

Crypto Week in Review (9/1-9/7)

Goldman Sachs CFO Denies Crypto Strategy Shift (9/6)

GS CFO Marty Chavez [addressed](#) claims from an unsubstantiated [report](#) earlier this week that the firm may be delaying previous plans to open a crypto trading desk, calling the report “fake news”.

Coinbase Explores Crypto ETF (9/6)

Coinbase spoke to asset manager BlackRock about creating a crypto ETF, Business Insider [reports](#). While the current status of the discussions is unclear, BlackRock is said to have “no interest in being a crypto fund issuer,” and SEC approval in the near term remains uncertain. Looking ahead, the Wednesday confirmation of Trump nominee Elad Roisman has the [potential](#) to tip the scales towards a more favorable cryptoasset approach.

Twitter CEO Comments on Blockchain (9/5)

Twitter CEO Jack Dorsey, speaking in a congressional hearing, [indicated](#) that blockchain technology could prove useful for “distributed trust and distributed enforcement.” The platform, given its struggles with how best to address fraud, harassment, and other misuse, could be a prime testing ground for decentralized identity solutions.

Ripio Facilitates Peer-to-Peer Loans (9/5)

Ripio [began](#) to facilitate blockchain powered peer-to-peer loans, available to wallet users in Argentina, Mexico, and Brazil. The loans, which utilize the Ripple Credit Network (RCN) token, are funded in RCN and dispensed to users in fiat through a network of local partners. Since all details of the loan and payments are recorded on the Ethereum blockchain, the solution could contribute to wider access to credit for the unbanked.

IBM’s Payment Protocol Out of Beta (9/4)

Blockchain World Wire, a global blockchain based payments network by IBM, is out of beta, CoinDesk [reports](#). The system, which uses the Stellar Protocol, is designed to allow banks to transmit value using a stablecoin (or other digital asset), which is then converted to the fiat currency of choice upon receipt. A demo is [planned](#) for the Swift operations conference in October.

ShapeShift Adding Loyalty Program, KYC (9/4)

Popular trading platform ShapeShift [announced](#) a new membership and loyalty program, which will soon become mandatory and require KYC. The Swiss based platform, which has long been revered in the crypto community for its lack of data collection and strong stance on personal privacy, appears to be under regulatory pressure, with CEO Erik Voorhees [adding](#) the move was “done to de-risk under duress.”

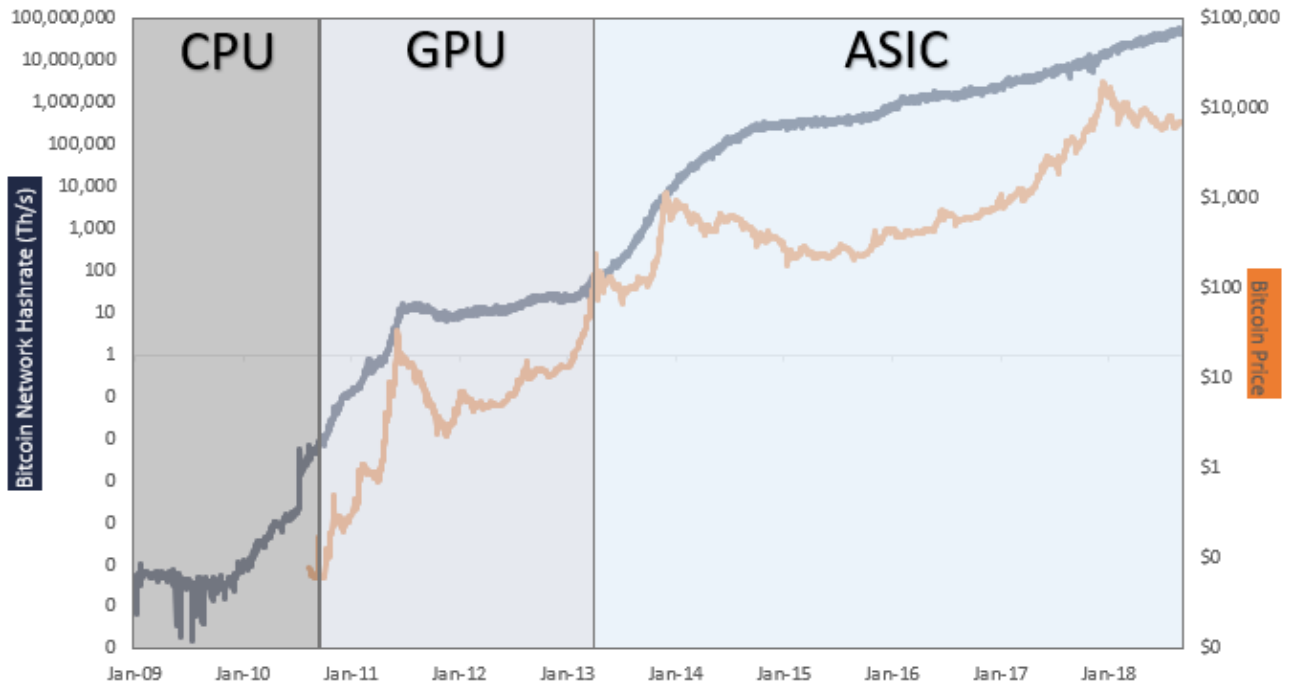
Silk Road Bitcoin Activity (9/2)

A cache of 111,114 BTC, dormant since 2014 and believed to be related to the original Silk Road marketplace, has recently been moved. Investigations of the movements indicated that over 15,000 BTC were transferred to Binance (4k) and Bitfinex (11k) within the past month, with the bulk of the deposits occurring within the past 15 days (Binance) and past 12 days (Bitfinex). Although Bitfinex allows fiat trading, Binance is a crypto-only exchange, meaning the depositor most likely cycled the BTC through other altcoins. Considering the alleged illicit source of the funds, we find it likely that the deposits were exchanged for privacy coins in an attempt to obfuscate the source. Should the funds be traded for and withdrawn in XMR, it would become incredibly difficult to trace further movements of the funds. This could partially explain the strong relative outperformance of XMR/BTC (+26% w/w since our last [report](#), +11% m/m). The deposits would equate to ~4 days of XMR/BTC volume on Binance, and ~23 days on Bitfinex.

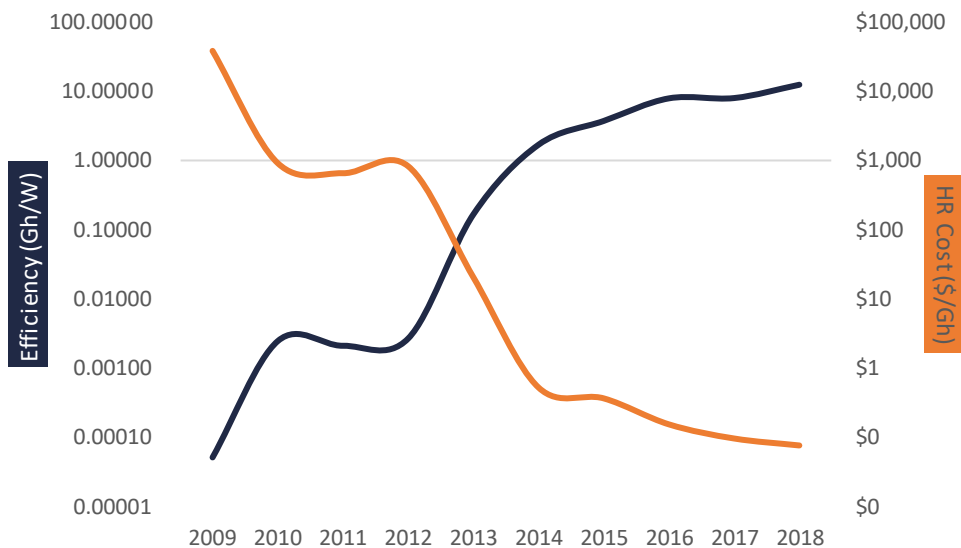
Bitcoin Network Power Continues at All-Time High

When Mike and I were mining Bitcoin ~6 years ago, the network was putting out ~20 Th/s. It recently hit 62,000,000 Th/s, multiplying by 3,100,000x since then. Below are a few network and mining statistics, to show how it has progressed.

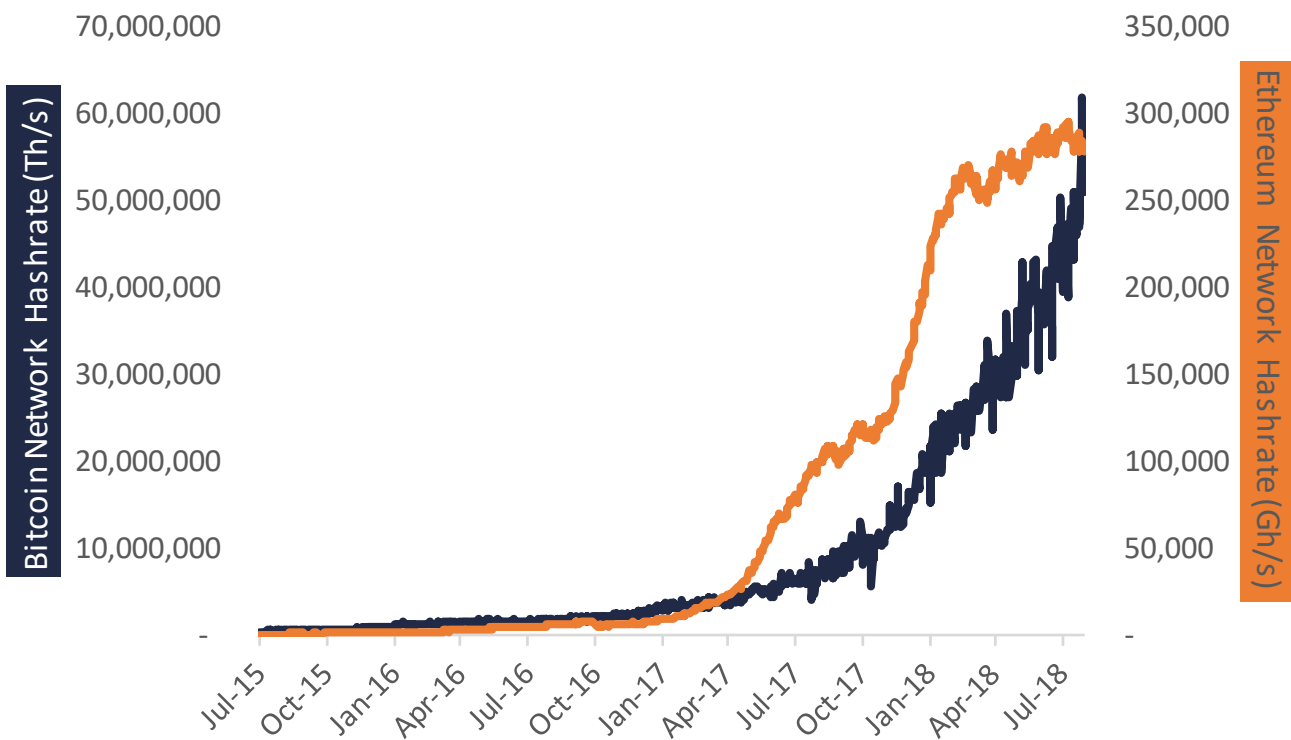




	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Hash Rate (Gh/s)	0.003	0.575	0.550	0.650	63	878	4,255	9,750	11,500	22,550
Watts	55	241	271	250	445	509	1,145	1,200	1,450	1,786
Price (Release)	104	540	369	550	1,299	460	1,553	1,494	1,100	1,709
Efficiency (Gh/W)	0.00005	0.002	0.002	0.003	0.16	1.7	3.7	7.9	7.9	12.4
y/y		4749%	-14%	27%	6190%	923%	121%	112%	1%	56%
Hash Rate Cost (\$/Gh)	\$39,808	\$938	\$671	\$846	\$21	\$0.5	\$0.4	\$0.2	\$0.1	\$0.1
y/y		-98%	-28%	26%	-98%	-97%	-30%	-58%	-38%	-21%

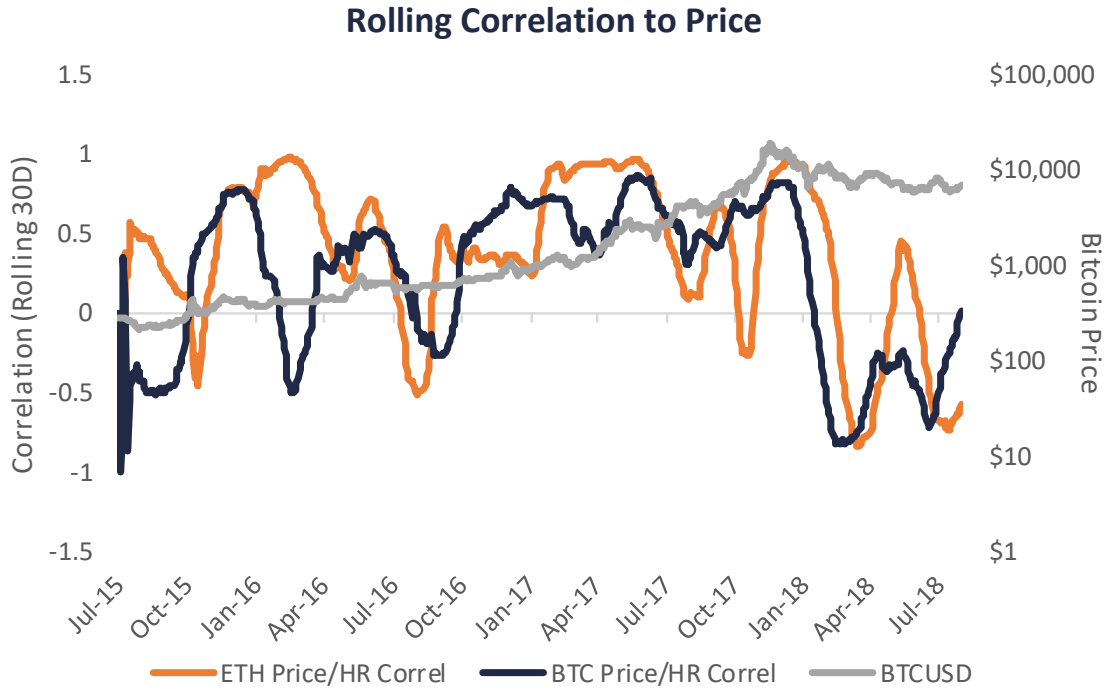


Hashrate Growth: BTC vs ETH



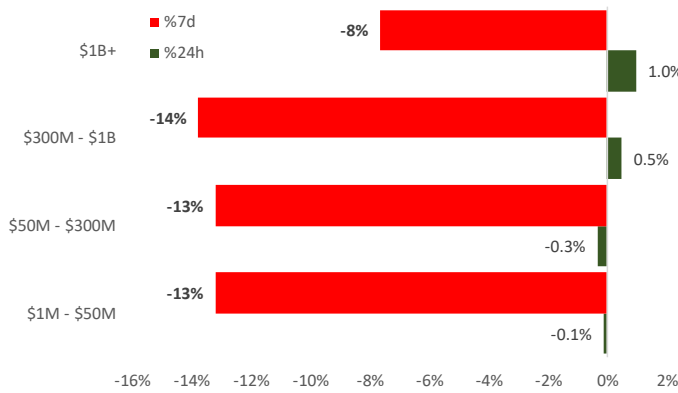
Q/Q		Hashrate Growth	Y/Y	
ETH	BTC		ETH	BTC
0%	29%	QTD	180%	798%
7%	71%	2Q18	350%	833%
69%	67%	1Q18	1373%	470%
57%	43%	4Q17	2507%	486%
59%	129%	3Q17	1474%	466%
249%	4%	2Q17	1390%	179%
199%	72%	1Q17	897%	211%
-5%	38%	4Q16	986%	195%
50%	13%	3Q16	1766%	275%



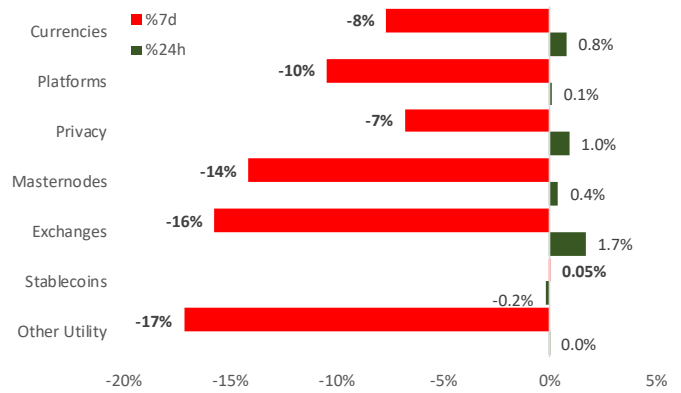


Weekly Performance

Returns by Market Capitalization

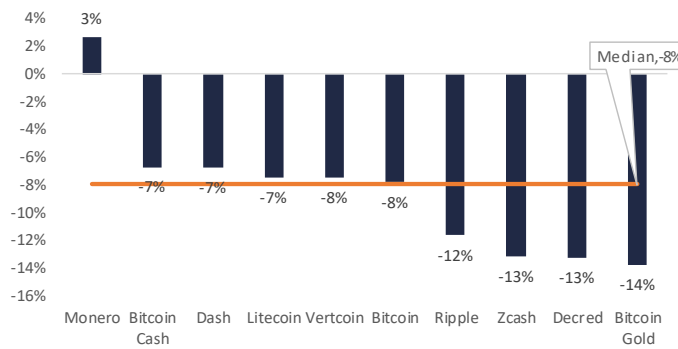


Returns by Peer Group

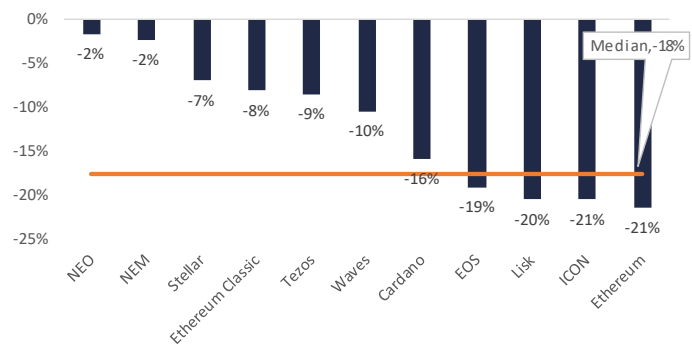


By Sector

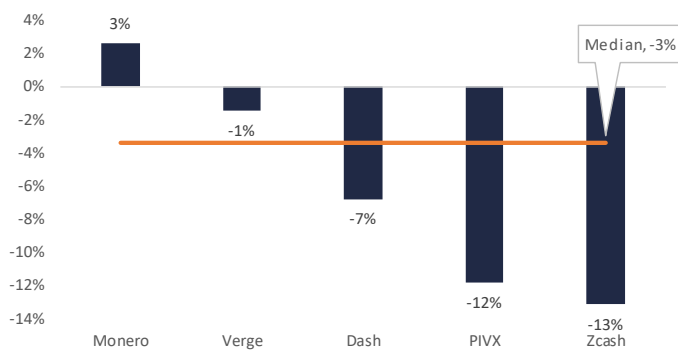
Currencies



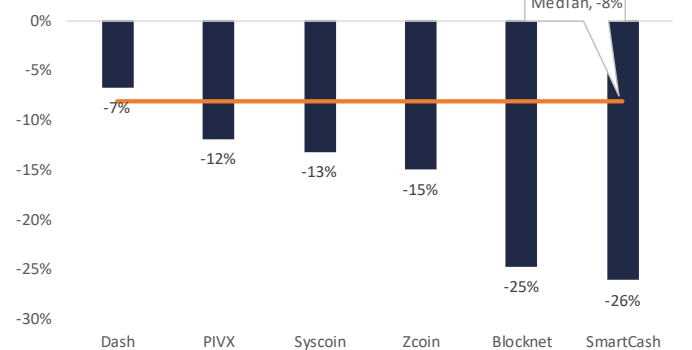
Platforms



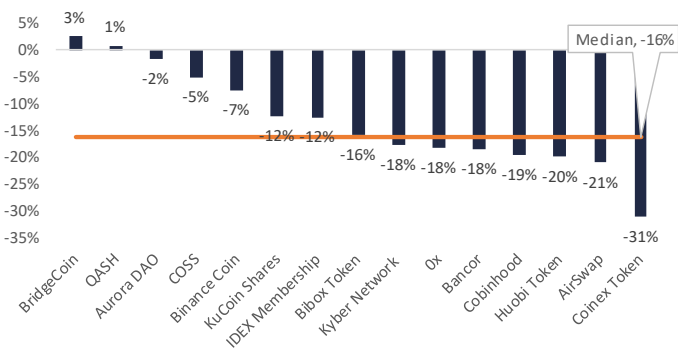
Privacy



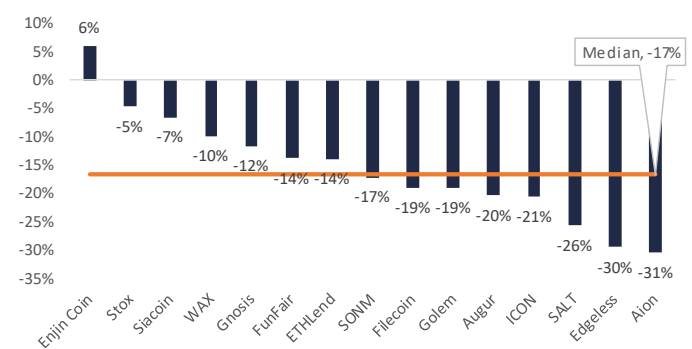
Masternodes



Exchanges



Other Utility



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