



HYPERION DECIMUS

CRYPTO NEWSLETTER

POWERED BY WEEKLY CRYPTO BRIEF

3rd November 2024

BITCOIN-RELATED



NYDIG: Bitcoin was up 2.5% on the week, closing just below \$70K, but not before almost setting a new all-time high on Oct. 29. Bitcoin hit \$73,625 amidst renewed enthusiasm for a Trump presidency, falling just short of the all-time high set on March 14 of \$73,836.

MicroStrategy announced a plan to raise \$42 billion of capital over the next three years in order to purchase more Bitcoin. Led by Executive Chairman Michael Saylor, the company's so-called "21/21 Plan" calls for \$21 billion of equity raises and \$21 billion of debt offerings over the next three years. President and CEO Phong Le said: "As a Bitcoin Treasury Company, we plan to use the additional capital to buy more Bitcoin as a treasury reserve asset in a manner that will allow us to achieve higher BTC Yield." (However, MicroStrategy reported quarterly sales of \$116 million (Q3), missing expectations of \$122 million.)

Japan's Metaplanet increased its Bitcoin holdings to over 1,000 BTC, investing an additional \$10.4 million and furthering its strategy to hold Bitcoin as a treasury reserve asset. (Metaplanet has been the best performing stock YTD in Japan.)

Tether CEO Paolo Ardoio announced his company now owns 82,454 Bitcoin worth ~\$5.55 billion.

The Royal Government of Bhutan deposited 929 BTC, valued at \$66 million, to Binance on Oct. 29.

The reason for the latest transfer is unknown, though such deposits to crypto exchanges are often made to sell the assets. Following the transfer, Bhutan still holds 12,456 BTC, worth \$886 million, making it the fifth-largest nation-state holder of Bitcoin.

Donald Trump's running mate JD Vance disclosed that he owns between \$250,000-\$500,000 in Bitcoin.

Social media platform Reddit sold all of the Bitcoin (and Ether) it was holding for treasury purposes during Q3 of this year. Reddit pocketed \$6.87 million from the sale of its BTC and ETH as it reported a Q3 profit of \$29.9 million (its first profit since it was founded 19 years ago), although it said the gain recognized on the sale was "immaterial" to its Q3 results.

A dormant Bitcoin wallet address holding 749 BTC (\$53.2 million) made its first transaction in nearly 12 years on Oct. 29, transferring 159.2 BTC (\$11.3 million). With Bitcoin trading near all-time highs, the value of BTC transferred has risen nearly 7,000 times since the funds were last moved.

Florida Chief Financial Officer Jimmy Patronis wants to include Bitcoin in the state's pension fund investments. To that end, he has sent a formal request to Chris Spencer, the Executive Director of Florida's State Board of Administration, highlighting the need for a digital currency investment pilot program. Patronis later announced that the state holds around \$800 million in crypto-related investments.

Matthew Sigel, head of digital assets research at VanEck, projects that Bitcoin could hit \$3 million by 2050 – as it becomes a widely accepted and valuable reserve asset. He envisions Bitcoin as a global reserve asset with 2% central bank allocation. While this prediction may seem ambitious, Sigel said it's not unrealistic. Over the next few decades, Bitcoin could rise by an average of 16% each year, leading to the \$3 million target by 2050.

SkyBridge Capital founder Anthony Scaramucci said As we near mid-2026, Bitcoin will reach \$170,000.

Analysts at 10x Research predict BTC may reach \$100,000 by the new year – driven by institutional interest, market signals, and Bitcoin dominance.

The Block: On Oct. 29, CME Bitcoin options saw one of the platform's biggest trades ever: 3,050 BTC contracts on the November 29th 85k strike calls. At the time, this trade moved \$4.6 million in premium, \$173,000 in vega, and packed a whopping \$42 million in delta, with the total notional hitting around \$350 million. We're seeing record-high futures open interest. BTC (and ETH and SOL) futures smashed through the \$50 billion mark in open interest.

Stacks, a Layer-2 blockchain project atop Bitcoin, confirmed the activation of its Nakamoto upgrade, designed to make transactions faster.

Bitcoin Layer-2 project BOB joined Optimism's Superchain ecosystem through a \$870,000 grant, aiming to enhance DeFi capabilities by bridging Bitcoin with Ethereum-based infrastructure.

INDUSTRY ADVANCES



Crypto.com surpassed Coinbase as North America's leading crypto exchange, with spot trading volume rocketing to \$134 billion in September, driven by crypto ETF growth and far outpacing Coinbase's \$46 billion in spot trading volume.

Coinbase's Developer Platform announced the Based Agent – a platform allowing users to rapidly deploy AI agents that can execute actions on the Base Layer-2 network. Users can create the agents in just five steps and program on-chain capabilities for the agents.

OCBC became the first Singapore bank with intraday institutional lending capabilities as it seeks to maximize returns from its excess intraday liquidity. This is done through reverse repos on JPMorgan's digital financing application, built on the Onyx Digital Assets platform, where OCBC lends cash to J.P.

Morgan and accepts tokenized securities as collateral. Such transactions can be completed within the day as the exchange of cash and tokenized securities through the blockchain is near instantaneous.

Crypto fundraising platform Legion announced the launch of the Legion Score, a new reputation system designed to evaluate investors on criteria that go beyond simply their financial contributions. The Legion Score assigns investors a rating from 0 to 1,000 based on factors such as their social influence, technical skills, community involvement, and recommendations supporting them. Projects seeking funds can use the scores to identify investors that align with their values and goals, prioritizing qualities beyond capital resources.

Securitize surpassed \$1 billion in tokenized on-chain assets, led primarily by the success of BlackRock's BUIDL fund.

Franklin Templeton's tokenized US Government Money Market Fund (\$410 million in assets) can now be traded on Coinbase's Base blockchain. This marks the first time an asset manager is building on the Layer-2 blockchain.

Superstate introduced “continuous pricing” for its USTB tokenized Treasury fund, allowing real- time net asset value updates and immediate interest accrual for US government securities holders.

AgriDex, a Solana-based real-world asset marketplace that aims to bring agricultural goods to blockchain rails, tapped stablecoin platform Bridge to make transactions cheaper and faster for agriculture businesses.

Deribit, a leading digital assets derivatives exchange, announced the launch of support for hybrid custody solutions that allow for quicker onboarding of third-party custodians and brokerages for capital markets traders.

Talos, a provider of institutional trading technology for digital assets, announced the launch of its new Portfolio Management System (PMS), expanding its platform to a complete investment management system for digital assets.

Fundstrat recently updated its technical deep dive on the Solana network, including these highlights: Transactions per second have increased from 279 (Jan-24) to 375 (YTD)... More nodes continue to come online (+51% increase vs ETH's +4%)... And Total Value Locked (TVL) surpassed its ATH and keeps growing.

Decentralized oracle network Chainlink unveiled a major platform upgrade, a key to expanding its use to “thousands of blockchains.” The Chainlink Runtime Environment (CRE) upgrade, currently available in early access, aims to meet the growing demand from financial institutions and Web3. The CRE introduces a modular, composable architecture that allows developers to create customized workflows across blockchains, with tools tailored for capital markets to attract traditional finance into blockchain technology.

Inco Network and Circle Research unveiled the Confidential ERC-20 Framework, enabling ERC-20 tokens to offer encrypted balances and private transfers on public blockchains while adhering to compliance requirements using Fully Homomorphic Encryption within the Ethereum ecosystem.

Memeland announced MemePay, a new payment platform designed for “memecoin” users that allows them to use their digital assets for real-world purchases, while offering rewards like airdrops and exclusive perks with every transaction.

US-based prediction platform Kalshi enabled crypto deposits using the USDC stablecoin.

Trading app Robinhood is following the crypto-powered Polymarket and rivals Kalshi and PredictIt into politics, launching “contracts” tied to either a Kamala Harris and Donald Trump victory in the presidential election. Robinhood's election market will be open to those in the US, limited to bets of \$5,000.

Atma Jaya Catholic University of Indonesia and Knowledge Catalyst, a technology company based in Singapore, launched an innovative blockchain-based platform to enhance academic records management and inter-institutional connectivity. The newly launched platform simplifies and streamlines the process for students to store, access, and securely share verified academic documents – such as transcripts and diplomas – with employers, universities, and industry partners.

MINING

Broker Cantor initiated coverage of Bitcoin miner HIVE Digital and said it's expected to more than double its hashrate in the next 12 months. It gave HIVE an overweight rating and a \$9 price target - with the shares trading ~\$4.26.

TeraWulf, a digital infrastructure company specializing in zero-carbon energy solutions for Bitcoin mining, announced a private offering of \$350 million in convertible senior notes due 2030. The company said it plans to raise additional funds through institutional investors to bolster its capital structure, enhance stockholder value, and support its corporate objectives.

Retail-focused Sazmining is starting a modest-sized Bitcoin mining operation in northern Norway, using hydropower, that will heat a large building in a fishing village. The firm's CEO, Kent Halliburton, thinks that other local businesses might spin up similar facilities.

Bitcoin miner CleanSpark secured stockholder approval to double its authorized common stock shares from 300 million to 600 million, a move aimed at enhancing its financial flexibility. This amendment, pending final voting results, will be filed with Nevada's Secretary of State.

ETPS (EXCHANGE-TRADED PRODUCTS), FUNDS & INDEXES

The spot Bitcoin ETFs record \$870 million in daily inflows on Oct. 29 as BTC topped \$73,000, the largest since June. The BlackRock iShares Bitcoin Trust (IBIT) recorded a whopping \$642.9 million in inflows that day and also surpassed \$30 billion in assets in record time. Then, on Oct. 30, IBIT reported \$872 million in net inflows, its largest since launch.

New digital asset manager Canary Capital – which this month filed with the SEC for XRP and Litecoin products – made an S-1 filing for a proposed Canary Solana ETF on Oct. 30.

21Shares is pursuing regulatory approval for a spot XRP ETF, which will be called 21Shares Core XRP Trust and be listed on the Cboe BZX Exchange. The company filed an S-1 registration on Nov. 1 with the SEC to launch the product.

Crypto-friendly asset manager VanEck teamed up with Kiln (an enterprise staking service that has integrations with firms like Coinbase and Babylon) to begin staking SOL. With the move, VanEck will now offer regulated access to Solana staking rewards on top of the price of SOL.

CoinShares announced the renaming of its recently acquired Valkyrie Funds products to CoinShares Valkyrie, effective Oct. 31. The rebranding affects three ETFs: the Bitcoin and Ether Strategy ETF, Bitcoin Futures Leveraged Strategy ETF, and Bitcoin Miners ETF, while maintaining their existing ticker symbols.

FUNDRAISING & OTHER FUNDING (\$5 MILLION OR MORE)

The newly launched, AI-powered VC fund “ai16z” reached nearly a \$100 million market cap, after a shoutout from the unaffiliated a16z partner on which it's modeled, Marc Andreessen. It's the most successful fundraiser to come out of the decentralized platform Daos.fun, a hedge fund version of the popular memecoin launcher Pump.fun, allowing users to fundraise and operate crypto investment funds in exchange for tokens.

Infinex's new “patronage” fundraising model raised a total of \$67.7 million by selling Patron NFTs to VCs, angel investors, and the community. The sale included notable backers, Peter Thiel's Founders Fund, Wintermute Ventures, Framework Ventures, and Solana Ventures.

Ethereum-based solar project Glow Labs pulled in \$30 million – led by Framework Ventures and Union Square Ventures, to fund its renewable energy network in India, with plans to reward solar farms with tokens for their carbon credits.

Privacy-focused blockchain project Nillion secured \$25 million to advance its “blind computing” technology, enabling secure data processing without revealing contents, supported by backers such as Hack VC and Arbitrum.

Ellipsis Labs, known for the Solana-based Phoenix exchange, raised \$21 million to launch Atlas, a Layer-2 blockchain on Ethereum aiming to offer low-cost, high-speed transactions for verifiable finance.

Citrea, aiming to bring Ethereum-style smart contracts to Bitcoin using zero-knowledge technology, secured \$14 million in Series A funding – led by Peter Thiel's Founders Fund to transform Bitcoin into a programmable asset.

Gelato raised \$11 million in Series A+ funding led by Hack VC, expanding its rollup development platform to support new enterprise-grade blockchains such as Kraken's upcoming Layer-2 network, Ink.

Spire Labs secured \$7 million in seed funding to develop Based Stack, a rollup framework enabling developers to create application-specific chains on Ethereum's Layer 2.

DeFi platform Azura announced a \$6.9 million round alongside its launch, with the goal of allowing anyone, from anywhere, to trade any asset – enabled by DeFi.

Shuttle Labs raised \$6 million to build Genius, a self-custodial crypto exchange. Investors included CMCC, Flow Traders, and Anthony Scaramucci's SALT.

IPOS, M&A, PARTNERSHIPS & DEALS



The GrowHub, a Singapore-based provider of a blockchain system for food supply chain traceability, filed with the SEC to raise up to \$12 million in an initial public offering.

Bitpanda GmbH, a cryptocurrency trading platform backed by Peter Thiel, is exploring options including a potential initial public offering in Frankfurt, according to people familiar with the matter. The Vienna-based company is working with Citigroup Inc. and JPMorgan and could also consider selling itself.

Triangle, a Web3 wallet infrastructure platform founded by Stripe alumnus Tasti Zakarie, was acquired by stablecoin payments platform Bridge. As part of the deal, the Triangle team will join Bridge to help build scalable stablecoin systems.

Google Cloud partnered with Mantra Chain as its primary infrastructure provider and validator, enhancing Mantra's RWA-focused blockchain operations. The two organizations are also collaborating on an accelerator program for blockchain innovation, set for early 2025.

Visa and Coinbase announced a partnership that will enable real-time account funding and withdrawals for Coinbase users through Visa Direct. It will allow customers with eligible Visa debit cards to instantly fund their Coinbase accounts, buy crypto, and cash out to bank accounts – a process significantly faster than the current 1-3 day waiting process.

Elwood (a leading fintech that provides comprehensive digital asset trading and investing solutions to institutions) announced a partnership with Boerse Stuttgart Digital (Europe's leading infrastructure partner for digital and crypto solutions), which will use Elwood's technology to enhance its digital asset offering.

DigiFT (a Singapore-based exchange regulated by the Monetary Authority of Singapore) and Chainlink announced that DigiFT has adopted Chainlink's Cross-Chain Interoperability Protocol (CCIP) to expand the accessibility of money market fund tokens available on the DigiFT platform to new audiences across multiple blockchains.

Gaia, a decentralized, open-source AI agent developer tool, partnered with the restaking protocol EigenLayer to enhance decentralized AI security and scalability.

Advocacy group Crypto Council for Innovation (CCI) announced several new partnerships, including with the Japan Crypto-Asset Business Association (JCBA), the Global Digital Finance (GDF), the Proof of Stake Alliance (POSA), and the Decentralization Research Center (DRC).

DEFI



The Trump family's DeFi project World Liberty Financial is planning to launch a stablecoin to rival the likes of Tether's USDT and Circle's USDC. The unnamed stablecoin is reportedly still in development, with the team exploring how to make the financial product safe before bringing it to market. (It plans to raise up to \$30 million from investors, a 90% cutback from the \$300 million World Liberty Financial had originally sought – as an SEC filing dated Oct. 30 says World Liberty Financial plans to "terminate" WLFI sales upon hitting \$30 million.)

Uniswap has introduced a new feature that allows users to purchase crypto directly with their Venmo balance via MoonPay.

CBDCS & STABLECOINS



The International Air Transport Association (IATA) announced plans to integrate digital currencies with its settlement system, starting with the digital renminbi, China's CBDC. (IATA is the global airline trade association representing 330 airlines.)

Paxos, through its Singapore entity, introduced a new stablecoin named Global Dollar (USDG) – specifically designed to comply with Singapore's forthcoming stablecoin regulations.

Circle will increase fees for cashing out its USDC stablecoin. The new fees begin at 0.03% per transaction and escalate to as much as 0.1% for withdrawals above \$15 million, primarily affecting institutional investors and high-volume traders.

Tether reported \$2.5 billion in Q3 profit, with \$1.3 billion from US Treasury yields and \$1.1 billion from gold holdings, expanding its reserve assets to more than \$125 billion amid rising stablecoin demand. (Tether became the first stablecoin to surpass \$120 billion in market cap.)

Solayer and OpenEden are launching a yield-bearing stablecoin on Solana backed by US Treasury bills, according to an Oct. 28 announcement. Dubbed sUSD, the stablecoin is the first of numerous tokenized real-world assets Solayer plans to launch on Solana.

NFTS, BLOCKCHAIN GAMING & METAVERSE



The 2024-2025 NBA season, which recently began, propelled NBA Topshot NFT sales to their highest weekly levels since before the 2024 NBA playoffs began. As of the week ending October 27, 2024, weekly sales have reached 43,600 NFTs, marking a significant resurgence in activity after a period of stagnation.

Animoca Brands, a Web3 company known for its NFTs and GameFi verticals, recently opened a new 28,000 square-foot office (about 10 times the size of a tennis court) spread across two floors in an up-and-coming tech district on the south side of Hong Kong island.

JOB MOVEMENT



Consensys, one of the main supporters of the Ethereum network, is laying off 20% of its workforce, blaming broader macroeconomic conditions and ongoing regulatory uncertainty, including the SEC's "abuse of power" in the space.

Kraken announced layoffs on Oct. 30, as the crypto exchange looks to shift its organizational structuring. Reportedly, 15% of roles were impacted. The company also officially named Arjun Sethi co-CEO to work alongside existing CEO Dave Ripley.

Crypto trading firm DWF Labs dismissed a partner following allegations of drink spiking that surfaced on X. The company did not identify the individual but has removed Eugene Ng, a founding partner, from its team page.

dYdx fired 35% of its core team on Oct. 29, according to CEO Antonio Juliano. The shake up adds more turbulence to dYdx's 2024 staffing woes, which had already seen Juliano step down from the leadership post, only to return in early October.

BitGo hired former President of Silvergate Bank Ben Reynolds to lead the development and adoption of its new stablecoin which is set to launch early next year.

BlockFills, a leading digital assets technology and trading firm for institutions and professional traders, appointed Amy Shelly as Chief Financial Officer and promotion of Neil Van Huis to Chief Strategy Officer.

Woxsen University, in India, announced the new dean Dr. Pepluis Esteva de la Rosa, who brings in a wealth of experience in blockchain technology, intelligent agents, virtual currencies, and digital preservation.

REGULATIONS, RULINGS & COMMENTARY



The Block: A new survey shows that over 20% of crypto investors identify as "single-issue voters." Meaning, they're casting ballots with crypto regulation as their top priority. The poll, which surveyed 1,000 likely voters between Oct. 17 and Oct. 22, also included an oversample of 247 independents. With a margin of error of 3.5%, the results suggest that millions in the crypto community see the election as make-or-break for their portfolios.

Coinbase committed an additional \$25 million to Fairshake, a crypto-focused super PAC, and set ambitious goals for its advocacy group, Stand with Crypto, targeting 4 million members by 2026.

Rep. Michelle Steel (R-Calif.) mailed out flyers accusing her Democratic challenger, Derek Tran, of owning "tens of thousands of dollars of cryptocurrency related to the Communist Party of China." Steel has received nearly \$3 million from the crypto-focused super PAC, Fairshake, and has an "A" rating from Stand With Crypto. The twist is that she's only putting out the attack in Vietnamese.

FINRA published a report outlining the potential regulatory implications for securities and finance firms operating in the metaverse. Along with a breakdown of the current state of metaverse activity in the finance industry and projections for the technology's future, FINRA also dedicated several paragraphs of the report to reminding businesses that both its rules and relevant government regulations apply to their activities in the metaverse just as they would otherwise. (See the report, [here](#).)

The Blockchain Association's member firms have collectively spent ~\$400M defending against SEC enforcement actions since Gary Gensler became chair.

The US reaffirmed its commitment to a close partnership with Nigeria, and the US DoJ is continuing its coordination with the Government of Nigeria to build its capacity to pursue cybercrime investigations and prosecutions. To accelerate that cooperation, the US and Nigeria are launching a Bilateral Liaison Group on Illicit Finance and Cryptocurrencies.

Argentina's top financial regulator is "changing its stance on Bitcoin," a report has claimed, after the National Securities Commission attended a local crypto-themed summit. Spanish-language media outlet Criptonoticias reported that experts have noted a shift in policy, saying the regulator once favored cracking down on the BTC and crypto industry, but now it seems ready to "boost" the sector.

Hong Kong's Treasury chief announced plans to expand tax breaks to crypto investments and approve more crypto trading platform licenses by the end of the year, while also introducing stablecoin regulations and over-the-counter trading guidelines.

BUGS, OUTAGES, HACKS, SCAMS, ALLEGATIONS, INVESTIGATIONS, ENFORCEMENTS & WRONGDOINGS

The crypto industry surpassed more than \$1.4 billion in losses this year due to 179 hacks and scams, according to the latest report from Immunefi. That comes despite a 56.6% month-over-month drop during October, with losses of \$55.1 million compared to \$126.9 million in September. The slowing down of monthly losses this year means that, though significant, 2024's figures now represent a 1% decrease year-over-year.

A US government-linked wallet swiftly recovered \$19.3 million out of \$20 million in crypto lost in a suspected hack, retrieving 88% of the assets within 24 hours, per Arkham Intelligence.

The X account of Truth Terminal's founder was hacked, promoting a scam token that skyrocketed to a \$25 million market cap, netting the hacker \$600,000, before selling off. The token's community is now attempting to recover value through a "community takeover."

Cybersecurity researchers discovered a new malicious Python package that masquerades as a cryptocurrency trading tool but harbors functionality designed to steal sensitive data and drain assets from victims' crypto wallets. The package, named "CryptoAITools," is said to have been distributed via both Python Package Index (PyPI) and bogus GitHub repositories.

The DeFi Education Fund took a swing at the SEC's aggressive regulation of crypto in a new brief filed in its lawsuit against the agency over airdrops last week, arguing that the SEC's moves violate federal law. Four amicus briefs subsequently filed by other top crypto legal advocates, plus Coinbase

and several top crypto VC funds, highlight that the suit is being viewed as an opportunity to rein in “regulatory assault.”

Immutable received a Wells Notice from the SEC, joining the ranks of other crypto-focused companies facing regulatory actions from the agency.

US prosecutors could propose a plea deal for Eric Council Jr, who was charged with hacking the SEC’s social media to post a false Bitcoin ETF approval, which created a surge in Bitcoin’s price.

Tether CEO Paolo Ardoino refutes allegations that the stablecoin issuer is under investigation by the US government, amid suspicions of third-party sanctions busting and money laundering.

A Russian national was indicted for his role in a conspiracy to manipulate cryptocurrency markets on behalf of client cryptocurrency companies. Aleksei Andriunin, 26, was charged with wire fraud and conspiracy to commit market manipulation and wire fraud in a superseding indictment. The superseding indictment also charges Gotbit and two of its directors, Fedor Kedrov and Qawi Jalili, who were previously charged in an indictment unsealed on Oct. 9.

Three Arrowz Capitel, a spin-off resembling the defunct hedge fund Three Arrows Capital, invested heavily in volatile memecoins, sparking allegations of pump-and-dump tactics amid low liquidity and sharp price drops for its token acquisitions.

ZachXBT is the masked vigilante tracking down billions in crypto scams and thefts, including a \$243 million Bitcoin theft from a single victim, leading to the arrests of two suspects. (Read a WIRED story about the anonymous crypto investigator, [here](#).)

Solana's leading Web3 wallet Phantom was hit with 2 hours and 45 minutes of downtime on Oct. 28, leading to inaccurate account balances for users. Phantom's status page confirmed a “major issue” with its backend, though the browser extension and mobile app remained operational, while the project sought to reassure users that their funds were safe.

ZetaChain, an interoperability-focused blockchain, experienced a six-hour outage where it stopped producing new blocks due to a consensus failure related to a recent update.

MISCELLANEOUS

Coinbase reported Q3 earnings that fell just short of analyst estimates. For the quarter, Coinbase reported revenue had fallen 17% to \$1.2 billion from \$1.45 billion in the previous quarter, while analysts were expecting revenue of \$1.26 billion. Net income, which included \$121 million in unrealized losses on the company’s crypto holdings as prices fell in the quarter, came in at \$75 million. Transaction revenue, which remains Coinbase’s largest source of income, was \$573 million, down 27% from the previous quarter.

Trading app Robinhood posted a 112% year-over-year increase in its crypto trading volumes to \$14.4 billion, while equity trading volumes rose 65% to \$286.2 billion. However, crypto trading volume dropped from \$21.5 billion in Q2 and \$36 billion in Q1 of this year.

Swell announced a transition from Polygon to Optimism's OP Stack for developing its Layer-2 rollup, integrating with the Superchain ecosystem and allocating sequencer revenue to the Optimism Collective.

The Grass Network debuted its GRASS token, which facilitates AI bandwidth sharing on Solana, on multiple exchanges following an airdrop to engaged users.

CHARTS, TABLES, QUOTES, COMMENTARY & OTHER IMAGES

Blockworks: November has the highest average monthly return for BTC – thanks to 449% growth during the month in 2013. The cryptocurrency also notched returns of 53% and 43% in November 2017 and November 2020, respectively.

Bitcoin Monthly returns(%)

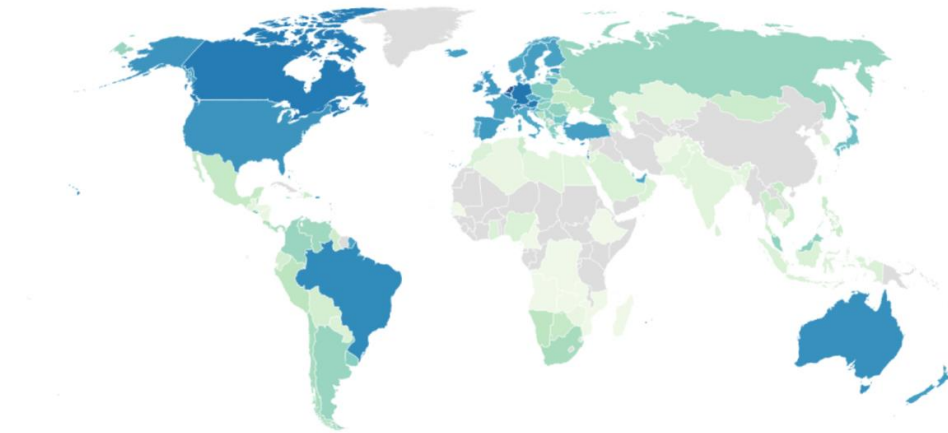
coinglass

BTC ↕	Daily returns(%)		Weekly returns(%)		Monthly returns(%)		Quarterly returns(%)					
Time	January	February	March	April	May	June	July	August	September	October	November	December
2024	+0.62%	+43.55%	+16.81%	-14.76%	+11.07%	-6.96%	+2.95%	-8.6%	+7.29%	+10.76%	-0.15%	
2023	+39.63%	+0.03%	+22.96%	+2.81%	-6.98%	+11.98%	-4.02%	-11.29%	+3.91%	+28.52%	+8.81%	+12.18%
2022	-16.68%	+12.21%	+5.39%	-17.3%	-15.6%	-37.28%	+16.8%	-13.88%	-3.12%	+5.56%	-16.23%	-3.59%
2021	+14.51%	+36.78%	+29.84%	-1.98%	-35.31%	-5.95%	+18.19%	+13.8%	-7.03%	+39.93%	-7.11%	-18.9%
2020	+29.95%	-8.6%	-24.92%	+34.26%	+9.51%	-3.18%	+24.03%	+2.83%	-7.51%	+27.7%	+42.95%	+46.92%
2019	-8.58%	+11.14%	+7.05%	+34.36%	+52.38%	+26.67%	-6.59%	-4.6%	-13.38%	+10.17%	-17.27%	-5.15%
2018	-25.41%	+0.47%	-32.85%	+33.43%	-18.99%	-14.62%	+20.96%	-9.27%	-5.58%	-3.83%	-36.57%	-5.15%
2017	-0.04%	+23.07%	-9.05%	+32.71%	+52.71%	+10.45%	+17.92%	+65.32%	-7.44%	+47.81%	+53.48%	+38.89%
2016	-14.83%	+20.08%	-5.35%	+7.27%	+18.78%	+27.14%	-7.67%	-7.49%	+6.04%	+14.71%	+5.42%	+30.8%
2015	-33.05%	+18.43%	-4.38%	-3.46%	-3.17%	+15.19%	+8.2%	-18.67%	+2.35%	+33.49%	+19.27%	+13.83%
2014	+10.03%	-31.03%	-17.25%	-1.6%	+39.46%	+2.2%	-9.69%	-17.55%	-19.01%	-12.95%	+12.82%	-15.11%
2013	+44.05%	+61.77%	+172.76%	+50.01%	-8.56%	-29.89%	+9.6%	+30.42%	-1.76%	+60.79%	+449.35%	-34.81%
Average	+3.35%	+15.66%	+13.42%	+12.98%	+7.94%	-0.35%	+7.56%	+1.75%	-3.77%	+21.89%	+42.90%	+5.45%
Median	+0.29%	+15.32%	+0.50%	+5.04%	+3.17%	-0.49%	+8.90%	-8.04%	-4.35%	+21.20%	+7.12%	-3.59%

Introducing the Bitcoin Popularity Index (BPI), the first comprehensive search study of its kind. This index has been curated in an attempt to measure the global reach and impact of Bitcoin through a broad analysis of Google search queries. The USA scores the highest number of queries with 14,432,650 queries per month, followed closely by Brazil with 12,400,260. Germany, India, and Turkey complete the top 5.

Bitcoin Popularity Index

Google Search Interest in Bitcoin on a Per Capita Basis, normalised.



Map: @Conor21m • Source: SEMRUSH • Created with Datawrapper

Grayscale Research published a piece titled “October 2024: Bitcoin Brushes All-Time High.” (See highlights below. Read the full article, [here](#).)

- Bitcoin gained in October as markets looked ahead to the US elections. Polls point to a tight race for the White House but shifts in financial assets and the implied odds from prediction markets suggest investors now see higher odds of a Trump win.
- Bitcoin ETPs saw substantial net inflows during the month[1], although a portion of the new demand could reflect paired trades by hedge funds (who may take long positions Bitcoin ETPs and short positions Bitcoin futures).
- The intersection of crypto and AI technologies continued to bring thought-provoking developments, including autonomous chatbots promoting their own memecoins. While it can be easy to dismiss these projects due to their playful nature, they are demonstrating that blockchain technology could be an effective tool for intermediating economic value among humans, AI agents, and networked physical devices.

Donald Trump recognized the anniversary of Satoshi’s White Paper...



Matt Hougan's (Bitwise) Weekly CIO Memo: "The Dual Drivers of Bitcoin's Value – A Common Mistake People Make When Evaluating Bitcoin Leads Them to Dramatically Underestimate Its Potential."

A financial advisor asked me a great question over dinner last week:

Does the US dollar need to collapse for Bitcoin to hit \$200,000?

It's a great question because it exposes the fuzzy logic many people use when talking about Bitcoin. In my experience, they often say something like this:

Bitcoin is digital gold, and the US is abusing the dollar; therefore, Bitcoin is valuable.

Those words are true – heck, I've probably said some variation of them on CNBC. But they are lazy. Specifically, they mash together two separate arguments into one.

This mashup is harmful because it causes people to significantly underestimate Bitcoin's full potential and underestimate its probability of success. You get a much better view of Bitcoin if you break the arguments apart and consider them individually.

Argument 1: Bitcoin Will Succeed

The first bet you're making when you buy Bitcoin is that it will succeed. To me, that means it will one day stand shoulder-to-shoulder with gold as an established and well-understood store of value that is held by all types of investors.

Bitcoin has made enormous progress towards this goal over the past 15 years. It's grown from nothing into an asset worth more than \$1 trillion, held by 60% of the world's largest hedge funds, many of the world's largest asset managers, and even some countries. It has survived bull and bear markets, scandals and breakthroughs, and multiple regulatory regimes. Most people now admit it's here to stay.

But it's not "mature." Today, most institutional investors still own zero Bitcoin. It's still banned at many financial institutions. The media still doesn't trust it. And many people still don't understand it. You don't hear that about gold very often.

A reductive, zero-sum version of this argument is that Bitcoin will eat into gold's market. But I think a more likely scenario is that Bitcoin will incrementally increase the size of the "store-of-value" market.

For our purposes, it doesn't really matter. At \$1.3 trillion, Bitcoin is 7% of gold's \$18 trillion market cap. I don't know if a "mature Bitcoin" is half gold's size, equal to gold, or twice as large as it brings in a new demographic. But I'm confident it's not 7%.

So, a bet on Bitcoin is a bet that it will continue on its current path from niche to mainstream. This has been the primary driver of its spectacular returns over the past 15 years. I'd argue there is plenty of room to go.

(For those keeping score: If Bitcoin's market cap were to grow to the size of gold's, every Bitcoin would be worth ~\$900,000.)

Argument 2: Governments Will Debase Fiat Currencies

The second bet you're making when you buy Bitcoin is that the US and other governments will continue to print money and take on debt, debasing the value of fiat currencies. As the reasoning goes, this both increases the value of "store-of-value" assets like Bitcoin and gold and drives more investors to allocate to such assets, growing the market further.

In the US, we now have \$36 trillion in federal debt—and we're adding \$1 trillion every 100 days. This year, we'll spend \$900 billion servicing that debt, making interest payments one of the largest line items in the federal budget. The Congressional Budget Office estimates that debt will hit \$142 trillion by 2054.

Debt and money-printing at this scale will, in my view, significantly expand the size of the store-of-value market, as investors seek a haven from this insanity. Could the current \$20 trillion market become \$50 trillion in 10 years? \$100 trillion?

I'll say the obvious thing: If the size of the store-of-value market triples over the next 10 years, and Bitcoin simply retains its 7% share of that market, Bitcoin's price would triple as well.

(It's worth noting that many in the Bitcoin community – including me – think Bitcoin has uses beyond the traditional "store-of-value" argument. For instance, I think Bitcoin will one day be used as an alternative to national currencies to settle international payments. Any additional use case arguments like these are a bonus.)

Closing Thought: Why This Framing Is Powerful

The important thing about these arguments is that they are both cumulative and distinct.

By distinct, I mean that you only need one of them to work to be successful as an investor.

Imagine Bitcoin grows to 25% of the current gold market and nothing else happens. No market expansion, no new use cases, no fears of spiraling debt. Great! In that scenario Bitcoin would hit \$214,000, roughly four times current levels.

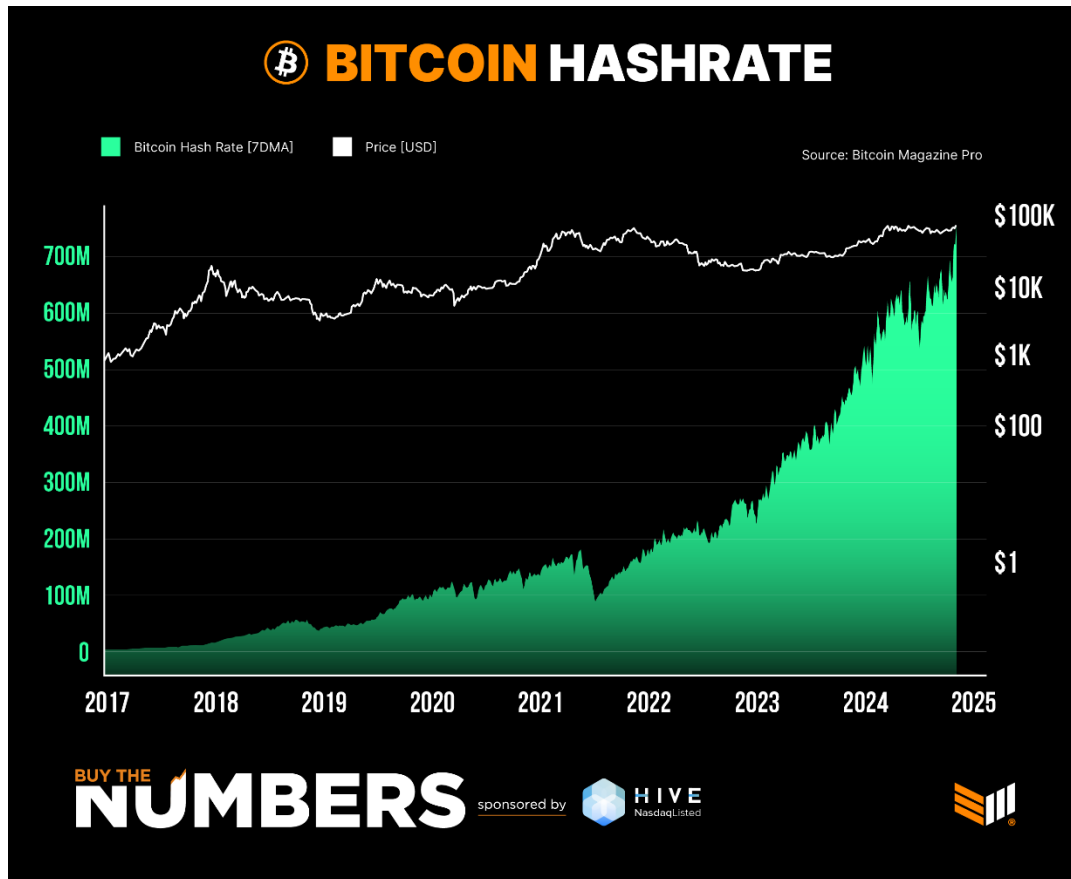
Or imagine that Bitcoin doesn't grow market share but the store-of-value market triples. Also great! Then Bitcoin would triple as well.

The real magic comes if both things happen (and even better if the bonus opportunities kick in). The good news is, I think this is the most likely scenario.

So, the answer to my advisor friend is, no, Bitcoin does not need the dollar to collapse to hit \$200k. It can get there just by capturing a sliver of gold's existing market.

But as governments continue to abuse their currencies and Bitcoin continues to mature, it might just get to that level – and well beyond.

HIVE Digital Technologies: Bitcoin hashrate hit a new all-time high...



The Central Bank of Argentina unveiled a unique art exhibition at its Héctor Carlos Janson Historical and Numismatic Museum with Bitcoin in the spotlight. The exhibition, titled “Art, Artificial Intelligence and the Future of the Economy,” marked the first instance globally where actual destroyed currency from various nations is showcased alongside operational Bitcoin miners within a central banking institution.



NYDIG: Flows into the spot Bitcoin ETFs have ramped up significantly recently, totaling \$5.7B in the past 15 trading sessions. The trend in inflows began on October 11, a day when Bitcoin closed at \$63,095 and the basis on CME futures ended the day at 8.8%. On October 31, after significant inflows, the price of Bitcoin ended at \$69,963 after almost hitting a new all-time high. (BlackRock's IBIT ETF took in 78.4% of total flows during this period, followed by Fidelity's FBTC with 11.0%, ARK 21Share's ARKB with 3.2%, and Bitwise's BITB with 2.9%. IBIT and FBTC, which collectively account for 89.4% of the flows, lean heavily toward hedge fund ownership.)

Not All Flows are Equal as \$5.7B Comes in Bitcoin ETFs

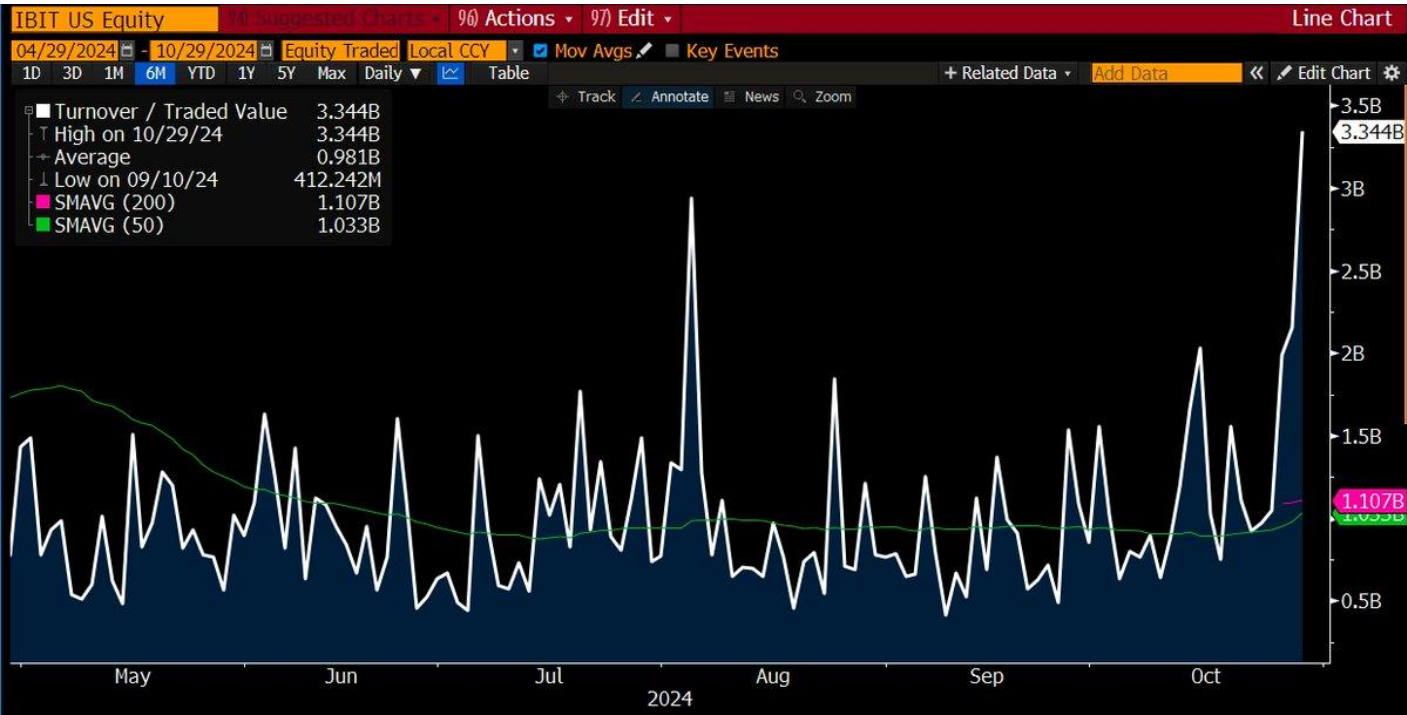
In Millions of USD, Except Bitcoin Price

Date	Exchange Traded Fund Ticker											Total Fund Flows	Bitcoin Price
	GBTC	ARKB	IBIT	BITB	BTCO	HODL	BTCW	FBTC	BRRR	EZBC	BTC		
10/11/2024	-22.1	97.6	0.0	38.8	7.9	14.3	0.0	117.1	0.0	0.0	0.0	253.5	\$63,095
10/14/2024	37.8	69.8	79.5	100.2	4.9	11.2	0.0	239.3	2.8	5.7	4.7	555.9	\$65,915
10/15/2024	8.0	14.7	288.8	0.7	0.0	7.6	2.8	35.0	0.0	0.0	13.4	371.0	\$66,976
10/16/2024	0.0	11.5	393.4	12.9	6.4	5.8	0.0	14.8	1.9	11.8	0.0	458.5	\$67,726
10/17/2024	45.7	100.2	309.0	0.0	0.0	0.0	0.0	11.7	2.0	3.9	0.0	472.5	\$66,825
10/18/2024	0.0	109.9	70.4	36.0	16.1	23.3	0.0	18.0	0.0	0.0	0.0	273.7	\$68,603
10/21/2024	-4.8	-6.1	329.0	-22.1	0.0	-7.6	0.0	5.9	0.0	0.0	0.0	294.3	\$67,735
10/22/2024	0.0	-134.7	43.0	0.0	0.0	3.8	0.0	8.8	0.0	0.0	0.0	-79.1	\$67,439
10/23/2024	0.0	-99.0	317.5	-25.2	0.0	-5.6	0.0	0.0	0.0	0.0	4.7	192.3	\$66,393
10/24/2024	-7.1	0.0	165.5	29.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	188.1	\$68,269
10/25/2024	0.0	33.4	292.0	2.5	0.0	11.3	0.0	56.9	0.0	0.0	5.9	402.1	\$66,725
10/28/2024	0.0	59.8	315.2	38.7	0.0	0.0	0.0	44.1	0.0	0.0	21.6	479.4	\$69,617
10/29/2024	-17.3	12.4	642.9	52.5	0.0	16.5	0.0	133.9	0.0	0.0	29.2	870.0	\$72,512
10/30/2024	0.0	7.2	872.0	-23.9	7.2	4.1	0.0	12.6	6.1	0.0	8.0	893.2	\$71,818
10/31/2024	-31.1	-94.2	318.8	-74.0	0.0	-13.9	0.0	-75.2	1.9	0.0	0.0	32.1	\$69,963
Total	9.0	182.3	4,437.1	166.8	42.5	70.6	2.8	622.9	14.7	21.4	87.4	5,657.6	



Source: Bloomberg, NYDIG

Eric Balchunas (Oct.29): IBIT traded \$3.3B today, biggest number in 6mo, which is a bit odd because BTC was up 4% (typically ETF volume spikes in a downturn/crisis). Occasionally though, volume can spike if there a FOMO-ing frenzy (a la ARKK in 2020). Given the surge in price the past few days, my guess is this is latter, which means look for (more) big inflows this week. We'll see though!

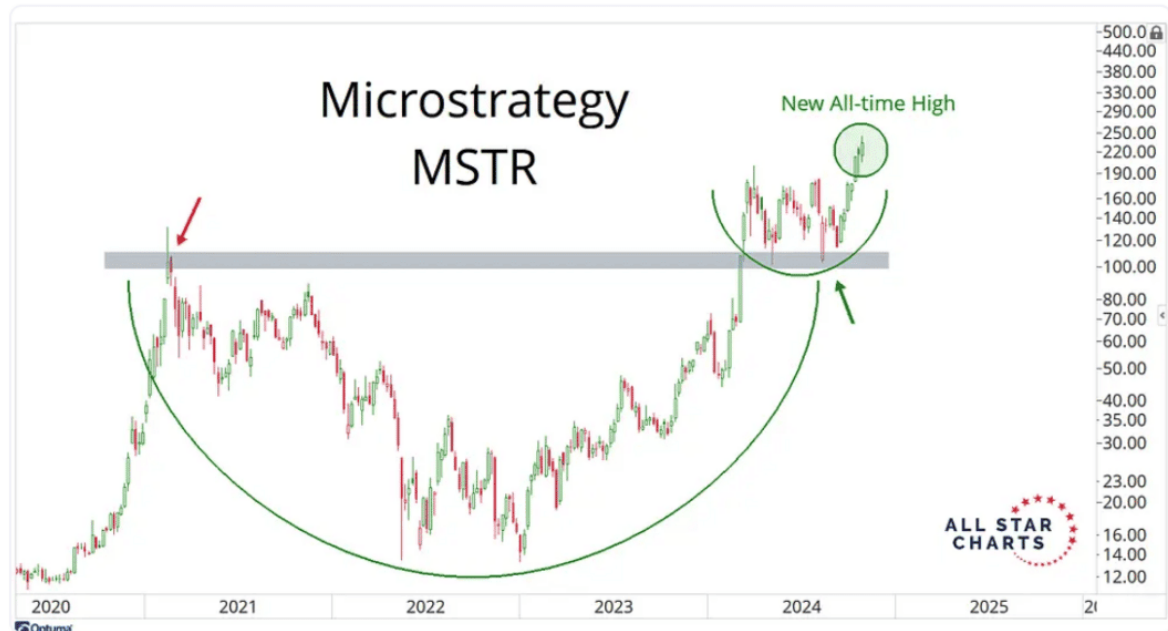


Howard Lindzon: The most under covered CEO/stock of the last few years has to be Michael Saylor and Microstrategy (MSTR). And it is Michael Saylor who is getting the last laugh and my vote for CEO and leader of a public company of the year.



allstarcharts ✓ Oct 26, 2024 6:02 AM

Since incorporating the Bitcoin strategy, Michael Saylor has outperformed every single stock in the entire S&P500, including Nvidia. Big shoutout to [@saylor](#) well done sir [\\$MSTR](#)



Blockware Intelligence summarized last week from a mostly on-chain perspective...

BTC Cracks \$70,000: “Uptober” did not disappoint. Despite little-to-no fanfare outside of the niche corners of the internet where Bitcoin enthusiasts reside, BTC has resurfaced above its 2021 high. From open to close, the net gains for October were +10.8%.

Coin Days Destroyed (30-Day Rolling Sum): In reference to OG Holders selling coins, spikes in Coin Days Destroyed during periods of rising price action, as those who have held BTC for a while move a portion of their holdings to exchanges to be sold. When BTC made new highs in Q1, we saw the most amount of coin days destroyed in a 30-day period since the panic sell-off in 2018. There’s been a rise in this metric alongside the recent move up in price – but on a relative basis, it’s almost nothing. The investors willing to sell at this range are essentially out of coins to sell. This is bullish.

Realized Price/MVRV Ratio: There’s much more room for BTC to run now compared to when it was at \$70K back in Q1. The “realized price” – which is the aggregate cost basis of the market (average price at the time each coin was last moved on-chain) – has risen from \$26,000 to \$33,000. This may not seem like much, but there’s now far fewer unrealized profits outstanding in the market. The MVRV-Ratio measures this, and it’s down from 2.6 to 2.2 – 40% less in aggregate returns. The closer the market price is to the realized price, the less likely it is for the BTC price to decrease. This is pretty intuitive – if there’s a large amount of unrealized gains in the market, then the incentive for holders to sell some coins is going to be stronger. 2025 has a strong possibility of bringing a Bitcoin bull market, so we’ll be looking at the MVRV Ratio closely to see if the market may be getting frothy. In the past two cycles, the MVRV Ratio peaked at over 3 during the top.

Spot ETF Net Flows (7-Day Moving Average): This week saw the highest amount of net inflows into spot ETFs since the initial launch – with Tuesday & Wednesday both racking more than \$800,000,000 in net inflows. For the most part those using the ETFs have been net-buyers. While it would be naive to expect this cohort of BTC investors to be entirely robotic, unemotional, and immune to market psychology (panic selling & FOMO buying), they are showing to be slightly more sophisticated than the average retail investor. Funds and institutional money managers are coming – but right now most of the ETF buyers are retail investors. As the former cohort slowly dips their toes deeper into the asset class, it’s likely that ETF flows will be steadily positive as these types of investors tend to buy and hold assets for long periods of time

Mining Difficulty Soaring: We alluded to this in the beginning of the newsletter – but Bitcoin miners are showing signs of strength. After two capitulatory periods in the past six months, difficulty is about to rise by more than 8%! Miners are deploying additional, more energy-efficient machines in preparation for the bull market. We’ll discuss this in more detail in Monday’s newsletter which focuses specifically on the Bitcoin mining industry. So make sure to stay tuned so you don’t miss that!

Energy Gravity: At a typical hosting rate today, new-gen Bitcoin ASICs require ~\$61,500 worth of energy to produce 1 BTC.

Conclusion from Coin Metrics’ “State of The Network” weekly report from 10/29/24. (Read the full report, [here](#).)

Polymarket has garnered undeniable traction as a widely utilized blockchain-based prediction market and for its role leading up to the elections. However, it also faces certain challenges in the form of dispute resolution and regulatory scrutiny. The platform was recently subject to allegations of market manipulations from “whales” against the backdrop of rising odds of a Trump victory. It appears that a single user, controlling four accounts with a combined \$46M in election bets was responsible for this divergence. Notably, other prediction markets and polls have trended in a similar direction. While this does not suggest the presence of market manipulation, Polymarket may continue to be subject to regulatory hurdles as an offshore platform, however, recent court rulings in favor of Kalshi – a US-based prediction market may offer a precedent.

As we approach the final stretch of the 2024 US elections, it remains to be seen if Polymarket and similar platforms will sustain their prominence in decision-making. However, they bring clear and unique advantages, offering dynamic, transparent, free market driven “source of truth” that complement traditional models and proprietary data. The election outcome may provide further validation of Polymarket’s forecasting capabilities and value in shaping informed decision-making.

Blockworks updated key metrics...

Total Crypto Market Cap	\$2.38 T
Bitcoin Market Cap	\$1.35 T
Ethereum Market Cap	\$295.65 B
ETH/BTC Ratio	0.04
Ethereum Gas Price	6.93 gwei
DeFi TVL	\$155.06 B
Fear and Greed Index	74 (Greed)

Travis Kling (CIO – Ikigai Asset Management) published his monthly commentary, with highlights below...

Opening Remarks

Only days away from an enormously consequential election, BTC rallied 11% in October and came within a couple hundred dollars of a new ATH. The crypto markets and the world wait with bated breath for the results of next Tuesday. I've talked at length in previous months about the potential paths for crypto in a Trump vs a Harris administration – there's no reason to rehash all of that again. I have no special insights into the outcome of the election, although I have been paying a lot of attention to the reported results of polls, voter registrations and early voting.

The race is likely quite close. There is the potential for Trump to win the electoral college by a sizeable amount and an even smaller potential for Trump to win the popular vote. It looks unlikely to me that Harris will win the electoral college by a sizeable amount, but she certainly may secure a close win.

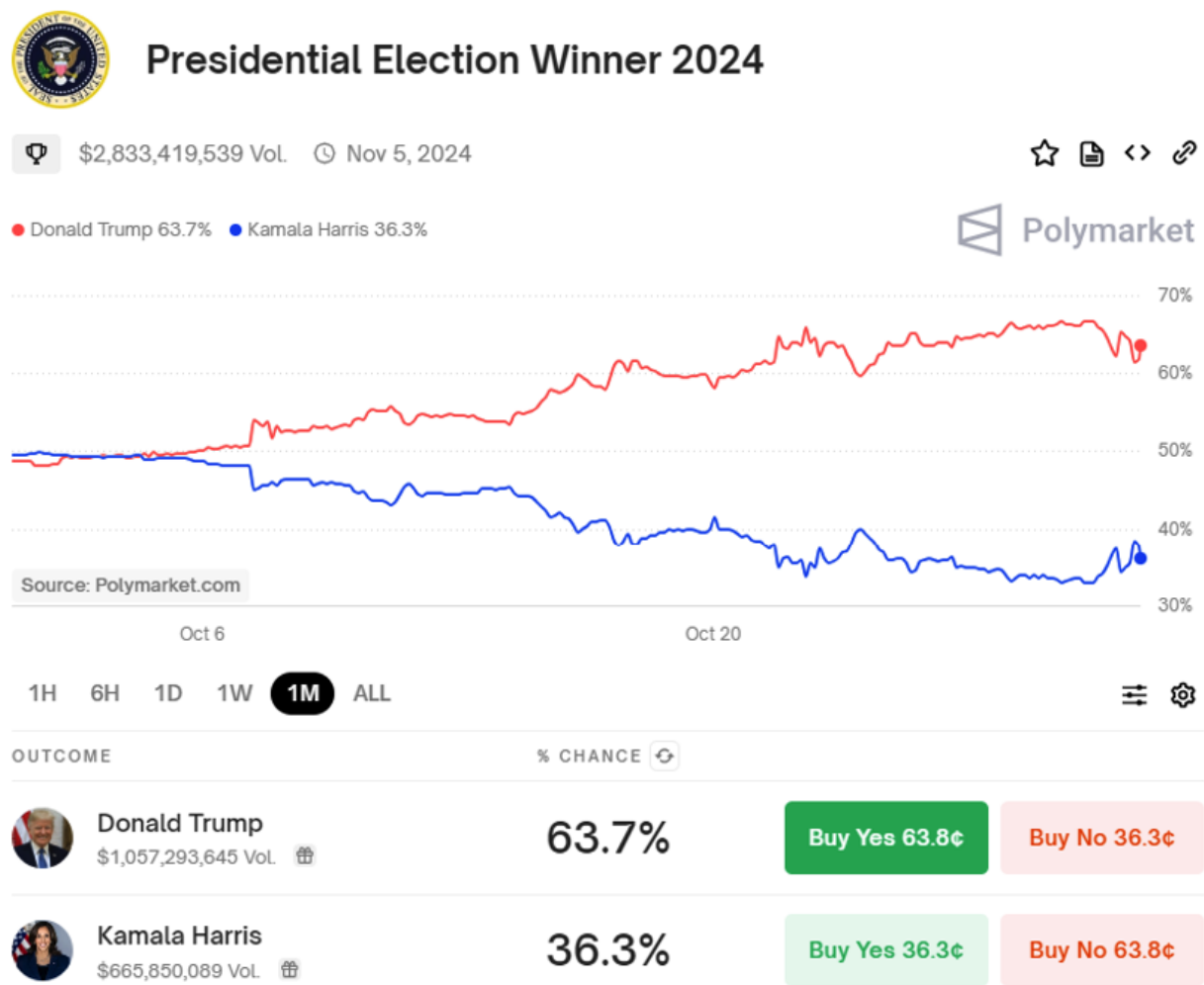
You could look at the table shown below and think that Trump is set to win handily –

This Day In History - 5 Days to Election			
			
RCP Average	2024	2020	2016
National	Trump +0.4	Biden +7.4	Clinton +1.3
Wisconsin	Harris +0.2	Biden +6.7	Clinton +5.4
Pennsylvania	Trump +0.8	Biden +4.3	Clinton +3.5
Ohio	Trump +6.9	Tie	Trump +2.7
Michigan	Harris +0.4	Biden +8.2	Clinton +6.3
Arizona	Trump +2.5	Tie	Trump +4.0
Nevada	Trump +0.5	Biden +4.0	Trump +2.0
North Carolina	Trump +1.0	Biden +0.6	Trump +1.0
Georgia	Trump +2.4	Biden +0.4	Trump +5.7
Florida	Trump +8.5	Biden +1.6	Clinton +0.3

Source: RealClearPolitics. As of 10/31/24

Because as you probably already know, the aggregate polls in 2020 and 2016 underestimated Trump's eventual votes by a significant amount. So that would lead you to conclude that if the 2024 polls are underestimating Trump by a similar degree, he's going to win by a fair amount, i.e., it's not going to be close. The question then is, are the polls still underestimating Trump by a similar amount as 2020 and 2016? To be honest, I don't know. But I could see how they would underestimate by at least a lesser amount this time around. And if that's the case, then this is a very close race.

I don't put a ton of weight in Polymarket, I think the market is too thin and dominated by a handful of whales, but FWIW Polymarket opened up massively for Trump in October, from dead even to start the month to as much as 67/33 Trump on October 30th.



Source: Polymarket. As of 10/31/24

I don't trade Polymarket but 67% feels expensive to me relative to the way this all looks right now. 55ish feels like fair value for Trump in my subjective opinion. There is quite a significant chance it all comes down to Pennsylvania. In any case, Trump's improvement in polls and Polymarket were the backdrop for BTC to move higher in October, and at time of writing price is ~5% below ATH.

There is a significant chance (maybe 1/3?) that a winner will not be immediately clear, say by November 7th. Remember the 2000 Florida recount. There's a path where the election results could be heavily contested by either side, and there's a chance that path could come with varying degrees of civil unrest. I've been praying that doesn't happen. As a nation we are in pretty serious need of some unity - that is clear. I am strongly hopeful that we are on the precipice of getting some of that unity and healing as a nation. I want to do whatever I can to work towards that.

Closing Remarks

I went back and read my monthly from four years ago – November 1, 2020. Not to toot my own horn but it's worth the read. Lot of pretty incredible charts, given the hindsight we have now.

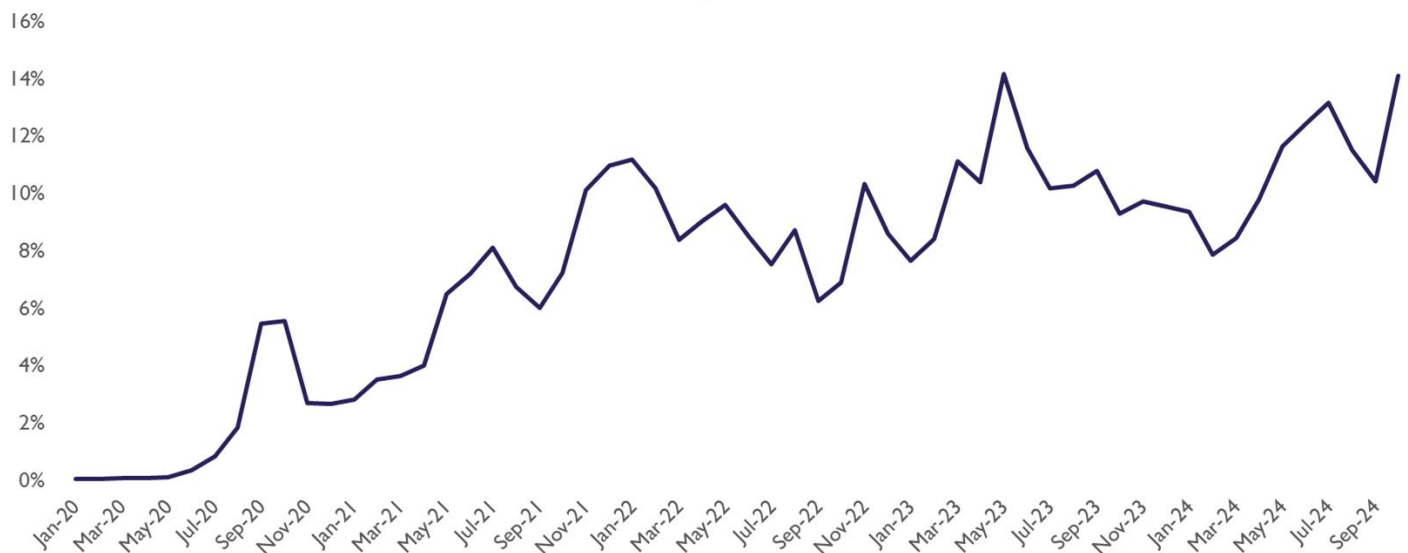
Fast forward four years to today and Bitcoin and crypto have taken a prominent role in this critical election. A Trump win is unequivocally better for BTC and crypto although we don't really know by exactly how much, because we don't know how exactly adversarial a Harris administration will be towards BTC and crypto. In the near term, in a Harris win Alts will likely struggle under the assumption that the SEC will continue to be a major thorn in the side of crypto. BTC is less impacted by that factor and BTC's value proposition is clear regardless of which candidate wins the election, although the US government will likely be selling tens of thousands of seized BTC under a Harris admin, none of which is likely to be sold under a Trump admin.

My guess is, a Harris win will elicit a sort of identity crisis in crypto, or rather exacerbate an already existing identity crisis in crypto, which we've been talking about here for a while. If Trump wins, the immediate excitement will wash away those identity crisis feelings, at least for a period of time. And we will get helpful regulatory clarity and a much more supportive government in general and that will basically be a new hand of cards to play with. Doesn't mean a Trump admin is the blanket panacea for what ails us, I don't think that's true. BTC and stablecoins will still have product-market-fit, and that PMF will likely grow in a Trump admin. But there will still be a lingering "core utility" issue with Alts. Solutions looking for problems at best, vaporware grift at worst, and a whole lot somewhere in the middle. In any case, crypto is here to stay. This is an industry that stays in a constant state of flux – we have our own internal factors that drive change and the world that surrounds crypto changes and in turn changes crypto. That constant state of flux will remain, regardless of who wins next week. Crypto will continue to evolve. The path ahead may be bumpier under a Harris admin, and the ensuing change that crypto endures may be more painful, but crypto is here to stay. Despite our many missteps, crypto is front and center in November 2024. No election changes that.

The Block Pro Research: The DEX to CEX spot trade volume ratio stands at 14.12% as of Oct. 27. (This metric is the proportion of decentralized exchange (DEX) volume relative to centralized exchange (CEX) volume.) In January 2020, the ratio was a mere 0.04%, reflecting the dominance of centralized exchanges. Over the next few years, we observed slow but steady growth in decentralized trading, as reflected in the ratio growing to 2.81% in January 2021, 11.2% in January 2022, 7.65% in January 2023, and 9.37% in January 2024. Fast forward to now, and we're witnessing one of the sharpest increases in the DEX to CEX ratio to date.

 **THE BLOCK PRO** · RESEARCH

DEX to CEX Spot Trade Volume



CCData released its “Stablecoins & CBDCs Report – October 2024.” (See key findings below. View the full report, [here](#).)

- **Tether Demand Continues to Push Stablecoin to New All-Time Highs:** In October, TetherUSD (USDT) reached a record high with a market cap increase of 0.57% to \$120bn, marking its fourteenth consecutive monthly gain and securing a 69.6% market dominance. USD Coin (USDC) saw its first drop since June, down 4.43% to \$34.4bn, while MakerDAO’s DAI decreased by 2.43% to \$4.90bn. In contrast, First Digital USD (FDUSD) and PayPalUSD (PYUSD) experienced the largest declines among top stablecoins, falling 7.83% and 9.41% to \$2.30bn and \$630mn, respectively.
- **Tether Celebrates Ten Year Anniversary:** Tether marked a decade of USDT on October 6th, celebrating its journey from Realcoin to a dominant force in the stablecoin market with a \$120bn market cap and 69.6% share. USDT facilitates nearly 65% of all spot trading and over 80% of derivatives volume on CEXs. Beyond trading, USDT has become a critical financial tool in high-inflation economies, offering millions a stable USD-pegged option to protect purchasing power.
- **Maker DAO’s Sky Dollar Becomes One Of Fastest Stablecoins to Reach \$1bn Market Capitalization:** The market capitalization of Maker DAO’s new stablecoin, Sky Dollar (USDS) rose 66.0% to \$1.02bn, making it the 16th stablecoin to surpass the \$1bn landmark. Sky Dollar (USDS) also became the second fastest stablecoin to reach this milestone, with its supply crossing \$1bn in just 13 days, aided by over \$500mn DAI being converted to the new stablecoin.
- **Circle’s Euro Coin Rises to New All-Time Highs in Market Cap and Trading Volume:** Euro Coin (EURC) has reached a new all-time high in market capitalization, surging 47.9% to \$95.7bn, marking its third consecutive monthly increase. Trading volume for EURC on centralized exchanges also hit a record high, rising 3% to \$83.7mn. The stablecoin’s growth has been bolstered by rising demand post-MiCA implementation, where EURC now leads the Euro-pegged stablecoin sector with a 31.3% market share.
- **Stablecoin Trading On Track to Record Higher Monthly Trading Volume:** In October, stablecoin trading volume on centralized exchanges declined slightly by 1.49%, settling at \$899bn (as of the 27th), yet volumes are on track to record a higher monthly total with key catalysts like the upcoming US presidential election ahead. USDT remains the dominant stablecoin for trading, capturing 79.1% of the market share among the top 10 stablecoins.

The DeFi Report: Did you know that 14 of the top 20 best-performing crypto assets this year are memecoins? Here's why memes are outperforming...

There are 5 key factors:

- 1) Retail investors are sick of playing a rigged casino game with VCs – who have become accustomed to dropping tokens on retail at \$8-\$10b valuations at the Series B level. For what it's worth, I don't think this is purely the VCs fault. Lack of regulation and poor legal precedent/guidance plays into it. But you can't create a cult-like community of users and evangelists with airdrops at \$10b valuations. It just doesn't work. So, retail created its own casino. With its own rules.
- 2) The altcoin market cap is roughly \$900b today, with \$155b of token unlocks in the next 5 years. Meanwhile, memes are about \$45b, with new memes representing about \$10b of market cap. Memecoins don't have unlocks, retail can get in at the seed stage, and investors have already watched DOGE get to \$95b and SHIB to \$40b + last cycle. *Note that I am working on data science to identify "cabal coins," so that we can separate fair launches from scams or coins more susceptible to insider rug pulls.
- 3) People are spending more time online. They are lonely. Worried about their financial futures. And are seeking community. Memecoins check all the boxes. If you're a boomer, study the younger generations, which increasingly impact all markets.
- 4) Online gambling has seen significant growth over the last 3 years. It's now an \$85b dollar industry, growing 11.7%/year. Sports betting represents roughly 50% of the industry, with mobile gambling growing faster than desktop. Memecoins are piggybacking on this trend, with greater odds of hitting it big.
- 5) The market is waking up to the fact that altcoins and memecoins are selling the same thing – a seat at the casino table. In some ways, it's never really been about the tech. It's always been about speculation (nothing wrong with that, the same is true of Wall Street). And memecoins appear to be a better vehicle for retail users.

Arca: Another Geopolitical Head Fake...

These past few months can be summed up with one word: “distractions.” From the yen-carry trade implosion to the upcoming US presidential election to the latest Middle East explosions, the crypto market continues to trade back and forth on news that ultimately won’t matter much in the long run.

But in lieu of actual crypto-specific news, the market is keying in on this. Case in point: Yet another Iranian / Israeli attack occurred on Friday, and the crypto market traded down immediately upon the news. But it didn’t last because it never does. Yet in today’s algo-driven world, crypto remains the best and fastest way to trade headlines 24/7 when most other markets are closed.



The same thing it does every time geopolitical tensions increase:

- 1) Selloff immediately via algo-driven liquidations
- 2) macro investors call for the end of the world
- 3) media says BTC isn't a safe haven
- 4) crypto fully retraces 3-5 days later and no one talks about it



Now we shall see what #crypto does as it is the only market open over the weekend.

Sky News: Middle East latest: Several explosions heard in Iran's capital Tehran and Syria's capital...

SKY 20 seconds ago

*ISRAEL IDF: STARTS PRECISE STRIKES ON MILITARY TARGETS IN IRAN

BN 26 seconds ago

*ISRAEL STARTS PRECISE STRIKES ON MILITARY TARGETS IN IRAN

BN 37 seconds ago

ALERT Iran state TV says 'strong explosions' heard around Tehran

AFP 44 seconds ago

AP NewsAlert: Sounds of explosions heard near the Iranian capital, Tehran, though authorities off...

APW 2 minutes ago

Israel Strikes Back at Iran, Further Expanding War in the Middle East

DJ 2 minutes ago

Continued fallout from the various crypto liquidity issues, regulatory problems, and 2022 ‘crypto winter’ in the space...

- FTX reached a \$228 million settlement with crypto exchange Bybit, dropping its lawsuit to reclaim funds and progressing toward distributing \$12.6 billion in refunds to customers following its 2022 collapse.
- Nishad Singh, former director of engineering at FTX, was sentenced to time served with three years of supervised release for his role in the exchange’s collapse. He will not serve any prison time.
- The US government sold more than 82,000 ANT tokens seized from Alameda Research, converting them to ETH ahead of a token burn deadline set by Aragon DAO for early November.
- Changpeng “CZ” Zhao, former Binance CEO, made his first public appearance since his four-month prison sentence for anti-money laundering violations and a \$50 million personal fine. CZ described prison as limiting but also a time for reflection, which helped him realize the importance of family, friends and community. CZ shared that he made friends in prison, faced no violence and even gave investment advice to guards while being cautious about his recommendations.