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Bitcoin Daily: Bitcoin loses 5% Value After Fed Announcement, NYC Mayor-Elect Will Be Paid in Bitcoin

ByPYMNTSListen to Article

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The price of bitcoin took a hit on Thursday (Nov. 4) in London as investors took in the U.S. Federal Reserve's plan to decrease how many bonds it purchases, Yahoo reported.

The Fed wants to cut its pace of asset purchases by \$15 billion per month, as of this month.

Because of that, the Treasury purchases will go from \$80 billion to \$70 billion, and government-backed mortgage security purchases will also go down from \$40 billion to \$35 billion.

As of the announcement, bitcoin had lost around 5%, and the price of one bitcoin had fallen by 2.4% compared to the previous trading day.

In other news, New York City Mayor-elect Eric Adams announced via Twitter Thursday (Nov. 4) that he will take his first three paychecks in bitcoin once he assumes the corner office in City Hall in January, according to a Bloomberg report.

“NYC is going to be the center of the cryptocurrency industry and other fast-growing, innovative industries,” he tweeted.

During his mayoral bid, Adams said repeatedly that he wants to make New York City crypto-friendly. He plans to explore the launch of an NYC Coin, similar to the one recently unveiled in Miami, which was the first city to set up a so-called CityCoin digital coin called MiamiCoin.

Adams triggered a “friendly competition” regarding cryptocurrency adoption with Miami’s mayor shortly after being elected Tuesday (Nov. 2), during an interview on Bloomberg Radio.

“He has a MiamiCoin that is doing very well. We’re going to look in the direction to carry that out,” Adams said Wednesday on Bloomberg Radio, where he promised to “look at what’s preventing the growth of Bitcoin and cryptocurrency in our city.”

Related: SEC’s Gensler Urges Cryptos to Work With Regulators for ‘Market Integrity’

Earlier this week, U.S. Securities and Exchange Commission (SEC) chairman Gary Gensler said regulators’ harsh stances against cryptocurrency made sense because of the hype surrounding them, adding there are “a lot of investors reaching for yield ... but these platforms right now, generally, have not come into either the Commodity Futures Trading Commission or the SEC to be within an investor protection framework.

“And without that, you don’t have the market integrity, you don’t have the efficiency in competition or, frankly, resiliency,” he said, according to a MarketWatch report Tuesday (Nov. 2).

See also: Technical Glitches Continue to Mark El Salvador’s Bitcoin Rollout

Meanwhile, El Salvador's national rollout of bitcoin as legal tender has been fraught with technical glitches in its first months, including users taking to social networks to note that the Chivo virtual wallet, used to facilitate bitcoin transactions, was either down or transferring wrong amounts.

In other crypto news, PDX Coin is creating a new global digital banking platform to offer retail crypto-to-fiat payments for the crypto economy, the company announced in a **press release** Thursday (Nov. 4).

PDX is looking to provide a modern alternative to the 70-year-old bank payments system, which often saddles merchants with high fees while fixing long float times and fraud risk.

The release said the payments processing system would be "entirely new," allowing all major cryptocurrencies to become "instantly liquid and spendable" while opening the crypto economy to a wider range of merchants, institutions and others.

Meanwhile, Kazakhstan President Kassym-Jomart Tokayev criticized Kazakhstan's energy department on Thursday (Nov. 4) for allowing fuel reserves to decline, which is related to the new surge in crypto mining there, per a report from Bitcoin.com.

The bitcoin mining operation's data centers have been blamed for a 7% spike in consumption in just the first nine months of 2021.

A **press release** said Energy Minister Magzum Mirzagaliev informed Tokayev about the shortage and the steps taken to compensate for the shortage.

Tokayev said there needs to be a way to ensure there's enough electricity for businesses and households, adding that the country needs to create additional energy-generating capacities.