

President Xi Jinping's Address on Blockchain: All Eyes on China

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[/EINPresswire.com/](https://EINPresswire.com/) -- It has undoubtedly been a roller coaster these past couple of days in the cryptocurrency and blockchain worlds. Bitcoin jumped at least 30% and many other cryptocurrencies and digital assets followed in similar price appreciation. Many attribute the price jump to Xi Jinping, the President of People's Republic of China, and his speech that touched on the blockchain.

Bitcoin jumped hours after the President's speech. Then spiked further later in the day, making many experts think that this was a bullish event.

Let us conduct a deeper dive and take a closer look at the speech, what it entailed, and why many believe that Xi Jinping's speech directly caused a trend reversal in bitcoin and other cryptocurrencies.



The Speech That Moved Bitcoin

President Xi Jinping gave a speech on Thursday, October 24th. Many might not have thought twice about the speech if not for the events that were to follow thereafter. First, bitcoin would spike ten percent before moving about 30 percent to close out the trading day on Friday. Bitcoin would reverse course and rise to \$10,000 before gradually resting at the \$9,000 level. The bitcoin price rush will inevitably beg the question: what did President Xi Jinping state in his speech?

China's president emphasized the vital role blockchain plays in the world and Chinese society today. The President of China noted that blockchain would serve as a useful tool to elevate China by improving technological progress within one of the largest economies in the world. Further, he mentioned that the blockchain technology could add substantial value to many different industries, according to research conducted by the Chinese Communist Party and its leading representatives. One vital point in his address on blockchain technology was that of international competition at the nation-state level. He has a sense of urgency due to increasing activity and capital that is going to blockchain-based activity in countries across the world. Therefore, he urges more companies within China to heed his call and allocate efforts toward blockchain technology.

One must pay close attention to this specific point because it is the first time that a reliable economic power has noted the importance of the blockchain in the world today. It seems as if CCP leadership would like to quell skepticism around the merits and value of the blockchain and instead urge adoption and development.

China doesn't want to be left behind in creating blockchain solutions and falling back in this era's potential equivalent of the space race.

Further, the Chinese leader would like to boost China and its prominence in creating standards

and working with the rest of the world concerning the blockchain.

China and Stance on Blockchain and Bitcoin in the Past

We know that China has been aware of the promise of the blockchain technology and has helped to usher in the emerging technology. The North Asian nation took a look at the blockchain early on in the early days of the bitcoin and general cryptocurrency craze and approved of the blockchain and efforts related to it.

The growth of blockchain in China is present by the number of patents filed by world-leading companies such as Tencent, Jingdong, Alibaba, and several other large entities in China. The Chinese government did not look fondly on cryptocurrencies for a variety of reasons. First, mass speculation might serve to destabilize the system and place the wealth of millions in jeopardy. Second, the sector might fall prey to scammers who may seek to capitalize on yield-hungry investors. Third, investors would need to proceed with caution to help to increase economic capacity in China instead of helping to usher in a recession.

The CCP placed a ban on cryptocurrencies in 2017 to curb investor interest and minimize potential harmful effects stemming from cryptocurrencies. Indeed, many bubbles have come and gone, ranging from the tulip bubble to the more recent real estate bubble and financial meltdown of 2008 to bitcoin in late 2017.

Bitcoin and other digital assets did fall slightly on the bearish news in 2017 and earlier but would shrug it off and reach new highs.

Further, the crypto community seemingly rallied around the Xi Jinping speech and noted how the Chinese view seems diametrical to U.S view. Where the United States and its key leaders have yet to formally acknowledge, adapt, and promote the promise of blockchain technology, China presses forward.

Commenters on this event also note that the United States should not fall behind and should launch further initiatives to increase its role in the blockchain technology race.

China is not passive on the blockchain. We know that actions are going on behind the scenes with the growth in the development of the central bank digital currency. Finally, more Chinese companies are waking up to the promise of the blockchain. We see a further rise in positive blockchain sentiment within the region, with more companies shifting resources to investing in the blockchain.

Chinese Companies Investing in the Blockchain

Indeed, tech companies are also one of the beneficiaries of this recent speech. Many technology companies and corresponding stocks, including the likes of Tencent, are up after the speech. A few technology-related stocks in China have risen as high as ten percent. Educational institutions are also including more topics and courses on the blockchain in their course catalogs to drive interest in the young minds of China into the sector.

A Different Blockchain Playbook

The blockchain technology sector is likely to attract more talent, more resources, and more development as more investors and market participants flock to the technology in China and across the world.

China will surely incorporate more of the technology as it progresses further into this sector, but we know that it will operate by a different playbook.

The government will keep a close eye on progress and use the blockchain to increase efficiencies across society while sticking to its long-standing culture and principles.

The ZB Take

We expect that more countries will be roused to “seize the opportunity” given by the blockchain technology, as Xi Jinping, the President of the People’s Republic of China and General Secretary of the Communist Party of China, said in his speech on Thursday.

The ZB Group has outlined and noted several times how the blockchain technology can help to improve poverty alleviation and progress across China and other countries. More governments are pledging to deploy more resources to this growing sector to take advantage and set strategies and directions to further economic prosperity.

About ZB Group

ZB Group was founded in 2012 with the goal of providing leadership to the blockchain development space and today manages a network that includes digital assets exchanges, wallets, capital ventures, research institutes, and media. The Group's flagship platform is ZB.com, the industry leading digital asset exchange. The platform launched in early 2013 and boasts one of the world's largest trading communities.

ZB Group also includes ZBG the innovative crypto trading platform, and BW.com, the world's first mining-pool based exchange. Other holdings include wallet leader BitBank, as well as exchange brands ZBM, ZBX and Korea's Bithi.

Industry intelligence and standards are headed by the recently launched ZB Nexus who embody the core values of ZB Group and open source their reports and analysis for the public.

Learn more about ZB Exchange by visiting www.zb.com

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