

# Rise and fall of FTX

Bahamas-based crypto exchange FTX – once one of the world's largest exchanges – filed for bankruptcy after a rush of customer withdrawals of its native token FTT spurred a liquidity crisis



■ **May 2019:** Former Wall Street trader **Sam Bankman-Fried** (left) and ex-Google employee **Gary Wang** found FTX, owner and operator of FTX.CO. Bankman-Fried launches **Alameda Research** crypto trading company

■ **Jan 2022:** FTX raises **\$400 million** from investors, valuing company at **\$32 billion**

■ **Nov 2, 2022:** Crypto news website **CoinDesk** reports Alameda's **\$14.6 billion** in assets are held in FTX's token, FTT



■ **Nov 7:** Bankman-Fried says FTX is "fine, assets are fine," and blames competitor's false rumours. FTX's token falls sharply from about \$22 to below \$18

■ **Nov 8:** Rival **Binance** – world's largest cryptocurrency exchange – announces plans to acquire FTX's non-U.S. business. FTX pauses withdrawals. Bankman-Fried tweets, "all assets will be covered"

■ **Nov 9:** Binance deal falls through. CEO **Changpeng Zhao** says Binance will liquidate its holdings of FTT due to unspecified "revelations." Bloomberg reports that U.S. **Securities and Exchange Commission** is investigating FTX

■ **Nov 10:** FTX starts to unravel. FTX balance sheet shows crypto exchange has only **\$900m** of assets it can quickly sell, despite having almost **\$9bn** of liabilities. Wall Street Journal reveals that FTX has lent some **\$10bn** to Alameda

	Liabilities	Liquid	Less liquid
Today's prices	-8,859,042,572	899,859,124	5,449,513,085
October's prices	-8,859,042,572	1,012,262,574	15,415,519,517

■ **Nov 11:** FTX files for Chapter 11 bankruptcy protection with more than **100,000 creditors**