Twitter Thread by Jacob Oracle



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Tether Price Manipulation Thread:

Tether has been manipulating #Bitcoin's price upwards for years now by printing unlimited, and unbacked $USDT.

This thread will cover the controversial aspects surrounding Tether, and how it will eventually meet its demise.

1) Tether is a stable coin that was first launched in 2012.

According to the company, Tether is backed 1:1 with the U.S dollar, although this isn't actually the case.

Bitfinex, and Tether have refused to show audits of their reserves, which is held in offshore bank accounts.

2) In 2019, The United States District Court sued Bitfinex, Tether, and Poloniex for being involved in a massive price manipulation, and fraud scheme in the crypto markets.

In a court hearing, Tether's lawyer admitted the stable coin was only backed by 74% cash, and securities.

3) On Jan 15th 2021, iFinex is supposed to submit documents requested by NYAG's investigation.

These documents will be consequential to the case.

https://t.co/82UuLLLXWK

4) How the scam works:

Tether can print infinite amounts of (worthless) $USDT.

They then inject this into BTC, ETH, LTC, (and others) to cause prices to pump.

Notice how during the months they stopped printing Tether, the market moves sideways or drops significantly.

This graph also shows the extent to which USDT plays a role in Bitcoin's price action over the years.

Without USDT, Bitcoin wouldn't have reached 35K+

CC: CryptoWhale

5) The majority of funds flowing into Bitcoin is from Tether.

When Tether ultimately meets its fate, the market will see a major correction as the lawsuit highlights how BTC isn't actually worth the insanely high prices you're seeing now.

6) Considering these bull runs are mostly caused by price manipulation, FOMO, and hype, I don't expect it to last long.

The Bitcoin bubble will likely pop, and see large amounts of its market cap disappear in the months following Tether's demise.

As the lawsuit comes closer, Tether is printing more and more money. My guess is they know they will be found guilty, and are trying to get as much money as possible.

Once this scheme is made aware to the general public, I believe it will be one of the largest scams ever.

7) In more recent news, the U.S Treasury is also supposedly considering new legislation that would deem stable coins as securities, which would allow SEC to sue Tether.

You can read more about it here:

https://t.co/ThDD22v09v

8) Tether currently has the highest volume out of every cryptocurrency on the market. Many assume that when they collapse, it will not affect $BTC at all.

Don't underestimate how much influence Tether has in the crypto markets right now.

Without them, everything would drop.

Once Tether is gone, it will create a liquidity crisis. The money won't just flow to other stable coins, but rather destabilize the entire market.

- Exchanges will stop withdrawals
- Trading will be paused
- Investors will panic
- Prices will crash as people try to sell.

9) Tether buying #Bitcoin

One of Tether's lawyers accidentally admitted that they were purchasing Bitcoin with their reserves.

This confession here confirms what me and others have been saying about Tether.

10) At the end of the day, nobody knows how long this scam will go on for. It could be days, weeks, months, or even years before they are shut down.

But educating yourself on whats happening is vital. I'm a huge proponent of Bitcoin, but this isn't sustainable.

Tether and Bitfinex are ticking time bombs. You don't want to be around them when they go bust.

Does this sound legal?
- Never had any audits
- Proxy for US Dollar
- Evading AML/KYC regulations
- Violate US Securities Law
- Money laundering
- Caught lying about Reserves

Thanks for reading! I will be updating this thread as more information comes out in the next few weeks.

There's lots more to the scandal, but I didn't want to bore everyone with a thread that is too long.

Happy Holidays! ■■