

#07 Weekly Digest 2019

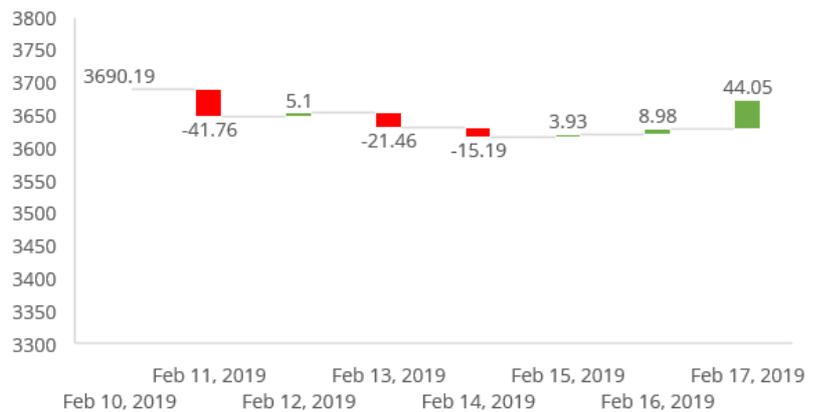
11 Feb – 17 Feb

Current Market state

During last week the crypto markets continue consolidating and appeared to be in positive mood by the end of the week. In addition, the total market cap reached already \$126.2 billion during the last week.

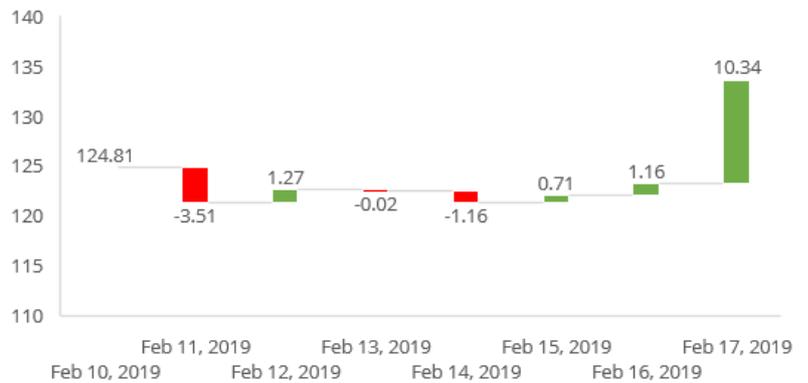
Bitcoin was pretty stable during the week. It has bounced of intraday resistance levels of \$3,640 twice but is still holding above major support at \$3,600. At closing on Sunday, BTC was trading at \$3,673.

Bitcoin's Price



Ethereum confidently holds the second place by market cap with \$14.01 billion widening the gap between Ripple to over \$1.5 billion. Ethereum was stable during the trading and has peaked to the \$133 at closing on Sunday.

Ethereum's Price



Ripple holds third place again with market cap of \$12.5. It was steadily trading at \$0.30 during the week and did not show major gains or losses.

Ripple's Price



Fundstrat Global Advisors Expects 2019 to Bring More Institutional Investors to Crypto



Incremental improvements in the crypto space can provide support for higher prices for cryptocurrencies. The report notes that as the United States dollar is expected to weaken, and more institutional investors enter the space, a visible market recovery can be expected. Fundstrat states that the current year's crypto hangover can be attributed to the waning interest in the initial coin offering (ICO) sector as well as adverse regulatory achievements.

JPMorgan Chase Launches JPM Coin to Increase Settlement Efficiency in Three Operations



United States banking giant JPMorgan Chase announced this week that it was planning to launch its own digital asset. After previous negative comments about cryptocurrency from the bank's CEO Jamie Dimon, the company has released information about its new JPM Coin, which is designed to increase settlement efficiency initially within three operations: international settlements by major corporations, treasury services and securities transactions.

Crypto Miners and Investors Are Turning to Derivatives to Survive Crypto Winter



A recent analysis by Bloomberg has found that crypto investors and miners are looking more and more towards derivatives like options as a way of surviving the recent market downturn. According to Bloomberg, the increasing popularity of complex traditional market trading instruments is a reflection of the difficulty of weathering the current bear market.

QuadrigaCX Controversy Continues as \$500K Accidentally Transferred to Inaccessible Cold Wallet



The major Canadian crypto exchange QuadrigaCX accidentally transferred nearly \$500,000 in Bitcoin (BTC) to its cold wallets earlier this month. Ever since the death of its founder Gerald Cotten in December 2018, the exchange has been unable to access these wallets, leaving around CA\$190 million dollars (\$145 million) missing in digital assets. Also this week, evidence emerged from an old podcast that Cotten had suggested in 2014 that he kept private keys for the exchange's wallets printed out and stored in a safe deposit box.

Crypto community's interest

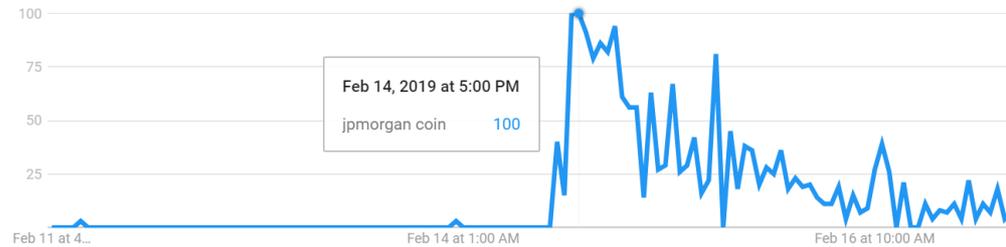
The section below presents the most searched terms in google about recent crypto industry news for the last week. The graphs below show the percentage ratio between requests and their historical maximum.

Crypto Topics & Events

Google Trends

JPMorgan coin

The JPMorgan was one of the main newsmaker during the last week with its announcement to roll out the first US bank-baked cryptocurrency to transform payments to business



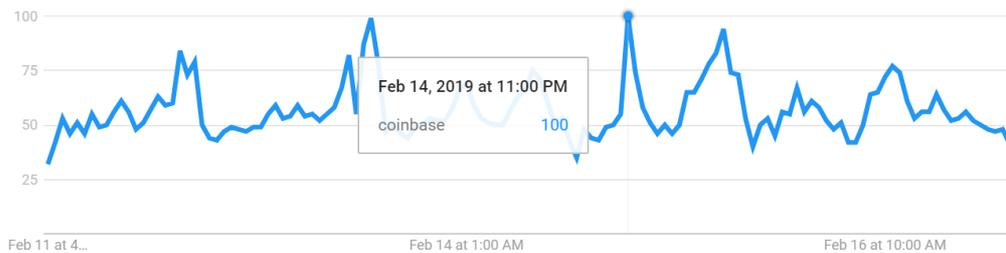
Bitcoin

The Bitcoin's instability and fluctuating price makes the bitcoin searching trend to be one of the popular trends from week to week.



Coinbase

One of the newsmakers during last week was Coinbase with its new opportunity to back up the users' private keys on Google drive and iCloud and option to withdraw Bitcoin SV following BCH fork.



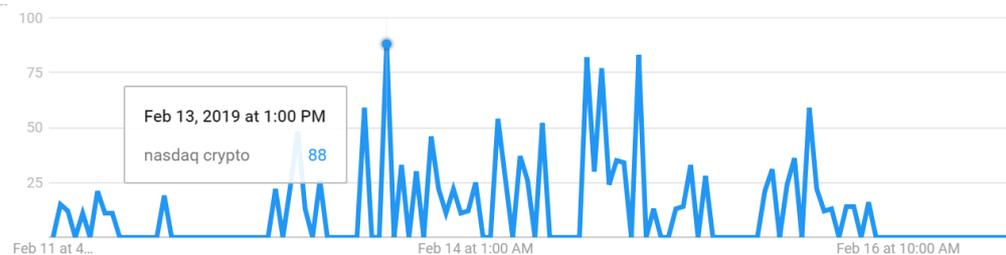
QuadrigaCX

The QuadrigaCX's imbroglio is gaining the momentum with new information regarding transferred funds and possible deposited bitcoin key in the bank by the Gerald Cotten



Nasdaq crypto

Nasdaq will launch two new indices, the Bitcoin Liquid Index (BLX) and the Ethereum Liquid Index (ELX) tracking cryptocurrency prices on Feb. 25, the company announced in an update to its website on Feb. 12.





coinbase

Coinbase Wallet Users Adds Support to Backup Encrypted Keys on Google Drive, iCloud

Coinbase Wallet users will now be able to backup their private keys on Google Drive or iCloud. According to an official announcement, Coinbase Wallet users will be able to upload their keys to the cloud as a safeguard against lost keys, which then protects against losing funds in the case that keys are misplaced. The users can also store an encrypted copy of the recovery phrase on their clouds accounts, and Coinbase has noted that neither they nor the cloud services will have access to user funds



NEO Blockchain Platform Opens Seattle Office Headed by Ex-Microsoft Exec

The NEO Global Development (NGD) Seattle office will open and begin recruitment this month, purportedly allowing the company to expand into the U.S. market. Per the press release, the NGD has been developing partnerships with Microsoft and other companies. According to NEO founder Erik Zhang, Seattle's reputation for tech talent was one of the main draws for locating its new offices



Turkish Police Arrest 24 Suspects Over Hacking of Around \$2.5 Million From Crypto Firm

Police in Turkey have arrested 24 people that were allegedly involved in a 13 million Turkish lira (\$2.46 million) hack from an unnamed cryptocurrency-related firm in Istanbul. The city's Cybercrime Department found that the stolen money had been moved out of hacked accounts to accounts on other exchanges, with the funds denominated in Bitcoin (BTC), Ethereum (ETH) and Ripple (XRP). The cybercrime unit discovered that the suspected individuals were communicating through online multiplayer battle royale game PlayerUnknown's Battlegrounds (PUBG).



coinbase

Major US Crypto Exchange and Wallet Gives \$30,000 Reward for Finding Critical Bug

United States crypto exchange and wallet service Coinbase has given out a \$30,000 reward for reporting a critical bug on its system, according to data from its vulnerability disclosure program. Coinbase has confirmed that the vulnerability has since been fixed, but has not provided any additional details on the scope of the bug. This is the fourth bug bounty handed out by Coinbase over the past year.



Ethereum Hard Fork:
Constantinople

Software Dev Finds Possibility for Attack Vector in Constantinople Upgrade, Buterin Denies

The software developer Tim Cotten wrote on Medium about the possibility for the new smart contract creation function, dubbed Create2, to introduce a new attack vector to the platform. Mr. Cotten wrote that since the contract with Create2 is created at an address that can be determined by different parties, it could allow the change of smart contract addresses after being deployed. In an Ethereum developers call at the end of the week, ETH co-founder Vitalik Buterin addressed the issue, noting that the new feature will not have negative security implications.

Volatility extremums

This section presents three of each of the best performed tokens and the worst performed tokens during the last week. Their volatility is presented in the table below.

| Token | Greatest volatility | Comment |
|----------|---------------------|---|
| Komodo | +14.27% | The team posts an overview of Komodo's first text-base Blockchain game. |
| Golem | +11.19% | The project team has posted a curated list of Rust code and resources. Also the partnership with Rustlang was announced as well. |
| Bancor | +6.54% | The token's growth is not explained. |
| Storj | -18.01% | After reaching the development milestone in the beginning of the month, there is no news from the team that would bring the community's attention to the token. |
| Revain | -1.45% | The team posts general crypto news on their account that does not bring the community's attention on top. |
| Ontology | -0.42% | Even the team posted generous incentive model for developers with 60% of transaction fees that dApps generate back to their developers, the token price is slightly declined. |

Citation of the week



*"We would love to make [Bitcoin payments] as fast and efficient and transactional as possible and that includes looking at our seller base and our register. It's not an 'if,' it's a 'when.'" — **Jack Dorsey, Twitter co-founder and CEO***



*"I'm not a believer in the vast majority of digital tokens and I believe most will go to zero." — **Barry Silbert, CEO and founder of Digital Currency Group and Grayscale Investments***



*"As predicted, banks are changing their tune on crypto. But this JPM project misses the point — introducing a closed network today is like launching AOL after Netscape's IPO. 2 years later, and bank coins still aren't the answer." — **Brad Garlinghouse, CEO of Ripple (XRP)***