



BLOCKCHAIN INVESTMENT & ADVISORY

# DIGITAL ASSETS MARKET UPDATE

12 August 2019

- ▶ Bitcoin’s dominance is up by 1% (68.6%), the total market cap is down by 3.9% (\$296bn), and overall volume is down by 20% (\$48bn) on the previous week. Bitcoin is down by 2.2%, Ethereum by 7.9%, XRP is down by 7.6%, and Litecoin by 10.8%. The best performers among the top-30 crypto were Binance Coin (7.2%) and Bitcoin (-2.2%).
- ▶ China’s Digital Currency is Ready After Five Years of R&D
- ▶ Allianz to Create JPM Coin-Like Payment Token
- ▶ Mastercard Eyes Digital Assets Wallet
- ▶ Facebook Hires US Senator Former Aide to Lobby for Project Libra
- ▶ Goldman-Backed Apple Card Restricts Digital Assets Purchases
- ▶ Seychelles National Stock Exchange to List Tokenized Securities
- ▶ German Company Secures €750 Million Loan via Blockchain
- ▶ British Authorities Seek Data from Crypto Exchanges in Search for Tax Evaders
- ▶ 15 Governments Partner to Create Global Digital Asset System to Fight AML

Date	12 August 2019
Crypto MktCap	\$296 bn
24H Volume	\$48 bn
BTC dominance	68.6 %

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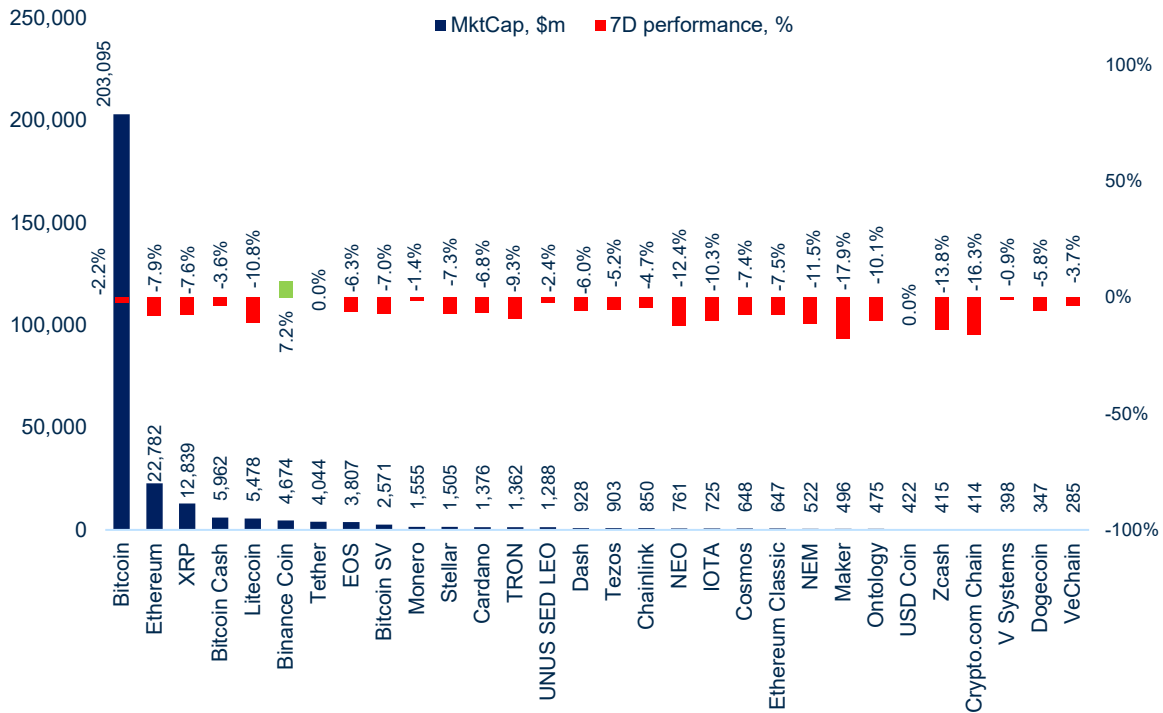
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*\*Pricing as of 10:00 AM BST 29/07/2019.*

# MARKET MOMENTUM

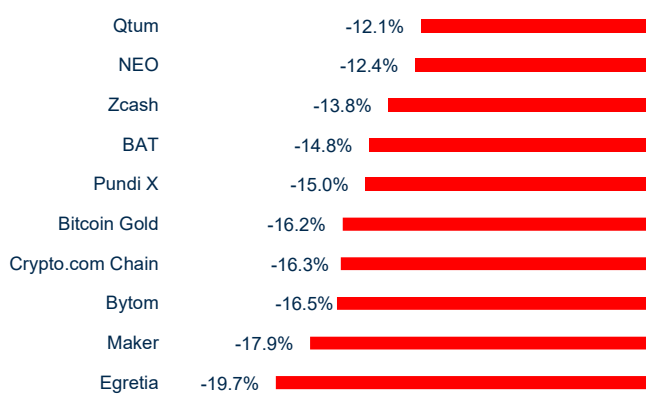
After a strong previous week, Bitcoin has been ranging in the ascending triangle and took almost the entire crypto trading community by surprise when it broke in the opposite direction from \$11,900 to \$11,200, recording an almost 6% loss. If BTC is to continue downwards, there is minor support at \$10,800 and major support at \$9,100. The total digital asset market capitalisation lost almost 4% and similarly, volume is down by 20%. The rest of the top-30 coins have recorded losses too, with the exception of BNB, which is up by 7.2%, reacting to the news about Binance’s US expansion.

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



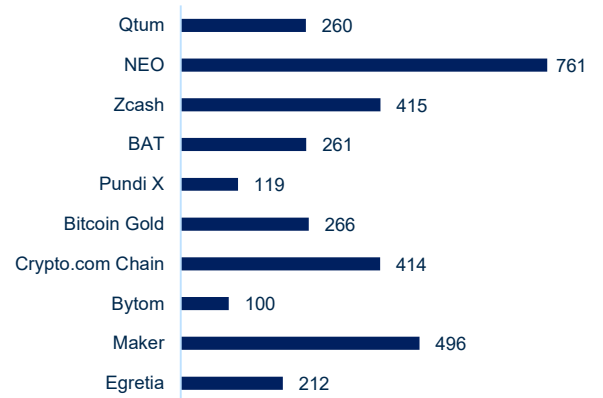
Source: coinmarketcap.com, as of 12<sup>th</sup> of August 2019 as of 09:00 AM BST.

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



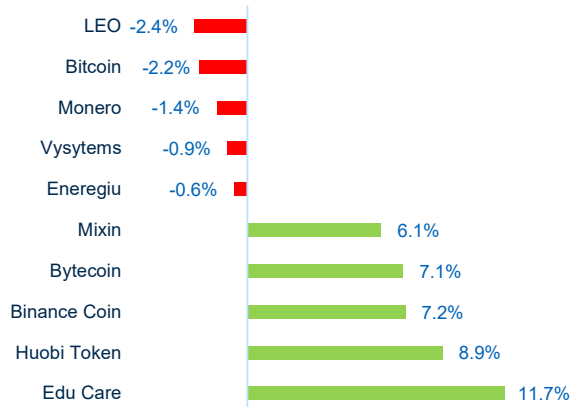
Source: coinmarketcap.com, \*) MktCap>=\$100m

**Figure 3. MktCap of worst performing digital assets\***



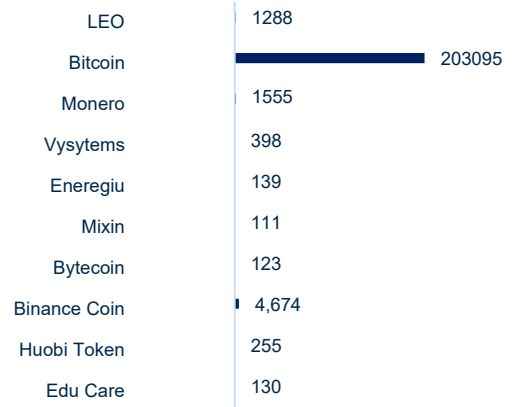
Source: coinmarketcap.com, \*) MktCap>=\$100m

**Figure 4. Best performing digital assets (7 days)**



Source: coinmarketcap.com, Mkt Cap >=\$100m

**Figure 5. MktCap of best performing digital assets**



Source: coinmarketcap.com, Mkt Cap >=\$100m

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
Bitcoin	BTC	Currency	\$11,363	203095	15072	13	POW	-2.2%
Ethereum	ETH	Platform	\$212	22782	6083	4	POW	-7.9%
XRP	XRP	Currency	\$0.299	12839	819	16	FBA	-7.6%
Bitcoin Cash	BCH	Currency	\$332	5962	1215	5	POW	-3.6%
Litecoin	LTC	Currency	\$86.9	5478	2922	2	POW	-10.8%
Binance Coin	BNB	Exchange	\$30	4674	271	17	POW	7.2%
Tether	USDT	Stable coin	\$1.00	4044	15716	0	POR	0.0%
EOS	EOS	Platform	\$4.11	3807	1444	3	DPOS	-6.3%
Bitcoin SV	BSV	Currency	\$144	2571	290	9	POW	-7.0%
Monero	XMR	Privacy coin	\$90.7	1555	83	19	POW	-1.4%
Stellar	XLM	Platform	\$0.076	1505	73	21	FBA	-7.3%
Cardano	ADA	Platform	\$0.053	1376	50.8	27	POS	-6.8%
TRON	TRX	Platform	\$0.02	1362	434	3	DPOS	-9.3%
UNUS SED LEO	LEO	Exchange	\$1.29	1288	5.7	226		-2.4%
Dash	DASH	Privacy coin	\$103	928	186	5	POW	-6.0%
Tezos	XTZ	Platform	\$1.37	903	8.8	103	dPOS	-5.2%
Chainlink	LINK	Platform	\$2.43	850	70	12		-4.7%
NEO	NEO	Platform	\$10.8	761	232	3	dBFT	-12.4%
IOTA	MIOTA	Platform	\$0.26	725	8	91	DAG/POW	-10.3%
Cosmos	ATOM	Platform	\$3.40	648	131	5	POS	-7.4%
Ethereum Classic	ETC	Platform	\$5.75	647	420	2	POW	-7.5%
NEM	XEM	Platform	\$0.058	522	27.1	19	POI	-11.5%
Maker	MKR	Stable coin/Dapp	\$496	496	1.6	310	POW	-17.9%
Ontology	ONT	Platform	\$0.89	475	64	7	POS/BFT	-10.1%
USD Coin	USDC	Stable coin	\$1.00	422	91	5		0.0%
Zcash	ZEC	Privacy coin	\$57.95	415	112	4	POW	-13.8%
Crypto.com Chain	CRO	Platform	\$0.047	414	12.5	33	BFT	-16.3%
Dogecoin	DOGE	Currency	\$0.002	347	16.3	21	POW	-5.8%
VeChain	VET	Platform	\$0.005	285	30.2	9	POA	-3.7%

Source: Coinmarketcap.com, NKB Research \*as of 12<sup>th</sup> of August 2019, 9:30 BST

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## DIGITAL ASSETS - MARKET NEWS

### Goldman-Backed Apple Card Restricts Crypto Purchases

Cryptocurrencies cannot be purchased with the new Apple credit card according to the recently published customer agreement guidelines by the American multinational technology company. The Apple card's restrictions indicate that the company's partner, Goldman Sachs, is leery towards cryptocurrencies and other "cash equivalents" like lottery tickets and casino chips.

### China's Digital Currency is Ready After Five Years of R&D

Mu Changchun, Deputy Chief in the Payment and Settlement Division of the People's Bank of China (PBOC,) stated that the CBDC prototype exists and the PBOC's Digital Money Research Group has already fully adopted the blockchain architecture for the currency. China's CBDC will not rely entirely on a pure blockchain architecture, as this would not allow the currency to achieve the throughput required for retail usage.

### Bitmain Reportedly Lost \$310 Million in Q1 2019

Cryptocurrency mining hardware giant Bitmain Technologies Ltd. has reportedly incurred a net loss of \$310 million in the first quarter of this year. Bifurcating the net figure, Bitmain suffered losses of \$345 million and \$280 million in January and February, respectively, and made a profit of \$315 million in March.

### Mastercard Eyes Crypto Wallet

Mastercard recently added three job openings to its website, looking for directors and a vice president in blockchain product management. According to the job descriptions, the company is looking into devising a blockchain wallet solution, which will likely rival Facebook's upcoming cryptocurrency wallet Calibra.

### Robinhood Receives FCA Approval to Operate in the UK

Robinhood, the U.S.-based popular stock and crypto investing app, has received approval from the U.K. Financial Conduct Authority (FCA) to operate in the country. Robinhood International, Ltd., will operate as a broker in the U.K., following the approval.

"This authorization will enable us to bring our investing platform to customers in the U.K., and is a critical step to achieve our mission of democratizing finance for all."

### Blockstream Reveals Massive Mining Facility, Fidelity an Early Customer

Blockchain technology company Blockstream revealed details related to their massive Bitcoin mining data centers in Quebec, Canada and Adel, Georgia. The facilities account for a combined 300 megawatts worth of energy capacity. For now, two of their

active customers include Fidelity Center for Applied Technology and LinkedIn founder Reid Hoffman.

Allianz to Create JPM Coin-Like Payment Token

Germany’s biggest insurance company, Allianz, has been developing a blockchain-based digital token, pegged 1:1 to the US dollar, to be used for payments, similar to investment banking giant JPMorgan’s JPM Coin. The token aims to simplify and accelerate cross-border insurance payments for its corporate customers across 200 countries and territories.

Facebook Hires US Senator Former Aide to Lobby for Project Libra

The social media giant has recruited Susan Zook of Mason Street Consulting, who previously assisted Senator Mike Crapo (R-Idaho), to a team of lobbyists aiming to influence lawmakers on the Libra initiative. Zook told the publication she would work on lobbying Senate Republicans.

Binance US is Exploring the Listing of 30 Tokens



**SECURITY TOKEN NEWS**

National Stock Exchange to List Tokenized Security

Seychelles’ stock exchange (MERJ) has just listed a tokenized security for trading, becoming the first in the world to do so. MERJ said it will follow the listing by offering 16% of the tokenized shares in a public offering later in 2019. The exchange is also in discussion with “several companies” over potentially listing their tokenized shares on its platform.

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### German Company Secures €750 Million Loan Via Blockchain

German-based Dürr, one of the world's leading mechanical and plant engineering firms, has secured a sustainability loan of 750 million euros, the interest on which is linked to its eco-friendly performance.

## REGULATORY NEWS

### British Authorities Seek Data from Crypto Exchanges in Search of Tax Evaders

HM Revenue & Customs, the British tax authority, is pressuring cryptocurrency exchanges to reveal customers' names and transaction histories, in a bid to claw back unpaid taxes, industry sources said. Letters requesting lists of customers and transaction data have landed on the doorsteps of at least three exchanges doing business in the U.K. – Coinbase, eToro and CEX.IO – in the last week.

### EU Central Bank Seeks to Increase Monitoring Activities of Digital Assets with On-Chain Data

In a recently released report, the European Central Bank (ECB) outlined its plan to devise a monitoring framework of the cryptocurrency market, using both on-chain data and metadata related to off-chain transactions. The bank says its monitoring activities are relying “to a great extent” on publicly available data such as market capitalization, prices, and trading volumes.

### 15 Governments Partner to Create Global Digital Asset System to Fight AML

A number of countries have plans to create a new system to collect and share personal data on individuals who conduct cryptocurrency transactions. The goal is to prevent funds from being laundered, going to terrorist organizations or otherwise being put to illicit use. The system would be designed by the Financial Action Task Force, an international organization comprising more than 30 member countries and economies. The goal is to draw up detailed measures by 2020, and to have the system up and running a few years later.

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