



# CME Group To Offer Bitcoin Futures Trading

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Bitcoin has been described as "a fraud" and "a money launderer's best friend." But the cryptocurrency could be poised to become a friend to institutional investors, with one of the largest derivatives exchanges in the world, CME Group, planning to launch bitcoin futures before the end of the year.

In recent months, the price of bitcoin has fluctuated wildly, trading from a little over \$1,300 in April up to more than \$7,400 in early November, before falling again below \$6,000 following the news that a much-anticipated "fork" in the bitcoin blockchain was not going ahead.

CME's bitcoin futures will be based on a "Bitcoin Reference Rate," which the company describes as "a once-a-day reference rate" based on the US-dollar price of the coins.

Denis Baranov, a principal consultant at technology consultancy DataArt, says some bitcoin exchanges already offer futures, but the support of a major exchange could boost bitcoin's legitimacy.

Not everyone is convinced, however. Fearing the outcome—particularly on smaller or "weaker" clearing firms—if there were a sudden surge in volatility, Thomas Peterffy, chairman of Interactive Brokers, called on the CME and other clearing organizations to isolate cryptocurrency clearing from other kinds of derivatives.

Original article can be found here: <https://www.gfmag.com/cme-group-offer-bitcoin-futures-trading/>