

Dear Sir/Madam,

I would like to agree with the claim by an earlier letter that these Bitcoin ETF's may be too early to be released to the public.

We are definitely in a Bear market at the moment after reaching a peak of approximately \$20,000 per Bitcoin and need to find a bottom before even considering a product which in reality has no intrinsic value for an ETF. The fact of valuation is also fundamental when you are considering a product for an ETF- with something like Bitcoin how does one assess the underlying value of the asset beyond mere speculation?

Below is a snapshot was taken from a feed from the exchange Kraken.com of Bitcoins (XBT/USD) evolution over a longitudinal period and I have indicated with a white arrow where you can see the increased volume of red bars which means people are exiting this market:



The above graph also demonstrates the volatile nature of Bitcoin on which they wish to base an ETF. The parabolic rise in 2017 and the drop in 2018.

Also below is a snapshot of this week's activity from the exchange Gemini.com (BTC/USD) which is a crucial input to CBOE for its Bitcoin Futures Contract. It demonstrates how volatile the intraday movements and within week values of this cryptocurrency are. Also, the circled green and red bars show amounts being bought and sold in substantial quantities in a single go. I would suggest the reader draw their own conclusion as to this 'behaviour' or 'pattern' (which is all too familiar in this area). However, if I was to speculate it cannot be the result of natural trading and in the long run prevent true price discovery (if at all possible with this 'product' and in an unregulated market):



Therefore I would like to request that the SEC help protect the public from exposure to financial risk from an unregulated market, deny this ETF for the time being. I suggest this until we can be sure that proper Regulation and Governance is in place to prevent any market manipulation, and also to give us time so that we can understand how to value the underlying nature of the product to ensure genuine price discovery.

Best Regards,

Adam Malkin