

## News and Market Developments

- + 23 April | Coinbase launched non-fungible token (NFT) marketplace beta, yet stock price tumbles
  - Coinbase launched its NFT marketplace in beta on April 20<sup>th</sup>, following the announcement made in October last year. There have been over 1.5 million people signed up for this new feature.
  - Although two days after its new NFT marketplace launch, Coinbase's stock fell to an all-time low during Friday's trading session – touched a low of \$131.25 and later closed at \$131.52.
  - Analysts questioned whether or not the NFT marketplace will succeed – whether the new function can really scale and gather trading volume to add revenue for the business.
  - Coinbase is facing competition not only from OpenSea and LooksRare, which dominate the NFT market, but also from major crypto exchanges like FTX.US and Binance, which have also launched NFT marketplaces last year.
  
- + 22 April | MetaMask service impacted by Infura's yet another outage
  - Crypto web wallet MetaMask is currently not working for users due to a service outage on Infura, an Ethereum infrastructure provider.
  - “We are aware of an outage of some of our ETH1, Palm, Optimism, Polygon, Filecoin and Arbitrum API endpoints. At the moment, the outage is limited to the listed components, which are temporarily unavailable. We are currently investigating to pinpoint a root cause and remediate,” according to an update on Infura's status page on Friday. Ethereum gas fees have tumbled as a result of the outage.
  
- + 12 April | Tron to launch algorithmic stablecoin USDD
  - Tron will have its own native decentralized algorithmic stablecoin called USDD from May 5, announced by its founder Justin Sun on Thursday.
  - The stablecoin won't operate like traditional ones do, such as Tether (USDT) and Circle's USD Coin (USDC), which keep dollars (and other assets) in bank accounts as backing. Instead USDD will be an algorithmic stablecoin like TerraUSD (UST) and Frax Finance (FRAX).
  - The stablecoin will have a similar system to these algorithmic stablecoins in order to keep its peg to the US dollar (“USD”). As Sun explained, “When USDD's price is lower than 1 USD, users and arbitrageurs can send 1 USDD to the system and receive 1 USD worth of TRX. When USDD's price is higher than 1 USD, users and arbitrageurs can send 1 USD worth of TRX to the decentralized system and receive 1 USDD.”
  
- + 12 April | Policy remains the main topic at Miami's big Bitcoin conference
  - This year's Bitcoin 2022 conference in Miami felt a lot different than last year's event.
  - There were fewer battle cries and more nuanced policy talks. Overall, most panellists had something positive to say about the state of regulation for Bitcoin. Perhaps more importantly, there was no more debate over whether regulation should occur at all. This year the conversation was more about how regulation should occur.

Non-fungible token (NFT): A non-interchangeable unit of data stored on a blockchain, a form of digital ledger, that can be sold and traded.

Ethereum: A decentralized, open-source blockchain with smart contract functionality.

Stablecoin: Cryptocurrencies where the price is designed to be pegged to a cryptocurrency, fiat money, or to exchange-traded commodities.

Algorithmic Stablecoin: Designed to achieve price stability as well as balance the circulating supply of an asset through being pegged to a reserve asset such as the U.S. dollar for example, gold or any foreign currency.

Cryptocurrency (crypto): A digital or virtual currency that is secured by cryptography, which makes it nearly impossible to counterfeit or double-spend.

Bitcoin: A decentralized digital currency, without a central bank or single administrator, that can be sent from user to user on the peer-to-peer bitcoin network without the need for intermediaries.

## News and Market Developments

- + 12 April | Circle announces \$400 million raise, partnership with BlackRock
  - Crypto payments company Circle announced a \$400 million funding round on Tuesday. The firm is also partnering with asset manager BlackRock as a strategic investor.
  - The round, expected to close in the second quarter, also drew support from Fidelity Management and Research, Marshall Wace LLP and Fin Capital.
  - By partnering with BlackRock, Circle is looking to explore capital market applications, per the announcement. BlackRock will also play a role as an asset manager of USDC cash reserves.

## Spot Market Summary | 1/3

TOP 10 BY MARKET CAP									
#	Symbol	Name	Price	Market Cap, bn	7d Return	30d Return	13w Return	Volatility	Correlation to BTC
1	BTC	Bitcoin	39,756.85	756.14	-2.0%	-7.1%	8.9%	65.4%	1.00
2	ETH	Ether	2,967.09	357.70	-2.6%	-2.0%	15.7%	71.9%	0.90
3	USDT	Tether	1.00	83.18	-0.0%	0.2%	0.1%	3.0%	-0.07
4	BNB	BNB	407.30	68.55	-2.5%	-0.1%	6.1%	64.2%	0.82
5	USDC	USD Coin	1.00	49.89	-0.0%	0.1%	-0.3%	4.5%	0.11
6	XRP	XRP	0.72	34.64	-8.6%	-14.0%	12.9%	88.0%	0.67
7	SOL	Solana	100.64	33.61	-0.7%	6.0%	-10.0%	103.5%	0.78
8	LUNA	Terra	93.69	32.81	16.6%	-1.4%	45.5%	128.6%	0.63
9	ADA	Cardano	0.91	29.12	-5.1%	-17.8%	-19.1%	79.4%	0.79
10	DOT	Polkadot	18.32	20.27	-0.3%	-12.7%	-6.4%	79.9%	0.80

Volatility (annualized) and correlation on the past 13 weeks daily USD returns. Price and market cap in USD.  
Source: WisdomTree, CoinGecko. As of 22 April 2022.

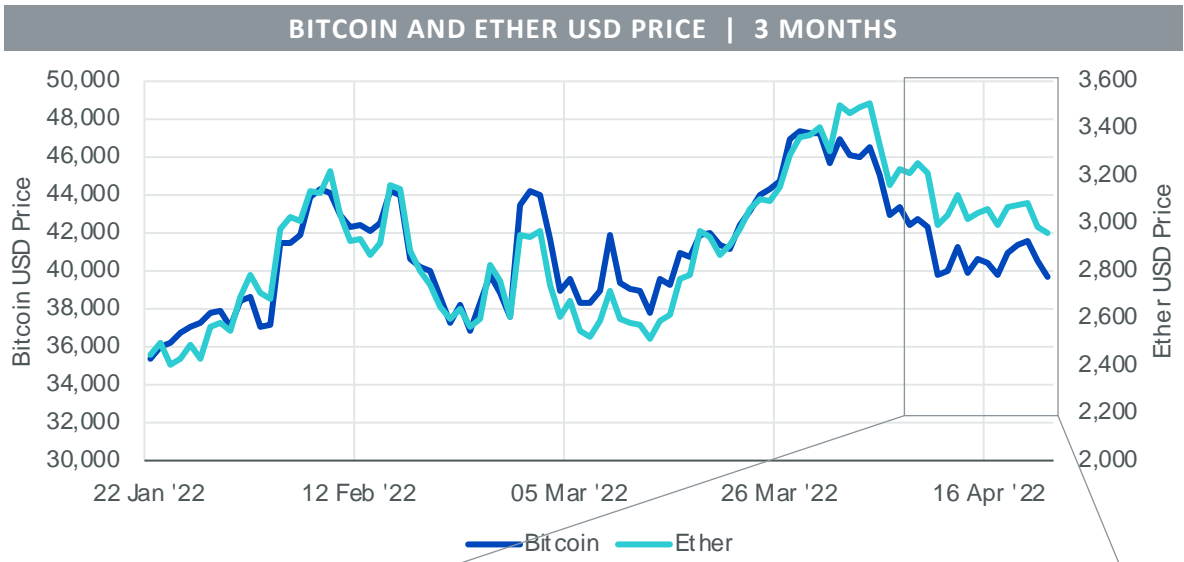
Spot market: A spot market or cash market is a public financial market in which financial instruments or commodities are traded for immediate delivery.

Market Capitalization: The total market value of a cryptocurrency's circulating supply (current price x circulating supply).  
7d= 7-day, 30d=30-day, 13w= 13 week, bn=billion, USD= U.S. dollar

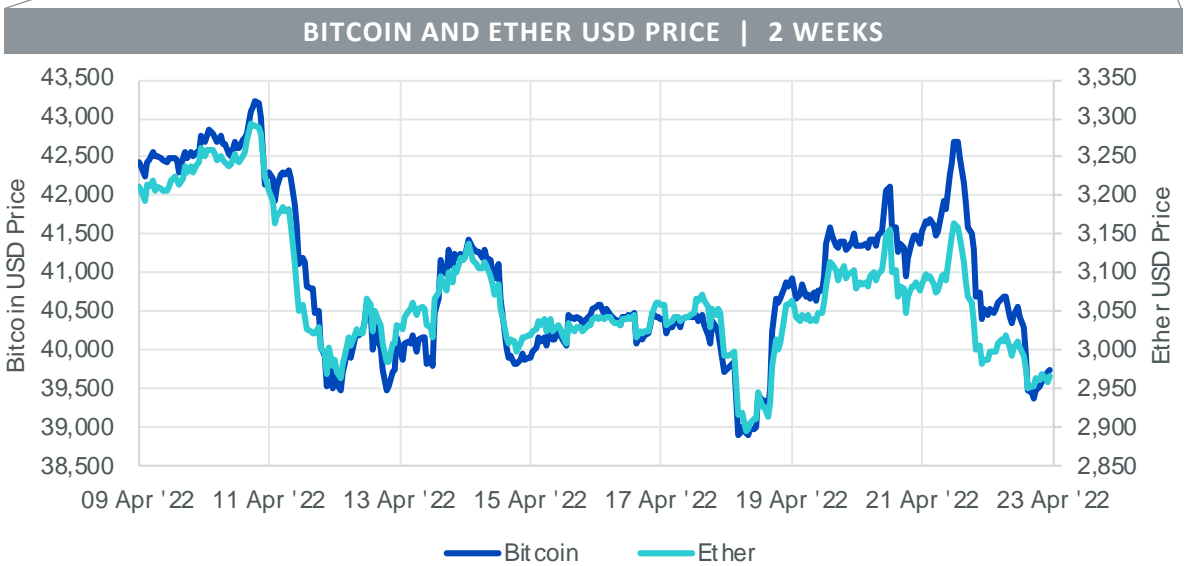
Volatility: A measure of the dispersion of actual returns around a particular average level.

Correlation : Statistical measure of how two sets of returns move in relation to each other. Correlation coefficients range from -1 to 1. A correlation of 1 means the two subjects of analysis move in lockstep with each other. A correlation of -1 means the two subjects of analysis have moved in exactly the opposite direction.

### Spot Market Summary | 2/3

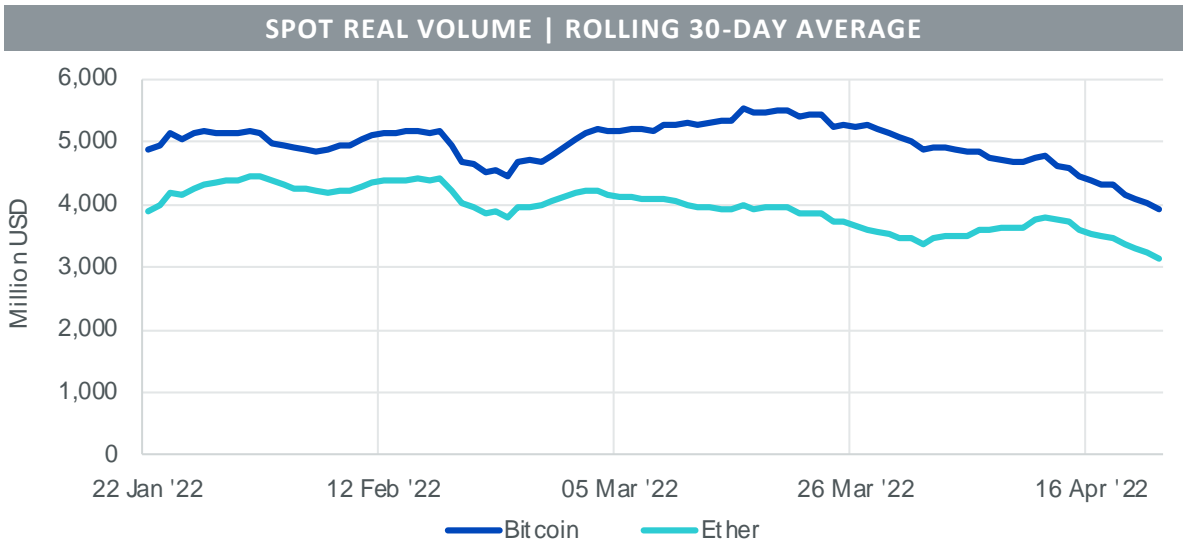


Source: WisdomTree, Glassnode. USD:US Dollar.



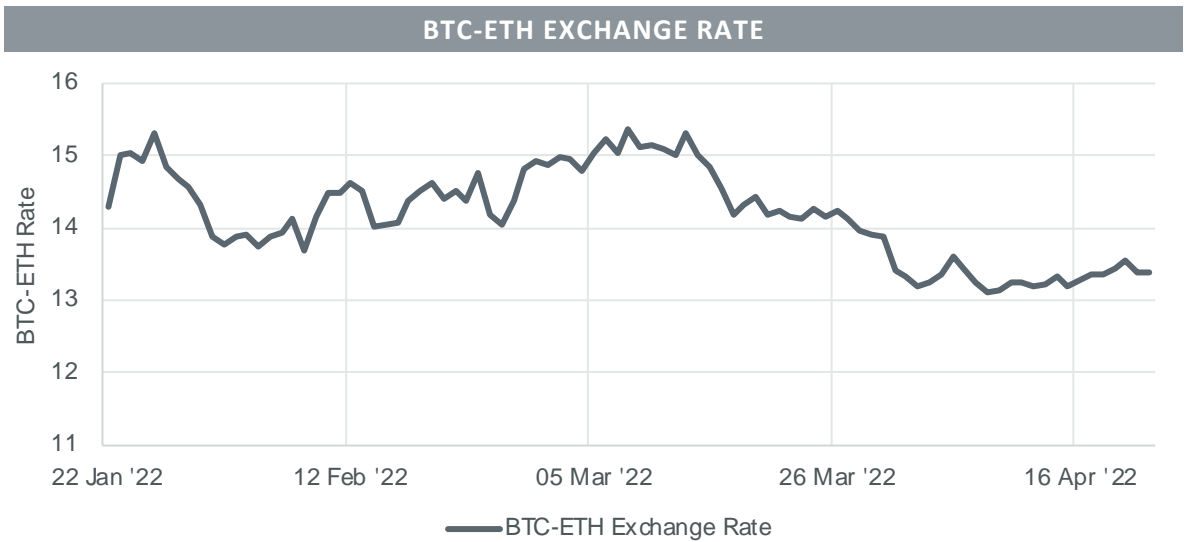
Source: WisdomTree, Glassnode.

### Spot Market Summary | 3/3



USD Volume: USD value traded. Source: WisdomTree, Messari.

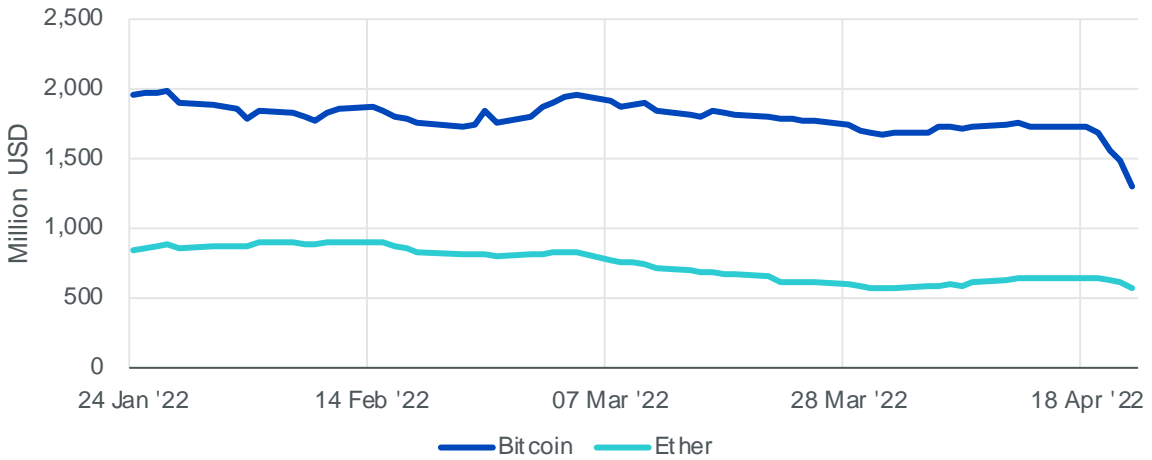
Messari regularly reviews which spot crypto exchanges are deemed to report reliable volume, and only take these into account for the calculation of real volume.



Source: WisdomTree, Glassnode.

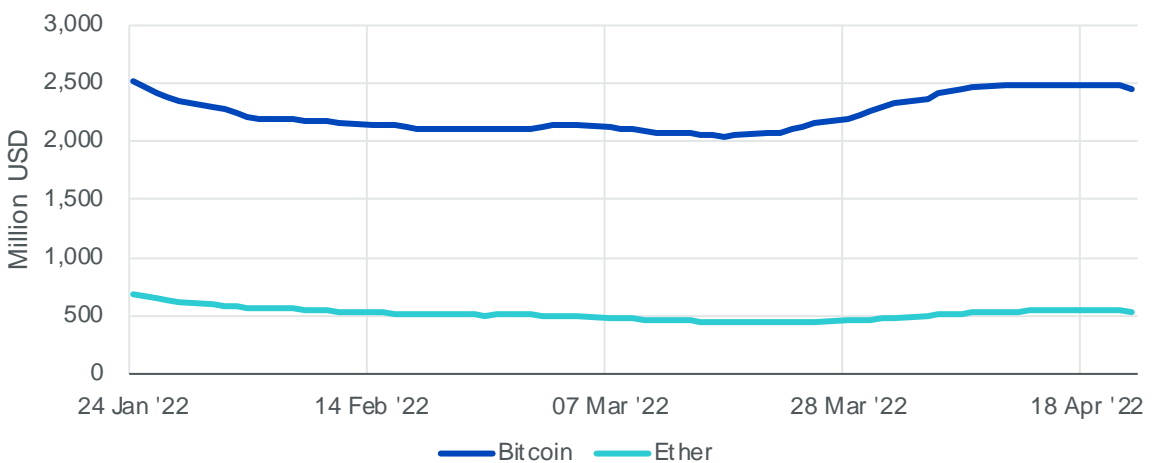
## Regulated Futures Summary | 1/3

### USD VOLUME | ROLLING 20-DAY AVERAGE



Source: WisdomTree, Bloomberg. The CME Group Ether futures launched on the 8<sup>th</sup> of February 2021.

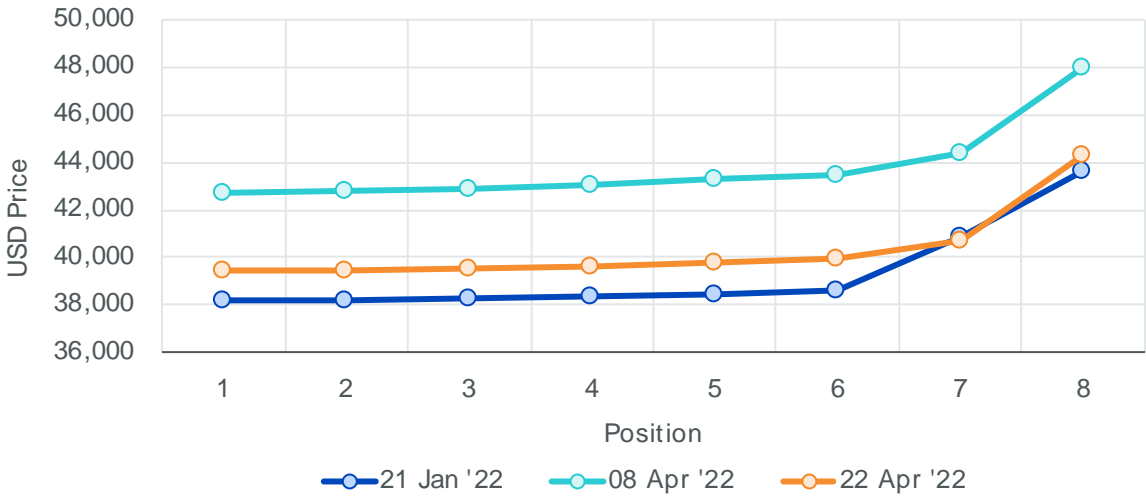
### USD OPEN INTEREST | ROLLING 20-DAY AVERAGE



USD Open interest: aggregated USD value of outstanding contracts. Source: WisdomTree, Bloomberg. The CME Group Ether futures launched on the 8<sup>th</sup> of February 2021.

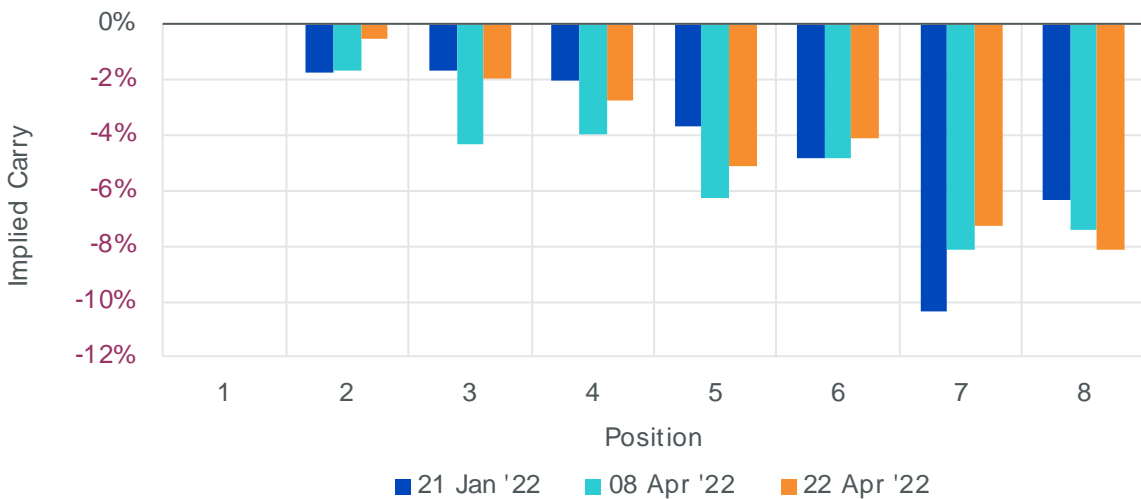
Regulated Futures Summary | 2/3

**CME BITCOIN FUTURES CURVE**



Last week, 2 weeks ago and 13 weeks ago. Source: WisdomTree, Bloomberg.

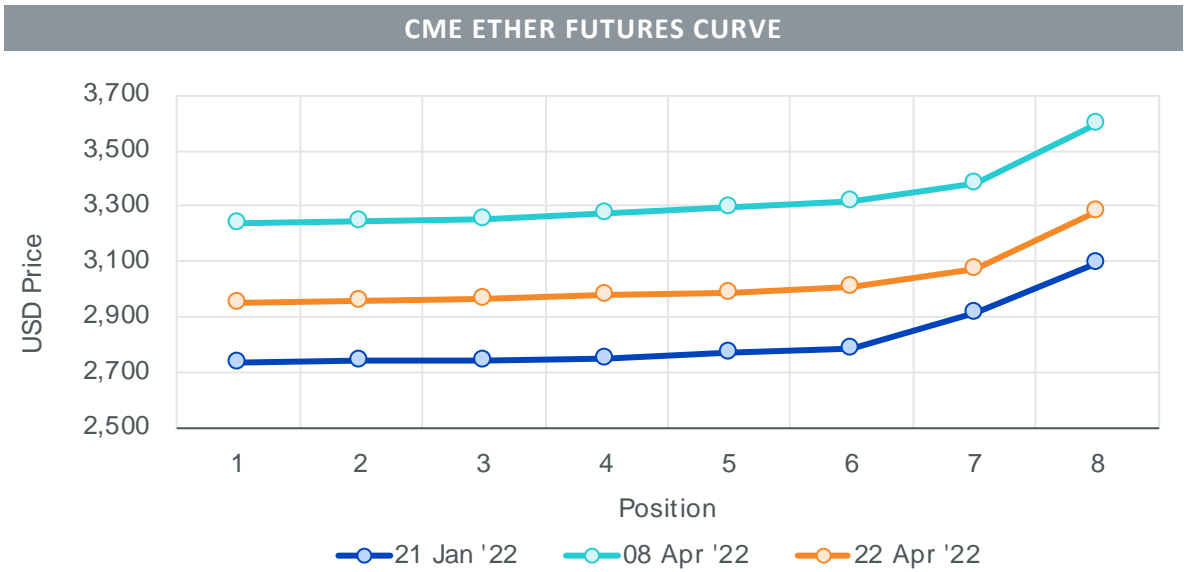
**CME BITCOIN FUTURES ANNUALIZED IMPLIED CARRY**



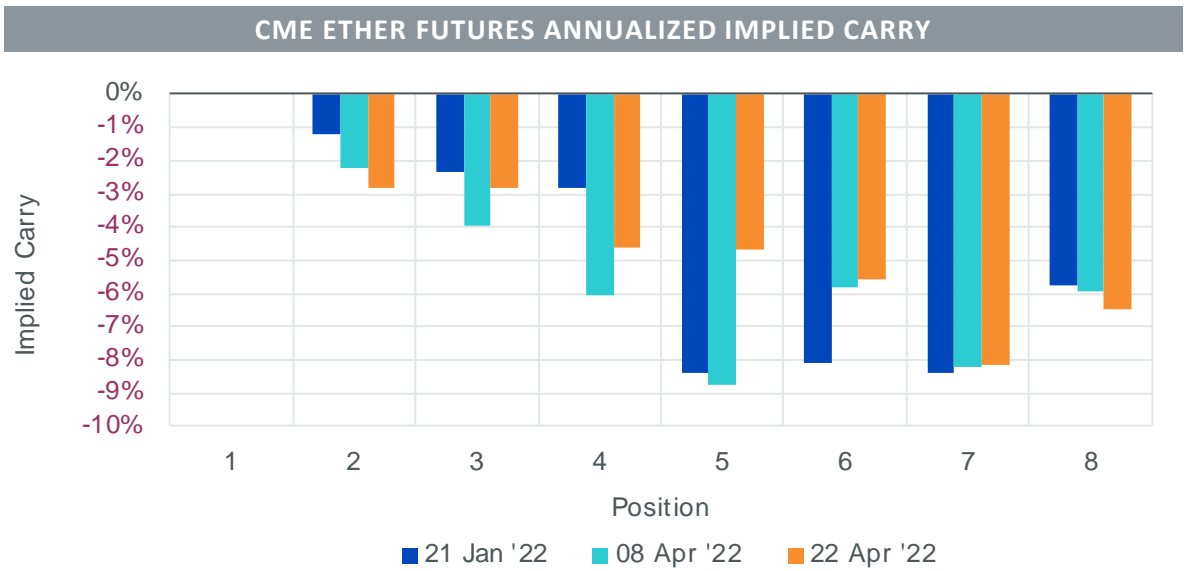
Last week, 2 weeks ago and 13 weeks ago. Source: WisdomTree, Bloomberg. Implied carry: The annualized yield implied by forward or futures contracts relative to spot rates, assuming no change in spot prices, valuation, or shape of futures curves.

Futures Curve: A futures curve is the graphical representation of the relationship between the price of forward contracts and the time to maturity of the contracts.

Regulated Futures Summary | 3/3



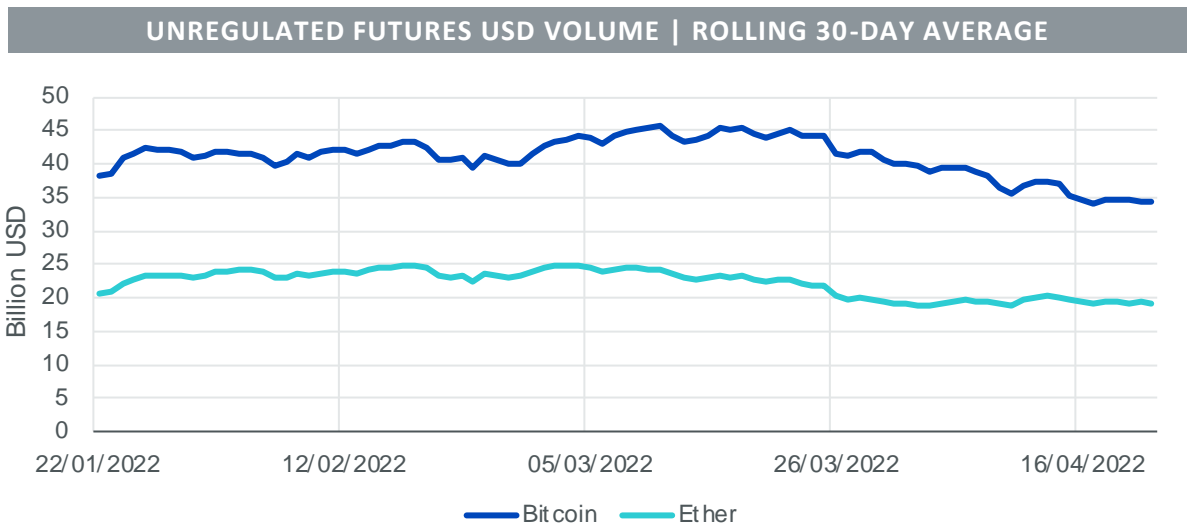
Last week, 2 weeks ago and 13 weeks ago. Source: WisdomTree, Bloomberg.



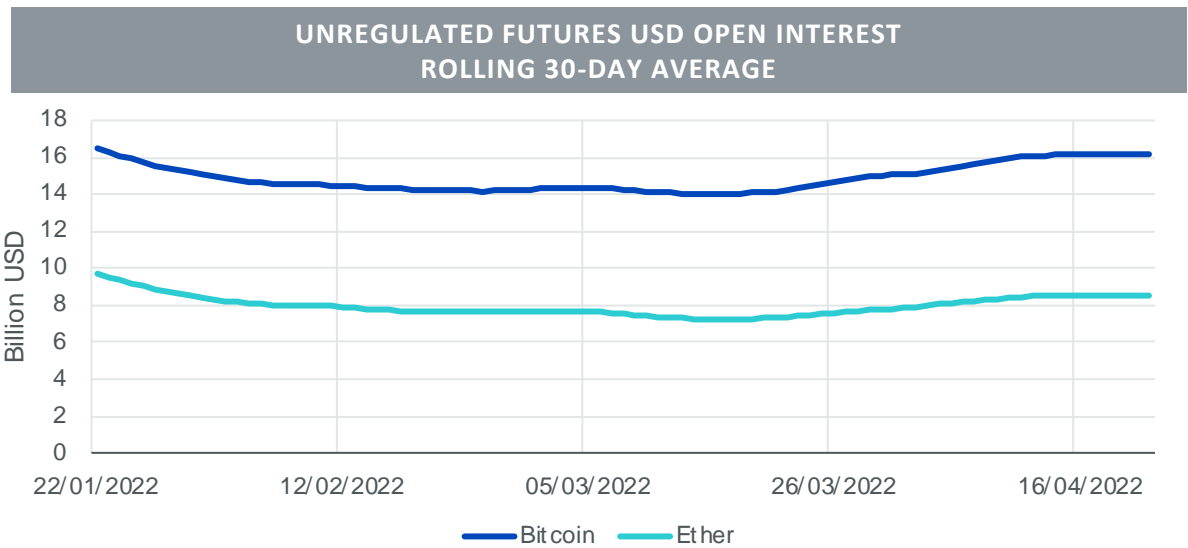
Last week, 2 weeks ago and 13 weeks ago. Source: WisdomTree, Bloomberg.



## Unregulated Futures Summary | 1/3

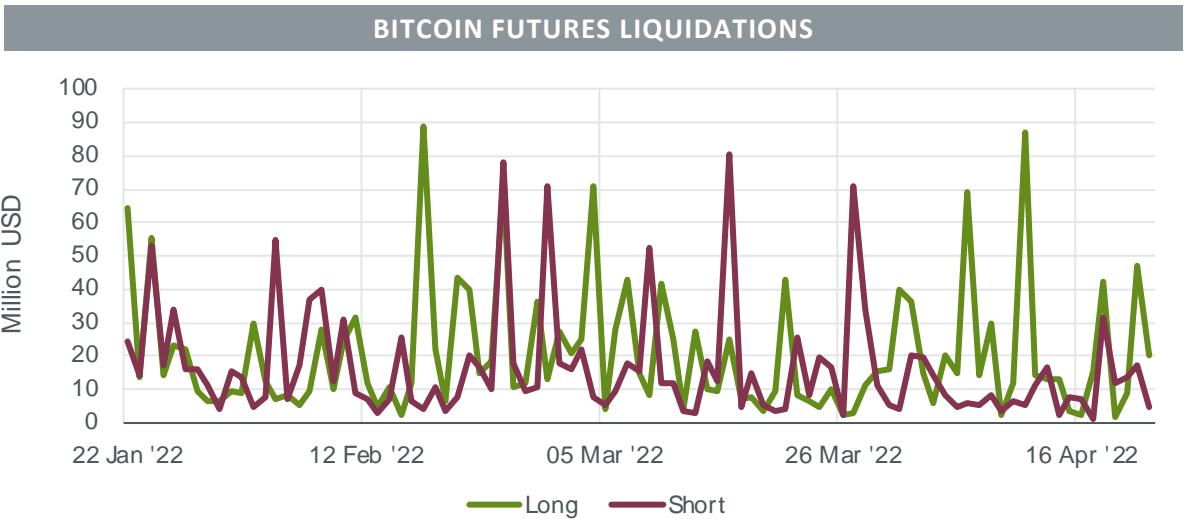


Source: WisdomTree, Glassnode. This is volume on unregulated crypto exchanges.



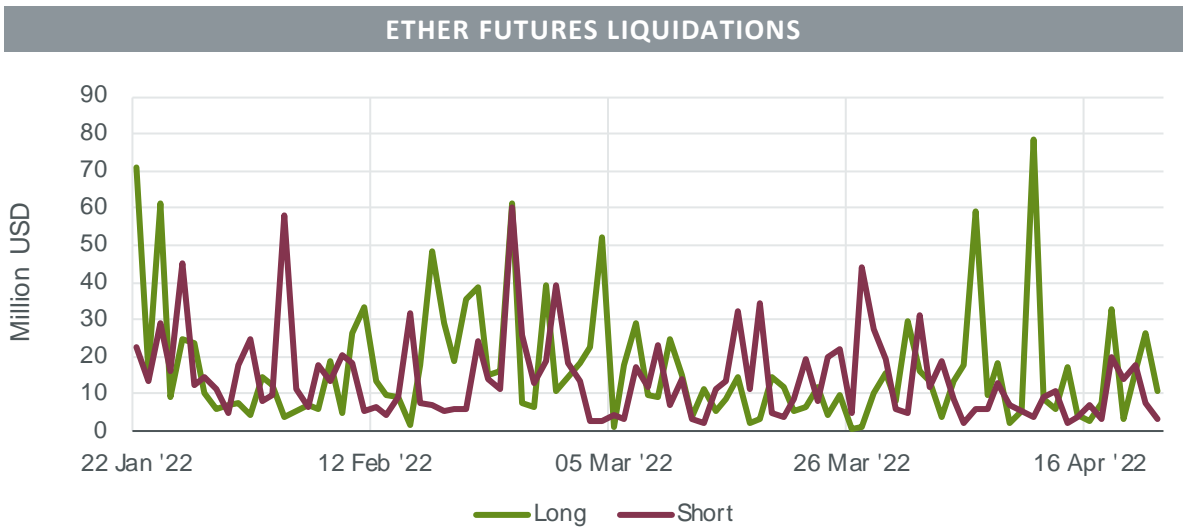
Source: WisdomTree, Glassnode. This is open interest on unregulated crypto exchanges.

Unregulated Futures Summary | 2/3



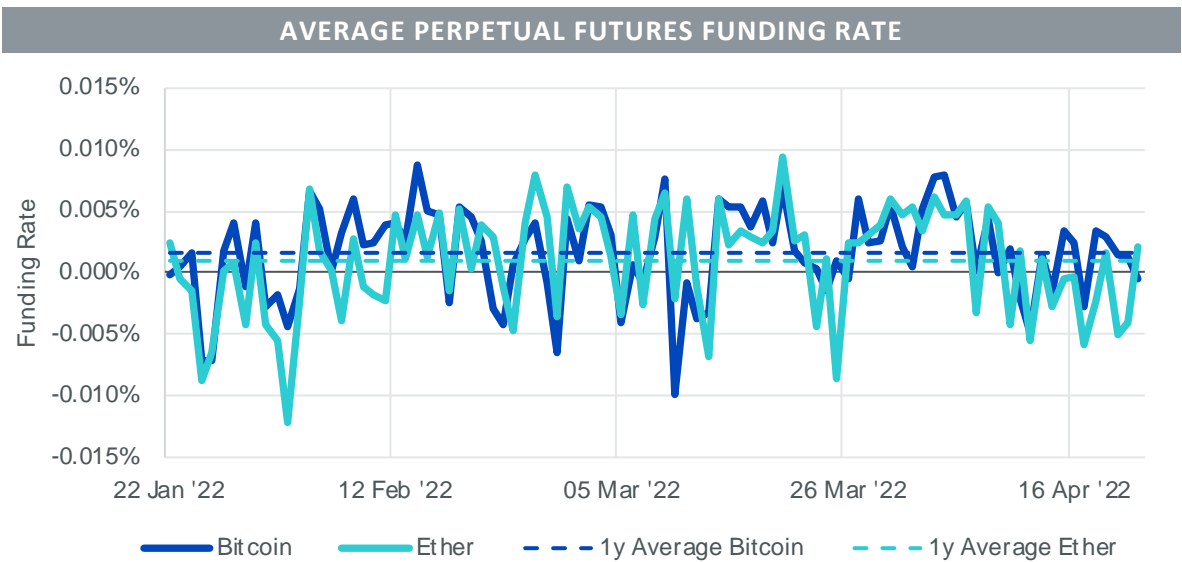
Source: WisdomTree, Glassnode.

Liquidations refer to leveraged perpetual futures positions being closed by exchanges when adverse price movements bring a trade’s balance to 0. In times of high volatility, liquidations tend to increase. For example, if the price of bitcoin suddenly drops significantly, long positions get liquidated, thus triggering a sell order, in turn putting even more downward pressure on price, triggering more liquidations, etc.



Source: WisdomTree, Glassnode.

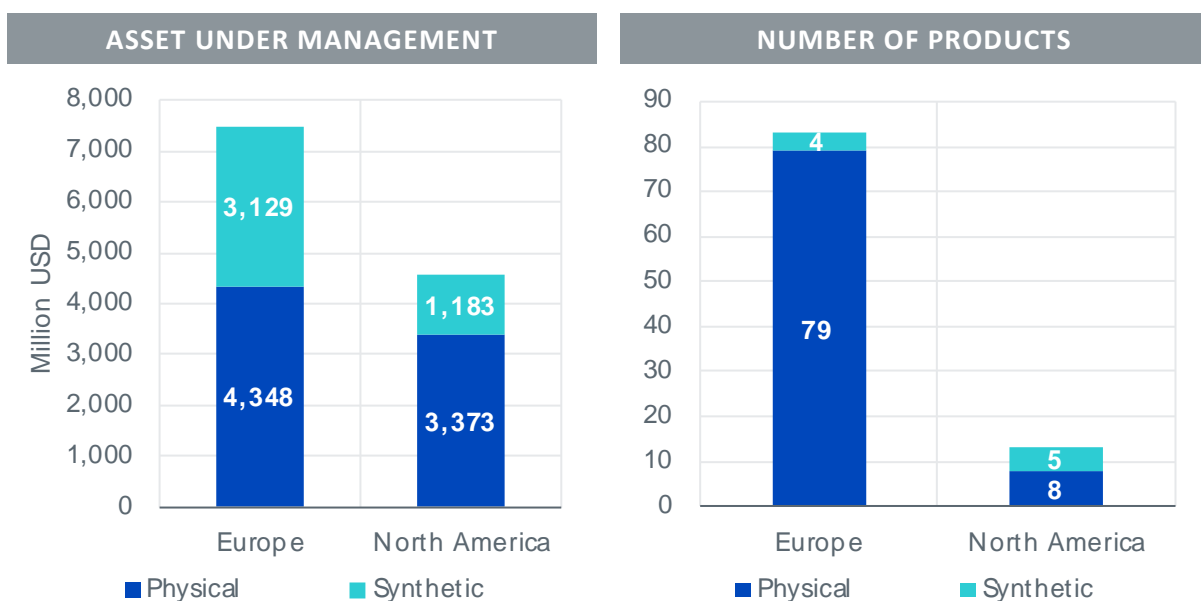
## Unregulated Futures Summary | 3/3



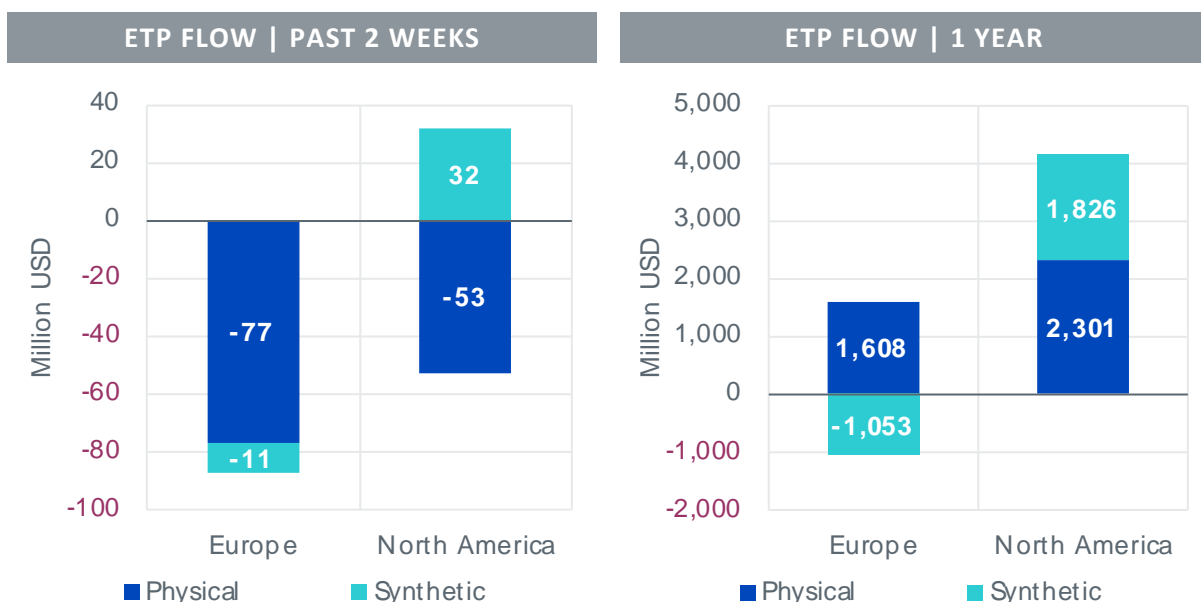
Source: WisdomTree, Glassnode. Average across covered crypto exchanges. 1y=1 year. Funding rates are periodic payments either to traders who are long or short based on the difference between perpetual contract markets and spot prices. Therefore, depending on open positions, traders will either pay or receive funding. When the rate is positive, long positions periodically pay short positions. Conversely, when the rate is negative, short positions periodically pay long positions. Funding rate tends to be seen as market sentiment indicator, a higher rate indicating a bullish sentiment, and vice versa.

Perpetual futures contract: An agreement to non-optionally buy or sell an asset at an unspecified point in the future. Perpetual futures are cash-settled, and differ from regular futures in that they lack a pre-specified delivery date, and can thus be held indefinitely without the need to roll over contracts as they approach expiration.

## Exchange Traded Products | Overview



Source: WisdomTree, Bloomberg.

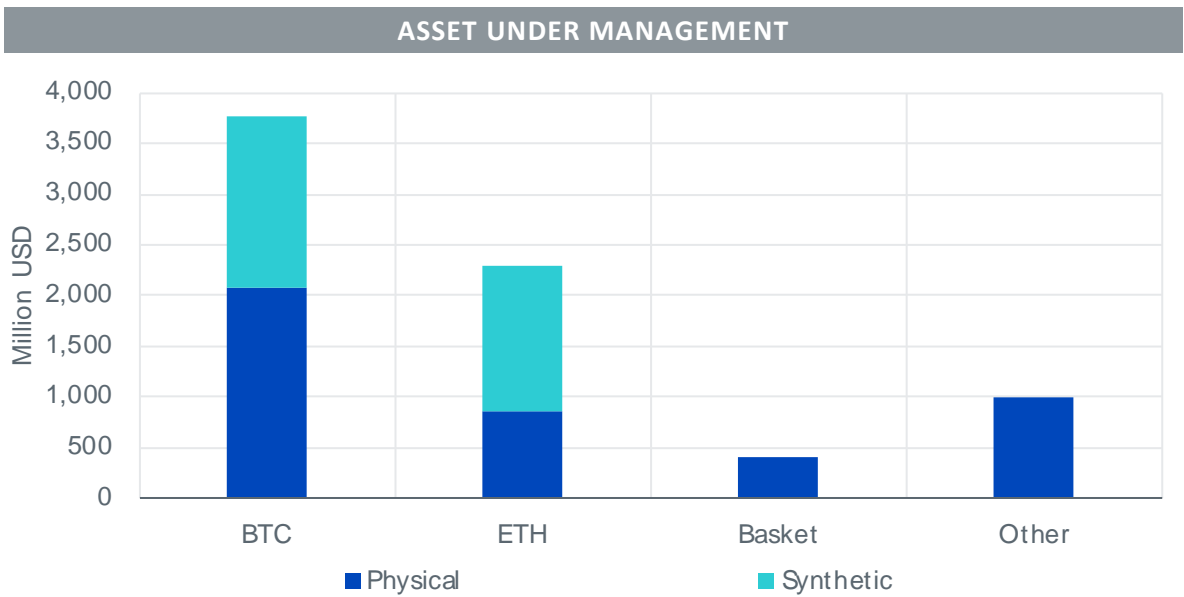


Source: WisdomTree, Bloomberg. ETP: Exchange Traded Product.

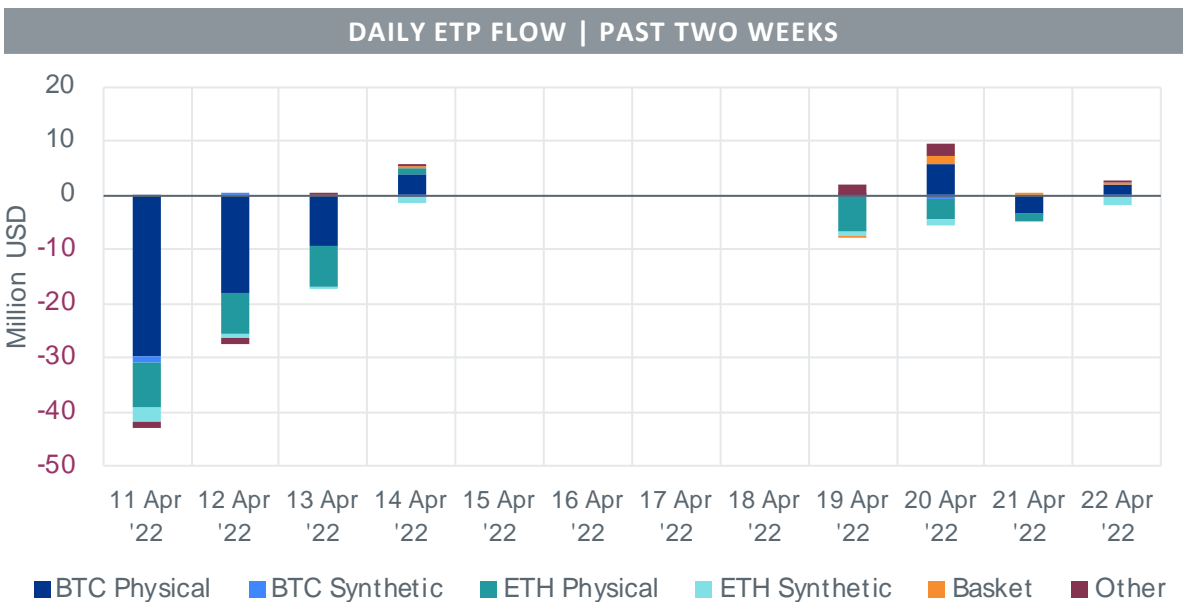
Exchange traded product (ETP): A regularly priced security which trades during the day on a national stock exchange.

Flow: The sum of all cash inflows/outflows from and into a given financial asset.

### Exchange Traded Products | Europe (1/2)

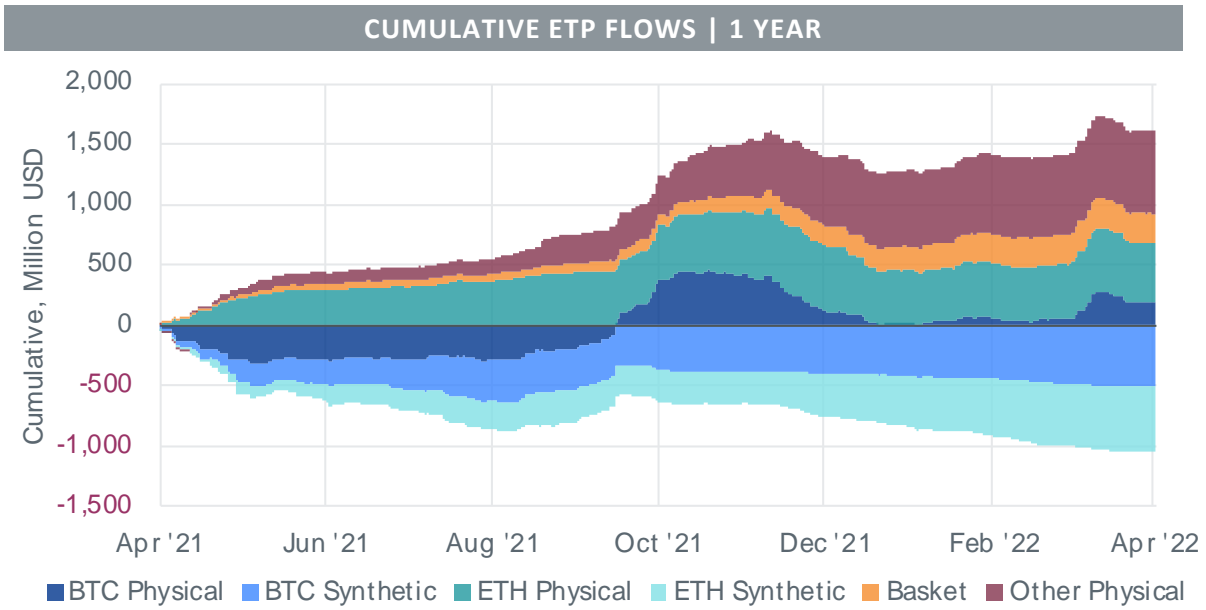


Source: WisdomTree, Bloomberg. BTC: Bitcoin, ETH: Ether.



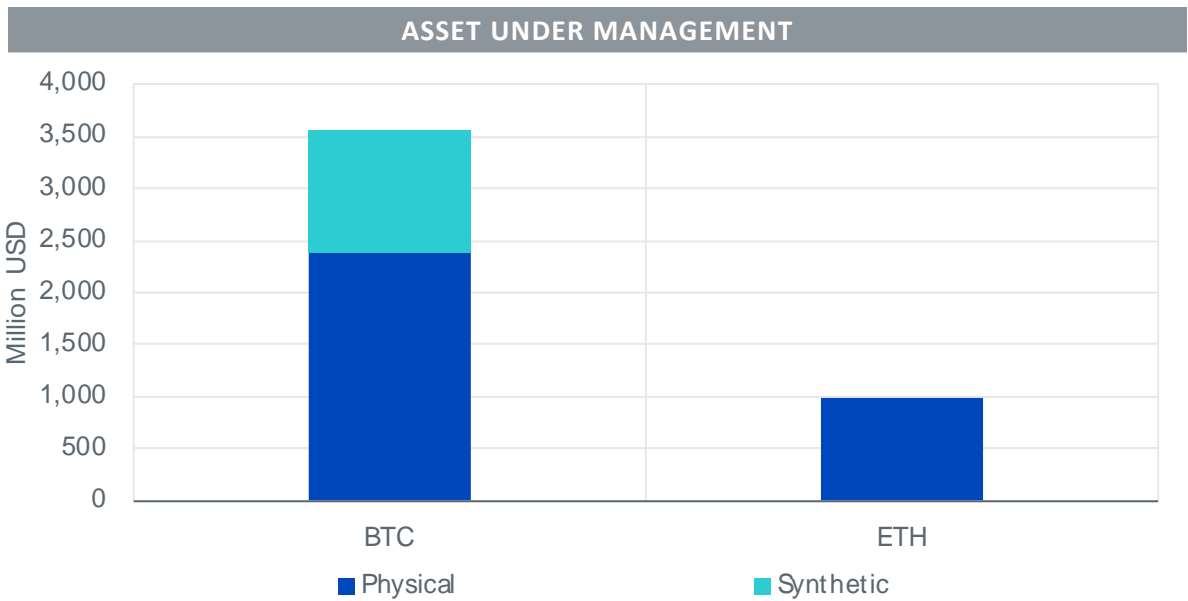
Source: WisdomTree, Bloomberg. BTC: Bitcoin, ETH: Ether.

### Exchange Traded Products | Europe (2/2)

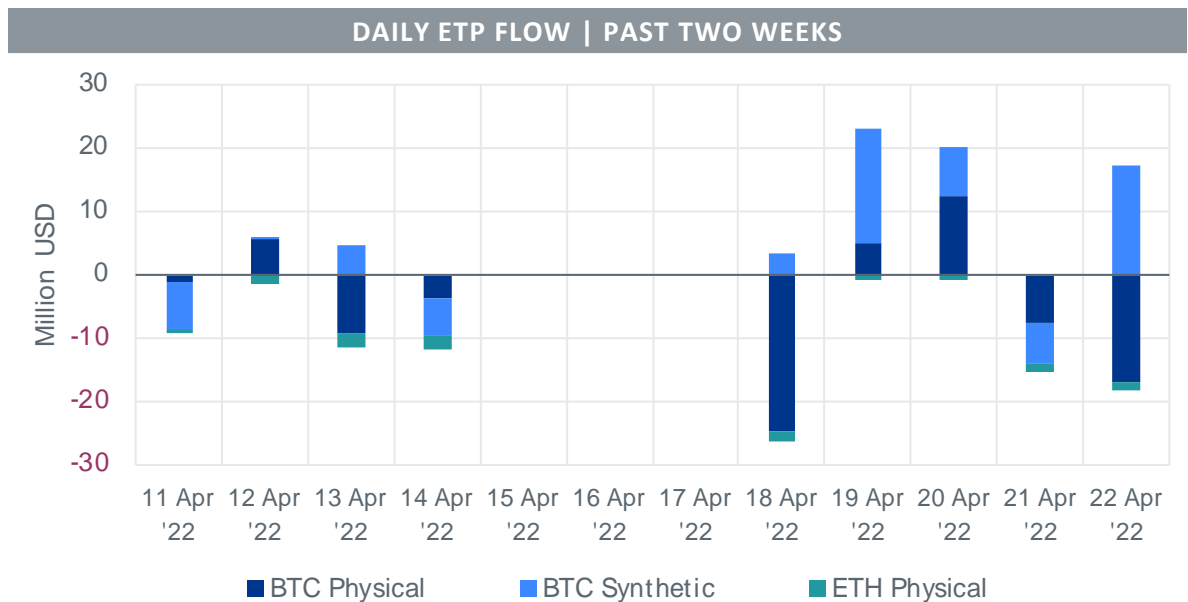


Source: WisdomTree, Bloomberg. BTC: Bitcoin, ETH: Ether.

### Exchange Traded Products | North America (1/2)



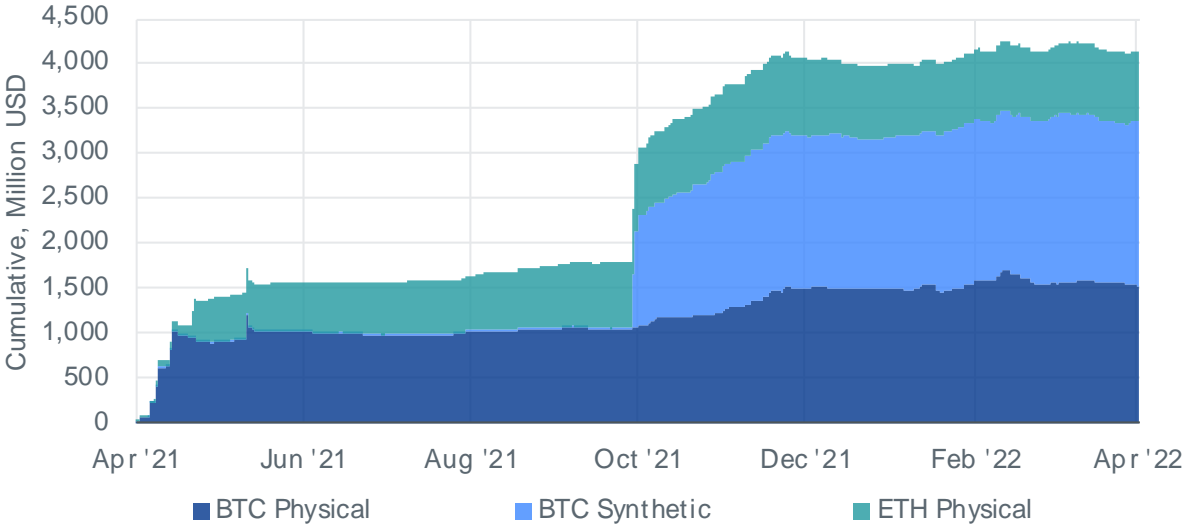
Source: WisdomTree, Bloomberg. BTC: Bitcoin, ETH: Ether.



Source: WisdomTree, Bloomberg. BTC: Bitcoin, ETH: Ether.

### Exchange Traded Products | North America (2/2)

#### CUMULATIVE ETP FLOWS | 1 YEAR



Source: WisdomTree, Bloomberg. BTC: Bitcoin, ETH: Ether.



## IMPORTANT INFORMATION

There are risks associated with investing, including the possible loss of principal. Crypto assets, such as bitcoin and ether, are complex, generally exhibit extreme price volatility and unpredictability, and should be viewed as highly speculative assets.

Crypto assets are frequently referred to as crypto “currencies,” but they typically operate without central authority or banks, are not backed by any government or issuing entity (*i.e.*, no right of recourse), have no government or insurance protections, are not legal tender and have limited or no usability as compared to fiat currencies. Federal, state or foreign governments may restrict the use, transfer, exchange and value of crypto assets, and regulation in the U.S. and worldwide is still developing.

Crypto asset exchanges and/or settlement facilities may stop operating, permanently shut down or experience issues due to security breaches, fraud, insolvency, market manipulation, market surveillance, KYC/AML (know your customer/Anti-Money Laundering) procedures, non-compliance with applicable rules and regulations, technical glitches, hackers, malware or other reasons, which could negatively impact the price of any cryptocurrency traded on such exchanges or reliant on a settlement facility or otherwise may prevent access or use of the crypto asset.

Crypto assets can experience unique events, such as forks or airdrops, which can impact the value and functionality of the crypto asset. Crypto asset transactions are generally irreversible, which means that a crypto asset may be unrecoverable in instances where: (i) it is sent to an incorrect address, (ii) the incorrect amount is sent, or (iii) transactions are made fraudulently from an account. A crypto asset may decline in popularity, acceptance or use, thereby impairing its price, and the price of a crypto asset may also be impacted by the transactions of a small number of holders of such crypto asset. Crypto assets may be difficult to value and valuations, even for the same crypto asset, may differ significantly by pricing source or otherwise be suspect due to market fragmentation, illiquidity, volatility and the potential for manipulation.

Crypto assets generally rely on blockchain technology and blockchain technology is a relatively new and untested technology which operates as a distributed ledger. Blockchain systems could be subject to internet connectivity disruptions, consensus failures or cybersecurity attacks, and the date or time that you initiate a transaction may be different then when it is recorded on the blockchain. Access to a given blockchain requires an individualized key, which, if compromised, could result in loss due to theft, destruction or inaccessibility. In addition, different crypto assets exhibit different characteristics, use cases and risk profiles.

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