

Bitcoin Surges over \$9,500 after Korea's 2nd Largest Bank Tests Crypto Wallet for Customers

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Update: Bitcoin's surge continues as Asia re-opens, pushing the cryptocurrency above \$9500 as Korea's second largest bank tests Bitcoin vault and wallet services for its clients.

[As Coinivore reports](#), Shinhan, the second largest commercial bank in South Korea by market valuation in the country is testing a Bitcoin vault and wallet service for its customers that is expected to be released by mid-2018.

A representative of Shinhan Bank told Naver News, a media publication in South Korea in an [interview](#) that the bank will launch a Bitcoin vault and wallet platform in response to recent hacking attacks of leading South Korean cryptocurrency exchanges including Bithumb.

"Shinhan is testing a virtual bitcoin vault platform wherein the private keys of bitcoin addresses and wallets are managed and issued by the bank. The bank intends to provide the vault service for free and charge a fee for withdrawals," the representative said.

In 2016 the bank reported a total of US \$192 billion in assets and over 13,000 employees [according](#) to News Bitcoin. The bank stated that the service wouldn't be ready until the second quarter of 2018 but has begun testing the network for the services.

The service will incur zero fees to deposit Bitcoin to store in their cold storage instead a slight fee will be taken during the withdrawal process. They will also be rolling out a mobile app that will contain a dashboard for viewing stats and deposit information for their customers.



It's unclear whether or not Shinhan will offer Bitcoin brokerage and trading services to enable their existing clients and customers to purchase or sell Bitcoin.

South Korea has been a hub for cryptocurrency and somewhat of a safe haven for established digital currencies since, unlike other countries, they have embraced digital currency as a means for change. Earlier this month, Choe Heung-sik, chief of the Financial Supervisory Service (FSS), stated that the South Korean government would not impose strict regulations on cryptocurrency exchanges in the foreseeable future.

"Though we are monitoring the practice of cryptocurrency trading, we don't

have plans right now to directly supervise exchanges. Supervision will come only after the legal recognition of digital tokens as a legitimate currency,” Choe [said](#).

Truly allowing the growth of Bitcoin, as of this writing, South Korea holds the largest markets in Bitcoin exchange Bithumb with a volume traded of \$356,126,000 today at the time of this writing.

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Update: Bitcoin has continued to soar intraday – now topping \$9,300 – with a total market cap over \$156 billion, leaving the cryptocurrency worth more than Merck, Disney, and GE.



[Coinivore notes](#) that the digital currency, once a toy for computer nerds, is now soaring in price, triggering a new gold rush. *Is it just another bubble, or a glimpse into a radically different financial future?*

As Rick Falkvinge, CEO of BitCoin Cash and founder of the Swedish Pirate Party, warns “bitcoin is an extinction-level event for banks” and probably governments too...

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As we detailed earlier, less than 24 hours ago, we noted that Bitcoin had broken above the recent resistance level around \$8,300 and hit a fresh all time high of \$8,650, observing that the world’s biggest cryptocurrency by market cap is now rising at a pace that has [put the \\$10,000 price target](#) by both Mike Novogratz (and [Jose Canseco](#)) firmly in its sights.

It didn’t take long however for bitcoin to find a new round of eager buyers, and in early Asian trading, a burst of buying out of Korea’s Bithumb exchange, has sent bitcoin surging another several hundred dollars higher, and around midnight ET bitcoin had surpassed \$9,000, sending its market cap to \$150 billion, making it more valuable than corporations like Siemens, Mastercard or McDonald’s.

The sharp gains come as the combined market capitalization for all cryptocurrencies also peaks at new highs – currently standing at just shy of \$300 billion.



At this rate of appreciation, the crypto may hit the key psychological level of \$10,000 in under a week. Needless to say, the long term chart is about as exponential as it gets, so as usual, buyer beware.



Bitcoin started the year just above \$1,000, and the YTD gain is now over 900%, which however pales in comparison to Ether’s nearly 5,000% YTD return and Litecoin’s 20x.



However, it’s not just Asian demand as [CoinTelegraph reports](#) that in a sign of growing

mainstream acceptance, digital currency exchange [Coinbase](#) now boasts more accounts than brokerage firm Charles Schwab.

[According](#) to its website, Coinbase has [13 mln users](#) while the number of Schwab brokerage accounts [stood at 10.6 mln](#) as of the end of 2016. These numbers don't paint a complete picture, since the amount of assets controlled by Schwab certainly vastly exceeds those of Coinbase users. Nevertheless, the actual number of users indicates a massive volume of adoption, as the public begins to dabble in cryptocurrencies. Coinbase user numbers have grown by 167% this year.

[One month ago, Mike Novogratz](#) was the first to predict a \$10,000 price in 6 to 10 months. It may come in that many weeks instead. As a store of value, Novogratz likened [bitcoin](#) to digital gold, and said the technology is beginning to make "more and more sense" as we move increasingly into the digital. Novogratz continued to say that, while bitcoin is a bubble, the mania is justified, because it is a technological advancement that promises to fundamentally alter our lives.

"I can hear the herd coming" Novogratz said.

And bubble or not, Novogratz concluded eloquently on the extreme nature of cryptocurrencies' potential...

"Remember, bubbles happen around things that fundamentally change the way we live," he said. "The railroad bubble. Railroads really fundamentally changed the way we lived. The internet bubble changed the way we live. When I look forward five, 10 years, the possibilities really get your animal spirits going."

Bitcoin is set to become "the biggest bubble of our time," he added, and could reach \$10,000 very soon due to fast-building interest. In retrospect, he may be right much faster than even he anticipated.

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