



Exchange Traded Funds

[Source: ET](#)

Hong Kong has launched Asia's first **Spot Bitcoin** and Ether **Exchange-Traded Funds (ETFs)** in a step toward becoming a Virtual Asset Investment Hub of the Region.

- **Bitcoin** is the world's first and most well-known [Cryptocurrency](#).
 - **Cryptocurrency** is a type of **digital or virtual currency** that uses cryptography for security and operates on decentralised networks based on blockchain technology.
 - **Spot Bitcoin** refers to the **immediate purchase or sale of Bitcoin** at the current market price.
 - It involves **real-time transactions** where buyers and sellers exchange Bitcoin for **fiat currency** (such as US dollars) or other cryptocurrencies.
- [Exchange-traded funds \(ETFs\)](#) are investment funds that are traded on stock exchanges, much like individual stocks.
 - They are designed to **track the performance** of a particular index, commodity, currency, or a mix of asset classes.
 - ETFs offer investors a way to **diversify their portfolios** without having to buy individual securities.
- The ETFs can be traded in both **Hong Kong Dollars** and **US dollars**, and also in the **Chinese Yuan**.
- Hong Kong ETFs might encourage other nations to approve Cryptocurrency ETFs and could help promote the wider adoption of digital assets.

Read more: [Cryptocurrency](#)

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