

After \$17.5 Billion in Outflows, Grayscale's Spot Bitcoin ETF Sees Positive Turn with Inflows for the First Time

Description

In a surprising turn of events, Grayscale Bitcoin Trust (GBTC) has seen its first inflow after experiencing significant daily outflows since its launch. Grayscale's Spot Bitcoin ETF broke an 82-day streak of outflows by recording over \$60 million in inflows on May 3. Data from Farside, an investment management firm, revealed that Grayscale's ETF received approximately \$63 million in inflows, with other Bitcoin ETFs like BlackRock's iShares Bitcoin Trust also experiencing inflows.

This unexpected development comes after a period where 10 US Spot Bitcoin ETFs, including BlackRock's IBIT, faced massive outflows totaling over \$563.7 million in a single day. The market downturn was potentially triggered by the Federal Reserve's decision to keep rates unchanged. Despite recent declines, Bitcoin has surged by 6.36% in the past 24 hours, trading above \$60,000.

Grayscale's outflows were attributed to various factors, including high annual management fees and connections with insolvent cryptocurrency companies. The firm's turnaround has left experts like Bloomberg senior analyst Eric Balchunas surprised, showcasing the unpredictable nature of the crypto market.

Vocabulary List:

- 1. Inflow // (noun): The act of money or resources coming into a financial entity.
- 2. Outflow // (noun): The act of money or resources going out of a financial entity.
- 3. Streak // (noun): A continuous period or series of success or a particular quality.
- 4. **Inflows** // (noun): The plural form of inflowreferring to multiple instances of money or resources coming in.
- 5. **Decisions** // (noun): A conclusion or resolution reached after consideration.
- 6. Unpredictable // (adjective): Not able to be predicted uncertain.

Vocabulary quizzes

Multiple Choice (Select the Correct answer for each question.)

1. What term is used to describe a rapid increase in the price of securities or other assets?

Option: A. Inflation Option: B. Rally

Option: C. Confidence



Option: D. Decline

2. What term refers to the Federal Reserve's reduction of its balance sheet and absorbing cash from the financial system?

Option: A. Quantitative Tightening (QT)

Option: B. Labor Market Option: C. Buyback Option: D. Infrastructure

3. What term describes the movement of funds from one financial asset or entity to another?

Option: A. Hawkish Option: B. Outflow Option: C. Inflow Option: D. Forecast

4. What term denotes a positive outlook or belief that things will generally turn out well?

Option: A. Stability
Option: B. Optimism

Option: C. Quantitative Easing (QE)

Option: D. Hawkish

5. What index represents the 100 companies listed on the London Stock Exchange with the highest market capitalization?

Option: A. FTSE 100 Option: B. Stoxx 600

Option: C. Treasury Securities

Option: D. Mortgage-Backed Securities (MBS)

6. What term refers to the ease with which an asset can be bought or sold in the market without affecting its price?

Option: A. Unpredictable
Option: B. Liquidity
Option: C. Cautiously
Option: D. Disruptions

7. Which financial instrument represents the debts of the U.S. government and is considered one of the safest investments?

Option: A. Inflows

Option: B. Treasury Securities

Option: C. Decline

Option: D. Outperformed

8. What economic term describes the increase in prices of goods and services over time?



Option: A. Inflation Option: B. Labor Market Option: C. Buyback Option: D. Forecast

9. Which sector includes all those who are voluntarily seeking employment and job opportunities?

Option: A. Quantitative Tightening (QT)

Option: B. Labor Market Option: C. Buyback Option: D. Infrastructure

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10. What term describes a continuous period of a particular kind of success or luck?

Option: A. Stability Option: B. FTSE 100 Option: C. Streak Option: D. Forecast

Gap-Fill (Fill in the blanks with the correct word from the vocabulary list.)

11. Investors who have high	in the market a	are more likely to invest in risky assets
12. Economists use various models to	o econo	omic trends in the upcoming years.
13. A share	is a corporate action where a co	ompany buys back its own shares from
the market.		
14. Building new roads and bridges is	s an example of investing in	development.
15. Despite the market challenges th	e company	in its expansion plans.
16. A central bank is considered	if it signals	an intent to raise interest rates.
17. Investors are now	watching for signs of	economic slowdown.
18. Technological	have reshaped many indu	ustries in recent years.
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19. The central bank provides liquidit	:y to sta	abilize financial markets during crises.
20. The tech sector	all other sectors in term	s of stock performance last year.



Matching Sentences (Match each definition to the correct word from the vocabulary list.)

- 21. Foreign investments and capital are examples of into a country.
- 22. During the financial crisis there was a significant of funds from the banking sector.
- 23. The index includes stocks from 17 European countries providing a broad market view.
- 24. Central banks implement to stimulate the economy by buying financial assets.
- 25. These financial products played a significant role in the 2008 financial crisis due to their default risks.
- 26. Economists analyze data to make a about the future direction of the economy.
- 27. Economists aim to achieve price to support sustainable economic growth.
- 28. Market reactions to political events can be highly leading to volatility.
- 29. Investors assess various factors before making investment in the market.
- 30. A market can be triggered by positive economic news or strong corporate earnings.

Answer

Multiple Choice: 1. B. Rally 2. A. Quantitative Tightening (QT) 3. B. Outflow 4. B. Optimism 5. A. FTSE 100

6. B. Liquidity 7. B. Treasury Securities 8. A. Inflation 9. B. Labor Market 10. C. Streak

Gap-Fill: 11. Confidence 12. Forecast 13. Buyback 14. Infrastructure 15. Persisted 16. Hawkish 17.

Cautiously 18. Disruptions 19. Facilities 20. Outperformed

Matching sentence: 1. Inflows 2. Outflow 3. Stoxx 600 4. Quantitative Easing (QE) 5. Mortgage-Backed

Securities (MBS) 6. Forecast 7. Stability 8. Unpredictable 9. Decisions 10. Rally

CATEGORY

1. Business - LEVEL2

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