

Web3.0 Biweekly

8 July 2022 | AMTD Research



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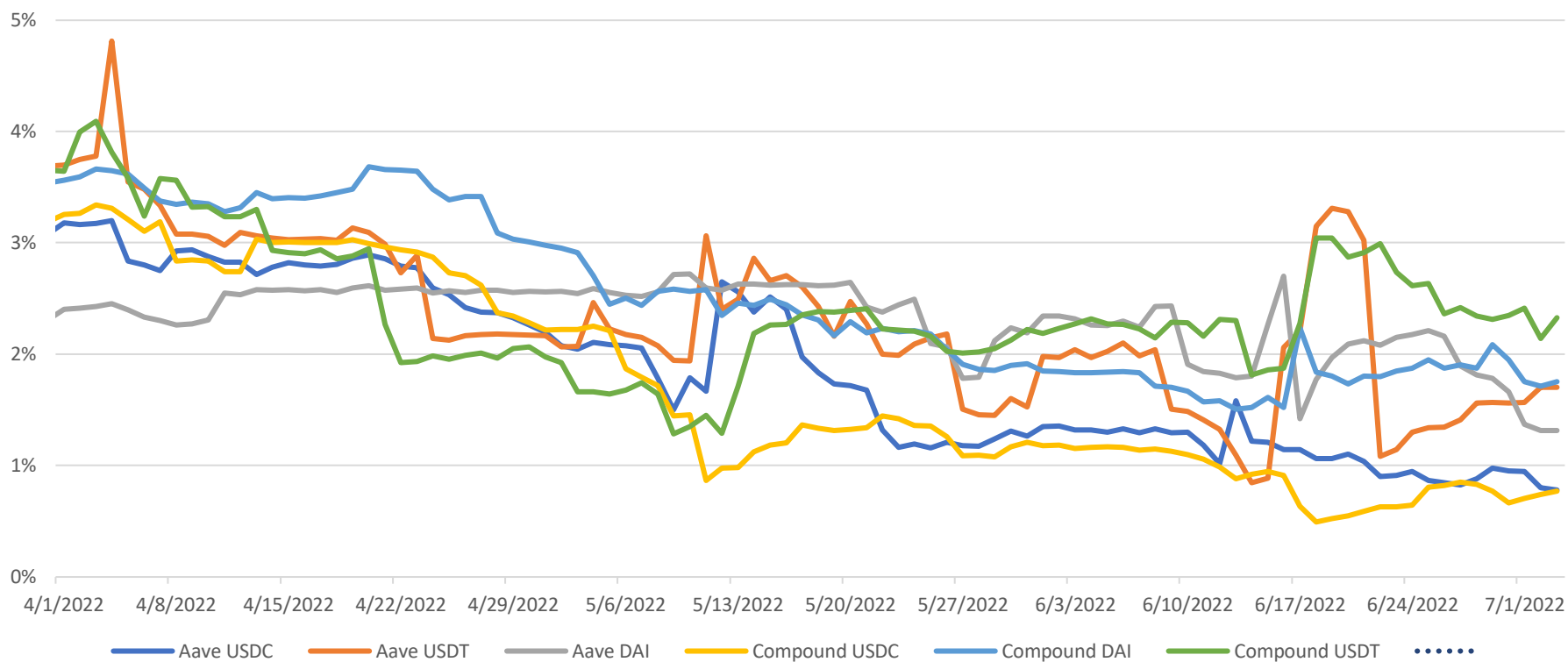
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Stablecoin Lending Rate & TVL Decline as Market Unwinds

- DeFi users are deleveraging amid weak market sentiment
- DeFi liquidity continues to drop and APYs lower

USDC, USDT, DAI Lending Rate Trend



- Average stablecoin APYs dropped from 3.3% in April to 1.4% currently on Aave and Compound.
- TVL has declined by ~55% for the stablecoins listed in the chart.

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Regulatory Updates — EU Members finally reach agreement on MiCA bill, MAS mulling limits on retail crypto participation

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Notable Tweets

Market Performance

Summary

1. Prices

- **One-Year Price Recap**
- **Layer 1 Price Recap** (23 June – 6 July 2022)
 - TRX outperforms as USDD recovers from depeg and TVL spikes
 - DOT underperforms while it struggles to recover with the market
 - SOL's decline mainly attributable to waning DeFi and NFT activity
- **Protocols Price Recap** (23 June – 6 July 2022)
 - YGG outperforms as it wrapped up drama with Merit Circle DAO, spikes following its “Roadtrip Tournament”
 - CVX, CRV outperforms after unlock of ¼ of token supply, CRV sees large-scale token locks

2. Valuation

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

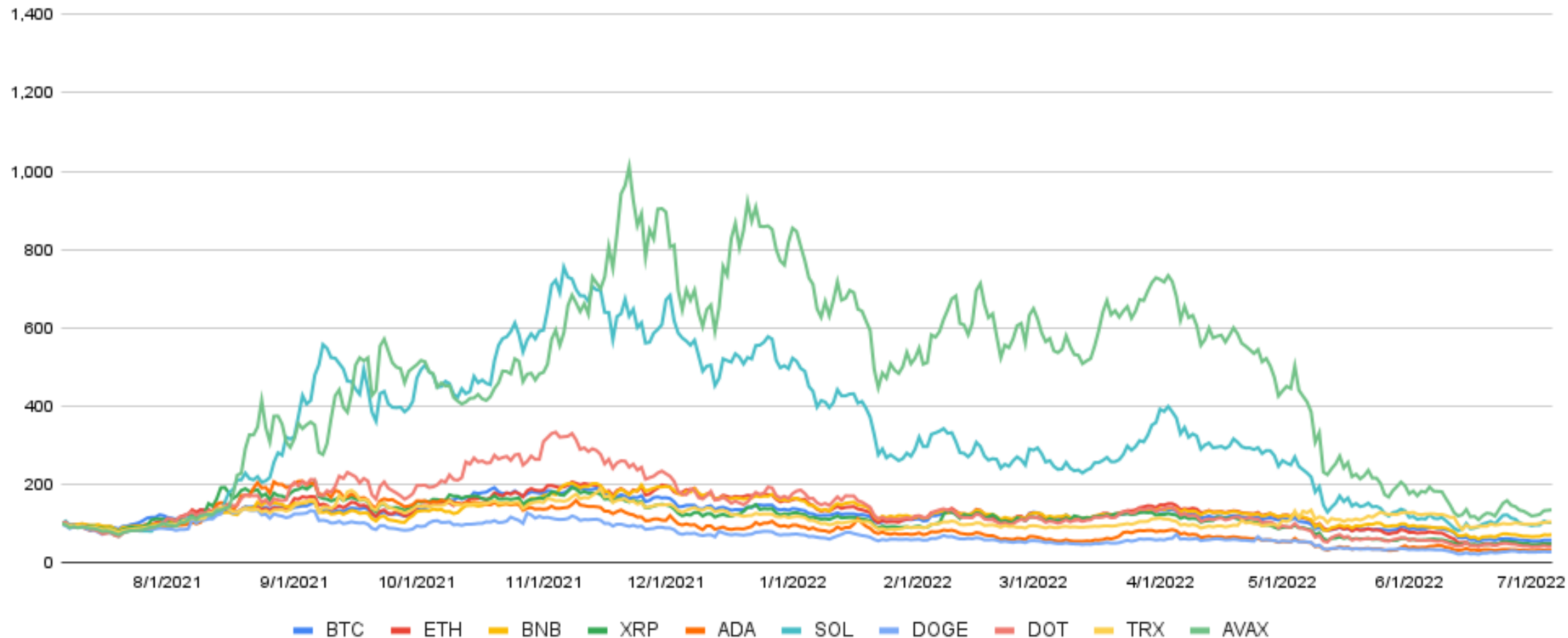
3. Exchange Flows

- Bitcoin - massive outflows continue as users worry about CEX failure risks
- Ethereum - exchange balance continues to climb suggesting users moving to exchange ready to sell, despite concerns on CEX failure risks

One-Year Layer-1 Price Recap

Performance of Top-Ranking Crypto (One Year)

(6 July 2021 = 100)

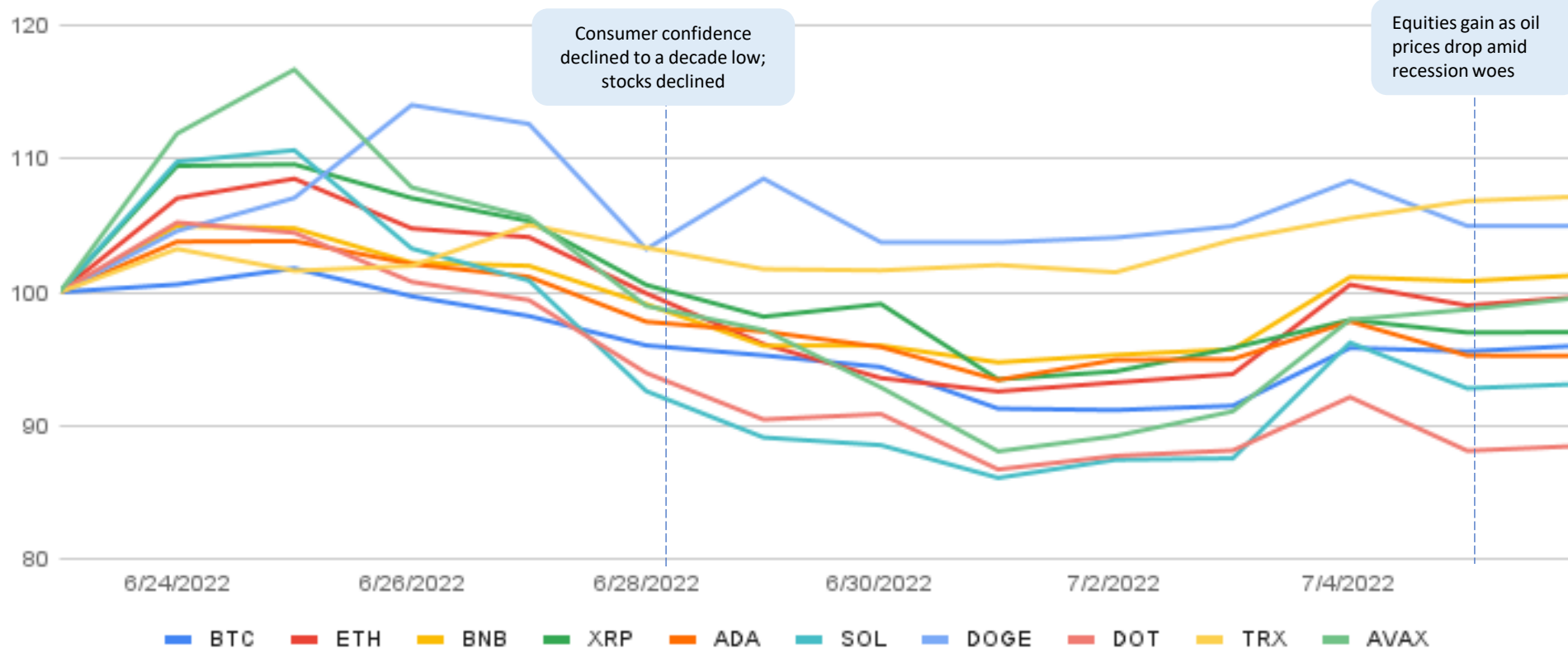


Layer-1 Price Recap (23 June – 6 July 2022)

- TRX outperforms as USDD recovers from depeg and TVL spikes
- DOT underperforms while it struggles to recover with the market, while SOL's decline mainly attributable to waning DeFi and NFT activity.

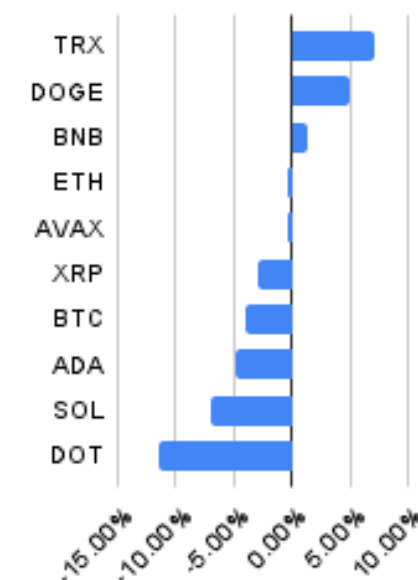
Performance of L1 Tokens (Two Weeks)

(23 June - 6 July 2022)



Period Return

(23 June - 6 July 2022)

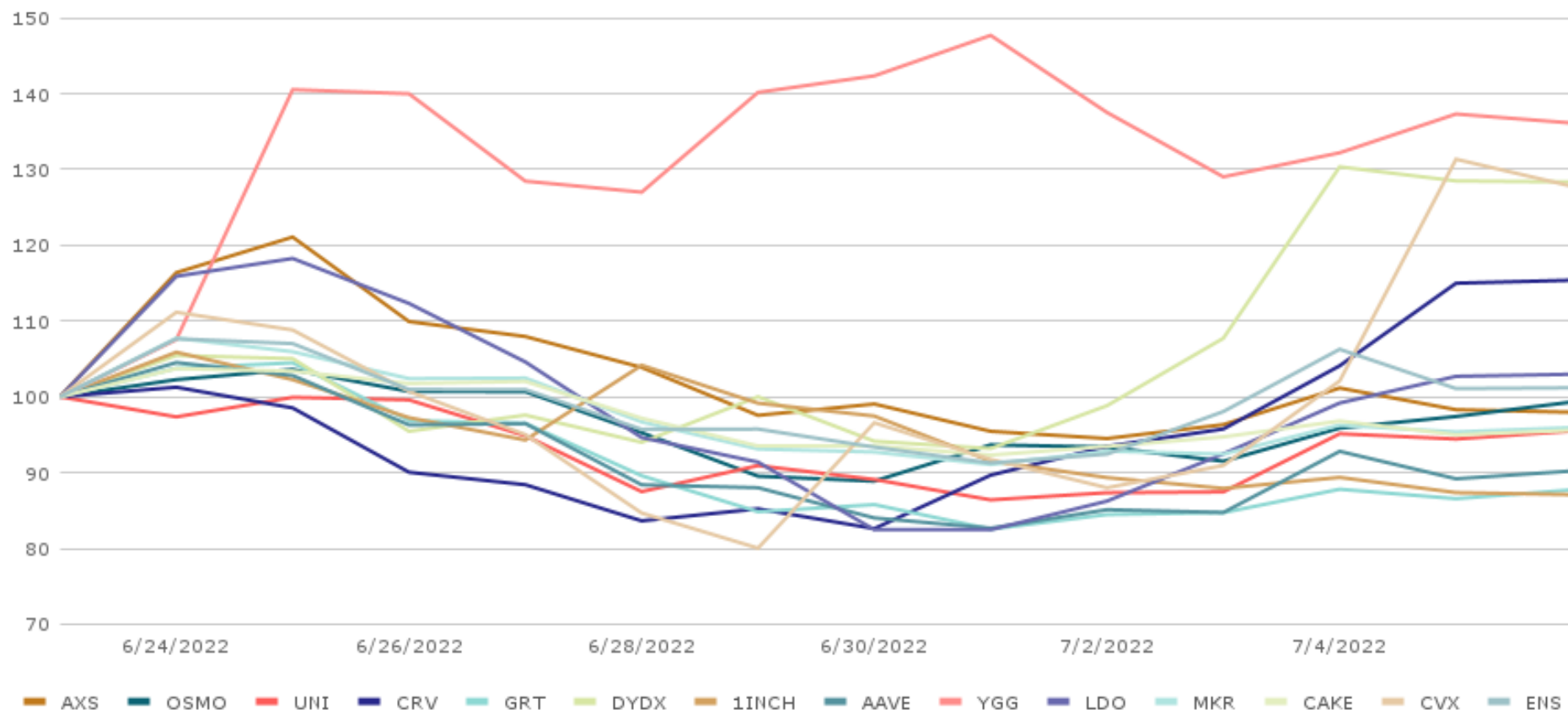


Protocol Price Recap (23 June – 6 July 2022)

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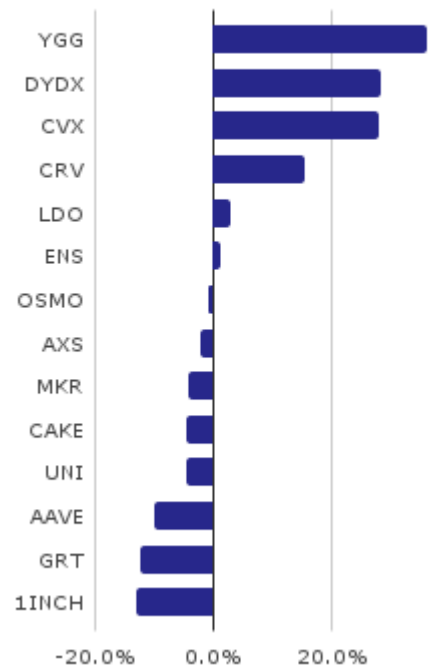
Performance of Protocol Coins (Two Weeks)

(23 June - 6 July 2022)



Period Return

(23 June - 6 July 2022)



Valuation – BTC and ETH Market Cap to Active Addresses

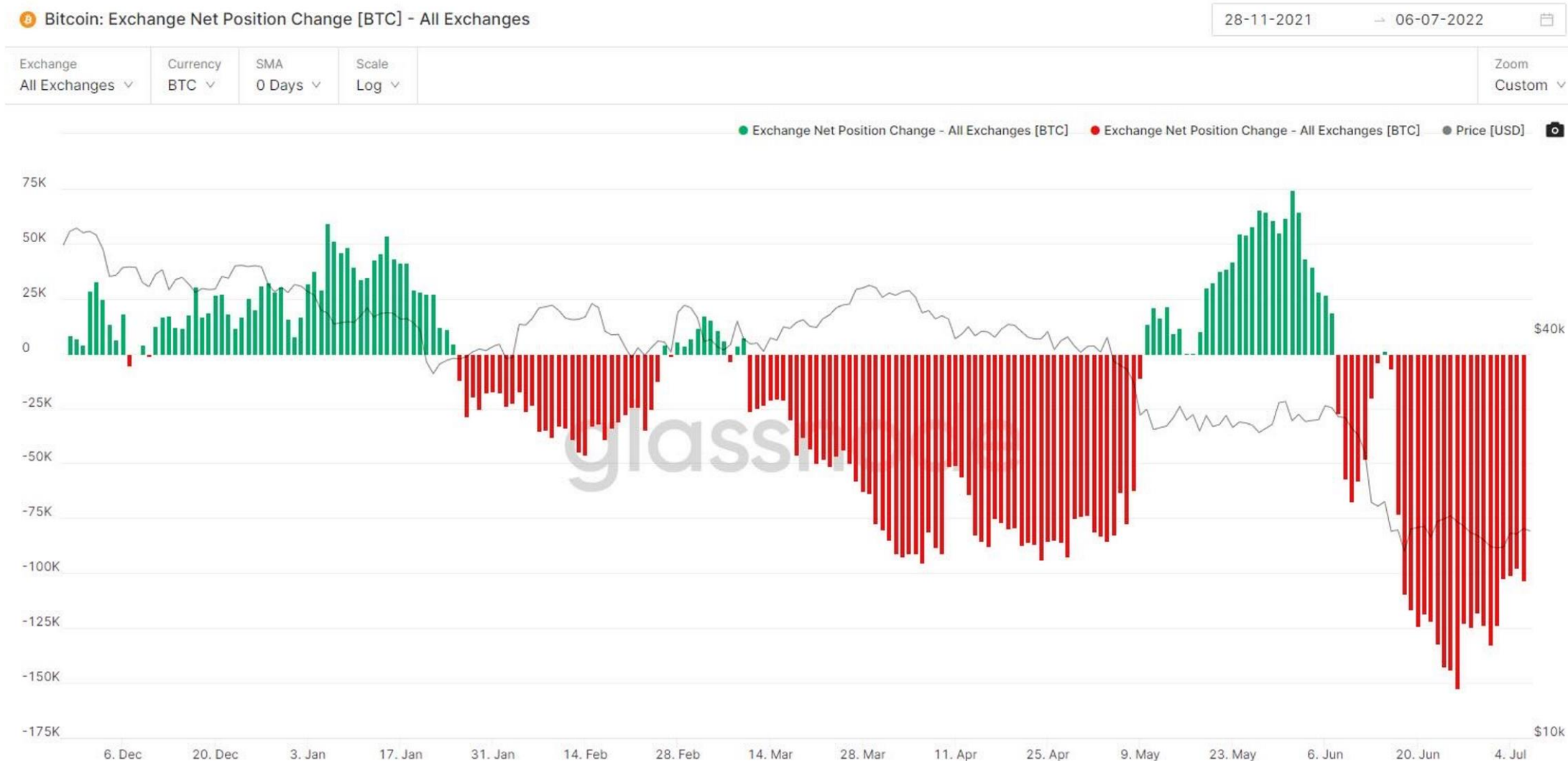


	BTC	ETH
Valuation Multiple		
2017-2018 Run	2.2x	7.1x
2020-2022 Run	5.6x	13.4x
Network Usage		
2017-2018 Run	1.3x	7.0x
2020-2022 Run	1.5x	2.8x

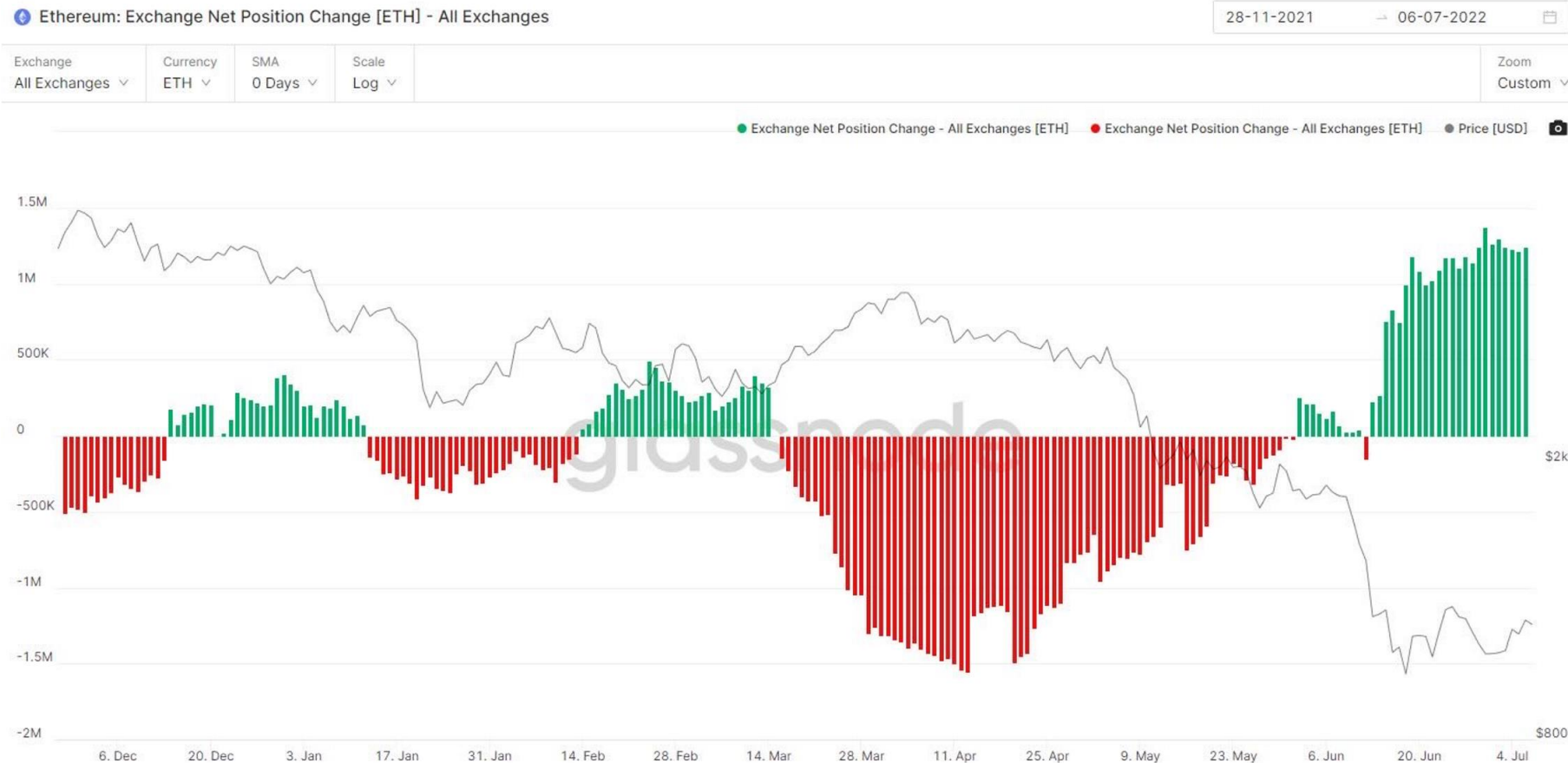
Ethereum's price rally (30x+) in the 2020-2022 cycle was driven more by valuation multiple expansion (13x) than network activity increase (3x).

Due to Ethereum's more cyclical network usage (i.e., DeFi and NFTs), Ethereum's price will face a sharper contraction compared to Bitcoin.

Bitcoin – massive outflows continue due to users' accumulation and concerns on CEX failure risks



Ethereum exchange balance continues to climb suggesting users moving to exchange ready to sell, despite concerns on CEX failure risks



- Ethereum's exchange position change has leveled off in recent days, but still highest for this year.
- This suggests that while people are moving Bitcoin out of exchanges to protect from platform risk, users are moving Ethereum onto exchanges to prepare for immediate selling.

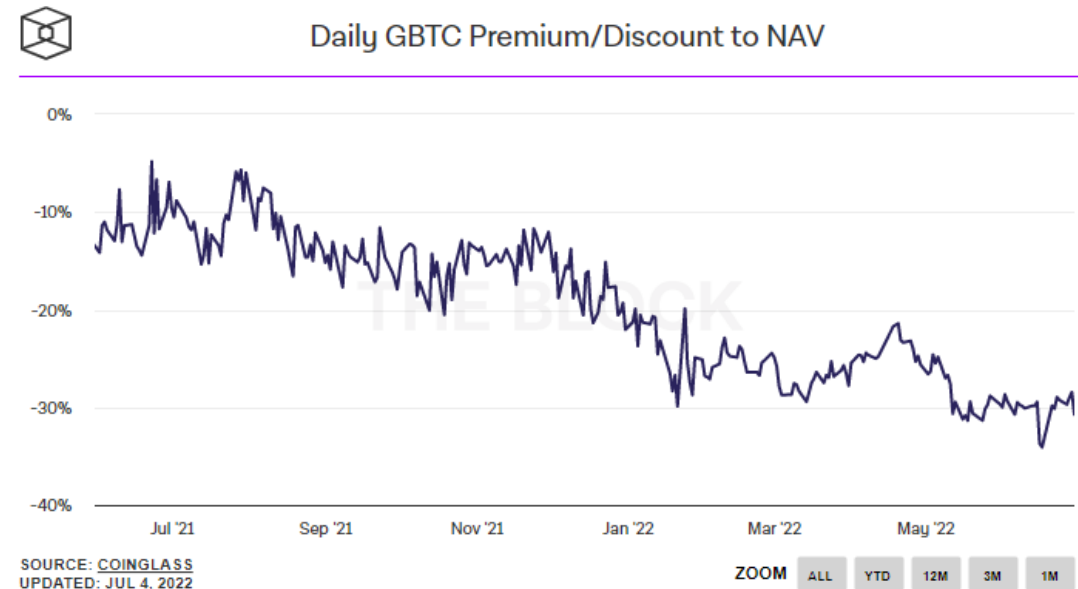
Layer-1 Blockchains

Layer-1 Summary (23 June – 6 July 2022)

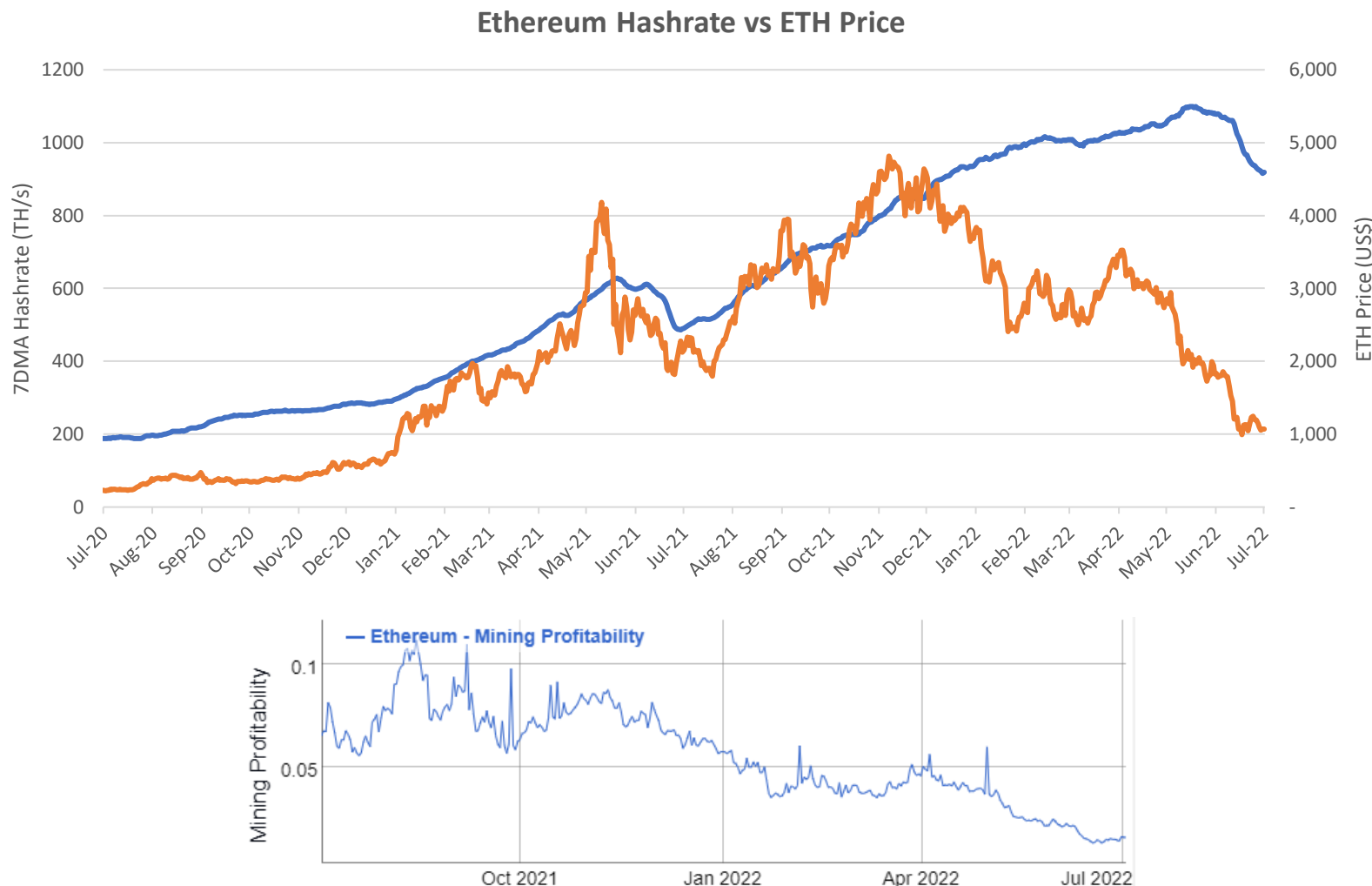
- 1. Bitcoin (2W: -1.7%)/(YTD: -57.4%)**
Grayscale sues SEC after denying conversion of GBTC to an ETF
- 2. Ethereum (2W: 4.1%)/(YTD: -70.0%)**
Network hash rate tops out as profitability declines
- 3. News and Headlines**

Bitcoin – Grayscale sues SEC after denying conversion of GBTC to an ETF

- GBTC, an OTC bitcoin trust, has been trading at a discount to NAV since early 2021. It is currently trading at **~30% discount to NAV**.
- Grayscale Investments has initiated a lawsuit against the U.S. SEC in response to it denying the conversion of the GBTC trust to a spot Bitcoin ETF.
- The petition was filed on behalf of Grayscale by its Senior Legal Strategist Donald B. Verrilli, Jr., a former U.S. Solicitor General.
- The SEC, in its rejection, stated concerns about market manipulation, and the lack of a surveillance-sharing agreement with a regulated market of significant size related to spot bitcoin.
- Grayscale has argued that it is inconsistent for the SEC to approve an ETF based on futures but not based on spot bitcoin.



Ethereum – Network hash rate tops out as profitability declines



- Ethereum network hash rate has declined to 930 TH/s after reaching a peak of 1,127 TH/s in late May.
- The network hash rate has declined 10% while ETH price declined ~68% as it trades around US\$1,000-1,100.
- The price drawdown has immensely affected mining profitability, with profitability at ~US\$0.016 per day for 1MH/s, levels similar to May 2020.
- Miners are perhaps leaving the Ethereum mining scene due to declining profitability and upcoming Merge. This has led to declining GPU prices as well.

News & Headlines

Solana Labs Introduces Smartphone

Solana is launching its smartphone named Saga, an Android-based device with specialty crypto wallet functions, a Web3 dapp store, Solana Pay, and a secure seed vault. The phone will cost about US\$1,000 and will be available in early 2023. [[CoinDesk](#)]

Polygon Launches Scaling Solution

Polygon launched its custom blockchain scaling system called Avail, which would allow developers to access blockchain data off-chain. The product is intended to address data availability problems faced by current scaling applications. [[CoinDesk](#)]

Meta Shuts Digital Wallet Venture

Facebook parent company Meta is shutting down its digital wallet pilot Novi, which was rolled out to select users in the US and Guatemala in 2021. The wallet was originally built to support transactions using the Meta-backed crypto Diem but regulatory challenges forced it to change to USDP (Paxos stablecoin). [[The Verge](#)]

Ethereum Gray Glacier Update a Success

The Ethereum network has successfully hard forked to Gray Glacier which pushes back the difficult bomb by around 100 days. This will likely be the last hard fork before The Merge. [[Decrypt](#)]

BlockFi Strikes Deal with FTX

BlockFi CEO Zac Prince announced that it has signed agreements with FTX US for a US\$400 million revolving credit facility and an option to acquire BlockFi for up to US\$240 million based on performance. The company was recently valued at US\$2 billion. [[TechCrunch](#)]

FTX Looking into Buying Robinhood

According to sources, FTX is exploring opportunities to acquire Robinhood, though it has not made a formal take-over nor has it made a final decision. Earlier in May, CEO Sam Bankman-Fried disclosed his 7.6 percent stake in Robinhood. [[The Verge](#)]

OSL Announces Layoffs

OSL, a licensed crypto exchange in Hong Kong, confirmed layoffs between 40 to 60 jobs which represents about 15% of its workforce. It said that the layoffs are not related to stETH, Luna, UST, nor any firms reportedly facing solvency issues. [[The Block](#)]

Coinbase to Shut Down Coinbase Pro

Coinbase Pro was launched in 2018 as Coinbase's professional trading platform, which had unlimited trading amounts and more cryptocurrencies listed. It will merge the functions to Coinbase's Advanced Trade section. [[CoinTelegraph](#)]

News & Headlines

North Korean Hacking Group Linked to Horizon Bridge Hack

Blockchain analytics firm Elliptic has linked the recent Horizon Bridge hack to the Lazarus Group, a state-sponsored North Korean hacking organization. The hack drained the bridge worth US\$100 million worth of crypto including ETH, USDT, and wBTC. [[CoinDesk](#)]

Celsius Cuts 150 Employees

Troubled crypto platform Celsius has cut 150 employees, including in its offices in Israel. That amounts roughly a quarter of its employees, according to its LinkedIn profile. Earlier, reports said that FTX were in talks with Celsius about a potential acquisition but decided against it after examining Celsius's finances. [[The Block](#)]

Vauld Halts Withdrawals and Hires Restructuring Advisors

Vauld, a Singapore-based crypto trading platform has halted all withdrawals, deposits, and trading on its platform due to financial difficulties. It has hired legal and financial advisors to explore potential restructuring options. [[The Block](#)]

Nexo to Potentially Acquire Vauld

Nexo said that it has signed an indicative term sheet with Vauld to acquire the company, allowing it a two-month exclusive exploratory due diligence period. The deal comes after Vauld halted customer withdrawals earlier in the week. [[The Block](#)]

3AC Ordered into Liquidation by BVI Court

A BVI court has reportedly ordered Three Arrows Capital into liquidation and has appointed a global consulting firm to manage 3AC's insolvency. On the same day, Voyager Digital issued 3AC a notice of default on its loan of around US\$650 million. [[Blockworks](#)]

Voyager Digital Halts Trading and Withdrawals

Crypto trading platform Voyager announced that it temporarily halted all withdrawals, deposits, and trading to do market conditions. Voyager had exposure to Three Arrows Capital with a ~US\$650 million loan to it and earlier issued a default notice to the fund. [[Decrypt](#)]

Voyager Files for Bankruptcy

A week after suspending withdrawals, Voyager announced that it has filed for Chapter 11 bankruptcy. The platform estimated that it had more than 100,000 creditors and US\$1 to US\$10 billion in crypto assets and liabilities. [[Reuters](#)]

Miner Core Scientific Dumps Bitcoin

Core Scientific, one of the largest publicly-listed crypto miners, announced that it sold around US\$165 million of Bitcoin in June. The proceeds will help cover cost of operations and paying off debt amid weakened markets and rising interest rates. It will however continue to deploy new mining rigs for the rest of the year. [[Decrypt](#)]

Stablecoins

Stablecoins Summary (23 June – 6 July)

1. **Centralized Stablecoins**

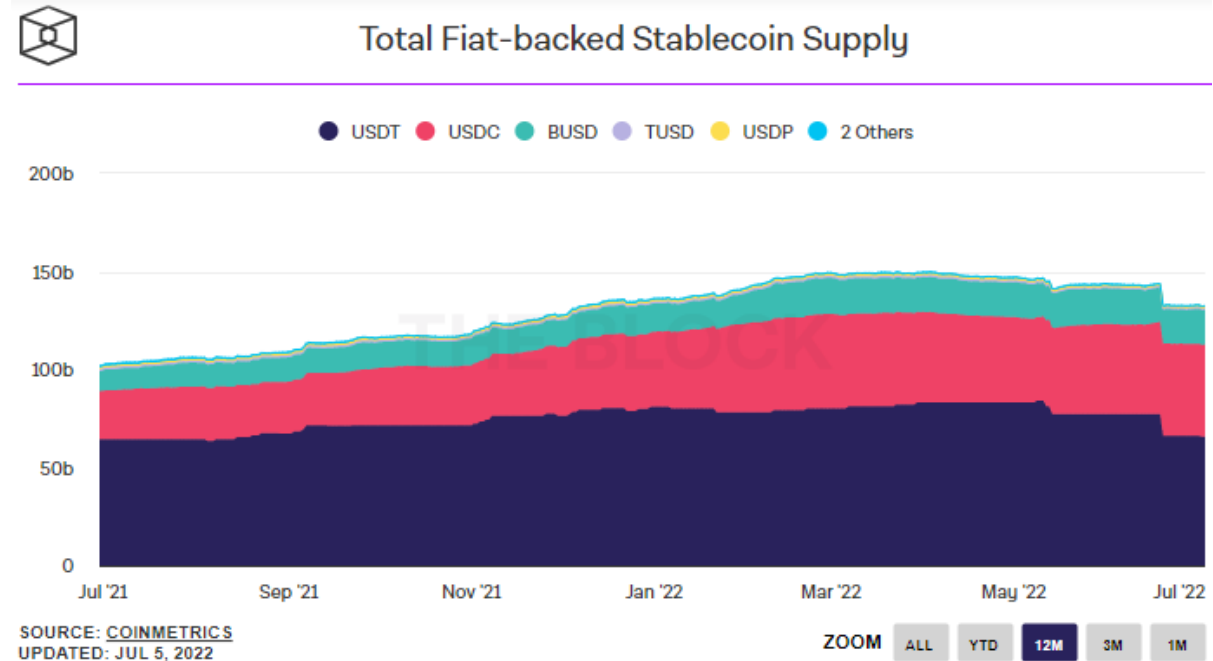
Supply roughly level, Tether continues to reduce commercial paper holdings

2. **Decentralized Stablecoins**

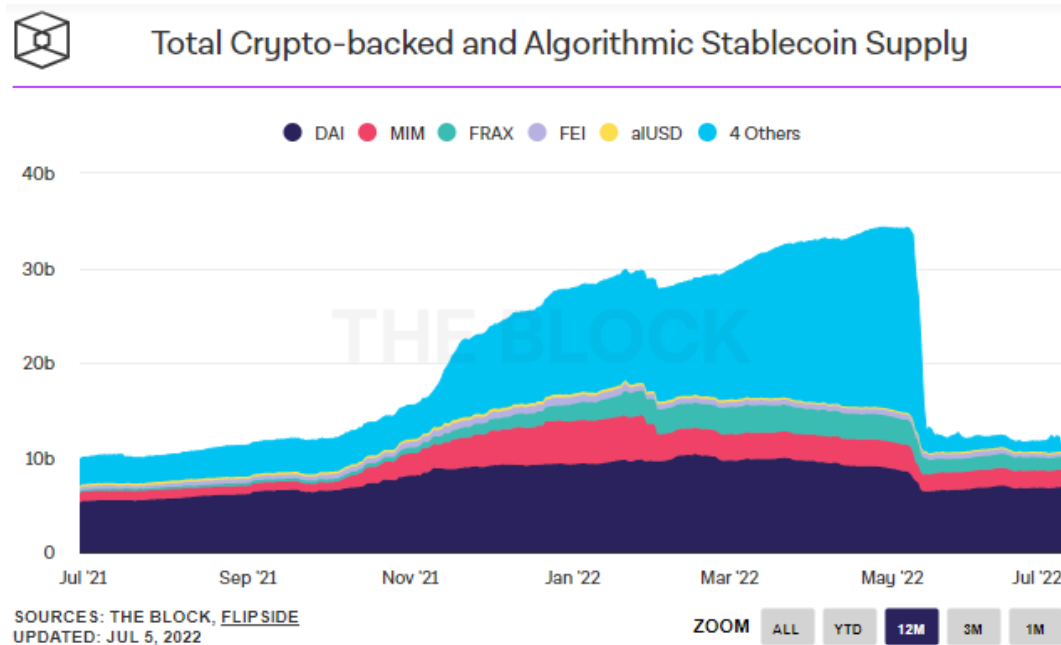
USDD regains peg

Centralized Stablecoin Updates – Supply Stable After Weeks of USDT Redemptions

- In the past two weeks:
 - Total stablecoin supply decreased 0.5% to US\$143.4b, centralized stablecoin supply unchanged at US\$132.5b.
 - USDT supply decreased slightly at 0.7% to US\$65.6b, after ~10b of redemptions in the weeks prior.
 - USDC performed slightly better with a 0.3% increase to US\$47.2b.
- Tether continued to reduce its portfolio of commercial paper. The US\$8.4 billion currently will be reduced to US\$3.5 billion by the end of July, with a goal to zero.
- The people of Argentina purchased 2-3x more stablecoins as they do normally after the resignation of its economy minister amid an economic crisis. This resulted in a premium of USDT and DAI on Argentine-based crypto exchanges.



Decentralized Stablecoin Updates – USDD Regains Peg



- After a two-week battle which saw the Tron DAO Reserve commit US\$2 billion to fight against USDD shorts, USDD is now steadily trading at US\$0.99.
- Though still \$0.01 short of the \$1 peg, the beginning of July marked the end of the volatile month where USDD dropped to \$0.93.
- According to the TDR, USDD's current collateralization ratio stands at 312.6%. Removing TRX from its calculation, the collateralization rate is 194.7%.

USDD to USD 1M Chart



DeFi

DeFi Summary (23 June – 6 July 2022)

1. TVL by Chain

- TVL range bound, in line with crypto prices

2. TVL by Protocol

- Most protocols improved slightly as crypto prices traded sideways
- JustLend gains sharply as confidence returns after USDD stabilizes

3. DeFi Revenue

- Overall DeFi activity extends month-on-month decline.

4. DeFi Valuation – Uniswap and Lido relatively attractive based on P/Revenue and P/Users

5. Top DEX Pools

- Liquidity levels stable as crypto prices trade sideways

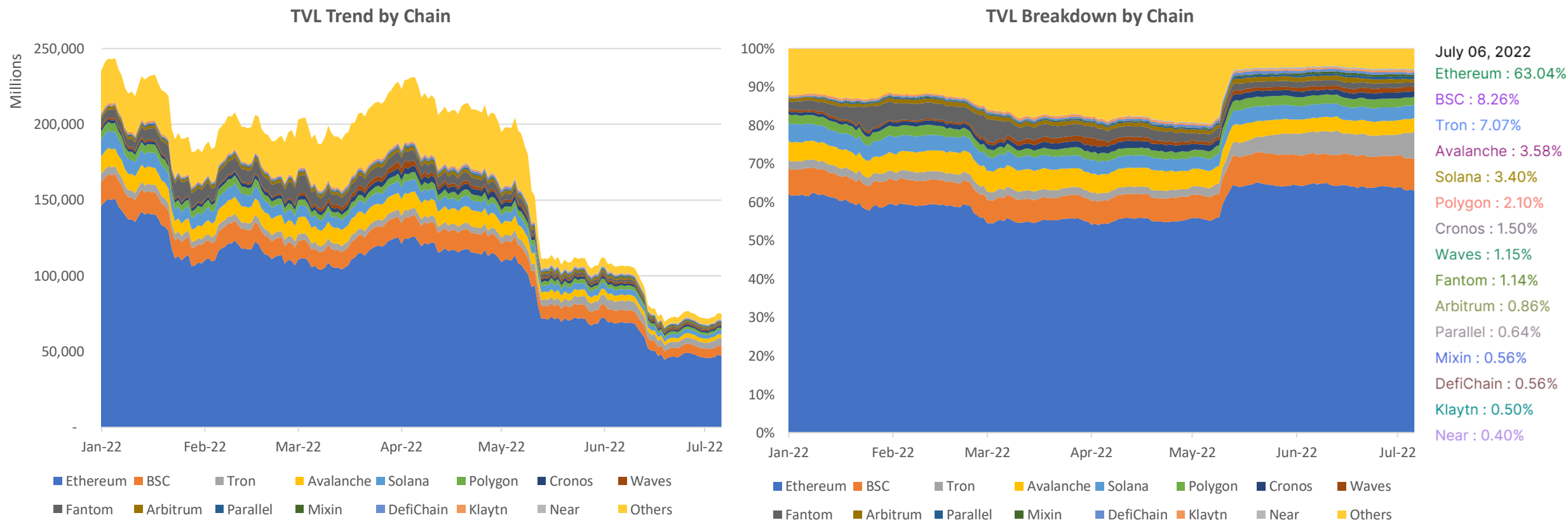
6. Top Pools in terms of TVL/Top APY pool - Yield Farming

- Downtrend on top SushiSwap Pool – US\$440m to US\$75m in half a year

7. Noteworthy DeFi Protocols (Arbitrum, MakerDAO)

- Arbitrum Odyssey Paused
- MakerDAO Governance Debate

TVL Overview by Chain – Total TVL change relatively level, in line with crypto prices



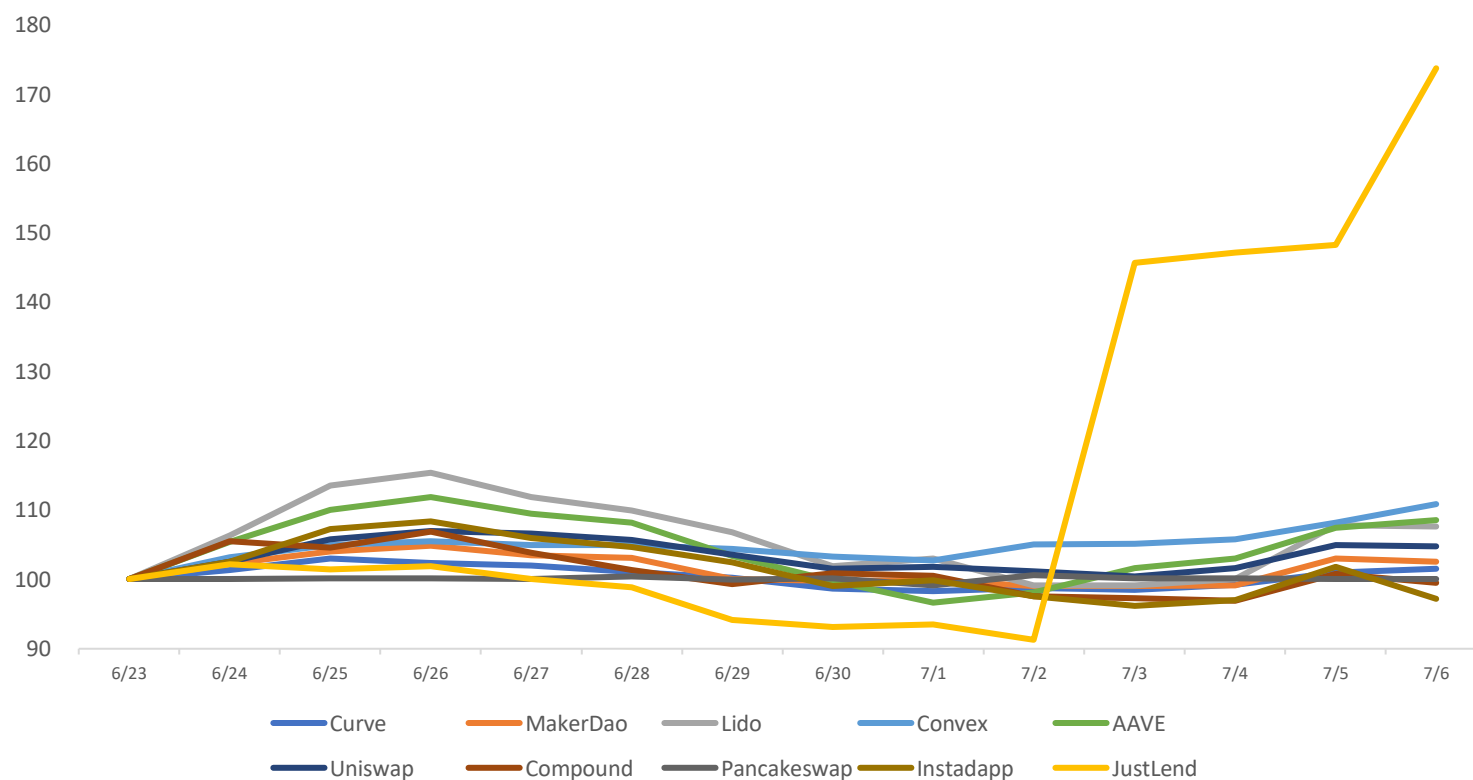
Total TVL gained slightly by 3.5% to US\$74.8 billion as TVL floated around US\$70-75 billion over the last three weeks, ending the waves of TVL decline for now. During the period, notable winners/losers were:

- TVL on Tron gained 31.2% after recovery of USDD depeg and spike in TVL on lending platform JustLend.
- Fantom's TVL decline continues, dropping 15.6% (with Curve TVL declining 40.6%).

TVL Overview by Protocols

- Most protocols improved slightly as crypto prices traded sideways
- JustLend gains sharply as confidence returns after USDD stabilizes

TVL of Top DeFi Protocols in Terms of TVL
(23 June 2022 = 100)

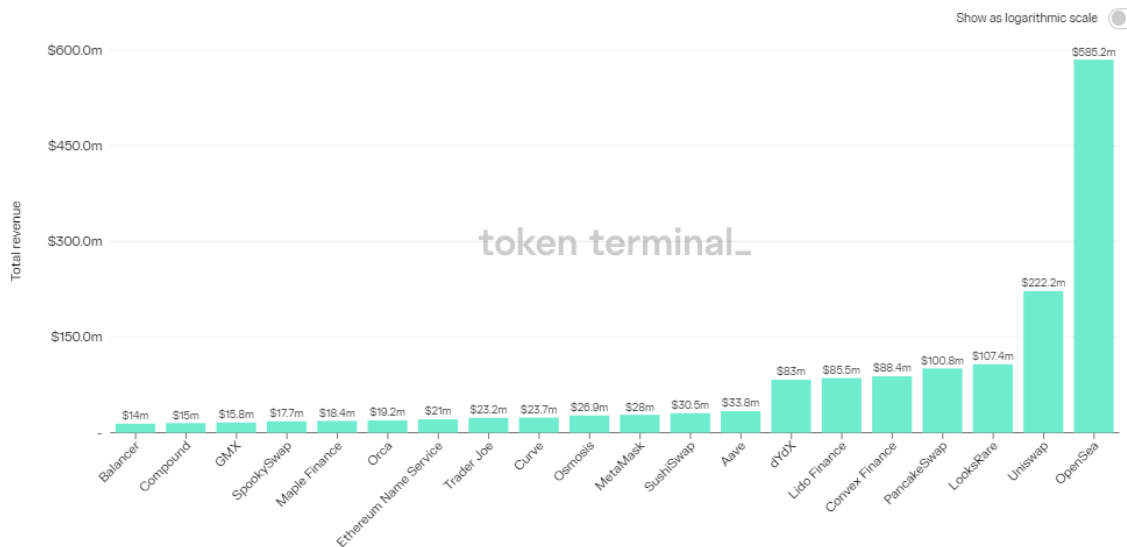


Proccol	23 June TVL (USD m)	6 July TVL (USD m)	Period Change
MakerDAO	7,649	7,841	2.5%
Uniswap	4,863	5,091	4.7%
Pancake	2,946	2,947	0.0%
Compound	2,728	2,715	-0.5%
Instadapp	1,561	1,518	-2.8%
Lido	4,624	4,975	7.6%
Uniswap	2,970	3,291	10.8%
Curve	5,037	5,114	1.5%
Convex	2,970	3,291	10.8%
Aave	4,888	5,306	8.5%
JustLend	1,608	2,793	73.7%

DeFi Revenue - DeFi Protocols

- Synthetic continues to climb the 30-day revenue ranks.
- ENS had an outstanding two weeks amid record-breaking transactions for rare domain names.
- Overall, DeFi activity extends its month-on-month decline.

Top dapps based on cumulative total revenue in the past 90 days.

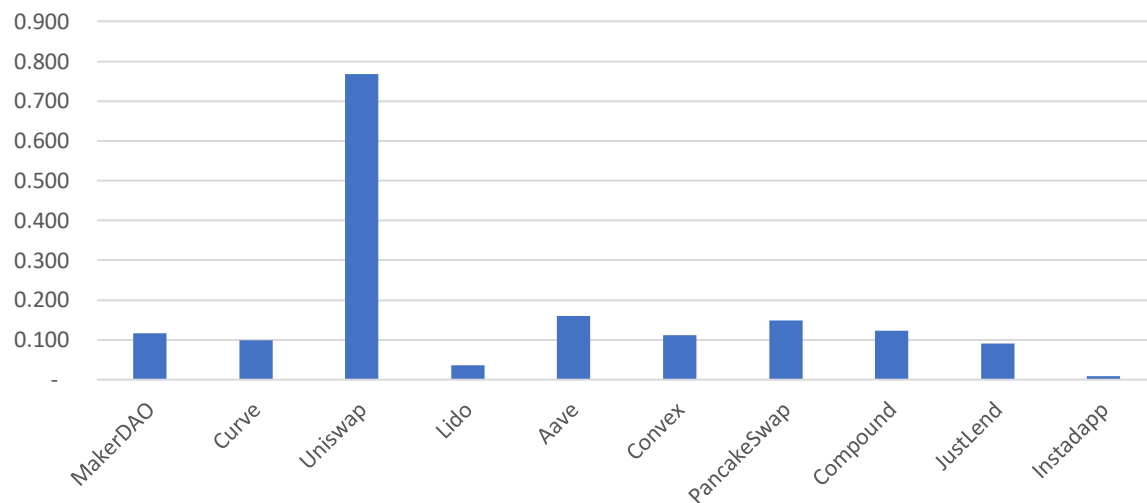


Project	Revenue 7d (US\$)	Revenue 30d (US\$)	Revenue 180d (US\$)	7d Change	30d Change
Uniswap	\$ 9.3m	\$ 60.3m	\$ 527.3m	-9.4%	-22.6%
OpenSea*	\$ 0.5m	\$ 27.1m	\$ 1,574.8m	-44.4%	-78.2%
Lido Finance	\$ 3.8m	\$ 18.9m	\$ 157.6m	-6.2%	-34.8%
dYdX	\$ 2.6m	\$ 18.0m	\$ 224.8m	-1.9%	-29.3%
Convex Finance	\$ 5.2m	\$ 17.5m	\$ 252.3m	51.5%	-36.0%
PancakeSwap	N/A	\$ 14.7m	\$ 232.9m	N/A	-66.0%
Synthetic	\$ 2.7m	\$ 10.2m	\$ 16.2m	-2.4%	936.3%
Curve	\$ 0.6m	\$ 6.2m	\$ 59.0m	-10.8%	-52.2%
SushiSwap	\$ 1.0m	\$ 6.1m	\$ 94.2m	3.5%	-51.2%
LooksRare	\$ 1.1m	\$ 5.9m	\$ 582.7m	-23.9%	-73.1%
Maple Finance	\$ 0.6m	\$ 5.3m	\$ 32.2m	-29.0%	-5.4%
MetaMask	\$ 0.7m	\$ 5.1m	\$ 67.0m	-0.8%	-57.4%
Aave	\$ 0.8m	\$ 4.7m	\$ 94.2m	9.1%	-49.9%
GMX	\$ 0.9m	\$ 4.2m	\$ 34.7m	88.7%	-28.7%
ENS	\$ 1.9m	\$ 4.0m	\$ 31.3m	184.1%	-18.1%
Trader Joe	\$ 0.5m	\$ 3.9m	\$ 79.0m	-23.0%	-60.6%
Balancer	\$ 0.4m	\$ 2.9m	\$ 26.9m	-8.0%	-19.8%
QuickSwap	\$ 0.4m	\$ 2.7m	\$ 26.2m	-14.5%	-31.1%
MakerDAO	\$ 0.5m	\$ 2.5m	\$ 35.5m	-8.3%	-35.2%
Orca	\$ 0.2m	\$ 2.5m	\$ 26.8m	-44.1%	-70.3%

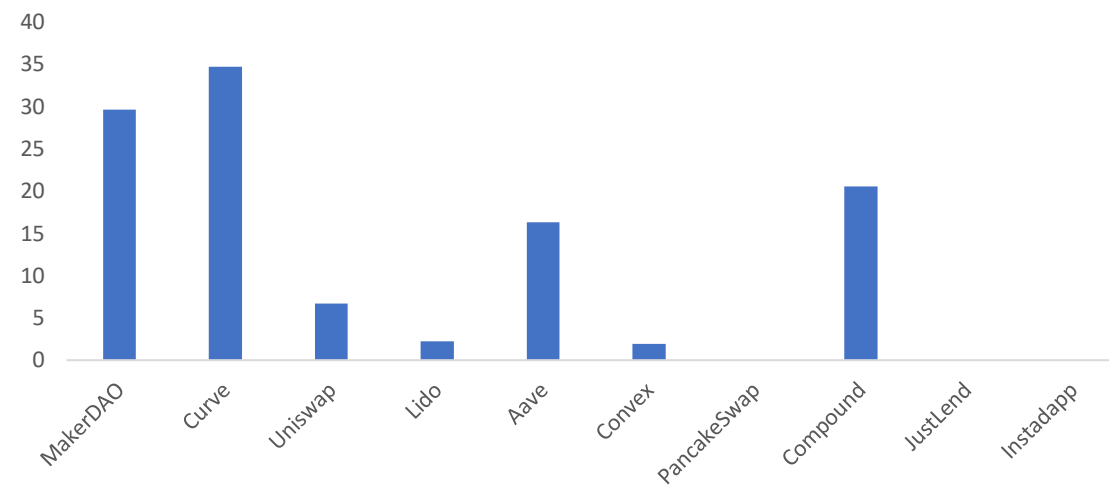
Note: As of 6 July 2022; *data may be distorted due to OpenSea's transition to Seaport.

DeFi Valuation

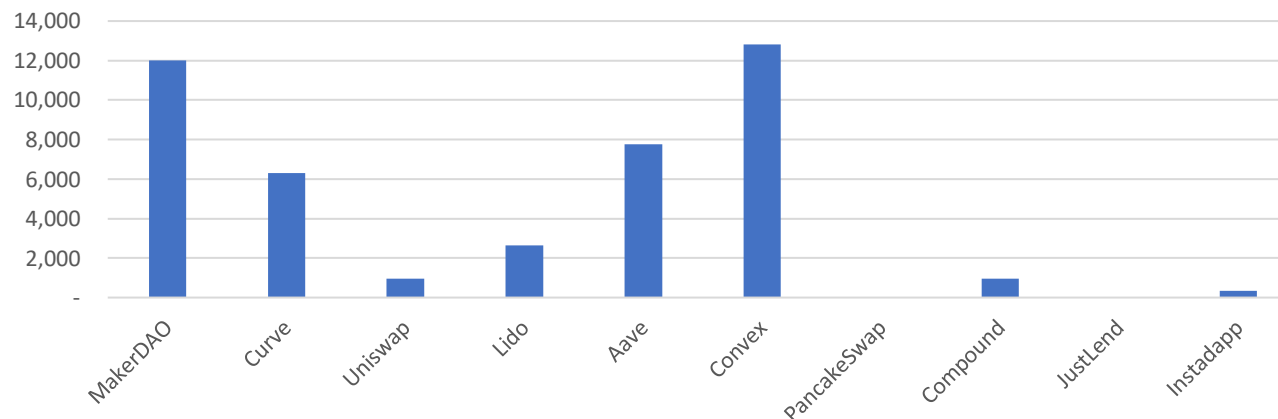
P/TVL Ratio (Top 10 Projects by TVL)



P/S Ratio (Annualized Revenue)



P/Users Ratio



Note: As of 6 July 2022. Protocols with a ratio of 0 means insufficient data.

Source: TokenTerminal, Dune Analytics, CoinMarketCap

Top DEX Pool Trends

- Liquidity levels stable as crypto prices trade sideways

Curve

Top Pools ?

#	Pool	Liquidity	Volume	Fees	ROL
1	frax	\$1.13b	\$1.64m	\$518.15	0.09%
2	3pool	\$988.98m	\$90.21m	\$5.25k	0.19%
3	steth	\$713.98m	\$12.48m	\$2.52k	0.13%
4	tricrypto2	\$212.16m	\$95.75m	\$14.37k	2.52%
5	susd	\$134m	\$43.25m	\$8.85k	2.44%
6	ib	\$98.3m	\$3.7m	\$3.11k	1.06%
7	mim	\$87.29m	\$319.19k	\$571.23	0.26%
8	tusd	\$78.38m	\$0.00	\$0.00	0.12%
9	compound	\$72.77m	\$0.00	\$0.00	0.00%
10	alusd	\$72.54m	\$1.29m	\$262.08	0.17%

Liquidity Provided



Uniswap

Top Pairs ?

#	Pair/Pool	Liquidity	Volume	Fees	ROL
1	DAI - USDC	\$169.54m	\$86.6k	\$259.79	0.06%
2	USDC - ETH	\$96.47m	\$19.13m	\$57.39k	21.71%
3	WISE - ETH	\$82.85m	\$2.06k	\$6.17	0.00%
4	FXS - FRAX	\$58.12m	\$3.54m	\$10.62k	6.67%
5	FNK - USDT	\$29.84m	\$84.44	\$0.25	0.00%
6	ETH - USDT	\$26.28m	\$4.43m	\$13.29k	18.45%
7	MC - ETH	\$19.99m	\$787.18k	\$2.36k	4.31%
8	PAXG - ETH	\$17.22m	\$1.66m	\$4.97k	10.52%
9	UNI - ETH	\$16.18m	\$745.04k	\$2.24k	5.04%
10	USDC - USDT	\$14.91m	\$422.36k	\$1.27k	3.10%

Liquidity Provided



SushiSwap

Top Pairs ?

#	Pair/Pool	Liquidity	Volume	Fees	ROL
1	ILV - ETH	\$74.79m	\$767.41k	\$2.3k	1.12%
2	USDC - ETH	\$41.7m	\$6.64m	\$19.92k	17.43%
3	OHM - DAI	\$35.77m	\$739.65k	\$2.22k	2.26%
4	ETH - USDT	\$22.96m	\$2.76m	\$8.29k	13.19%
5	WBTC - ETH	\$18.59m	\$397.72k	\$1.19k	2.34%
6	OHM - ETH	\$12.58m	\$669.45k	\$2k	5.83%
7	SUSHI - ETH	\$10.75m	\$779.36k	\$2.34k	7.94%
8	BIT - ETH	\$10.38m	\$219.94k	\$659.81	2.32%
9	TOKE - ETH	\$10.3m	\$87.55k	\$262.64	0.93%
10	ETH - ALCX	\$7.63m	\$230.46k	\$691.39	3.31%

Liquidity Provided



Top DEX Pool Trends – Downtrend on top SushiSwap Pool – US\$440m to US\$75m in half a year

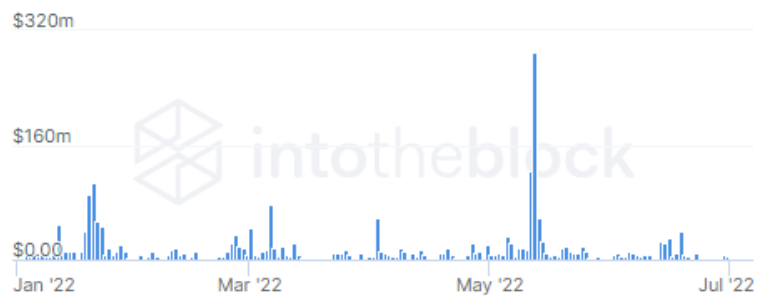
Curve

Top Pair Data: frax

Total Liquidity, USD



Volume Traded



Fees per Liquidity



Uniswap

Top Pair Data: DAI - USDC

Total Liquidity, USD



Volume Traded



Fees per Liquidity



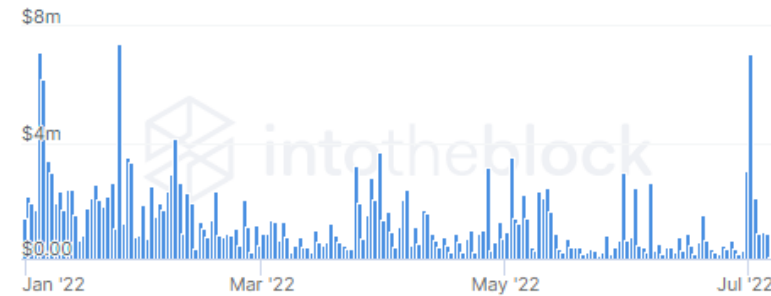
SushiSwap

Top Pair Data: ILV - ETH

Total Liquidity, USD



Volume Traded



Fees per Liquidity



Top Yield Farming Pools - TVL

Name	Protocol	Base APY	Reward APY	Rewards	APY	7d ago	TVL
ETH	Lido Ethereum	4.00%	-		4.00%	4.00%	\$4,801,430,775
USDC	Aave Ethereum	0.46%	-		0.46%	0.74%	\$1,630,943,577
fraxFRAX	3Crv Convex Ethereum	0.13%	5.01%	CRV CVX FXS	5.14%	4.14%	\$1,133,500,000
WETH	Aave Ethereum	0.72%	-		0.72%	0.58%	\$937,895,756
WBTC	Aave Ethereum	0.02%	-		0.02%	0.01%	\$733,626,738
DAI	USDC (0.01%) Uniswap Ethereum	0.14%	-		0.14%	0.15%	\$709,342,982
USDC	Compound Ethereum	0.45%	0.41%	COMP	0.86%	0.76%	\$663,988,496
USDN	Vires Waves	31.73%	0.05%	VIRE	31.79%	51.23%	\$650,465,002
WBTC	Compound Ethereum	0.05%	0.09%	COMP	0.14%	0.13%	\$645,086,621
ETH	Compound Ethereum	0.10%	0.09%	COMP	0.20%	0.15%	\$612,411,453

TVL relatively stable from two weeks ago as crypto prices take a break from earlier rout

Top Yield Farming Pools - APY

Top APY pool (TVL > 100m)

Name	Protocol	Base APY	Reward APY	Rewards	APY	7d ago	TVL
USDC WETH (0.05%)	Uniswap Ethereum	50.97%	-		50.97%	42.85%	\$213,242,452
USDC WETH (0.3%)	Uniswap Ethereum	40.09%	-		40.09%	36.87%	\$299,358,877
USDC	Vires Waves	38.48%	0.07%	VIREX	38.55%	37.80%	\$292,093,621
WBTC WCRO	VS Cronos	0.49%	37.96%		38.45%	38.63%	\$102,740,000
USDT	Vires Waves	35.59%	0.07%	VIREX	35.66%	35.19%	\$253,256,490
BTC DFI	DefiChain Defichain	-	33.19%	DFI	33.19%	34.04%	\$131,859,910
USDM	Vires Waves	31.73%	0.05%	VIREX	31.79%	51.23%	\$650,465,002
WETH USDT (0.3%)	Uniswap Ethereum	29.18%	-		29.18%	21.83%	\$118,842,611
WBTC WETH (0.3%)	Uniswap Ethereum	26.77%	-		26.77%	27.92%	\$178,008,157
MEX EGLD	Maiar Ethereum	0.11%	21.89%	MEX	22.00%	22.00%	\$109,280,557

Uniswap
takes leading
spot,
but
overall APY
dropped

Top APY pool (TVL > 10m)

Name	Protocol	Base APY	Reward APY	Rewards	APY	7d ago	TVL
CRV	StakeDAO Ethereum	272%	-		272%	51.78%	\$11,961,324
CRV (locker)	StakeDAO Ethereum	-	132%	CRV SDT 3CRV	132%	165%	\$11,979,726
VVS WCRO	VVS Cronos	1.08%	119%		120%	120%	\$34,390,000
BNB USDT	Alpaca BNB Chain	125%	7.70%	ALPACA	103%	93.69%	\$79,102,544
WBTC USDC (0.3%)	Uniswap Ethereum	81.02%	-		81.02%	23.75%	\$79,118,928
USDC OSMO	Osmosis Osmosis	76.90%	-		76.90%	87.99%	\$22,500,000
cvxethETH CVX	Convex Ethereum	14.45%	56.88%	CRV CVX	71.33%	53.83%	\$28,100,000
BNB BUSD	Alpaca BNB Chain	78.37%	16.44%	ALPACA	70.58%	69.49%	\$47,350,036
USDC WETH (0.05%)	Uniswap Ethereum	50.97%	-		50.97%	42.85%	\$213,242,452
BNB BSW	Biswap BNB Chain	9.42%	40.48%	BSW	49.90%	45.81%	\$14,154,248

Noteworthy DeFi Protocols – Arbitrum Odyssey Paused

Ethereum Layer-1 is expensive.
How much does it cost to use Layer-2?

[CryptoFees.info](#) + [L2Beat.com](#) = ❤️

All L2s Full Rollups

Name	Send ETH	Swap tokens
Metis Network	\$0.01	\$0.07
Loopring	\$0.02	\$0.28
ZKSync	\$0.03	\$0.09
Boba Network	\$0.13	\$0.24
Optimism	\$0.14	\$0.20
Polygon Hermez	\$0.25	-
Arbitrum One	\$0.27	\$5.99
Ethereum	\$0.74	\$3.72
Aztec Network	\$0.81	-

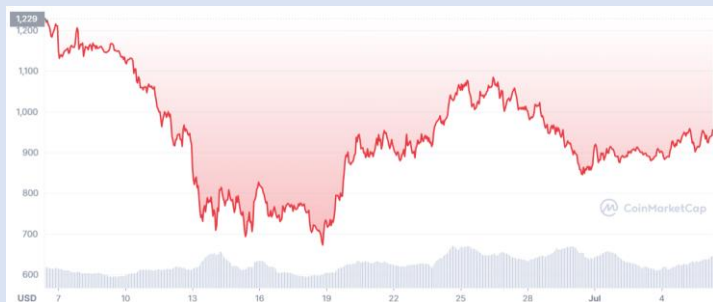
- Ethereum Layer 2 solution Arbitrum recently launched Odyssey, an eight-week program to showcase the ecosystem and rewarding explorers with NFTs.
- After a week or so, transactions on Arbitrum hit an all-time high. The network became so congested that Arbitrum gas fees briefly exceeded that of Ethereum's.
- As such, Arbitrum had to pause Odyssey and will resume after it launches Nitro, which will remove what is currently throttling the network capacity.

Arbitrum Daily Transactions



Noteworthy DeFi Protocols – MakerDAO Governance Debate

MKR 1M performance

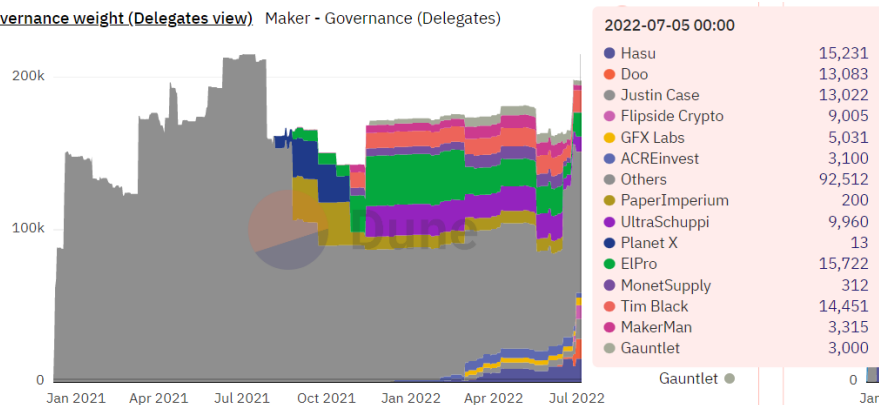


- MakerDAO community is debating on the future direction of the protocol amid unprecedented levels of voter participation.

• LOVE

- The proposal, if passed, would create a Lending Oversight Core Unit (LOVE) that would have a more streamlined leadership structure in the DAO to manage checks and balances. It would also oversee the DAO's process of onboarding new collateral assets.
- 60% voted against the proposal, with ~30% of token holders participating in the vote. It was a stark fight between those who wanted more control and those who deemed decentralization as paramount.

Governance weight (Delegates view) Maker - Governance (Delegates)



- Following the rejected proposal for LOVE, community member Hasu proposed a “Simple MakerDAO”, which will establish a Maker Constitution and a Council to set a clearer overall direction for the protocol. But some have criticized it as “turning the DAO into a corporation”.

NFT & Metaverse

NFT & Metaverse Summary

1. NFT Dashboard – ENS becomes top NFT collection in the past 7 days by volume and number of sales

2. NFT Volume in ETH Flat

3. Active NFT Users are Declining Slowly, Even for Solana

4. X2Y2 Overtakes LooksRare as Leader of Wash Trades

5. GameFi & Play-to-Earn

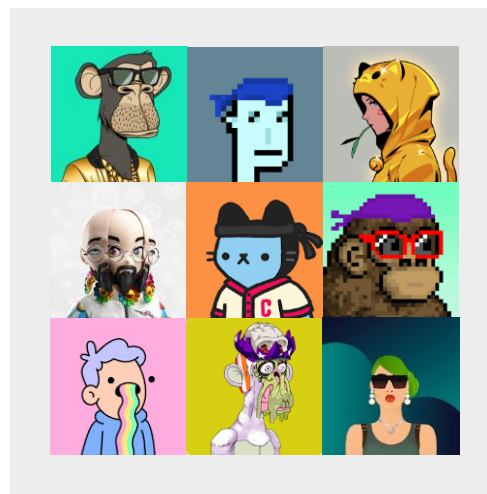
Ronin Bridge Reopens After US\$600m Hack

StepN Unveils Realm 3

6. News & Headlines

NFT Dashboard

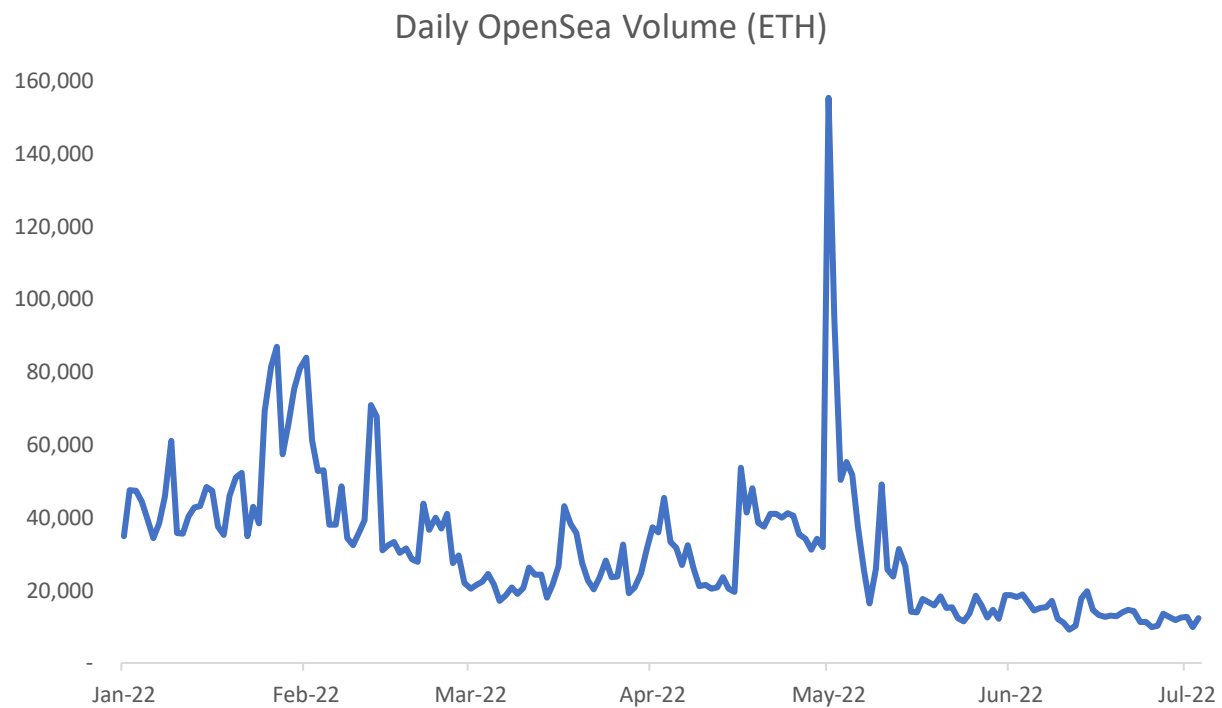
Project	Floor Price	14D	YTD
"Blue Chip" Projects			
Bored Ape Yacht Club	89.5Ξ	5.6%	40.8%
CryptoPunks	67.0Ξ	1.9%	3.6%
Tier-A Projects			
Azuki	11.0Ξ	-0.3%	214.0%
Clone X	10.2Ξ	2.2%	155.7%
Cool Cats	4.0Ξ	-10.3%	-70.8%
CyberKongz Genesis	26.3Ξ	0.0%	-54.6%
Doodles	12.9Ξ	-11.6%	96.0%
Mutant Ape Yacht Club	17.0Ξ	-4.1%	45.6%
NFT Worlds	3.5Ξ	-12.8%	45.4%
World of Women	4.2Ξ	-12.4%	105.4%



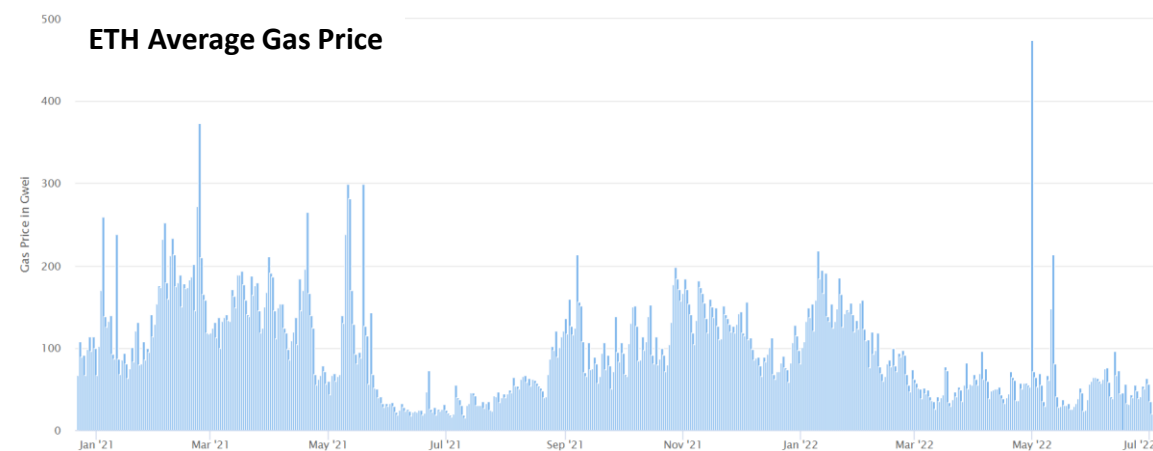
Top Sales of the Week*	Price
CryptoPunk #7971	399.0Ξ
000.eth	300.0Ξ
We are Pak #117	250.0Ξ
Autoglyphs #132	200.0Ξ
Noun 25	200.0Ξ
porno.eth	184.0Ξ
Autoglyphs #294	190.0Ξ
God in the Sky	173.0Ξ
CryptoPunk #3007	150.0Ξ
Doodle #3881	155.6Ξ

Top Collections of the Week* (by volume)	Volume (USD)
ENS	\$11.0m
Bored Ape Yacht Club	\$7.5m
Moonbirds	\$5.6m
Otherdeed	\$4.9m
The Possessed	\$4.4m
Mutant Ape Yacht Club	\$4.0m
God Hates NFTees	\$3.5m
Clone X	\$3.4m
CryptoPunks	\$3.2m
Art Blocks	\$2.9m

NFT Volume in ETH Flat



- Daily NFT volume continues to be relatively flat, continuing the trend from two weeks ago. Activity on major NFT projects have mostly been mute.



Source: Flipside Crypto, AMTD Research

- Web3.0 Biweekly 40

The chart displays the monthly sales volume for three major NFT marketplaces. X2Y2 (blue line) experienced a sharp increase in sales starting in May, peaking at approximately 35 million in late May, before declining. LooksRare (orange line) also saw a significant spike in May, reaching nearly 90 million, but then dropped and remained low. OpenSea (grey line) maintained a low, steady sales volume throughout the period, generally staying below 5 million.

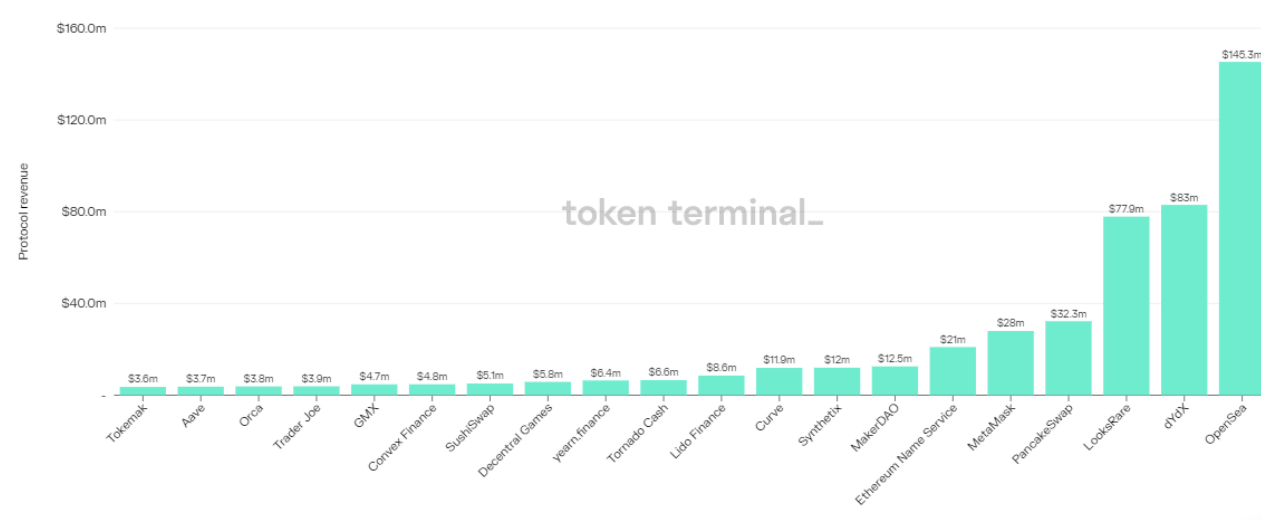
Month	X2Y2 (Millions)	LooksRare (Millions)	OpenSea (Millions)
May-22	25	70	5
Jun-22	25	10	2
Jul-22	20	5	1

GameFi & Play-to-Earn

Ronin Bridge Reopens After US\$600m Hack

- The Ronin Bridge, the Ethereum bridge for Axie Infinity, has reopened after a US\$600m hack nearly three months ago.
- The re-worked bridge has undergone three audits as well as additional security features such as a circuit breaker system, and human review for withdrawals exceeding US\$10 million.
- The network is fully backed 1:1 by ETH and USDC on Ethereum, and all users have been reimbursed.

Dapp 90D Protocol Revenue



GameFi & Play-to-Earn

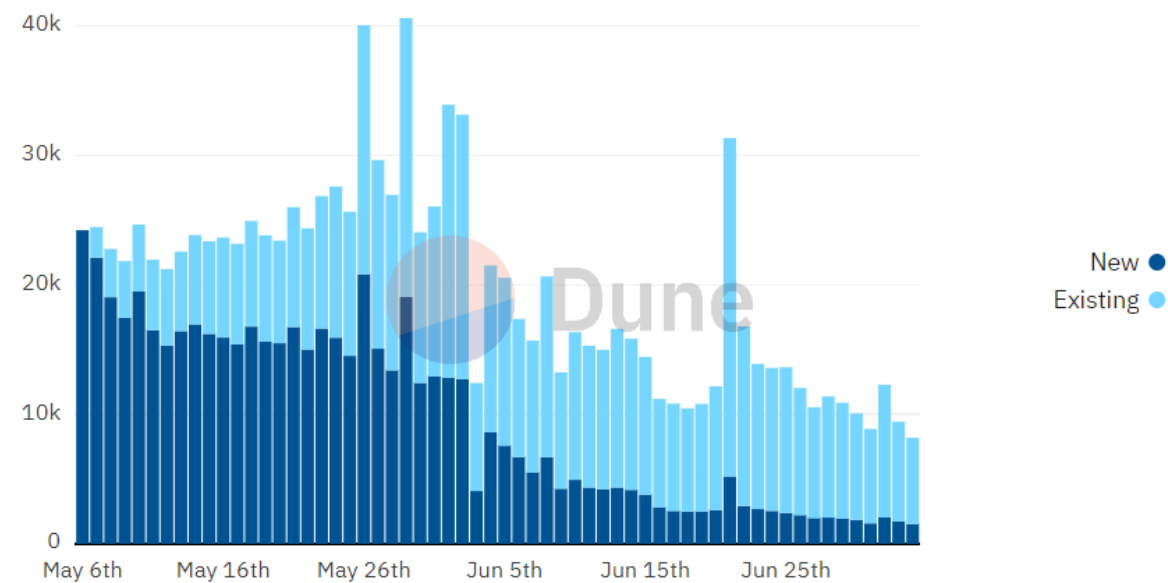
StepN Unveils Realm 3

- StepN, the popular walk-to-earn app currently on the Solana and BSC networks (each a Realm), have announced its third Realm on Ethereum.
- To promote the upcoming launch of StepN Realm 3, it is running a promotion for “OG APE Shoeboxes”. In particular, BAYC holders are able to obtain an OG APE Shoebox drop for free.
- This has caused quite a stir as it implied that BAYC and StepN are working closely for Realm 3, leading to clarification by BAYC staff that it is not working with StepN.
- The announcement comes amid declining activity on StepN as new users joining the platform have dwindled, in line with the broader NFT and crypto market.



[STEPN] Daily Users

@lightsoutjames



News & Headlines

OpenSea Faces User Email Data Breach

OpenSea reported that an employee of its email delivery vendor misused employee access to download and share email addresses with an external party. OpenSea is warning users of phishing emails as a result. [[CoinDesk](#)]

Tencent Forms Extended Reality Unit

In an expansion to building up its metaverse development, Tencent announced the official formation of an extended reality unit, which will be tasked with building up the software and hardware segments of virtual/augmented reality segments for Tencent. [[Reuters](#)]

OpenSea Cofounder Leaves

OpenSea cofounder Alex Atallah announced to the community that he will leave the company by the end of July, though will remain on the board. [[Mirror](#)]

eBay Acquires NFT Marketplace KnownOrigin

In its foray into digital assets, eBay announced that has acquired NFT marketplace KnownOrigin at an undisclosed amount. KnownOrigin was founded in 2018 and features rare digital art. eBay expressed that NFTs represent a significant area of growth for its business. [[TechCrunch](#)]

Ledger Launches NFT Marketplace

Ledger, known for its hardware wallets, is launching an NFT marketplace called Ledger Market. It has partnered with brands like Brick, Tag Heuer, DeadFellaz and RTFKT among others. It will launch a Genesis Pass NFT for future benefits. [[Ledger](#)]

Cristiano Ronaldo Partners with Binance for NFT Launch

World famous soccer star Cristiano Ronaldo has signed a multi-year partnership with Binance to launch a series of NFT collections. He will be involved in designing the first NFT collection. [[The Block](#)]

GTA 6 to Potentially Feature Cryptocurrencies

According to leaks, Rockstar Game could release the open-world Grand Theft Auto 6 in 2024, and may include a cryptocurrency reward program for players to earn and exchange crypto. [[Coincu](#)]

Regulatory Updates

Regulatory Updates

- EU Members have finally reached agreement of the Markets in Crypto Assets bill after years of debate. The hotly debated bill will seek the implementation of supervisory provisions, consumer protections and environmental safeguards.
- The US-UK Financial Innovation Partnership held its third meeting where it discussed crypto-asset regulation and market developments. It also addressed stablecoins and central bank digital currencies.
- The Monetary Authority of Singapore stated that it is considering placing limits on retail participation and use of leverage in cryptocurrencies.
- The Chief Fintech Officer of the Monetary Authority of Singapore expressed that it would be brutal and unrelentingly hard on bad behavior in the crypto industry; explaining that the draconian due diligence process for licensing crypto companies is in place to protect the wider economy.
- The UK government (HM Revenue & Customs) is seeking views on the taxation of crypto loans and staking within DeFi, and will hear feedback for eight weeks.
- The Central Bank of Russia is accelerating its schedule in developing and issuing the digital ruble, with plans for full implementation by the end of 2023 which is earlier than previously set.
- Binance and the Securities and Exchange Regulator of Cambodia signed an MoU to develop the digital asset sector in the region by sharing experience, supporting development of legal framework, and conduct training on digital assets.
- The Monetary Authority of Singapore has reprimanded Three Arrows Capital for providing false information and exceeding its assets under management threshold allowed for a registered fund management company. The MAC is assessing if there were further breaches by 3AC in light of recent solvency issues.

Notable Tweets

Trade Azukis for an AMG



BUSYAF.eth
@busyasfxck

Yo, to my chinese NFT fam! I am leaving China soon (this summer). I won't need this car anymore. I am willing to trade it with 15 floors or 2 grails @AzukiOfficial #Azuki. I prefer trading it for NFTs because I wouldn't be able to move \$CNY easily. Dm me for specs, low mileage.



Fifty to a hundred



CZ Binance
@cz_binance

Game of telephone. During my live interview with Yahoo earlier, I said 50 to 100. The clip is online. It become 5200 somehow by one journalist somewhere... And even CMC reposted the "news". 🤔

<https://www.theblock.co/post/binance-receives-5200-d...>

Binance receives 5,200 deal proposals amid market downturn ...

4 hours ago — **Binance** CEO Changpeng Zhao said the company is looking at about 5200 proposals from crypto firms amid recent market stress.

<https://coinmarketcap.com/headlines/news/binance...>

Binance receives 5,200 deal proposals amid ... - CoinMarketCap

11 hours ago — **Binance** is examining about 5200 proposals from crypto companies amid the recent market stress, **CEO** Changpeng Zhao said.

<https://www.aliens.com/Read>

Binance receives 5200 deal proposals amid market ... - Aliens

4 hours ago — **Binance** CEO Changpeng Zhao said the company is looking at about 5200 proposals from crypto firms amid recent market stress.

5:09 AM · Jun 25, 2022 · Twitter Web App

Anonymous targets Do Kwon



Watcher.Guru
@WatcherGuru

Hacktivist group 'Anonymous' promises to make sure Terra founder Do Kwon's alleged crimes are "brought to justice as soon as possible."

To get into ApeFest...



pixelize.eth
@pixelizeog

Craziest shit I saw in NYC was a guy didn't have his BAYC or a valid token in the wallet he claimed his ApeFest tickets with, which invalidates the ticket, and instead of walking 10 minutes to his hotel he buys a mutant worth 20eth right in front of me. On his mm mobile.

7:33 AM · Jun 27, 2022 · Twitter Web App

Welcome to Web3



Kevin Hart
@KevinHart4real

I've been going down the Web3 rabbit hole 🤔
#VirtualWorlds

10:22 AM · Jun 27, 2022 · Twitter for iPhone

1,644 Retweets 295 Quote Tweets 12.9K Likes

Solana co-founder replies to Brian Armstrong



Brian Armstrong - barmstrong.eth ✓ @brian_armstrong · Jun 26

Excited to be adding more L2 integrations in the Coinbase App!

...



surchatt.eth @surojit · Jun 24

Huge step forward for our customers - access web3 at a fraction of cost and time. You'll soon be able to convert fiat to crypto and fund your Polygon and Solana wallets in minutes blog.coinbase.com/send-and-recei...

259

93

571



raj sms ✓

@rajgokal

...

Replying to @brian_armstrong

bruh

5:06 AM · Jun 28, 2022 · Twitter for iPhone

Asking for a friend



Oxngmi

@Oxngmi

how do you even cash out 100M in hacked funds?

6:53 PM · Jun 24, 2022 · Twitter Web App

6 Retweets 7 Quote Tweets 155 Likes

ENS bull market?



147.eth @Blockimus · 8h

...

I could have bought 2 Azukis, another MAYC, a Doodle and a GCG Cat, or a Moonbird.

I bought 147.eth instead

AMA

71

38

384

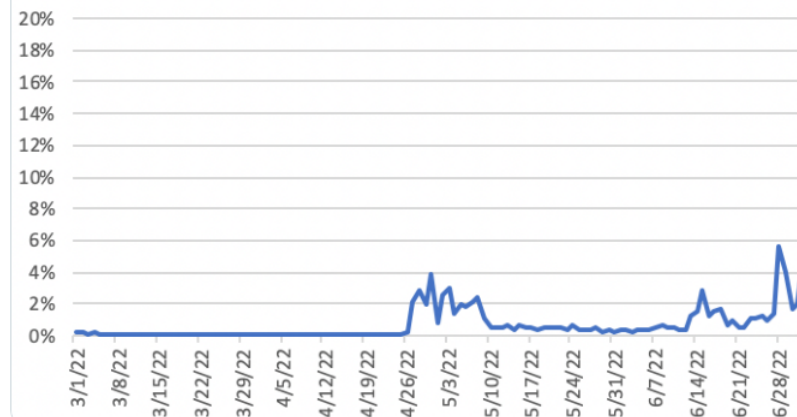


NFTstatistics.eth @punk9059 · Jul 4

...

ENS was 19% of OpenSea volume yesterday.

ENS as a % of OpenSea Volume



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