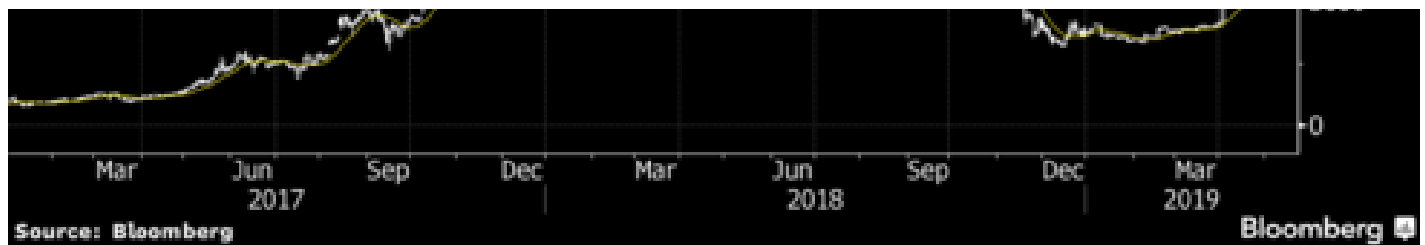
Fidelity Investments, which began a custody service to store Bitcoin earlier this year, will buy and sell the world's most popular digital asset for institutional customers within a few weeks, according to a person familiar with the matter.

The Boston-based firm, one of the largest asset managers in the world, created Fidelity Digital Assets in October in a bet that Wall Street's nascent appetite for trading and safeguarding digital currencies will grow. It also puts Fidelity a step ahead of its top competitors that have mostly stayed on the sidelines so far. The firm said in October that it would offer over-the-counter trade execution and order routing for Bitcoin early this year.

Fidelity would join brokerages E*Trade Financial Corp. and Robinhood in offering cryptocurrency trading to clients, though Fidelity is only targeting institutional customers and not retail investors like E*trade and Robinhood, said the person, who asked not to be named discussing private matters. A study released by Fidelity on May 2 found that 47 percent of institutional investors think digital assets are worth investing in.

“We currently have a select set of clients we’re supporting on our platform,” Fidelity spokeswoman Arlene Roberts said in an email. “We will continue to roll out our services over the coming weeks and months based on our clients’ needs, jurisdictions, and other factors. Currently, our service offering is focused on Bitcoin.”





According to the survey, which questioned 441 institutional investors from November to February, 72 percent prefer to buy investment products that hold digital assets, while 57 percent choose to buy them directly.

The hurdle to make crypto appeal to more mainstream investors is that it continues to be plagued with fraud, theft and regulatory infractions. The latest case involves the New York attorney general accusing Bitfinex, one of the largest Bitcoin exchanges, of hiding the loss of about \$850 million in client and corporate cash. Vancouver-based Quadriga Fintech Solutions Corp., which is going through bankruptcy in Canada, owes 115,000 clients about \$193 million in cryptocurrencies and cash after the death of founder Gerry Cotten last year.

Bitcoin has jumped more than 50 percent this year, extending the wild price swings that have attracted many individual investors to the mostly unregulated coin. The original digital currency gained widespread notoriety when it surged 1,400 percent in 2017, before tumbling 74 percent last year.

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