



Digital Investment Platform Robinhood to Enable Deposits and Withdrawals for Bitcoin and Other Cryptocurrencies

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Digital investment platform **Robinhood** stated on Wednesday (February 17, 2021) that it is planning to give its clients the option to deposit and withdraw digital currencies, including the “meme crypto” Dogecoin (DOGE).

The stock trading app has become really popular with younger Millennial and Gen Z investors. The Robinhood platform lets customers purchase, sell, and hold digital currencies like **Bitcoin (BTC)** via its platform. However, users had not been able to withdraw these crypto-assets to other online wallets.

Last month, **Robinhood** had decided to temporarily restrict a feature on its app that allowed people to purchase crypto securities instantly, because of the highly volatile market conditions resulting from the trading frenzy in shares of GameStop (GME). Robinhood faced a lot of criticism from users who complained about not being able to move their funds to external wallets.

In a series of tweets posted on Wednesday, Robinhood’s management clarified that they do not currently invest in cryptocurrencies or use any customer crypto-assets for the company’s benefit.

As **reported**, the House Committee on Financial Services will hold the first of three hearings on the Gamestop – Robinhood saga that saw hedge fund short sellers compelled to sell positions in a short squeeze driven by collaborative trading that was organized on Reddit.

Entitled, “Game Stopped? Who Wins and Loses When Short Sellers, Social Media, and Retail Investors Collide,” the hearing will include testimony from Robinhood CEO Vlad Tenev as well as Executives from Citadel, Reddit, and Melvin Capital. Keith Gill, active on the subreddit Wallstreetbets and known by his handles like DeepFuckingValue and Roaring Kitty, will also participate.

Recently added was Jennifer Schulp, Director of Financial Regulation Studies at Cato Institute.

In advance of the hearing, scheduled to kick off tomorrow (February 18, 2020), beginning at 12 noon, several witnesses have posted prepared testimony in advance of the hearing.

Tenev says that Robinhood has changed the investing world for the better by removing traditional barriers to millions of retail investors.

Tenev states:

“Our rapid growth has confirmed that retail investors were waiting for the right platform to help them enter the markets. We have over 13 million customers, and we are seeing new customers open accounts every day to take part in our financial markets. Robinhood Financial’s customers trade thousands of stocks and ETFs, as well as options and cryptocurrency—all with zero commissions and no account minimums.”

As **covered** recently, Tiger Global is reportedly planning to lead a \$200 million round in Robinhood competitor Public.com.

As **reported** last week, the Robinhood app was downloaded over 1 million times during a span of seven days, which could have been the “best” and “worst” period for the company, analysts have argued.

While commenting on the recent Reddit / GameStop saga, **Lee A. Schneider**, the General Counsel at Block.one, one of the world’s largest blockchain companies and creator of the EOSIO blockchain protocol, has noted:

“Fellow DeFi adherents, let’s slow down on the outrage about GameStop (NYSE:GME) and the traditional finance system (TradFi). Blockchain and DeFi offer lots of advantages over TradFi, but TradFi is not completely broken and DeFi is not necessarily vastly superior. Two core characteristics make them look very similar in a way that undercuts the criticism and negative judgments against TradFi.”

He further explained that “first, DeFi and TradFi both require collateralization, they just implement it in different ways.” He added that “second, just like collateralization can break down in TradFi, DeFi has a significant exploit that lessens the effectiveness of the collateralization requirement.”