

Popular Line messaging app starts crypto trading spinoff

31 January 2018



Line is a very popular messaging app in Asia

Japan's biggest messaging app Line said Wednesday it was launching a financial services spinoff to allow users to exchange and trade virtual currencies.

Line said its new business would "provide a variety of [financial services](#), including a place to exchange and transact [virtual currencies](#), loans, and insurance."

The transactions will be made inside the [messaging app](#), which already incorporates a mobile payment system.

Line has a relatively small presence in the US and Europe, but is hugely popular in Japan and several other countries in Asia, where cryptocurrencies like bitcoin are heavily traded.

Line said it had already begun the process of registering its new virtual [currency](#) business with Japan's Financial Services Agency, which regulates cryptocurrency exchanges in the country.

Its shares rose on the announcement, closing up 2.57 percent.

The announcement follows a massive \$530 million heist of cryptocurrency last week from Japanese virtual currency exchange Coincheck.

The loss exceeds even the \$480 million stolen in 2014 from another Japanese virtual currency exchange, MtGox.

Japan's government has slapped Coincheck with an administrative order, and governments around the region and further afield have begun tightening regulations on virtual currency trade.

But cryptocurrencies have remained stubbornly attractive to investors, particularly in Japan where ultra-low interest rates have left few good options for returns on cash.

Line was launched in 2011 after Japan's quake-tsunami tragedy damaged telecoms infrastructure.

It combines features from Facebook, Skype and WhatsApp with games and a [mobile payment](#) service.

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