



EMERALD ADVISERS, LLC "ON DA BLOCK"

WEEKLY RECAP OF THE HAPPENINGS IN DEFI, DIGITAL ASSETS AND BLOCKCHAIN

1. JP Morgan trialed the use of its own private blockchain for collateral settlements. According to the global head of trading services, the bank achieved frictionless transfer of collateral assets on an instantaneous basis. The bank wants to provide investors with the ability to put forth a wide range of assets as collateral outside of regular market hours.
2. Fidelity Investments' digital asset arm, which currently employs more than 200 people, is seeking to add 210 workers to its force, a Fidelity spokesperson told Blockworks. This includes about 100 client service roles, 50 custody operations jobs and about 30 roles each in execution services and technology building. The pending hiring spree will help the business expand its support for assets other than bitcoin, such as ether, as well as 24/7 trading, customer service and cloud migration, a representative said.
3. FTX overtook Coinbase's spot in May as the second biggest centralized crypto exchange in terms of market share, according to data compiled on The Block Research. The dominant player in the market was still Binance by far, which commanded a 64.1% share, followed by FTX (10.8%) and Coinbase (9.6%) during the monthly period.
4. Ethereum's (ETH) Ropsten public testnet, the longest-lived proof-of-work (PoW) testnet that allows for blockchain development testing before deployment on the mainnet, is set to run through The Merge "around June 8." The Merge is Ethereum's long-awaited upgrade when the current Ethereum Mainnet will merge with the beacon chain proof-of-stake (PoS) system. Since the Ropsten public testnet follows a similar network structure to the Ethereum Mainnet, it is seen as the best replication of the network that would enable developers to test their work in a live setting.
5. Ethereum rival Solana has suffered an outage that forced its blockchain to be halted for around four hours, triggering a massive sell-off of the network's native SOL cryptocurrency. The outage, the latest in a string of problems for Solana in recent months, has been blamed on a bug that affects how the blockchain processes a niche type of transaction that's designed for offline use-cases, according to a Coindesk report.

6. The Commodity Futures Trading Commission today announced it has filed a complaint in the U.S. District Court for the Southern District of New York against Gemini Trust Company, LLC (Gemini), based in New York, N.Y., for making false or misleading statements of material facts or omitting to state material facts to the CFTC in connection with the self-certification of a bitcoin futures product. The complaint alleges that from approximately July 2017 to around December 2017, Gemini made false or misleading statements of material facts, or omitted to state material facts, to the CFTC during an evaluation of the potential self-certification of a bitcoin futures contract by a designated contract market (DCM).
7. Gemini Lays Off 10% of Staff to Prepare for Crypto Winter. Lagging crypto markets have landed another blow on the industry's workforce. Gemini Trust Co. is laying off 10% of staff in an effort to help the firm weather "crypto winter," billionaire brothers Tyler and Cameron Winklevoss, President and CEO, announced on Thursday. The brothers reaffirmed that they believe the "crypto revolution" is well underway, but said that its current trajectory has forced them to reevaluate the size of their workforce.
8. A former high-ranking employee of the largest non-fungible token (NFT) marketplace OpenSea, Nate Chastain, has been indicted for fraud and money laundering in a case prosecutors have characterized as "insider trading in [NFTs]." Chastain, the former head of product at New York-based OpenSea, is accused of buying 45 NFTs soon before they were featured on the platform's homepage, profiting from their increased market exposure, according to the Justice Department.
9. One of the largest money transfer services in the world – MoneyGram – plans to enable users to send stablecoins and convert them to fiat currency. The company will collaborate with Stellar Blockchain to execute the move.
10. E-commerce giant Shopify is still planning for a crypto-native future. Its customers have had the option to accept payments in cryptocurrency since 2013, and its latest partnership with Crypto.com now allows businesses on Shopify to accept more than 20 types of cryptocurrencies as payment.
11. Chipotle, the popular Mexican-style fast-food restaurant chain with nearly 3,000 locations in the U.S., will now accept cryptocurrency payments.
12. According to research from Morgan Stanley, venture capital firms invested a record \$30B in crypto startups in 2021. Fundraising remains high during the first half of 2022, but Morgan Stanley predicts fundraising will slow by as much as 50% for the remainder of the year, mirroring the broader venture slowdown.
13. The Bank of England yesterday announced it would intervene to direct and oversee collapsing stablecoins should the British central bank decide that a stablecoin issuer "has reached systemic scale fail." The news came via a document prepared by the HM Treasury in response to a cryptocurrency consultation that began in January 2021 and concluded in April this year.

14. Philippines' First Blockchain Digital Peso Bond Offering Raises \$209M. The UnionBank of the Philippines has raised P11 billion (US\$209 million) after investors rallied behind the country's first-ever blockchain-based peso bonds. UnionBank's digital bonds were issued through the digital registry and digital depository of the Philippine Depository & Trust Corp., local media reported Thursday. The bonds were kept interoperable with the Philippine Dealing & Exchange Corp fixed income market.

15. In the first attempt to counter lobby the crypto industry, a group of academics and tech experts wrote to U.S. lawmakers criticizing cryptocurrencies and blockchain technology. The group of experts includes individuals from Microsoft, Google, and Harvard, all of whom are urging lawmakers not to "create regulatory safe havens" for crypto assets. Crypto companies spent around \$9M on lobbying in 2021, more than triple the \$2.8M spent in the previous year. According to OpenSecrets, a platform that tracks lobbying expenditures, Microsoft spent \$10.3M, Google spent \$11.8M, and Harvard spent \$0.6M on lobbying efforts in 2021.

16. According to a recent report from Glassnode, Bitcoin (BTC) hodlers (hodlers are wallets that have no selling activity for a year or more) are now "the only ones left," and they appear to be "doubling down as prices correct below \$30K." Evidence of the lack of new buyers can be found looking at the number of wallets with non-zero balances, which has plateaued over the past month, a process that was seen after the crypto market sell-off in May of 2021. Unlike the sell-offs that occurred in March 2020 and November 2018, which were followed by an upswing in on-chain activity that "initiated the subsequent bull runs," the most recent sell-off has yet to inspire an influx of new users into the space." Glassnode analysts say this suggests that the current activity is predominantly being driven by hodlers.

17. Mazda is the latest auto manufacturer to join the MOBI blockchain alliance. Other auto companies part of the 120 firm consortium include BMW, GM, Honda, Hyundai and Renault. Two of MOBI's numerous initiatives apply to EVs, such as its MOBI Battery Initiative, which explores assigning a unique passport to every EV battery. This would enable the complete history of a battery to be queried which is important for recycling. Another application is if batteries were swappable which could address the long recharge times, especially in transit. A battery passport could enable this sort of solution. Other MOBI initiatives include tracking the carbon emissions of trips, connected vehicles and data sharing, vehicle identity, car financing and insurance, and supply chain standards.

18. The following chart ranks the top 10 digital assets by market cap (excluding stablecoins) over the past 3 market cycle peaks: 2013, 2017, and 2021. Aside from Bitcoin being the largest asset and Ethereum a consistent number 2 (it did lose that crown to XRP briefly in 2017 and 2018 and did not launch until 2015), there is very little consistency in the make-up of the rest of the market.

Rank	2013 Peak			2017 Peak			2021 Peak		
	Name	Price	Market Cap (\$M)	Name	Price	Market Cap (\$M)	Name	Price	Market Cap (\$M)
1	Bitcoin	\$1,131.97	13,626.0	Bitcoin	\$19,140.76	320,575.8	Bitcoin	\$64,995.23	1,226,431.5
2	Litecoin	\$37.74	885.6	Ethereum	\$719.98	69,409.0	Ethereum	\$4,636.17	548,414.3
3	XRP	\$0.03	242.2	Bitcoin Cash	\$1,862.88	31,410.0	Binance Coin	\$615.28	102,629.1
4	Peercoin	\$7.38	153.8	XRP	\$0.73	28,216.3	Solana	\$233.75	70,753.0
5	Namecoin	\$10.91	81.0	Litecoin	\$318.72	17,323.8	Cardano	\$2.10	69,988.7
6	MegaCoin	\$1.58	33.4	Cardano	\$0.51	13,300.9	XRP	\$1.19	56,186.0
7	Feathercoin	\$1.26	30.9	IOTA	\$3.93	10,921.2	Polkadot	\$46.87	46,289.2
8	Primecoin	\$6.83	22.1	Dash	\$1,105.92	8,581.3	Dogecoin	\$0.26	33,768.7
9	BitShares PTS	\$14.18	13.9	NEM	\$0.69	6,190.4	Shiba Inu	\$0.000053	27,718.9
10	WorldCoin	\$0.41	13.4	Monero	\$351.37	5,443.2	Terra	\$48.79	23,591.3
No. of Dital Assets		37		1,338		7,248			



Source: Coin Market Cap

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