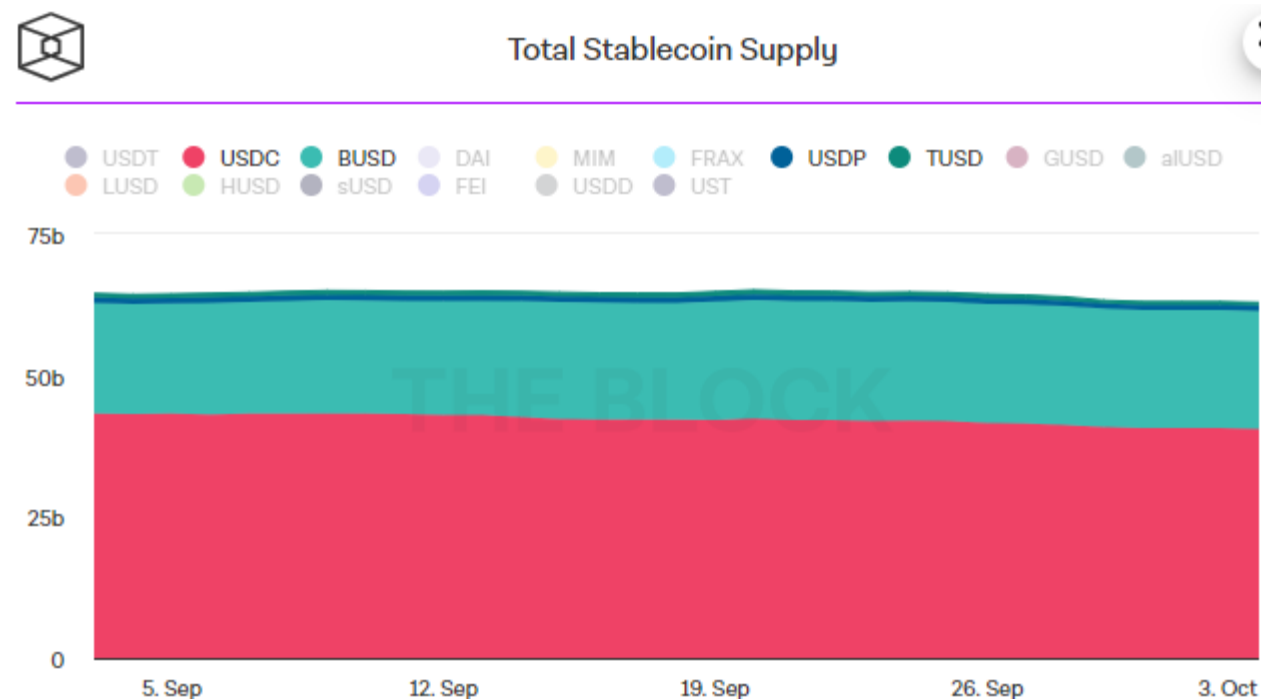


# Web3.0 Biweekly

7 October 2022 | AMTD Research

### USDC, USDP, and TUSD supply falls after Binance converts to BUSD

- The one-month supply change of USDC, USDP, and TUSD is -6.3%, -5.0%, and -23.5% respectively. Meanwhile, **BUSD supply is up 6.7%, despite the supply of all stablecoins declining 2.5% over the same period.**
- This is likely due to Binance's new move in late September that it auto-converted all USDC, USDP, and TUSD balances to BUSD in order to offer better liquidity for trading pairs.
- However, users will still be able to deposit and withdraw the three stablecoins above. This move is similar to FTX which lists trading pairs using USD instead.
- The long-term effects on stablecoin activity and supply remains to be seen; Circle CEO Jeremy Allaire stated that the conversion would likely benefit USDC usage as the preferred cross-CEX and DEX stablecoin, since BUSD usage is low outside of Binance.



1M stablecoin supply chart for USDC, BUSD, USDP, and TUSD

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## Market Performance

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Stablecoins — USDC blockchain expansion, GUSD marketing proposal with MakerDAO

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DeFi — TVL increases 7% as market recovers from earlier decline in token prices

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NFT & Metaverse — US\$4.5m CryptoPunks sale tops chart

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Regulatory Updates — U.S. CFTC charges a DAO, EU MiCA bill finalized

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# Market Performance

# Summary

### 1. Prices

- **One-Year Price Recap**
- **Layer 1 Price Recap** (22 September – 5 October 2022)
  - DOGE outperforms as Elon Musk offers to proceed with original Twitter acquisition deal, the token that have been favored by Musk
  - ADA loses steam after the Vasil hard fork, repeating prior hard forks which tended to precede price declines
- **Protocol Price Recap** (22 September – 5 October 2022)
  - MKR outperformed on the back of progress on several initiatives/proposals to invest PSM stablecoins, more recently the GUSD partnership
  - OSMO underperformed with a gradual decline in price, highlighted by an unexpected halt on the Osmosis chain

### 2. Valuation

- Market Cap to Active Addresses – ETH's price rally driven more by multiple expansion than network usage

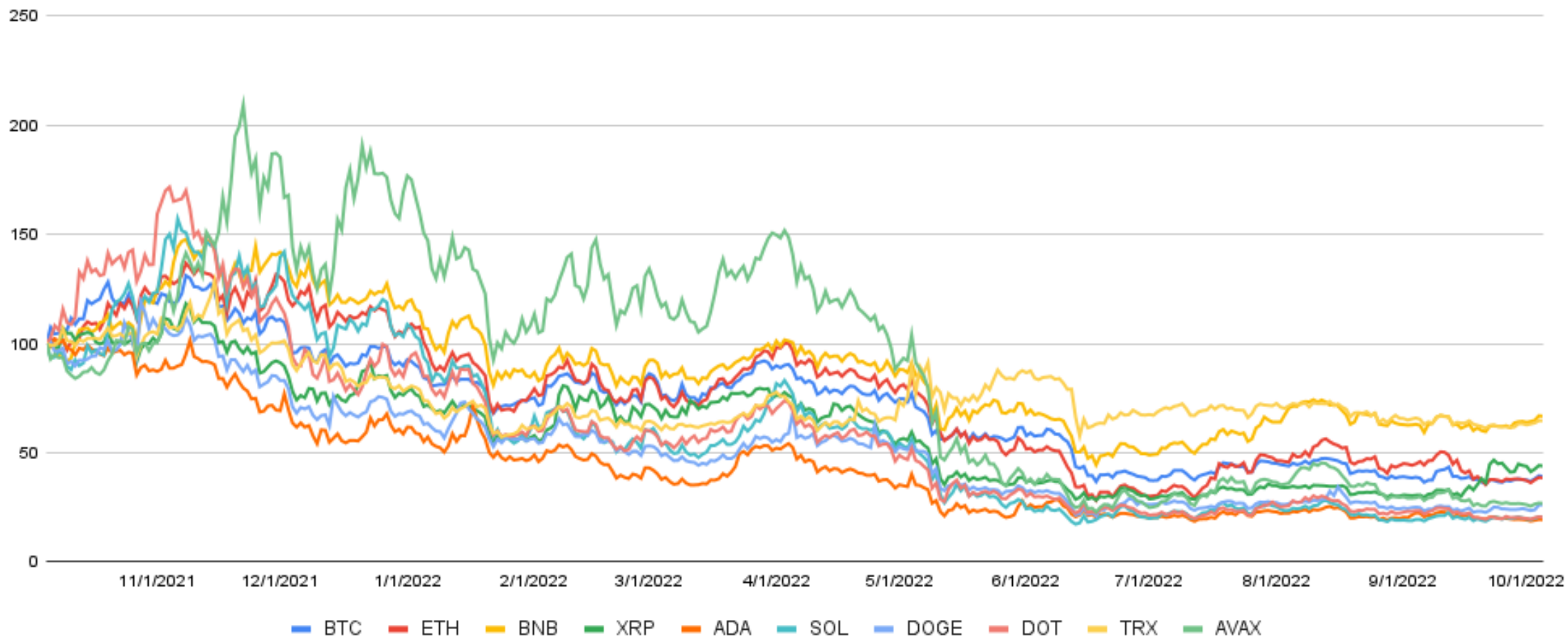
### 3. Exchange Flows

- Bitcoin - exchange outflow increases after earlier periods of market sell-off
- Ethereum - exchange outflow increases after earlier spike in inflows after Merge

## One-Year Layer-1 Price Recap

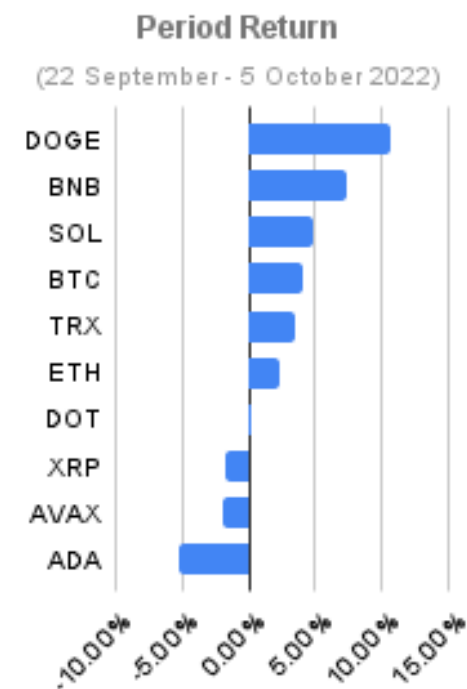
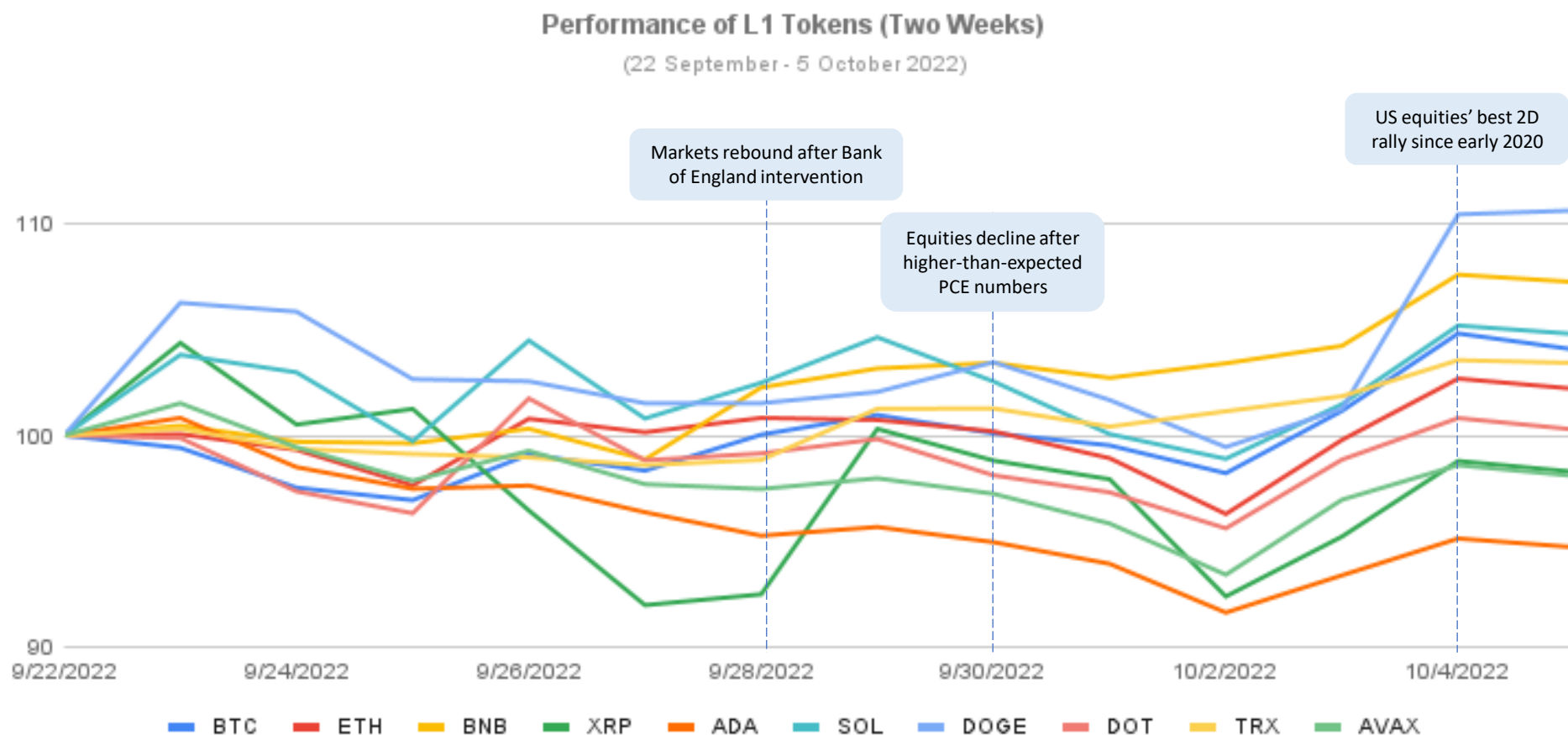
Performance of Top-Ranking Crypto (One Year)

(5 October 2021 = 100)



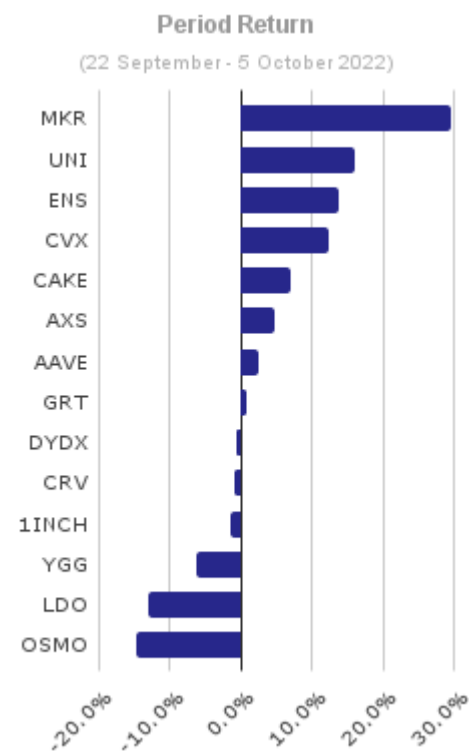
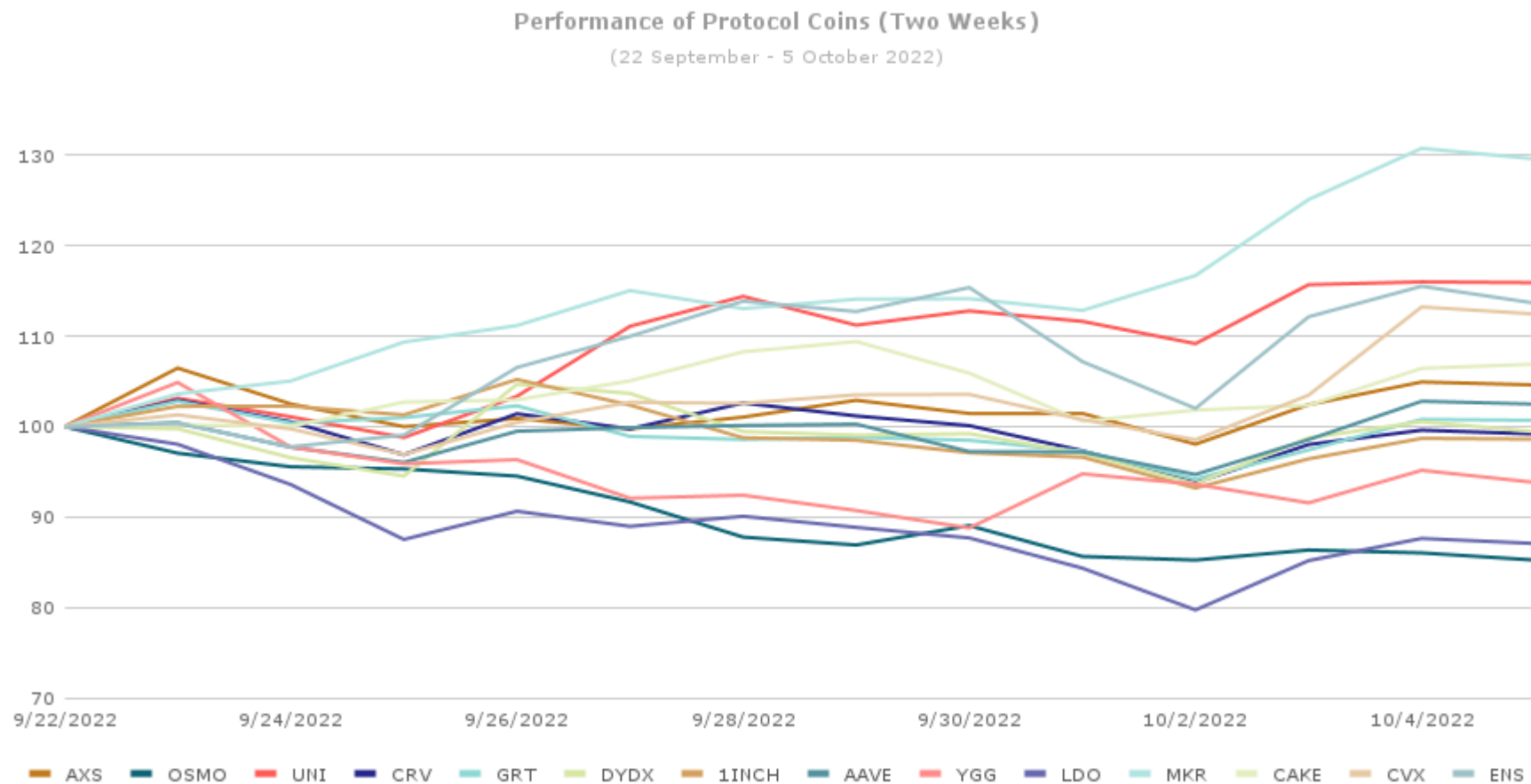
## Layer-1 Price Recap (22 September – 5 October 2022)

- **DOGE** outperforms as Elon Musk offers to proceed with original Twitter acquisition deal, the token that have been favored by Musk
- **ADA** loses steam after the Vasil hard fork, repeating prior hard forks which tended to precede price declines



## Protocol Price Recap (22 September – 5 October 2022)

- **MKR** outperformed on the back of progress on several initiatives/proposals to invest PSM stablecoins, more recently the GUSD partnership
- **OSMO** underperformed with a gradual decline in price, highlighted by an unexpected halt on the Osmosis chain





## Valuation – BTC and ETH Market Cap to Active Addresses

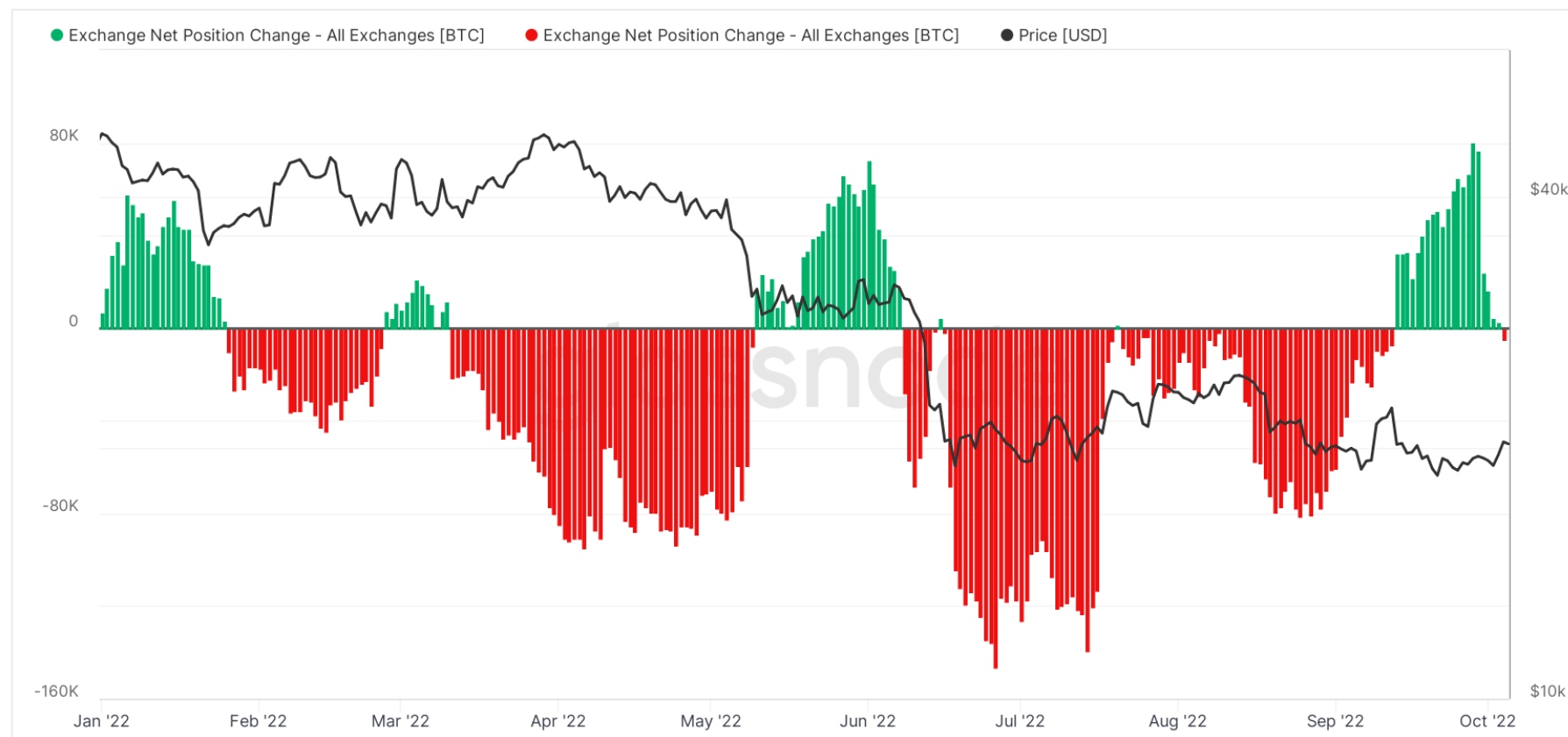


	BTC	ETH
<b>Valuation Multiple</b>		
2017-2018 Run	2.2x	7.1x
2020-2022 Run	5.6x	13.4x
<b>Network Usage</b>		
2017-2018 Run	1.3x	7.0x
2020-2022 Run	1.5x	2.8x

- Ethereum's price rally (30x+) in the 2020-2022 cycle was driven more by valuation multiple expansion (13x) than network activity increase (3x).
- The market cap to active address for ETH dropped sharply after the Merge completed.

## Bitcoin – exchange net position change reverses after earlier periods of market sell-off

Bitcoin: Exchange Net Position Change [BTC] - All Exchanges

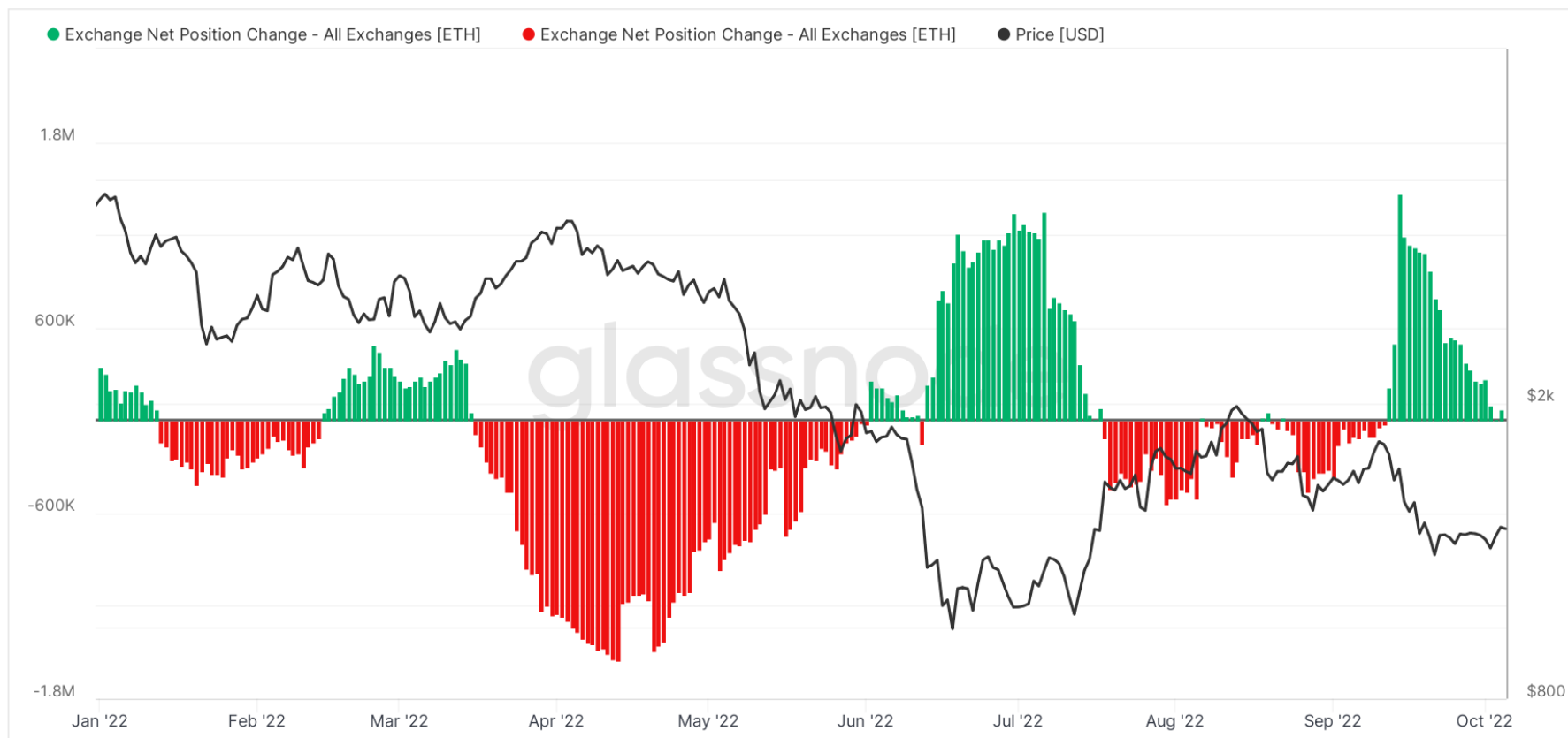


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## Ethereum – net exchange position change declines after it spiked immediately after Merge

Ethereum: Exchange Net Position Change [ETH] - All Exchanges



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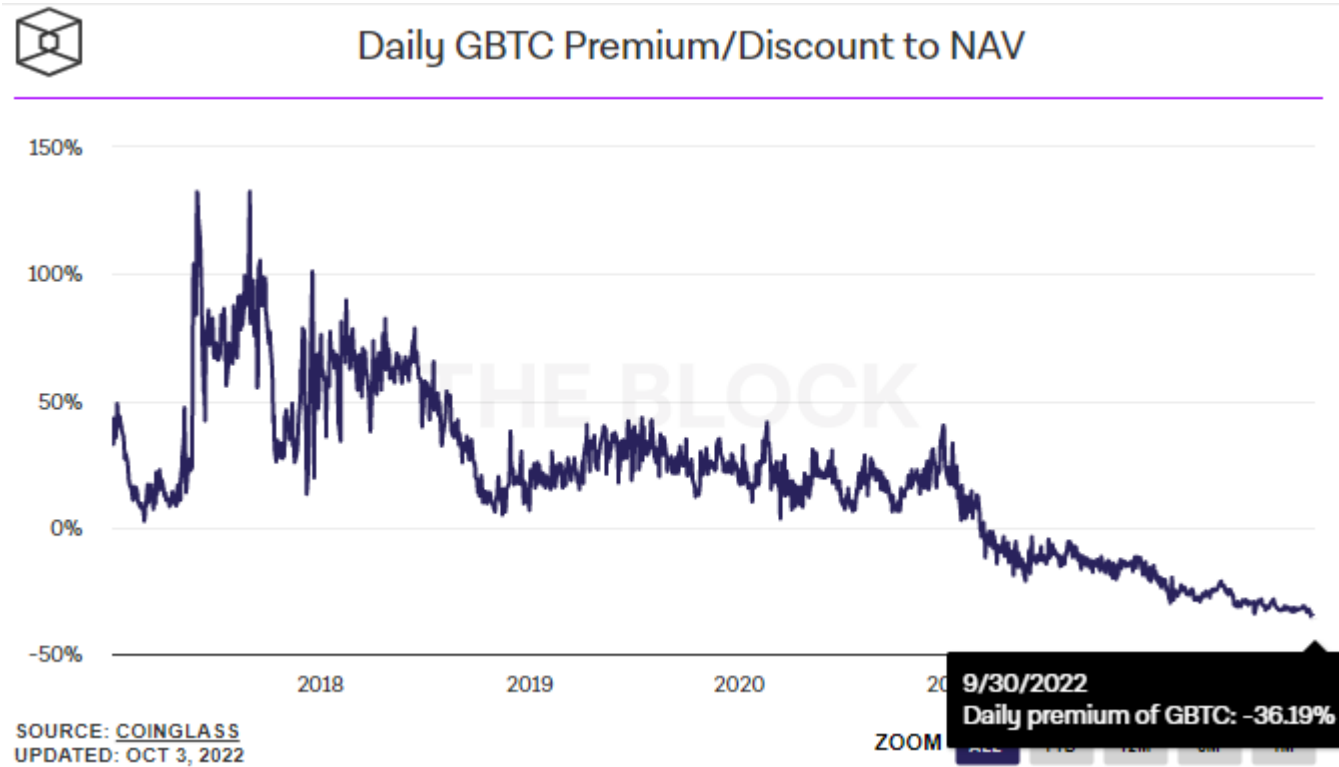
glassnode

# Layer-1 Blockchains

## Layer-1 Summary (22 September – 5 October 2022)

1. **Bitcoin (2W: 4.1%)/(YTD: -57.7%)**  
GBTC discount reaches record high again
2. **Ethereum (2W: -2.1%)/(YTD: -64.0%)**  
What's next?
3. **Cosmos (2W: -9.8%)/(YTD: -61.5%)**  
New whitepaper highlights ecosystem revamp
4. **News and Headlines**

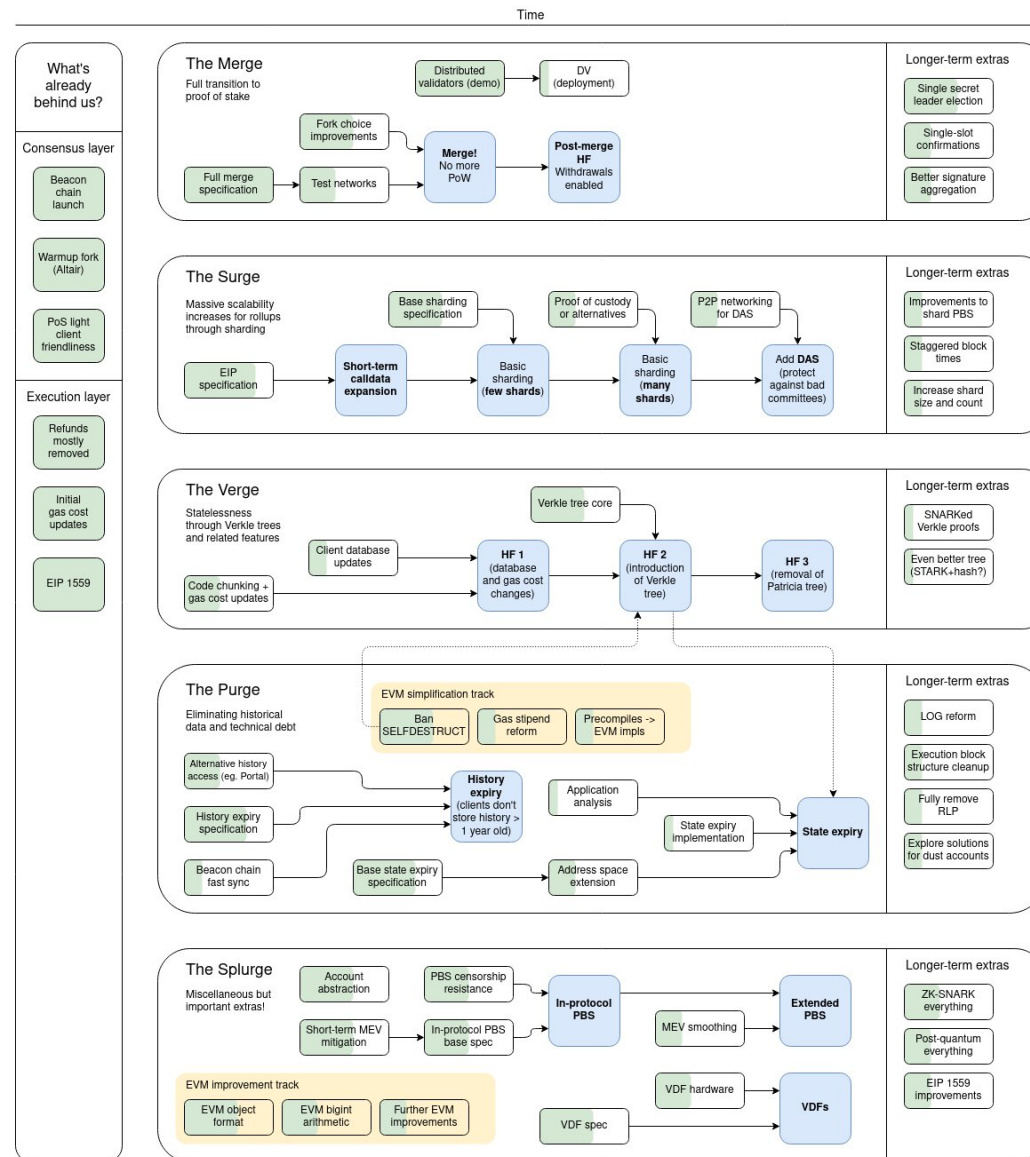
### Bitcoin – GBTC discount reaches record high again



- GBTC discount to NAV has reached another record high, surpassing 36% in recent weeks.
- The declining price is likely due to dwindling volume for the OTC product, suggesting investor interest may be shifting to other products that may be more liquid, such as other crypto-related ETFs. BlackRock recently launched a blockchain ETF for European clients.
- Others have also pointed out a possible subsiding interest in bitcoin amid the global market rout.
- At present, it seems unlikely that the SEC will approve Grayscale's request to turn GBTC into an ETF, but the discount will likely disappear should it be approved.

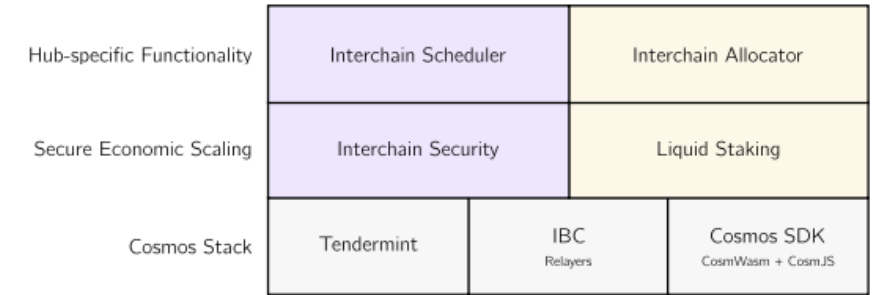
## Ethereum – What's next?

- Now that the Merge has completed without any issues, the community is looking forward to the next stages of updates to the blockchain:
  - The Surge** – Estimated to roll out in 2023, Ethereum will implement sharding, which will have massive scalability increases for rollups. This upgrade should reduce network congestion and increase TPS.
  - The Verge** – Will provide for statelessness through Verkle trees. In other words, it will optimize data storage and node size for the network through more efficient features
  - The Purge** – To alleviate network congestion by purging historical data and technical debt. This will reduce the data stored by a validator and help to increase TPS as well.
  - The Splurge** – Miscellaneous extras such as MEV mitigation and EVM improvements.

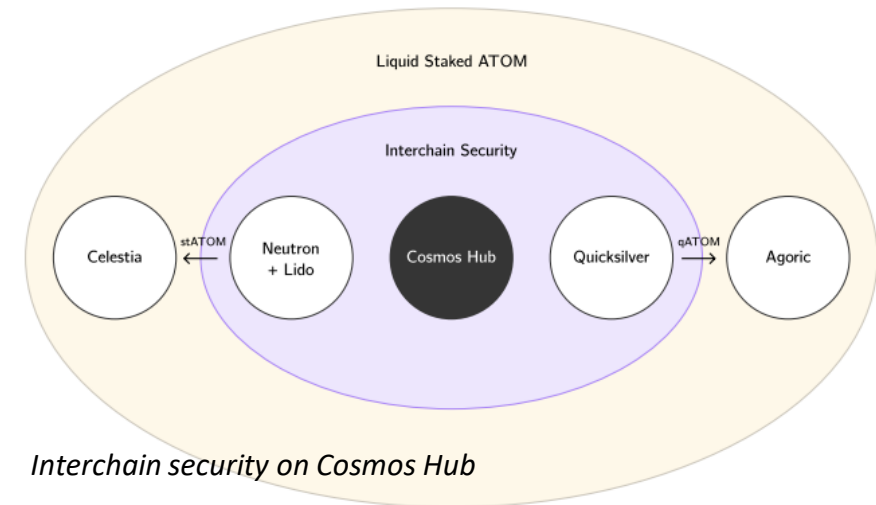


# Cosmos – New whitepaper highlights ecosystem revamp

- Cosmos announced a new whitepaper for Cosmos Hub 2.0, which will revamp the blockchain's **interoperability, security, flexibility**, as well as a **new vision for ATOM**, the blockchain's native token.
- The Cosmos Hub, at its current state, was not used much except for staking ATOM, since other interconnected blockchains had its own product and token. With the revised role, Cosmos Hub will be used to foster a resilient interchain economy by allowing other chains in the Cosmos ecosystem to use the Hub to secure their own networks.
- The **interchain security** is highlighted as the key feature of Cosmos Hub 2.0, with the ATOM token at its core – it will be used to secure the wider Cosmos ecosystem through interchain security.
- In addition, the new ATOM as the ecosystem's reserve currency will also include liquid staking, which will help accrue more value to the token. Cosmos Hub will introduce native liquid staking module for ATOM, so that it enhances capital efficiency while providing security.



*Core Cosmos functionality*



*Interchain security on Cosmos Hub*



### News & Headlines

#### **Celsius CEO Resigns as Company Struggles to Pay Back Creditors**

Alex Mashinsky, the controversial founder and CEO of bankrupt crypto lender Celsius, submitted his resignation citing increased distraction of his role. He will continue to work on a plan to fairly return assets to creditors after stepping down. [[Business Wire](#)]

#### **Kraken Founder Jesse Powell Steps Down as CEO**

Outspoken founder and CEO of crypto exchange Kraken Jesse Powell is stepping down as CEO and will continue to be involved in Kraken as the chairman of Kraken's board. Powell cites boredom as his reason to leave as the growth of the company resulted in less fun. [[CoinDesk](#)]

#### **FTX US President Steps Down**

Brett Harrison announced that he is stepping down as President of FTX US and will transition into an advisory role at the exchange. Harrison has helped lead immense growth of the company. He noted that he will remain in the crypto space and will work to make the industry more accessible. [[@BrettHarrison88](#)]

#### **Deribit Raises Funds at US\$400 million Valuation**

Crypto derivatives exchange giant Deribit has reportedly raised funds from its existing investors at a US\$400 million valuation. It was last valued at US\$2.1 billion in its last funding deal in August 2021. According to Deribit's COO, the valuation is essentially irrelevant and is "more of a clawback of dividends from existing shareholders" as it attempts to be more financially prudent. [[The Block](#)]

#### **BlackRock Launches Blockchain ETF for European Clients**

BlackRock has launched the iShares Blockchain Technology UCITS ETF on Euronext, giving its European clients access to blockchain and crypto companies. Key allocations include crypto exchange Coinbase and bitcoin miner Marathon Digital, and it will not invest directly in cryptocurrencies. [[Private Banker International](#)]

#### **Binance Implements Terra Classic Burn Mechanism**

Binance announced that it would support the LUNC community's requests for transaction tax burns, effectively reducing LUNC supply as the community aims to cut supply after it was plagued by hyperinflation during the UST depeg. Binance will begin all trading fees of spot & margin LUNC pairs, so the burn is paid at Binance's expense. [[@cz\\_binance](#)]

#### **Pantera Plans US\$1.25 billion Blockchain Fund**

Pantera Capital is planning to raise US\$1.25 billion for its second blockchain fund amid growing appetite among institutional investors despite declining prices. The fund will invest in equity and digital tokens as well. [[Bloomberg](#)]

# Stablecoins

# Stablecoins Summary (22 September – 5 October 2022)

### 1. **Centralized Stablecoins**

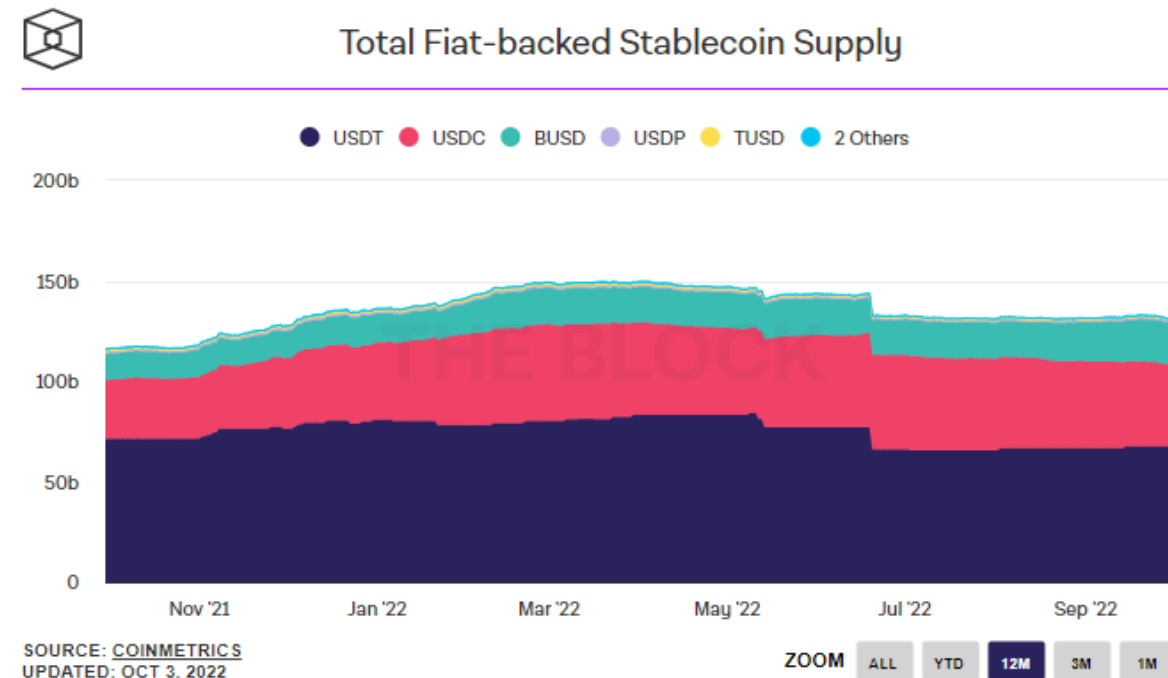
USDC to expand to five new blockchains

### 2. **Decentralized Stablecoins**

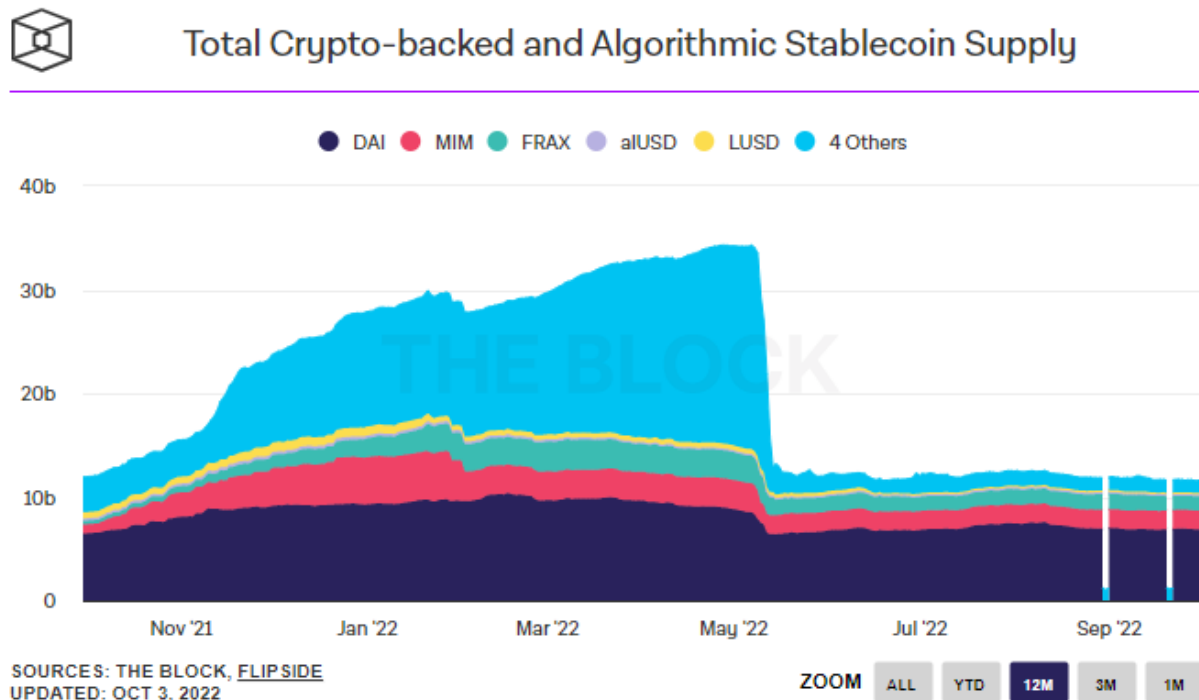
GUSD announces marketing proposal with MakerDAO

## Centralized Stablecoin Updates – USDC to expand to five new blockchains

- In the past two weeks:
  - Total stablecoin supply and centralized stablecoin supply dropped slightly to US\$141.5b (-1.8%) and US\$131b (-1.1%) respectively.
  - USDT supply was unchanged at 67.5b, while USDC continued its decline to 40.7b, a 3.3% drop.
- Circle, the company behind USDC, announced that it would be making USDC available on five other blockchains (Arbitrum, Cosmos, NEAR, Optimism, and Polkadot). This will make USDC available on a total of 14 blockchains.
- Separately, Jack Dorsey's bitcoin-focused TBD is partnering with Circle to bring cross-border dollar-linked stablecoin transfers and savings to investors around the world. The collaboration will seek to lay the foundation for stablecoin access globally, including off- and on-ramps.



## Decentralized Stablecoin Updates – GUSD announces marketing proposal with MakerDAO



- Gemini, in view of encouraging the use of GUSD in the Maker ecosystem and to boost the partnership with MakerDAO, proposed a marketing incentive for the community:
- For the remainder of 2022, **Gemini will contribute a fixed 1.25% of the GUSD PSM balance to MakerDAO** as long as the average monthly balance of the GUSD PSM is over \$100m GUSD.
- The GUSD in the PSM will not go into Gemini custody or move from the PSM, contrary to the hotly-debated proposal by Coinbase.
- The current average monthly GUSD PSM balance is US\$42k, which can be considered immaterial to the minimum requirement of US\$100m as per the proposal.
- The proposal will likely encourage diversifying collateral backing (i.e., USDC PSM) into GUSD PSM. MakerDAO stands to earn at least US\$1.25m per month if the proposal passes.

# DeFi

# DeFi Summary (22 September – 5 October 2022)

### 1. TVL by Chain

- TVL increases 7% as market recovers from earlier decline in token prices
- Ethereum TVL increased 7.8% to US\$31.9b as Ethereum price recover and stabilize after a selloff at Merge
- Optimism TVL increased 15.3% to US\$942m as it continues to benefit from OP token incentives on Aave

### 2. TVL by Protocol

- Overall TVL improved as market recovered from earlier selloff, all protocols recorded TVL gain

### 3. DeFi Revenue

- Weekly revenue for most protocols decline except for the top 4.

### 4. DeFi Valuation – Uniswap and Curve relatively overvalued based on P/TVL and P/Revenue respectively

### 5. Top DEX Pools

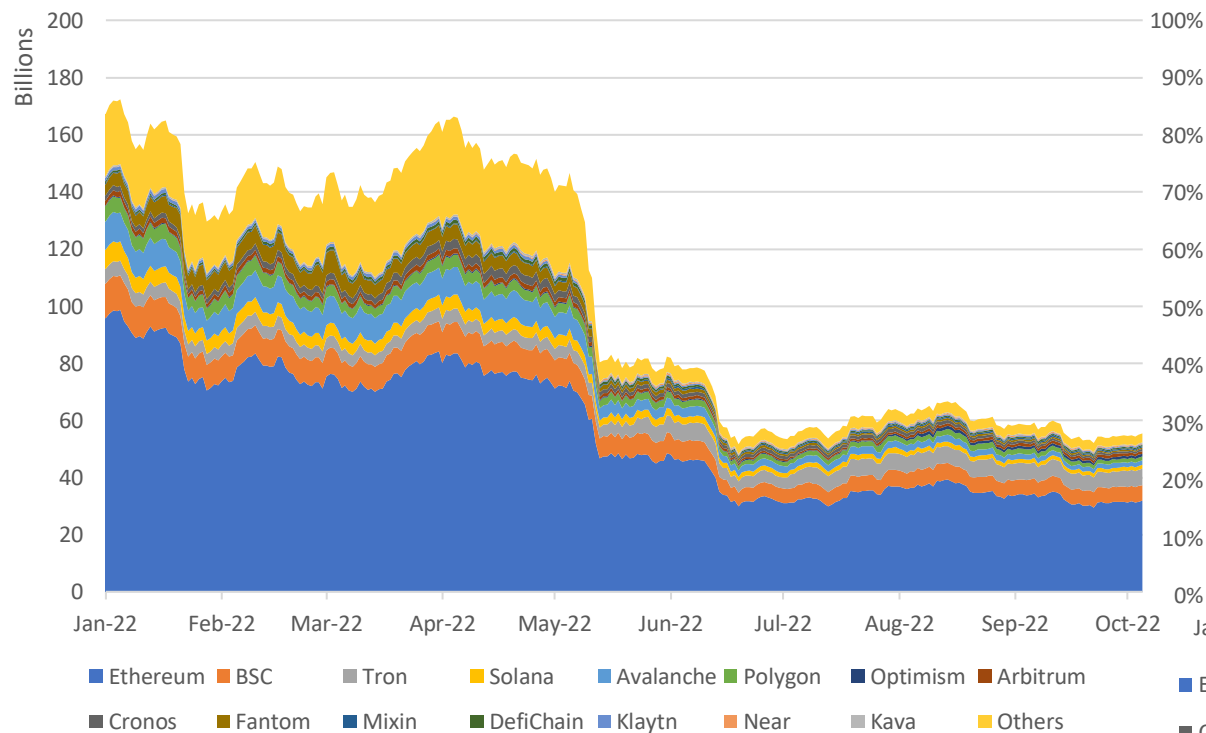
- Liquidity on Curve steth pool increases as prices and activity recovers post-Merge

### 6. Noteworthy DeFi Protocols

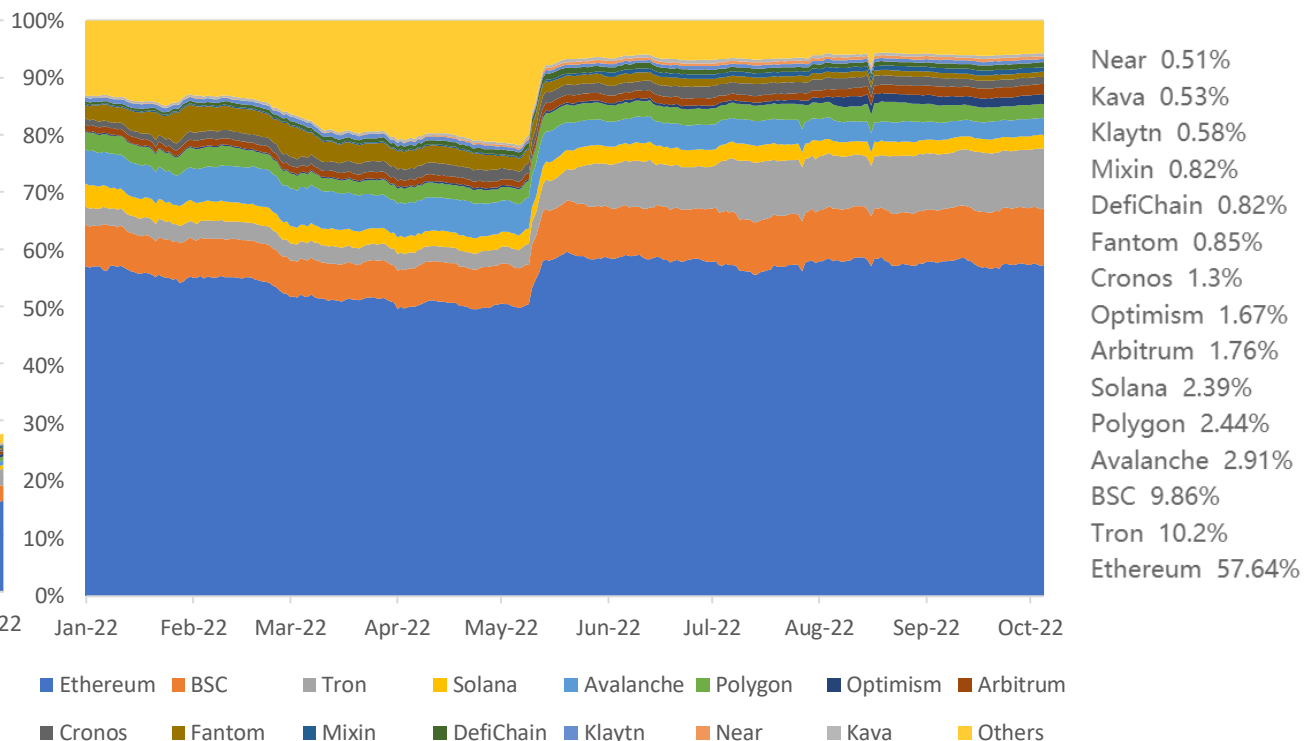
- **stETH** returns to peg

## TVL Overview by Chain – TVL increases 7% as market recovers from earlier decline in token prices

TVL Trend by Chain



TVL Breakdown by Chain



Total TVL gained 6.5% to US\$55.4bn after a recovery from previous two weeks' decline in token prices. During the period, notable winners/losers were:

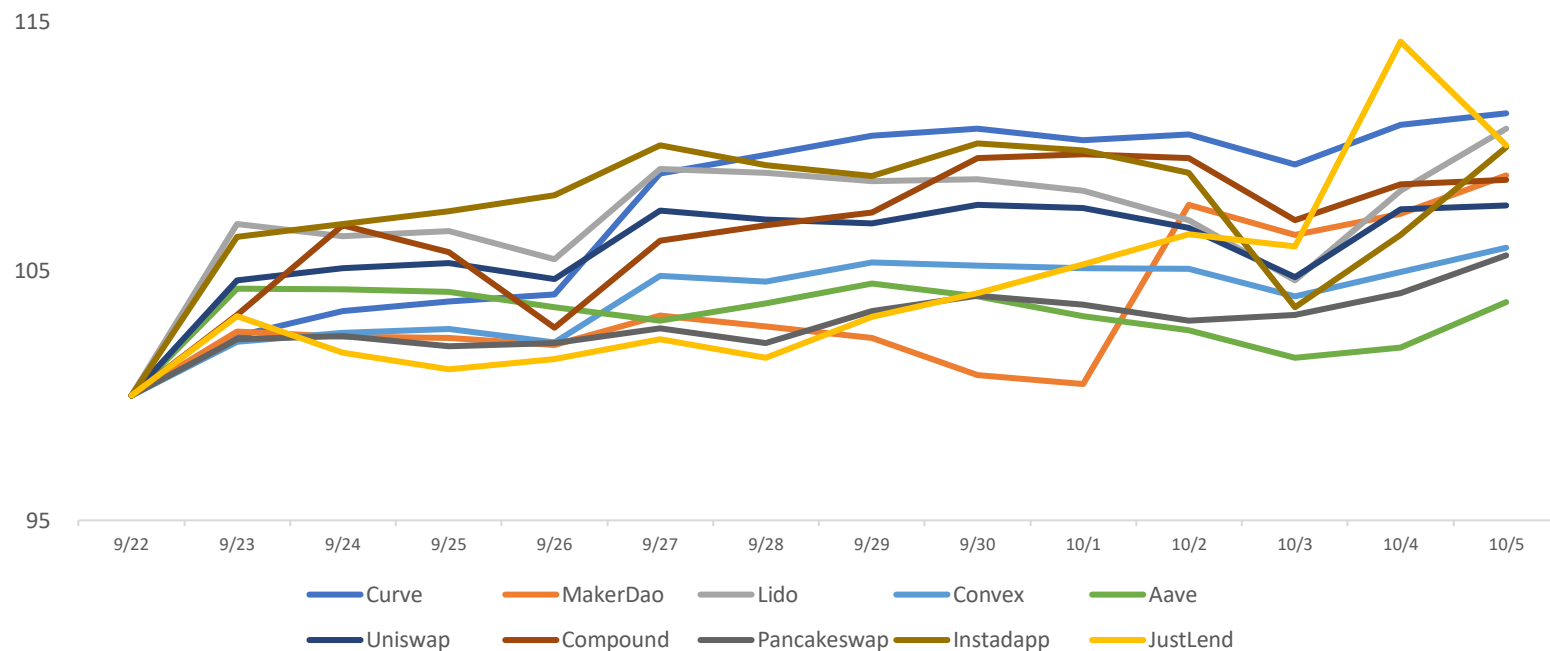
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## TVL Overview by Protocols

- Overall TVL improved as market recovered from earlier selloff, all protocols recorded TVL gain

TVL of Top DeFi Protocols in Terms of TVL  
(22 September 2022 = 100)

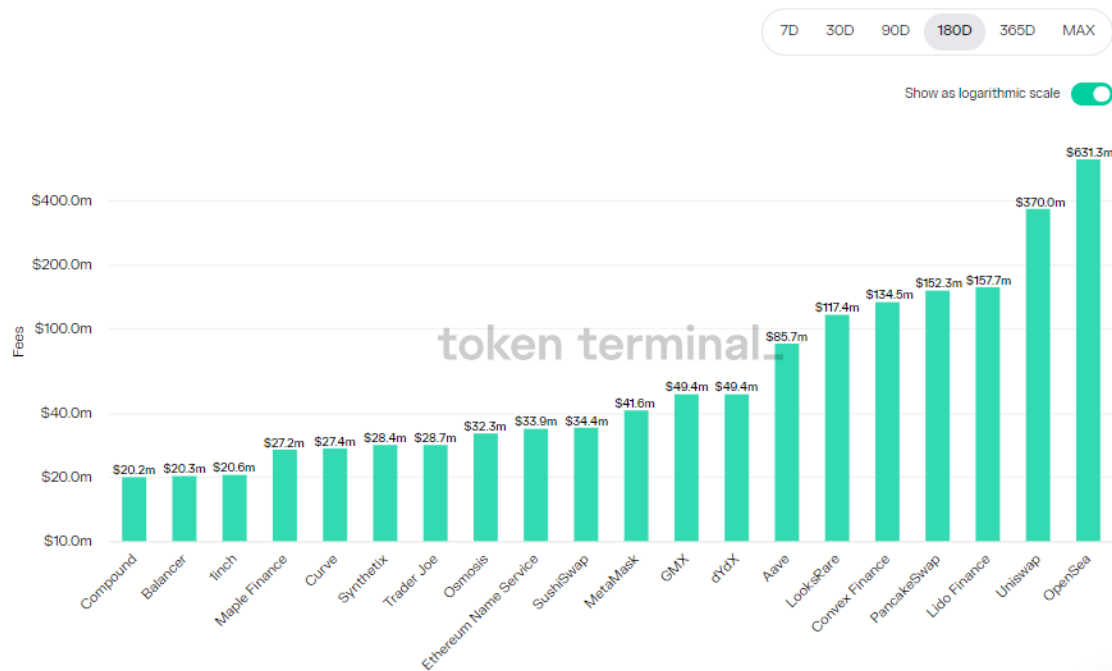


Proccol	22 Sept TVL (USD m)	5 Oct TVL (USD m)	Period Change
MakerDAO	7,115	7,744	8.8%
Uniswap	4,909	5,283	7.6%
Pancake	2,837	2,998	5.6%
Compound	2,060	2,239	8.7%
Instadapp	1,599	1,758	10.0%
Lido	5,571	6,168	10.7%
Uniswap	3,846	4,074	5.9%
Curve	5,483	6,104	11.3%
Convex	3,846	4,074	5.9%
Aave	5,332	5,532	3.7%
JustLend	3,119	3,432	10.0%

## DeFi Total Revenue - DeFi Protocols

- Weekly revenue for most protocols decline except for the top 4.

Top dapps based on cumulative fees in the past 180 days.

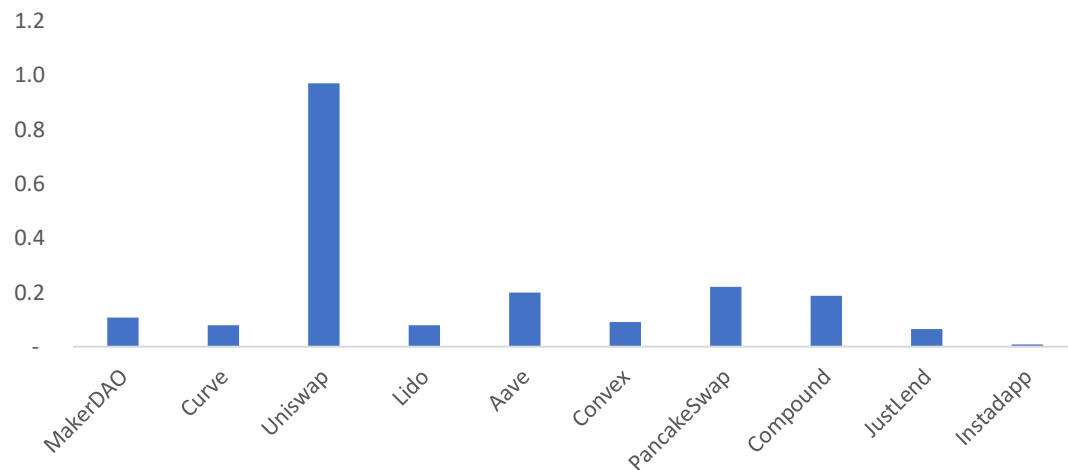


Project	Revenue 7d (US\$)	Revenue 30d (US\$)	Revenue 180d (US\$)	7d Change	30d Change
Uniswap	\$ 12.2m	\$ 45.1m	\$ 365.7m	32.3%	-6.9%
OpenSea	\$ 8.9m	\$ 37.4m	\$ 623.1m	8.8%	-25.3%
Lido Finance	\$ 6.7m	\$ 26.1m	\$ 156.5m	9.3%	3.3%
PancakeSwap	\$ 3.4m	\$ 15.2m	\$ 150.6m	1.7%	-18.0%
Convex Finance	\$ 3.1m	\$ 14.8m	\$ 133.1m	-1.4%	-24.4%
GMX	\$ 1.9m	\$ 12.8m	\$ 49.0m	-18.7%	43.0%
Aave	\$ 0.6m	\$ 12.2m	\$ 85.0m	-64.4%	-2.7%
dYdX	\$ 1.2m	\$ 6.0m	\$ 48.6m	-15.1%	-21.5%
ENS	\$ 0.8m	\$ 4.2m	\$ 33.8m	-25.4%	14.6%
LooksRare	\$ 0.7m	\$ 3.4m	\$ 114.7m	-0.7%	-28.2%
Synthetix	\$ 0.1m	\$ 2.8m	\$ 28.3m	-86.8%	-39.1%
MetaMask	\$ 0.5m	\$ 2.8m	\$ 41.4m	-16.2%	-24.8%
Osmosis	\$ 0.3m	\$ 2.7m	\$ 31.7m	-45.2%	63.5%
Lyra	\$ 0.8m	\$ 2.7m	\$ 10.7m	-6.6%	3640.0%
SushiSwap	\$ 0.4m	\$ 2.2m	\$ 33.7m	-24.3%	-23.5%
X2Y2	\$ 0.4m	\$ 2.0m	\$ 15.7m	-15.1%	-31.3%
Maple Finance	\$ 0.2m	\$ 2.0m	\$ 27.0m	-9.6%	-29.3%
Compound	\$ 0.5m	\$ 2.0m	\$ 19.8m	1120.0%	3.2%
Balancer	\$ 0.3m	\$ 1.8m	\$ 20.0m	-10.9%	-22.7%
Ribbon Finance	\$ 0.4m	\$ 1.5m	\$ 15.7m	5.7%	-28.1%

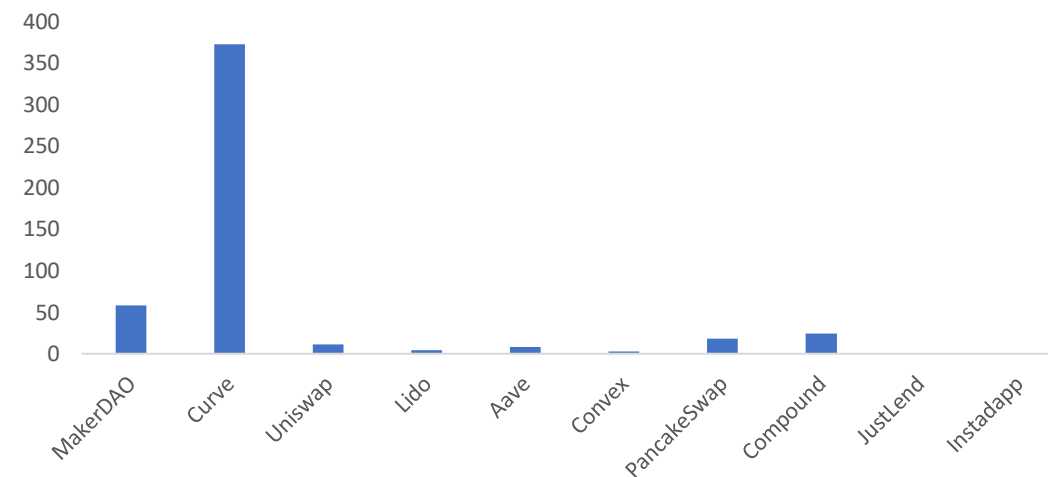
Note: As of 5 October 2022

## DeFi Valuation

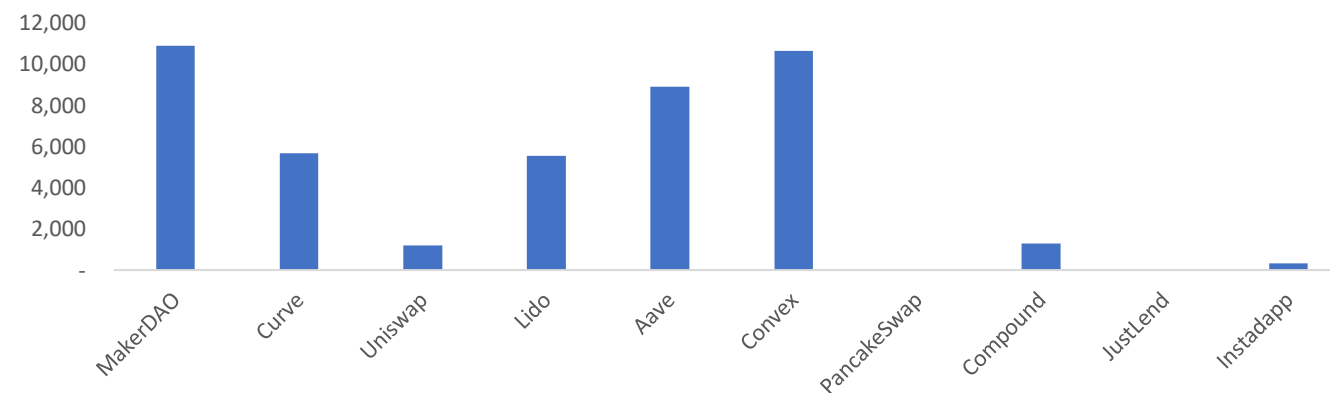
P/TVL Ratio (Top 10 Projects by TVL)



P/S Ratio (Annualized Revenue)



P/Users Ratio



Note: As of 5 October 2022. Protocols with a ratio of 0 means insufficient data.

Source: TokenTerminal, Dune Analytics, CoinMarketCap

## Top DEX Pool Trends

## Curve

Top Pools ?

#	Pool	Liquidity	Volume	Fees	ROL
1	steth	\$1.69b	\$12.95m	\$3.14k	0.07%
2	3pool	\$853.99m	\$74.83m	\$4.12k	0.18%
3	frax	\$630.85m	\$621.21k	\$1.18k	0.13%
4	tricrypto2	\$192.4m	\$29.45m	\$5.59k	0.00%
5	mim	\$137.14m	\$155.15k	\$87.51	0.04%
6	susd	\$108.94m	\$1.23m	\$506.72	0.17%
7	tusd	\$107.67m	\$341.9k	\$67.01	0.12%
8	alusd	\$107.22m	\$1.97m	\$385.23	0.21%
9	compound	\$62.61m	\$0.00	\$0.01	0.00%
10	lUSD	\$57.21m	\$248.93k	\$59.18	0.20%

## Liquidity Provided



## Uniswap

Top Pairs ?

#	Pair/Pool	Liquidity	Volume	Fees	ROL
1	USDC - ETH	\$97.62m	\$4.08m	\$12.25k	4.58%
2	WISE - ETH	\$97.59m	\$1.5k	\$4.51	0.00%
3	DAI - USDC	\$49.68m	\$9.34k	\$28.03	0.02%
4	FNK - USDT	\$29.83m	\$156.54	\$0.47	0.00%
5	ETH - USDT	\$27.49m	\$2.39m	\$7.17k	9.52%
6	MC - ETH	\$20.73m	\$102.7k	\$308.10	0.54%
7	UNI - ETH	\$18.89m	\$693.08k	\$2.08k	4.02%
8	PAXG - ETH	\$18.72m	\$353.35k	\$1.06k	2.07%
9	FXS - FRAX	\$17.01m	\$1.33m	\$4k	8.58%
10	DAI - ETH	\$13.76m	\$403.07k	\$1.21k	3.21%

## Liquidity Provided



## SushiSwap

Top Pairs ?

#	Pair/Pool	Liquidity	Volume	Fees	ROL
1	ILV - ETH	\$62.5m	\$277.71k	\$833.14	0.49%
2	USDC - ETH	\$52.59m	\$2.7m	\$8.1k	5.62%
3	ETH - USDT	\$22.07m	\$1.2m	\$3.6k	5.95%
4	WBTC - ETH	\$17.4m	\$126.64k	\$379.91	0.80%
5	SYN - ETH	\$11.25m	\$2.07m	\$6.2k	20.12%
6	SUSHI - ETH	\$7.92m	\$627.74k	\$1.88k	8.67%
7	WXP - ETH	\$7.84m	\$364.93k	\$1.09k	5.10%
8	DAI - ETH	\$7.8m	\$318.85k	\$956.54	4.47%
9	PUNK - ETH	\$7.17m	\$15.69k	\$47.07	0.24%
10	ETH - ALCX	\$7.01m	\$532.42k	\$1.6k	8.32%

## Liquidity Provided



## Top DEX Pool Trends – Liquidity on Curve steth pool increases as prices and activity recovers post-Merge

## Curve

Top Pair Data: steth

Total Liquidity, USD



Volume Traded



Fees per Liquidity



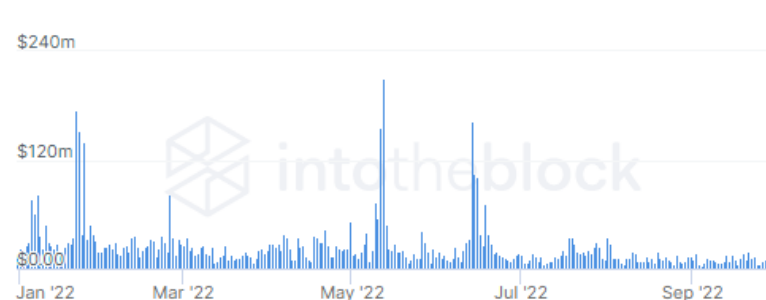
## Uniswap

Top Pair Data: USDC - ETH

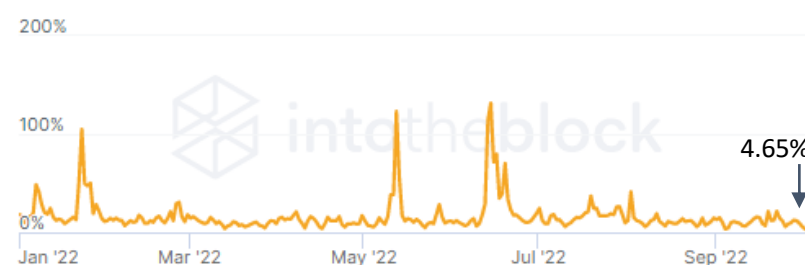
Total Liquidity, USD



Volume Traded



Fees per Liquidity



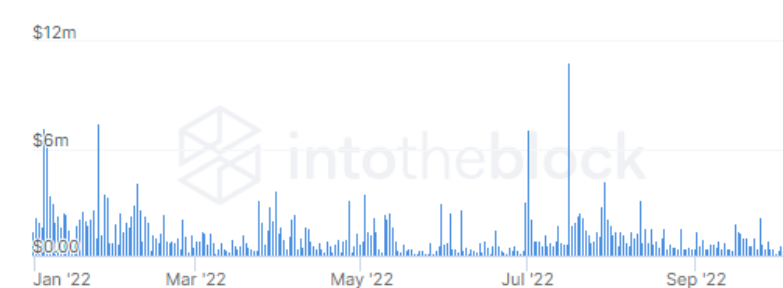
## SushiSwap

Top Pair Data: ILV - ETH

Total Liquidity, USD



Volume Traded



Fees per Liquidity



## Noteworthy DeFi Protocols – stETH returns to peg

### LDO 1M performance



- After over four months of being depegged, Lido Staked ETH (stETH) has gradually returned to near peg after the successful Merge in mid September.
- stETH is used in DeFi for users who want to stake ETH without locking up assets or maintaining infrastructure, since stETH can be used in other protocols. All stETH will be redeemable for ETH 1:1 in a future Ethereum upgrade which will enable staked ETH withdrawal. This is slated for 2023.
- The smooth Merge improved market confidence, helping to bring the price back up. At the same time, Lido staking APR increased to ~5.5% as well.

### Lido staking APR

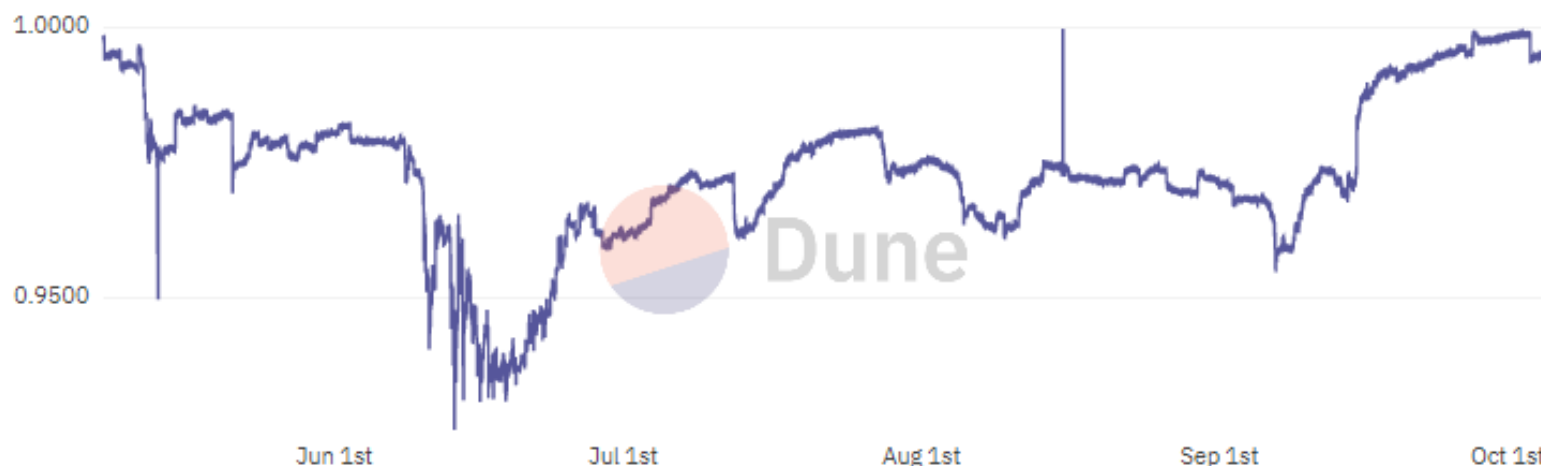
@LidoAnalytical



### 150-Day stETH/ETH Price

Forked from @LidoAnalytical/ETH:stETH price hourly

@dataalways



# NFT & Metaverse

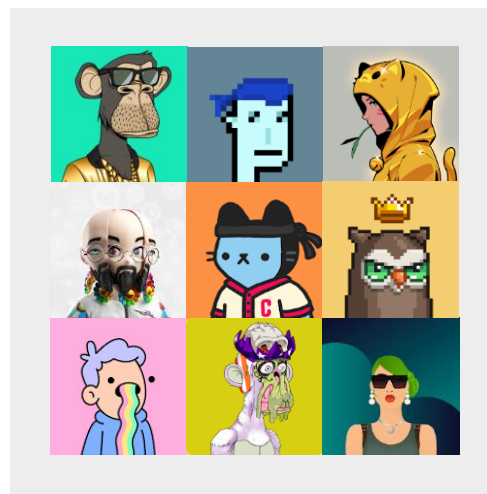
## NFT & Metaverse Summary

1. **NFT Dashboard** – CryptoPunks volume boosted by US\$4.5m sale
2. **NFT volume remains level despite large-ticket sales for CryptoPunks recently**
3. **Magic Eden DAU lead over OpenSea remains after strong y00ts mint**
4. **GameFi & Play-to-Earn**  
Illuvium's Interoperable Blockchain Game
5. **News & Headlines**



## NFT Dashboard

Project	Floor Price	14D	YTD
<b>"Blue Chip" Projects</b>			
Bored Ape Yacht Club	78.2Ξ	8.8%	22.9%
CryptoPunks	66.7Ξ	5.2%	3.2%
<b>Tier-A Projects</b>			
Azuki	10.0Ξ	-9.9%	185.7%
Clone X	7.2Ξ	19.2%	79.2%
Cool Cats	2.7Ξ	6.0%	-80.5%
Doodles	8.0Ξ	-4.8%	21.5%
Moonbirds	10.5Ξ	-3.7%	-16.7%
Mutant Ape Yacht Club	14.9Ξ	3.5%	27.8%
Otherdeeds	1.7Ξ	0.6%	-75.3%
World of Women	2.4Ξ	2.6%	17.9%



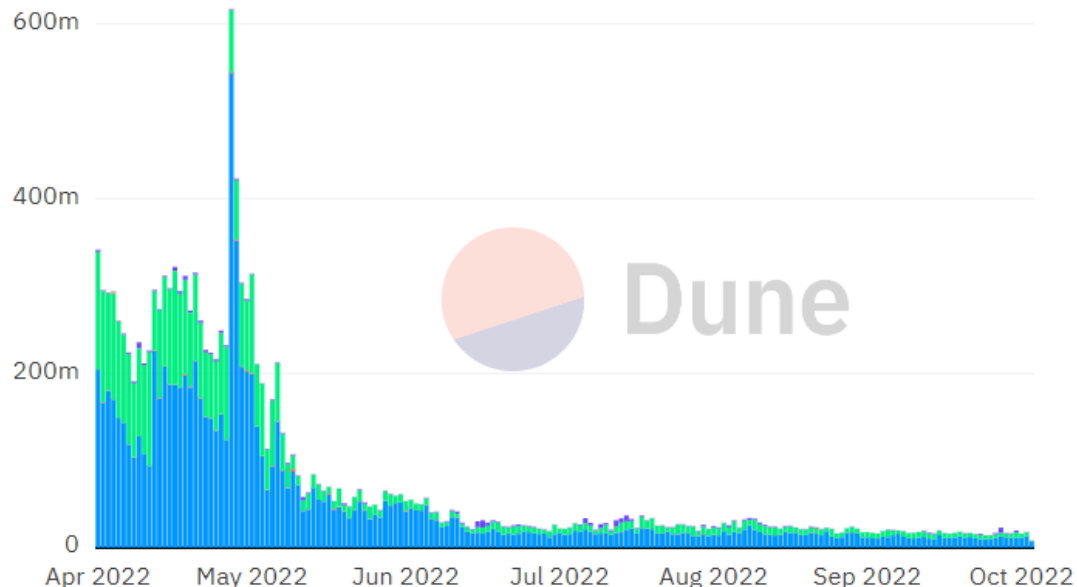
Top Sales of the Week*	Price
CryptoPunk #2924	\$4,440.0k
CryptoPunk #5944	\$1,280.0k
BAYC #8585	\$1,020.0k
CryptoPunk #784	\$265.8k
BAYC #7985	\$203.8k
CryptoPunk #4901	\$195.8k
BAYC #2024	\$188.3k
CryptoPunk #1922	\$155.8k
BAYC #5163	\$147.2k
BAYC #6402	\$135.8k

Top Collections of the Week* (by volume)	Volume (USD)
CryptoPunks	\$10.1m
RENGA	\$10.1m
QQL Mint Pass	\$7.5m
Gods Unchained	\$4.3m
Bored Ape Yacht Club	\$4.2m
Mutant Ape Yacht Club	\$3.5m
ENS	\$3.2m
Kitaro World	\$3.1m
RENGA Black Box	\$2.2m
Otherdeed	\$2.0m

## NFT volume remains level despite large-ticket sales for CryptoPunks recently

### NFTs - USD Volume

Daily, per Platform

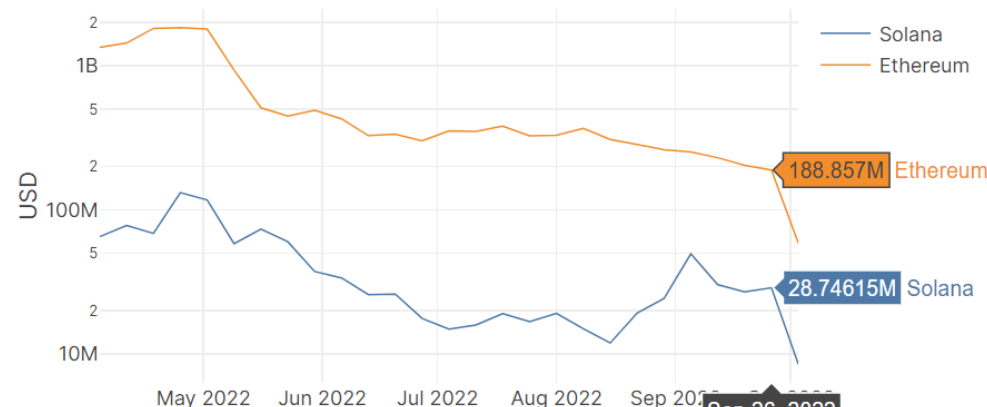


@hildobby

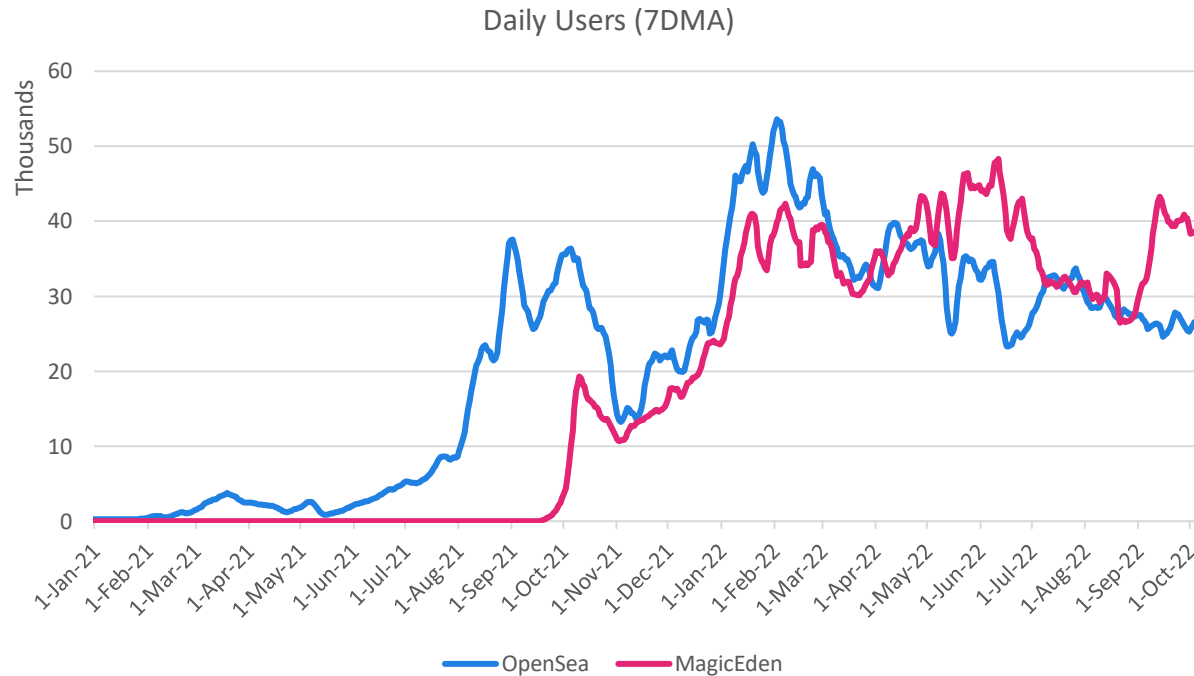
- Daily NFT volume in ETH continues the previous trend in prior periods. **OpenSea NFT volume has been relatively level at ~US\$10 million per day** in recent weeks.
- LooksRare volume trails behind at around 30-60% of OpenSea's.
- In terms of volume by blockchain, Ethereum is ~8x of Solana's.

### → NFT Trading Volume by Blockchain

Last Updated: 05/10/2022, 16:01



## Magic Eden DAU lead over OpenSea remains after strong y00ts mint



- The number of **daily active users on Magic Eden continues to lead OpenSea** after the strong y00ts NFT mint in early September.
- y00ts is a highly popular Solana-based NFT by Dust Labs, which also created the leading DeGods NFT collection.
- Meanwhile, Ethereum NFTs have also seen an uptick in momentum with near record-breaking CryptoPunks sales, though user activity seem to be less affected.

Marketplace	Average Price per Trade*
OpenSea	US\$188.4
MagicEden	US\$45.8

Note: \*7 days

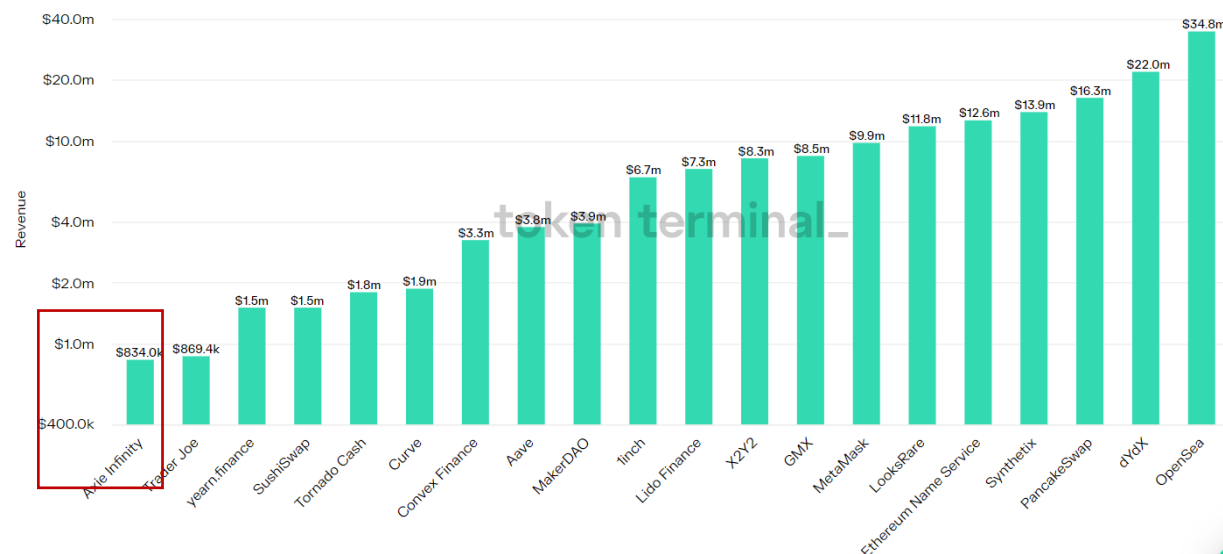
Source: DappRadar, @y00tsNFT, Dune Analytics, AMTD Research

## GameFi & Play-to-Earn

### Illuvium's Interoperable Blockchain Game

- Illuvium is creating the interoperable blockchain game concept, which is something that has never been done before in mainstream nor web3 gaming, according to the co-founder.
- IBG refers to the three games being developed under Illuvium, which will be underpinned by the same economy, governed by the ILV token, and connected by the blockchain.
- Illuvium aims to be a “fun game” first and foremost, rather than other web3-games that focus more on P2E or NFT concept.

### Dapp 90D Protocol Revenue



### News & Headlines

#### **Epic Games Invests in Metaverse Infrastructure Developer**

Fortnite creator Epic Games participated in a Series A funding for Hadean, which raised a total of US\$30 million. Hadean is a metaverse infrastructure developer tackling the small scale, siloed, and insecure virtual worlds of today. [[Watcher.Guru](#)]

#### **Walmart Enters Metaverse with Roblox**

Walmart is officially testing the metaverse waters by introducing two experiences, Walmart Land and Walmart's Universe of Play in popular gaming platform Roblox. The experiences will feature music festival, different games, and a virtual merchandise store. [[CNBC](#)]

#### **Optimism Live on OpenSea**

OpenSea has officially launched support for Optimism NFTs, making it the sixth blockchain to be supported on the marketplace. [[@OpenSea](#)]

#### **Warner Music Partners with OpenSea**

Warner Music Group announced a collaboration with OpenSea to provide a platform for select WMG artists to build and extend their fan communities in Web3. As part of the partnership, WMG artists would get early access to OpenSea's new drops product with improved discoverability. [[WMG](#)]

#### **Ubisoft & Take-Two Backs NFT Game Maker Horizon**

Game publishers Ubisoft and Take-Two Interactive participated in a Series A fundraising by Horizon, an NFT game maker behind the competitive card game Skyweaver. Other investors include Morgan Creek Digital, Polygon. [[Decrypt](#)]

#### **Imaginary Ones Partners with Hugo Boss**

HUGO, the youth brand of German fashion giant Hugo Boss, is entering web3 through a partnership with popular NFT Imaginary Ones. HUGO will create its first NFT collection and also a vaguely-defined "360-degree metaverse experience." [[Watcher.Guru](#)]

# Regulatory Updates

# Regulatory Updates

- The U.S. Commodity Futures Trading Commission has charged Ooki DAO, through its website help bot and forum post, in which Ooki DAO allegedly offered illegal leveraged and margined trades without an appropriate Futures Commission Merchant designation or KYC program. The DAO has until 13 October to respond, by which the CFTC would win by default.
- The EU has finalized the full text of the landmark Markets in Crypto Assets legislation. The bill encourages EU enforcers to take a “substance over form” approach to the law. It would also require crypto issuers to publish technical whitepapers, platforms to register with authorities, and stablecoin issuers to be appropriately and prudently managed.
- The U.S. CFTC Commissioner has proposed a new Office for Retail Advocate that would focus on retail market protections. It is part of a push to allow for the CFTC to directly oversee crypto markets.
- California governor Gavin Newsom vetoed a crypto licensing and regulation bill, which would have created a crypto licensing regime and stablecoin rules in the state. Gov. Newsom cited that it would be premature to create the licensing regime without feedback from his May 2022 executive order on digital assets, as well as possibilities of future federal legislation.
- The HKMA will be launching trials to find suitable use cases for its proposed e-HKD. The trials will seek to find an appropriate use case for its CBDC given Hong Kong’s existing diverse and convenient retail payment system. The HKMA will remain the issuing authority while the three existing note-issuing banks will be distributors.
- Sweden, Norway, and Israel launched Project Icebreaker, which will interlink the test retail CBDC platforms of each central bank. The test environment will allow the countries to learn more about cross-border payments through CBDC.
- Former US senator and former US ambassador to China, Max Baucus, will be leading Binance’s new advisory board to help the exchange navigate increasing regulatory challenges in the crypto space. The board is rather diverse with remaining members in Nigeria, Korea, France, South Africa, Brazil, Mexico, and Germany.

# Notable Tweets



## Notable Tweets

### Will DK get caught?



**Cobie** ✓  
@cobie

Damn



**Watcher.Guru** ✓ @WatcherGuru · Sep 26

BREAKING: International Criminal Police Organization issues worldwide arrest warrant for Terra founder Do Kwon.

[Show this thread](#)

9:48 AM · Sep 26, 2022 · Twitter for iPhone

30 Retweets 6 Quote Tweets 632 Likes

### Credit Sun



**H.E. Justin Sun** 🌞🇧🇩 ✓  
@justinsuntron

We are interested in buying assets or shares from Credit Suisse and bring it to Web3.

12:46 PM · Oct 4, 2022 · Twitter Web App

179 Retweets 88 Quote Tweets 1,750 Likes

### Catching Covid in Singapore



**jowella** 🌿  
@speicherx

Did we ALL catch covid again from token2049 or

12:38 PM · Oct 3, 2022 · Twitter Web App

1 Retweet 25 Likes

### Zcash being attacked for \$10 a day



**xenu** @xenumonero · 19h

The zcash spam attack continues. Almost every block contains a shielded transaction with hundreds of outputs. In doing so, the spammer can successfully blow up the size of the chain by maxing each 2mb block every 75 seconds. The cost of each spammed transaction? Less than a cent.

35 106 414

### DK's crypto is (not) frozen?



**Do Kwon** 🌞 ✓  
@stablekwon

I don't get the motivation behind spreading this falsehood - muscle flexing? But to what end?

Once again, I don't even use Kucoin and OkEx, have no time to trade, no funds have been frozen.

I don't know whose funds they've frozen, but good for them, hope they use it for good 🙏



**CoinDesk** ✓ @CoinDesk · 12h

Prosecutors in South Korea have frozen \$39.6M of crypto owned by @terra\_money CEO Do Kwon.

by @IanAllison123

[trib.al/iQEubhH](https://trib.al/iQEubhH)

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