



EMERALD ADVISERS, LLC

“ON DA BLOCK”

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

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FTX/Alameda

1. FTX officials appeared to confirm rumors of a hack on Telegram, instructing users to delete FTX apps and avoid its website.
<https://www.coindesk.com/business/2022/11/12/ftx-crypto-wallets-see-mysterious-late-night-outflows-totalling-more-than-380m/>
2. Crypto exchanges Binance and Huobi blocked deposits of FTT, FTX's native tokens, Sunday after about \$400 million worth of the tokens were released out of schedule, with no official explanation. <https://www.coindesk.com/business/2022/11/13/binance-huobi-block-ftt-deposits-after-420m-worth-of-tokens-illicitly-released/>
3. The Securities Commission of the Bahamas said it did not direct, authorize, or suggest that FTX process Bahamian users' withdrawals. SCB said funds withdrawn in the Bahamas may be "clawed back."
4. FTX-owned Japanese exchange Liquid Global will halt all withdrawals including both fiat and cryptocurrencies.
<https://blockworks.co/news/ftx-contagions-next-victim-a-japanese-exchange/>
5. Circle, Gemini, Luno and Hut 8 Mining are among major crypto companies with exposure to digital currency prime broker Genesis, which has halted customer redemptions and new loan originations within its lending division as the fallout of FTX's collapse continues.
https://blockworks.co/news/gemini-circle-genesis-exposure/?__s=zc8psui11b95debv0u6&utm_source=drip&utm_medium=email&utm_campaign=COMING+SOON%3A+SBF+Chia+pet%3F



6. Tom Brady, Gisele Bündchen and other celebrities who promoted beleaguered crypto exchange FTX were hit with a class action lawsuit. https://www.theblock.co/post/187570/class-action-filed-against-tom-brady-larry-david-and-others-who-endorsed-ftx?__s=zc8psui11b95debv0u6&utm_source=drip&utm_medium=email&utm_campaign=COMING%20SOON%3A%20SBF%20Chia%20pet%3F
7. FTX investors including Temasek, Sequoia Capital and SoftBank are writing off hundreds of millions of dollars they poured in the now-failed exchange, Bloomberg reported, citing people familiar. https://www.theblock.co/post/187527/temasek-sequoia-softbank-take-hundreds-of-millions-in-ftx-write-downs-bloomberg?__s=zc8psui11b95debv0u6&utm_source=drip&utm_medium=email&utm_campaign=COMING%20SOON%3A%20SBF%20Chia%20pet%3F
8. A crypto wallet connected to the suspected drain of FTX accounts swapped a total of 34,000 BNB for 4,500 ether and three million Binance USD on November 16. https://www.theblock.co/post/187463/ftx-drainer-sells-more-bnb-now-34th-largest-holder-of-eth?__s=zc8psui11b95debv0u6&utm_source=drip&utm_medium=email&utm_campaign=COMING%20SOON%3A%20SBF%20Chia%20pet%3F
9. U.S. reportedly considering Bankman-Fried extradition for questioning. <https://cointelegraph.com/news/us-reportedly-considering-bankman-fried-extradition-for-questioning?lid=njbjibcbv9bw>
10. FTX Digital Markets has filed for Chapter 15 bankruptcy protection. <https://www.theblock.co/post/187481/ftxs-bahamas-unit-files-for-chapter-15-bankruptcy-protection?lid=iifkg95t2s2k>
11. Bankrupt crypto lender Celsius Network told the court Tuesday it had \$12 million in outstanding loans to Alameda Research, the trading wing of Sam Bankman-Fried's crypto empire. <https://www.coindesk.com/policy/2022/11/15/celsius-is-owed-12m-by-alameda-research-newest-member-of-bankrupt-crypto-club/?ref=treehouse-daily&lid=ajt4zlrkww0>
12. The House Financial Services Committee will hold a hearing on FTX in December. <https://www.theblock.co/post/187617/u-s-house-committee-to-hold-hearing-on-ftx-collapse-and-crypto-fall-out?lid=6uoxqnvqswwj>
13. Genesis halts crypto lending, blames 'FTX Implosion'. <https://blockworks.co/news/genesis-halts-lending>

Stablecoins

1. Circle, the company behind the issuance of USDC Coin (USDC), said recent events have caused it to miscalculate its financial projections. <https://cointelegraph.com/news/circle-marks-a-possible-3b-loss-from-binance-stablecoin-conversions>
2. Citi, Mastercard, Wells Fargo and the New York Fed's innovation center are among those involved in the 12-week project to explore the feasibility of an interoperable digital money platform known as the regulated liability network (RLN). The PoC will test a version

of the RLN design that operates exclusively in U.S. dollars where commercial banks issue simulated digital money or “tokens” - representing the deposits of their own customers - and settle through simulated central bank reserves on a shared multi-entity distributed ledger. <https://www.finextra.com/newsarticle/41323/us-banks-launch-digital-asset-settlement-platform-poc>

Regulation

1. The European Union is considering a ban that would prevent banks and crypto providers from dealing with privacy coins. Crypto asset service providers would be forbidden from dealing with zcash, moner, dash and others.

<https://www.theblock.co/post/187078/european-aml-rules-could-ban-privacy-coins-coindesk>

DeFi

1. When Binance announced it would bail out FTX, daily trading volumes mushroomed on decentralized exchanges like Uniswap.

<https://decrypt.co/114364/defi-exchange-volume-hits-ftx-collapse>

2. Uniswap’s front-end website went down for some users on Thursday due to a Cloudflare routing problem.

https://www.theblock.co/post/187963/uniswap-website-goes-dark-for-some-users-after-cloudflare-routing-problem?__s=zc8psui11b95debv0u6&utm_source=drip&utm_medium=email&utm_campaign=Have%20fun%20storming%20the%20castle%21

3. Hong Kong’s financial authorities announced that they would issue the world’s first tokenized government green bonds by the end of the year. <https://beincrypto.com/hong-kong-issue-worlds-first-tokenized-green-bonds-years-end/>

General News

1. Binance to relaunch bid for bankrupt crypto lender Voyager. <https://www.coindesk.com/business/2022/11/17/binance-to-relaunch-bid-for-bankrupt-lender-voyager>

[source/?utm_source=newsletter&utm_medium=email&utm_campaign=cryptocodex&cdlclid=5d1671621802c8c524e49767](https://www.coindesk.com/business/2022/11/17/binance-to-relaunch-bid-for-bankrupt-lender-voyager-source/?utm_source=newsletter&utm_medium=email&utm_campaign=cryptocodex&cdlclid=5d1671621802c8c524e49767)

2. Ether staking yields jump up to 25%; all-time high since merge. <https://www.coindesk.com/markets/2022/11/17/ether-staking-yields-jump-up-to-25-all-time-high-since-merge/>

3. Crypto investor Digital Currency Group is giving an equity infusion of \$140 million to Genesis Global Trading, a company within its portfolio. Genesis reported earlier that its derivatives business has about \$175 million in locked funds in its FTX trading account.

<https://www.coindesk.com/business/2022/11/11/crypto-investment-firm-dcg-gives-140m-equity-infusion-to-trading-firm-genesis/>

4. A Curve spokesperson has confirmed they have been in negotiations to acquire BlockFi’s credit card program’s customers since November 12. <https://cointelegraph.com/news/payments-company-curve-bids-for-blockfi-s-87-000-credit-card-customers>

5. Cryptocurrency-focused asset manager Multicoïn Capital lost more than half of its flagship fund's capital in about two weeks. https://blockworks.co/news/multicoïn-lost-more-than-half-its-crypto-funds-capital-this-month-sources?__s=zc8psui11b95debv0u6&utm_source=drip&utm_medium=email&utm_campaign=Have%20fun%20storming%20the%20castle!
6. Crypto exchange AAX said it had suspended activity, citing a scheduled upgrade that had been delayed by turbulent markets. The failure of a third-party partner means services will be delayed for as long as 10 days, the Hong Kong-based company said Sunday. <https://www.coïndesk.com/business/2022/11/13/crypto-exchange-aax-suspends-withdrawals-as-ftx-failure-reverberates/>
7. Gemini users temporarily lost access to the exchange Wednesday following an announcement that the company was pausing its Earn product, but the outage was due to an unrelated server issue. <https://blockworks.co/news/gemini-exchange-down-citing-site-maintenance>
8. Data by blockchain intelligence platform Nansen shows on Wednesday that Gemini saw \$485 million in net outflows in the past 24 hours. <https://www.coïndesk.com/markets/2022/11/16/crypto-exchange-gemini-suffers-485m-rush-of-outflows-amid-contagion-fears/>
9. El Salvador will begin buying one Bitcoin every day, according to the country's president Nayib Bukele. <https://decrypt.co/114897/el-salvador-start-buying-1-bitcoin-every-day-says-president-bukele>
10. Fintech unicorn TrueLayer is partnering with Coinbase to let U.K. users top up their accounts via their mobile banking app. https://www.theblock.co/post/187783/fintech-firm-truelayer-to-power-coinbase-payments-eyes-stablecoins?__s=zc8psui11b95debv0u6&utm_source=drip&utm_medium=email&utm_campaign=Have%20fun%20storming%20the%20castle%21

Mining

1. Over a month later, fewer than 20% of Ethereum miners, or two hundred terahash (TH), a measure of computing power, "were able to find a new home in crypto mining, while also suffering from a significant decrease in margins," said Ethan Vera, chief operations officer at mining services company Luxor. <https://www.coïndesk.com/business/2022/11/11/ex-ethereum-miners-token-hop-to-stay-alive-after-the-merge/>

NFTs

1. On Monday, Nike extended Knight's original mission from over 50 years ago into the next era of sports through the online web, digital experiences, and blockchain technologies by unveiling its own metaverse platform, ".SWOOSH". <https://hypebeast.com/2022/11/nike-continues-decades-of-innovation-with-its-new-web3-platform-swoosh>

2. Yuga Labs has acquired Beeple's NFT platform Wenew and its flagship NFT collection, 10KTF. Beeple will join Yuga Labs as an advisor. https://www.theblock.co/post/186646/yuga-labs-acquires-beeples-10ktf-names-him-advisor?__s=zc8psui11b95debv0u6&utm_source=drip&utm_medium=email&utm_campaign=Zero%20knowledge%20about%20ZK%20tech%3F%20We%27ve%20got%20you%20covered.

3. Yuga Labs has hatched a plan to donate CryptoPunks NFTs to modern art museums around the world, starting with Punk #305. The Ethereum NFT is being donated to Miami's Institute of Contemporary Art, which offers free admission, and will be viewable there after a private unveiling event takes place on December 2 during Art Basel.

<https://decrypt.co/114644/cryptopunks-art-museums-yuga-labs-donates-ethereum-nfts>

4. Sony Interactive Entertainment is trying to patent a system for tracking unique in-game digital assets.

https://www.theblock.co/post/187949/sony-tries-to-patent-nft-and-blockchain-technology-usage-in-games?__s=zc8psui11b95debv0u6&utm_source=drip&utm_medium=email&utm_campaign=Have%20fun%20storming%20the%20castle%21

CBDCs

1. The Federal Reserve Bank of New York's Innovation Center, or NYIC, announced that it would be launching a 12-week proof-of-concept pilot for a central bank digital currency, or CBDC. <https://cointelegraph.com/news/ny-fed-launches-12-week-cbdc-pilot-program-with-major-banks>

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