

Bitcoin Breaches \$120K as Funds Pour In

ETFs, pensions boost surge

● Institutional demand intensifies

● ETFs attract sovereign money

● Bull run shows staying power

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TDT| Manama

Bitcoin has crossed the USD 120,000 mark for the first time, propelled by a wave of institutional investment that analysts say is driving the first truly mature bull market in the cryptocurrency's history.

Bitcoin hitting USD 120,000 means one bitcoin now trades for that amount in US dollars,



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JOSH GILBERT, MARKET ANALYST AT ETORO

reflecting its rising market value as a digital asset.

Fuelled by robust inflows into exchange-traded funds (ETFs) and strategic allocations by large public and private institutions,

the world's largest cryptocurrency is now firmly positioning itself as a mainstream asset class.

Institutional traction

Josh Gilbert, Market Analyst at eToro, said the ongoing surge

reflects a shift from retail speculation to structural demand. "Institutional adoption is growing, and this is the first real bull market where institutional participation is front and centre," he said, pointing to major corporations adding bitcoin to their treasuries and sovereign funds entering the space through regulated investment products.

Retirement plans, sovereign wealth funds, and asset managers are now actively investing in bitcoin ETFs, making multi-billion-dollar entries into a market defined by finite supply. Gilbert added that this persistent demand is a key driver behind bitcoin's sustained rally.

Macro conditions align

Loose global monetary policy and rising money supply continue to make a compelling case for

bitcoin's appeal as a decentralised, fixed-supply asset. Gilbert explained that in such conditions, bitcoin is "cementing itself as an alternative store of value."

While the crypto market has seen dramatic climbs in previous cycles, the current bull run is distinguished by its fundamental strength and breadth of participation, rather than hype.

Retail yet to peak

Despite the record prices, analysts believe the retail segment is still far from saturation. Gilbert noted that mainstream adoption remains in its early stages and that bitcoin is still an emerging component in diversified portfolios. "This is just the beginning of widespread adoption, seamless integration with traditional finance, and robust regulatory frameworks," he said.

With increased trust, improving regulations, and global financial integration, analysts expect the upward momentum to continue well into the second half of 2025.



BlackRock's iShares Bitcoin Trust became the world's fastest ETF to hit \$10 billion in assets under management, achieving the milestone in just under seven weeks.

Markets shrug off Trump tariff threat against EU

US shares initially dipped on Trump's threat, but then rose

● The European Union is looking at targeting \$84 billion worth of US imports

● Bitcoin struck a record high above \$123,000, fuelled by possible regulatory changes in US

● European Commission insisted the bloc still wants to reach an accord

AFP | London, United Kingdom

Major stock markets largely shrugged yesterday at US President Donald Trump's latest tariffs threat to hit the EU and Mexico with 30-percent levies.

Analysts said investors viewed the warning as yet another negotiating ploy against America's trading partners rather than a genuine move -- though lingering uncertainty weighed on oil prices.

US shares initially dipped on Trump's threat, but then rose as traders digested the likelihood of it being implemented.

European indices finished largely down, but with no sign of panic selling. London's FTSE climbed.

Many Asian markets closed

Key figures at around 1545 GMT

New York - Dow:	▲ at 44,401.59 points
New York - S&P 500:	▲ at 6,262.06
Nasdaq Composite:	▲ 0.1% at 20,618.14
London - FTSE 100:	▲ 0.6% at 8,998.06
Paris - CAC 40:	▼ 0.3% at 7,808.17
Frankfurt - DAX:	▼ 0.4% at 24,160.64
Tokyo - Nikkei 225:	▼ 0.3% at 39,459.62 (close)
Hang Seng Index:	▲ 0.3% at 24,203.32 (close)
Shanghai - Composite:	▲ 0.3% at 3,519.65 (close)
Euro/dollar:	▲ at \$1.1693 from \$1.1690
Pound/dollar:	▼ at \$1.3454 from \$1.3497
Dollar/yen:	▲ at 147.47 yen from 147.38 yen
Euro/pound:	▲ at 86.91 pence from 86.59 pence
Brent North Sea Crude:	▼ 1.1% at \$69.59 per barrel
West Texas Intermediate:	▼ 1.4% at \$67.49 per barrel

lower, but not Shanghai and Hong Kong.

Markets believe the latest threat of 30-percent tariffs on the EU, the United States' biggest trading partner, was "Trump-style brinkmanship -- sound and fury meant to shake down concessions before the August 1 deadline" when they are due to be applied, explained Stephen Innes, managing partner at SPI Asset Management.

"Financial markets are acting like the 30-percent rate is a mere tactic from Donald Trump, rather than a reality," agreed Kathleen Brooks, research director at XTB.

Yet some, including Kim Heuacker, an associate consultant at

Camarco, noted "there remains the genuine risk that, to save face, he (Trump) may activate the high tariffs".

The European Union, stung by Trump's unexpected raising of the stakes amid trade negotiations, is looking at targeting 72 billion euros' (\$84 billion) worth of US imports if talks with Washington fail, its trade chief, Commissioner Maros Sefcovic, said.

Bitcoin struck a record high above \$123,000, fuelled by possible regulatory changes for crypto assets in the United States that is being debated.

Attention was also focused on Trump on Monday vowing "very severe tariffs" on Russia's

trade partners if Moscow did not resolve its war in Ukraine within 50 days.

Oil traders initially saw those sanctions constricting supply, and they pushed crude prices higher -- before selling off under the cloud of a possible broader trade war that would depress global demand.

Upcoming data on Tuesday on US inflation was also in focus, with expectations that the rate would rise a little. If it comes in higher than predicted, it would support warnings that Trump's tariffs are inflationary for Americans.

Talks disarray

Trump's threat to slap 30% tariffs on the European Union, issued Saturday, threw into disarray months of painstaking talks Brussels had been conducting with Washington.

European Commission chief Ursula von der Leyen has insisted the bloc still wants to reach an accord and on Sunday delayed EU retaliation.

Some EU countries, notably France, are calling for strong countermeasures, after China responded robustly with its own tariffs and ended up reaching a deal with the United States.

Since that accord, trade tensions have eased between the United States and China, with official data on Monday showing Chinese exports jumped more than expected in June.

China exports beat forecasts in June after US tariff truce



Trucks are parked before transferring coal at the coal terminal of Lianyungang Port in Lianyungang, in China's eastern Jiangsu province

AFP | Beijing, China

China's exports rose more than expected in June, official data showed yesterday, after Washington and Beijing agreed a tentative deal to lower swingeing tariffs on each other.

Data from the General Administration of Customs said exports climbed 5.8% year-on-year, topping the five percent forecast in a Bloomberg survey of economists.

Imports rose 1.1%, higher than the 0.3% gain predicted and marking the first growth this year.

China's exports reached record highs in 2024 -- a lifeline to its slowing economy as pressures elsewhere mounted.

Beijing's efforts to sustain growth have been hit by a bruising trade war with the United States, driven by President Donald Trump's sweeping tariffs, though the two de-escalated their spat with a framework for a deal at talks in London last month.

Monday's customs figures showed Chinese exports to the United States surged 32.4% in June, having fallen the month before, according to an AFP calculation based on official data.

"Growth in export values rebounded somewhat last month, helped by the US-China trade truce," Zichun Huang, China economist at Capital Economics, said.

"But tariffs are likely to remain high and Chinese manufacturers face growing constraints on their ability to rapidly expand global market share by slashing prices," Huang said.

"We therefore expect export growth to slow over the coming quarters, weighing on economic growth," she added.

Zhiwei Zhang, president and chief economist at Pinpoint Asset Management, said the figures showed Chinese firms were still "frontloading" exports to the United States -- accelerating shipments in anticipation of further tariffs to come.