



BLOCKCHAIN INVESTMENT & ADVISORY

CRYPTO MARKET UPDATE

13 May 2019

- ▶ Bitcoin's dominance is up by 5.2% (58.7%), the total market cap is up by 16.5% (\$211.5bn), and overall volume is up by 42% (\$80bn) on the previous week. Bitcoin is up by 23%, Ethereum by 15.5%, XRP by 5.6%, and EOS is up by 12.5%. The best performers among the top-30 crypto were Bitcoin (23%), Bitcoin Cash (23%) and Bitcoin Gold (19.6%).
- ▶ Binance Lost 7,000 BTC in Security Breach
- ▶ Bitfinex Reportedly Sold Out its IEO
- ▶ Facebook Reverses its Policy Banning Crypto Ads
- ▶ Medici Bank Opens Crypto-Friendly Bank in Puerto Rico
- ▶ Bitcoin Outperforms Most Traditional Asset Classes since 2019
- ▶ Currency.com To Offer Tokenized Belarussian Government Bonds
- ▶ FinCEN Issues New Guidance on Crypto Regulation
- ▶ SEC Receives Another Crypto ETF Application
- ▶ US Lawmakers Form Fintech Task Force

Date	13 May 2019
Crypto MktCap	\$211.5 bn
24H Volume	\$80 bn
BTC dominance	55.8%

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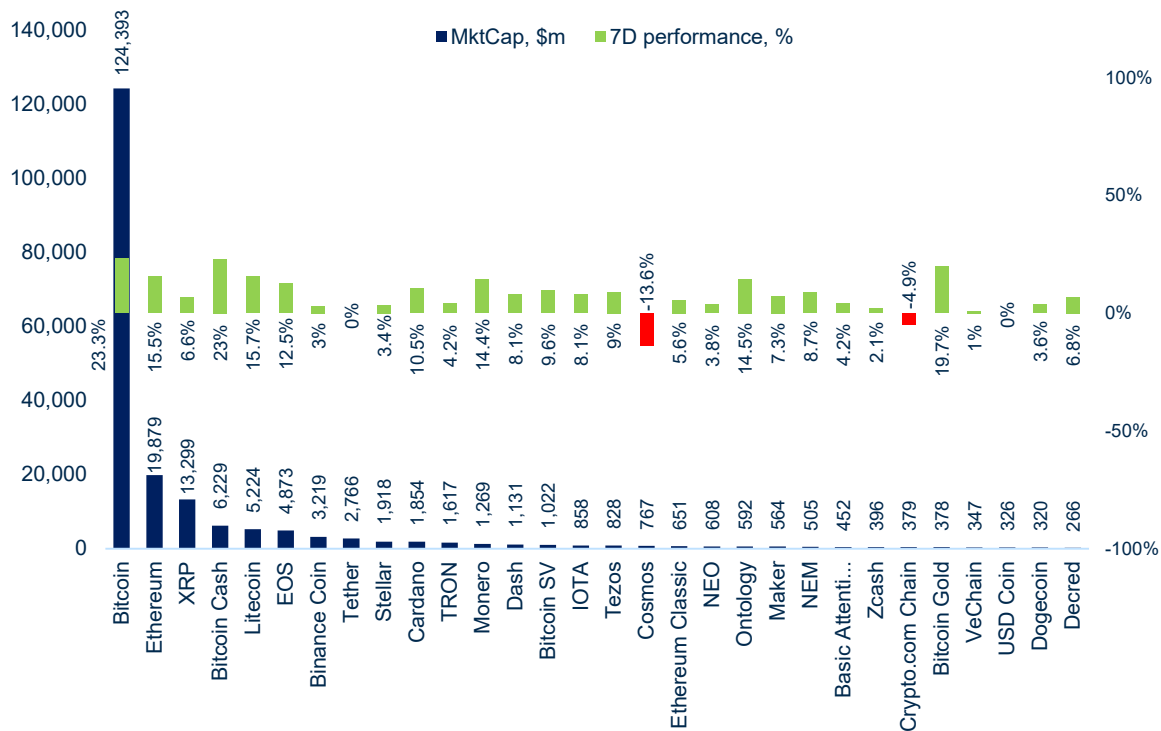
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**Pricing as of 10:00 AM BST 13/05/2019.*

MARKET MOMENTUM

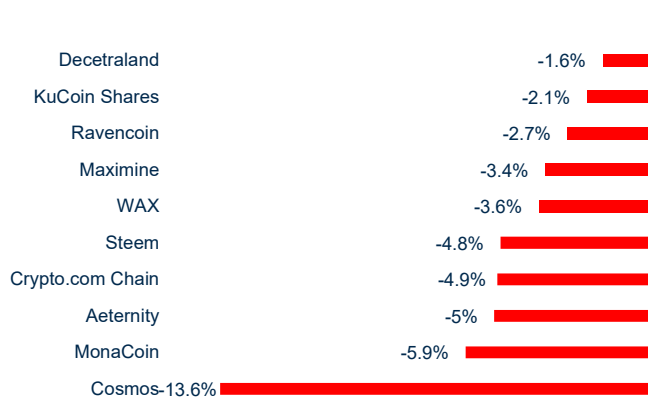
The digital assets market is continuing to grow at a significant pace, with the total market cap last week rising by almost 20%. Bitcoin continued its parabolic move towards \$7,550, which is a 9-month high, as BTC's price grows by 130% since the December lows. The bitcoin rally caused a total of \$380m liquidation just on BitMEX, with a new record for daily trading volume of \$10bn. Bitcoin is currently hovering around \$7k and further consolidation is expected before another leg to test \$8k. The rest of the market is following the trend, most notably BCH (+23%), ETH (+16%), and LTC (+16%).

Figure 1. The performance and market capitalisation of top-30 cryptocurrencies (by MktCap)



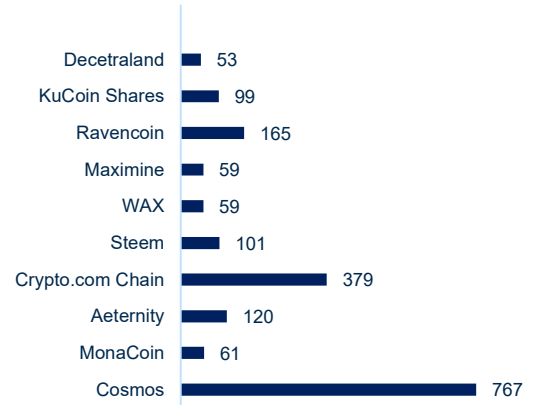
Source: coinmarketcap.com, as of 13th of May 2019 as of 09:00 AM BST.

Figure 2. Worst performing digital assets* (7 days)



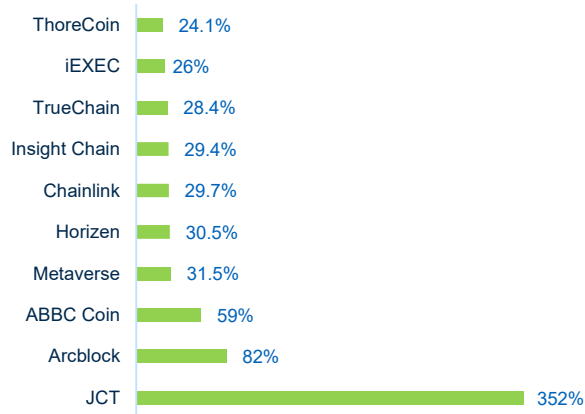
Source: coinmarketcap.com, *) MktCap>=\$50m

Figure 3. MktCap of worst performing digital assets*



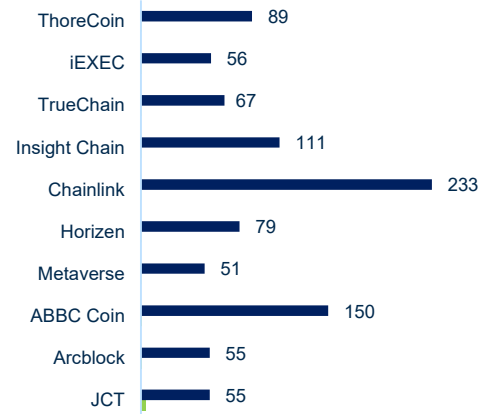
Source: coinmarketcap.com, *) MktCap>=\$50m

Figure 4. Best performing digital assets (7 days)



Source: coinmarketcap.com, Mkt Cap >=\$50m

Figure 5. MktCap of best performing digital assets



Source: coinmarketcap.com, Mkt Cap >=\$50m

Figure 6. Top-30 digital assets by MktCap valuation

Asset	Ticker	Sector	Price,\$	Network value,\$m	24H volume , \$m	Network value to Transactions volume (24H)	Consensus	%7d	Price, % of ATH
Bitcoin	BTC	Currency	7,028	124393	26033	4,8	POW	23,3%	35%
Ethereum	ETH	Platform	187	19879	9514	2,1	POW	15,5%	13%
XRP	XRP	Currency	0.31	13299	1887	7	FBA	6,6%	8%
Bitcoin Cash	BCH	Currency	350	6229	3491	1,8	POW	23%	8%
Litecoin	LTC	Currency	84.9	5224	4995	1	POW	15,7%	23%
EOS	EOS	Platform	5.35	4873	2916	1,7	DPOS	12,5%	23%
Binance Coin	BNB	Exchange	22.8	3219	335	9,6	POW	3%	92%
Tether	USDT	Stable coin	1	2766	23,8	116	POR	0%	
Stellar	XLM	Platform	0.1	1918	327	6	FBA	3,4%	11%
Cardano	ADA	Platform	0.07	1854	120	15	POS	10,5%	5%
TRON	TRX	Platform	0.02	1617	831	1,9	DPOS	4,2%	8%
Monero	XMR	Privacy coin	74.7	1269	51,5	24,6	POW	14,4%	16%
Dash	DASH	Privacy coin	128	1131	327	3,5	POW	8,1%	8%
Bitcoin SV	BSV	Currency	57.5	1022	154	6,6	POW	9,6%	45%
IOTA	MIOTA	Platform	0.30	858	15,1	56,8	DAG/POW	8,1%	5%
Tezos	XTZ	Platform	1.25	828	5,9	140	dPOS	9%	11%
Cosmos	ATOM	Platform	4	767	45,5	16,9	POS	-13,6%	
Ethereum Classic	ETC	Platform	5.9	651	679	1	POW	5,6%	12%
NEO	NEO	Platform	9.36	608	420	1,4	dBFT	3,8%	5%
Ontology	ONT	Platform	1.2	592	88	7	POS/BFT	14,5%	11%
Maker	MKR	Stable coin/Dapp	564	564	3,3	170,9	POW	7,3%	34%
NEM	XEM	Platform	0.056	505	25,6	19,7	POI	8,7%	3%
Zcash	ZEC	Privacy coin	60.7	396	412	1,0	POW	2,1%	6%
Bitcoin Gold	BTG	Currency	21.6	378	21,6	18	POW	19,7%	4%
VeChain	VET	Platform	\$0.006	347	14,2	24,4	POA	1%	7%
Dogecoin	DOGE	Currency	\$0.002	320	45,4	7,0	POW	3,6%	14%
Decred	DCR	Currency	27.2	266	1,5	177	POS/POW	6,8%	22%
Qtum	QTUM	Platform	2.42	231	245	0,9	POS	1,3%	2%
Augur	REP	Platform	20	220	11,1	19,8	POW	0,3%	17%
Waves	WAVES	Platform	2.4	240	26	9	LPOS	16,3%	13%

Source: Coinmarketcap.com, NKB Research *as of 13th May 2019, 10:30 BST

CRYPTO MARKET NEWS

Binance Lost 7,000 BTC in Security Breach

Hackers stole \$40m (7,000BTC) from the largest crypto exchange Binance, making it the sixth largest hack in crypto exchange history. Binance will use its SAFU fund to cover the hack and all deposits and withdrawals will be suspended for one week.

Bitfinex Reportedly Sold Out its IEO

Bitfinex’s parent company has received \$1 billion in hard and soft commitments for its exchange token sale, according to Dong Zhao, founder of DGroup and an OTC trader in China who owns equity in Bitfinex, and who said in a WeChat post on Thursday that “there’s a high possibility Bitfinex will not conduct a public sale” for its token offering called LEO. Zhao told CoinDesk that the exchange has received both hard and soft commitments of \$1 billion worth of USDT, the U.S. dollar-pegged cryptocurrency issued by Tether, a company that shares owners and management with Bitfinex.

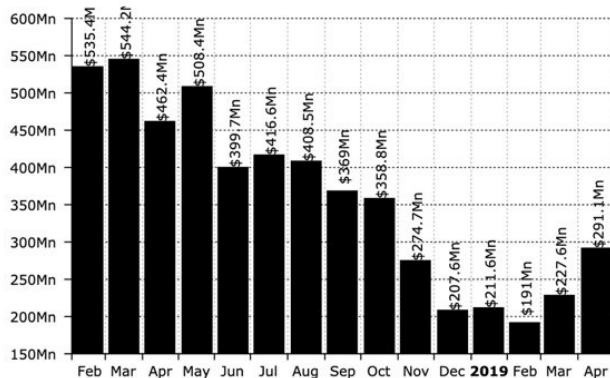
Facebook Reverses its Policy Banning Crypto Ads

As Facebook continues to ramp up its crypto efforts, the social media giant is rolling back its 2018 banishment of cryptocurrency-related ads from its platform. In a [blog post](#) on Wednesday, Facebook said that after listening to feedback and assessing the policy's effectiveness, the company will "no longer require pre-approval for ads related to blockchain technology, industry news, education or events related to cryptocurrency." Users are still required to get pre-approval for ads promoting cryptocurrencies, however.

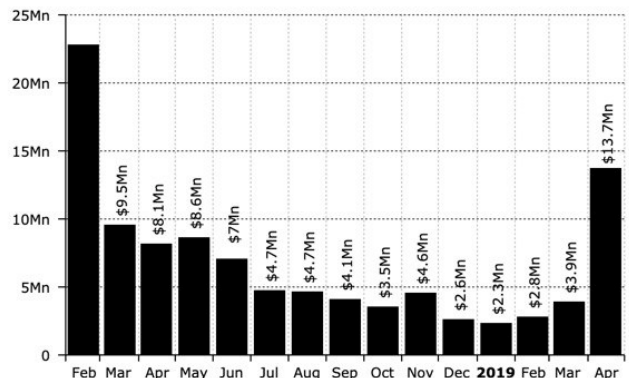
Bitcoin Miners’ Earnings Up 30% in April

Bitcoin miners earned \$291m in April, which is an almost 30% increase on March numbers. \$14m earnings from fees alone represent a 250% increase, according to Diar Research.

1: April Bitcoin Miners Revenues Near \$300Mn...



2: ...With Miners Earning Nearly \$14Mn From Fees Alone



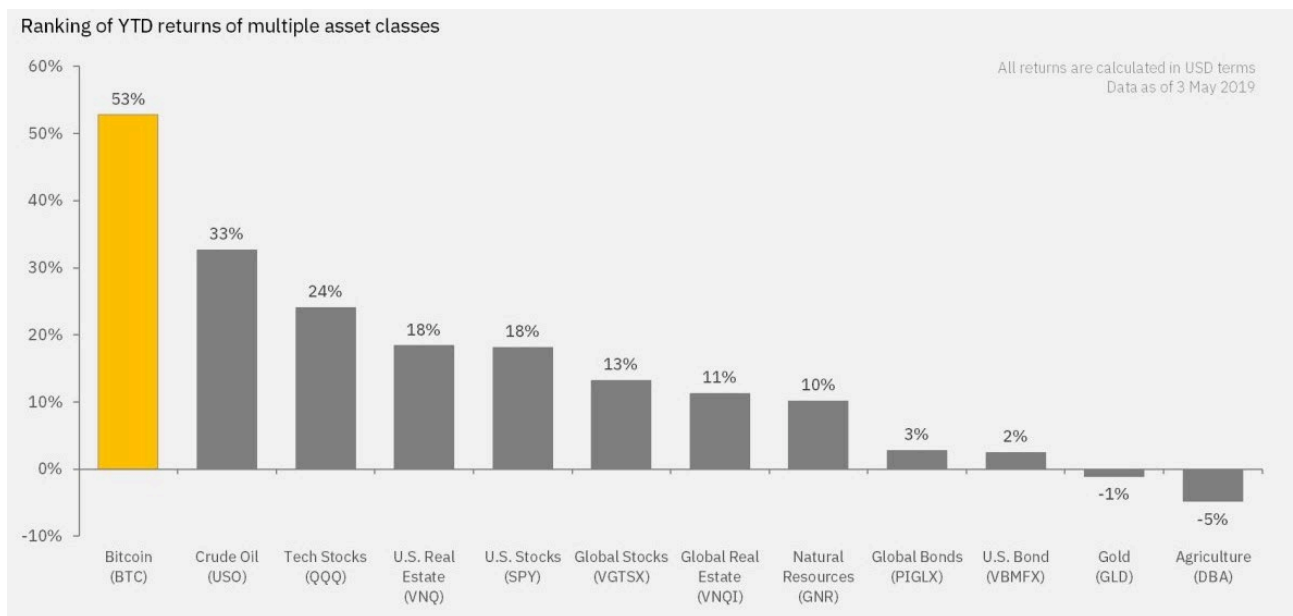
Medici Bank Opens Crypto-Friendly Bank in Puerto Rico

Prince Lorenzo de’ Medici, a descendant of the famed Renaissance-era Italian Medici banking family, has opened a bank in Puerto Rico, which aims to serve traditional clients as well as compliant crypto businesses.

WeChat Bans Crypto Transactions in its Payment Channels

Chinese social-media and payments app WeChat has updated its payment policy, stating that users who engage in crypto trading will have their accounts terminated. The new rule comes into effect at the end of the month, on May 31st. WeChat is supposedly a dominant crypto OTC channel in China, and this policy-change could strain the liquidity pool in the country.

Bitcoin Has Outperformed Most Traditional Asset Classes Since 2019



SECURITY TOKEN NEWS

Currency .com to Offer Tokenized Belarussian Government Bonds

Digital securities exchange Currency.com is offering tokenised Belarussian government bonds. Investors will be able to purchase fractional amounts of tokens, initially offered on the exchange at \$1,000 per token; a token will represent one bond, and there will initially be 252 bonds with a 4.2% p.a. yield introduced to the exchange.

Figure Secures up to \$1 Billion Credit on Blockchain

Figure Technologies, a fintech company that focuses on issuing home equity lines of credit (HELOCs) on its private blockchain, has secured up to \$1 billion in uncommitted asset-based financing facility. The line of credit comes from global investment banking firm Jefferies and financial services company WSFS Institutional Services.

REGULATORY NEWS

FinCEN Issues New Guidance on Crypto Regulation

The Financial Crimes Enforcement Network (FinCEN), published an interpretive guidance document outlining when and how companies, individuals, and platforms native to the crypto ecosystem may be money transmitters pursuant to the Bank Secrecy Act (BSA) and other relevant laws. Notably, the guidance made explicit interpretations that software wallet providers, multi-sig providers, decentralized exchanges, and other non-custodial services are not regulated as money transmitters under FinCEN, meaning they are not obliged to follow federal AML and know-your-customer (KYC) regulations. For a detailed insight please see this [thread from Marco Santori](#).

SEC Receives Another Crypto ETF Application

Crescent Crypto Index Services LLC, a subsidiary of Crescent Crypto Asset Management LLC, has filed an ETF application with the SEC. The USCF Crescent Crypto Index Fund (XBET) is expected to trade on NYSE Arca and will track performance of a market capitalisation-weighted portfolio of BTC and ETH.

US Lawmakers Form Fintech Task Force

The United States House of Representatives Financial Services Committee has passed a resolution to form the Task Force on FinTech, which will “examine the current legal framework for fintech, how fintech is used in lending and how consumers engage with fintech.”

Germany Plans Major Digital Token Regulation

Germany plans to introduce draft regulations allowing blockchain bonds as soon as this summer, according news outlet Handelsblatt. The current legal changes centre on the idea of tokenizing processes currently done on paper, while enshrining blockchain token legality would prevent issues arising from them languishing in a regulatory grey area.

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