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INTERNATIONAL

Binance Founder CZ Sees \$12 Billion Drop in Wealth Due to Trading Revenue Slump

Douga, Erietta

As Binance, the world's largest cryptocurrency exchange, faces a 38% decrease in its trading revenue, many people suffer a loss. One of them is Zhao, commonly known as CZ, the founder of Binance. He has experienced a significant decline in wealth, estimated at \$11.9 billion. According to the calculations by the Bloomberg Billionaires Index, CZ's net worth has plummeted to \$17.2 billion. Notably, his peak net worth was an impressive \$96 billion back in January 2022, as reported by Bloomberg.

The Bloomberg Billionaires Index calculates Binance's revenue.

It does this by analyzing trading data from both spot and derivatives markets. It relies on data tracking platforms like CoinGecko and CCData.

During Q1, Binance held the lion's share of the crypto trading market at a staggering 62%, largely thanks to a zero-fee promotion. However, by the close of Q3, their market share had receded to 51%, as per CCData's findings.

As of now, there has been no official response from Binance regarding these financial developments, despite inquiries made by CoinDesk.



Binance Founder's wealth almost halved due to drop in the company's trading revenue

Australia's Largest Money Laundering Scandal: 7 Arrested in a \$230 Million Operation

Douga, Erietta



The AFP says this is the biggest money laundering scandal Australia has ever seen

In a shocking turn of events, Changjiang Currency Exchange, a money transfer company based in Australia, has been exposed in a \$230 million money laundering scandal. On October 26, a massive police operation across several Australian cities, including Melbourne, Sydney, Brisbane, Adelaide, and Perth, led to the arrest of seven individuals – four Chinese citizens and three Australian nationals, following a 14-month investigation.

"This is the biggest money laundering scandal Australia has ever seen," declared the Australian Federal Police (AFP).

Operating under the facade of a legitimate currency exchange business, Changjiang Currency Exchange has allegedly been a hub for laundering dirty funds and tainted cryptocurrency originating from investment scams and unregistered crypto exchanges. According to the Guardian's report, the so-called Long River syndicate has laundered nearly \$229 million in illegal funds through this business over the past three years.

AFP: *"Changjiang laundered \$228,883,561 between 2020 and 2023."*

The investigation was set in motion when law enforcement officials observed

unusual activity at Changjiang kiosks across Australia during a period of strict COVID-19-related lockdowns. This raised suspicions, and the subsequent inquiry uncovered the alleged wrongdoing. During the raids, authorities seized \$50 million worth of luxury properties and vehicles linked to the syndicate.

The operation underscores the pivotal role played by financial professionals in facilitating money laundering activities, emphasizing the need for robust enforcement against such practices. While most of the laundered money appears to have originated from law-abiding customers, Changjiang Currency Exchange is accused of simultaneously enabling organized criminals to clandestinely transfer unlawfully obtained funds in and out of Australia.

The syndicate even went to great lengths to evade capture, allegedly spending \$200,000 each on fake passports. The police believe this case has exposed a sophisticated and complex money laundering group that has exploited vulnerabilities in the financial system, significantly impacting on illicit money flows in the country.

This unprecedented scandal reveals the critical role that law enforcement plays in protecting financial integrity, and it sends a strong message to those who engage in illicit money activities.

Craig Wright Triumphs in U.S. Appeals Court Case Over Bitcoin Holdings Dispute

Mottis, Fabrizio

Craig Wright, the self-declared pioneer of Bitcoin, has scored a legal victory in a recent U.S. Appeals Court showdown that revolved around a substantial cryptocurrency dispute. Wright, known for his bold claim to be Satoshi Nakamoto, the mysterious mastermind behind Bitcoin's inception, can now breathe a sigh of relief. The ruling unequivocally states that Wright and David Kleiman, who has long departed, were not entangled in a legal partnership while starting off their joint Bitcoin mining escapades over a decade ago.

The Eleventh Circuit judges, overseeing the Kleiman estate, now managed by David's brother Ira, found their arguments unconvincing. They failed to show any legal missteps or obvious errors of judgment that would justify overturning the sanctions imposed on Craig Wright for allegedly obstructing the legal process.

This decision affirms a previous ruling made by a Florida jury in 2021, which determined the Kleiman estate's entitlement to half of the mined Bitcoins, reportedly valued at billions. The judges noted that despite criticism of Wright's legal team for digging into the Kleiman family relations, this action did not significantly influence the jury's deliberations.

It's worth mentioning that this appeal did not address the \$100 million payment previously ordered against Wright in favor of W&K Info Defense Research, a company established by Kleiman, as an ongoing separate dispute remains unresolved.

In another legal twist, Craig Wright filed a lawsuit against a UK-based group of crypto developers. They declined to include a backdoor in Bitcoin software, a feature that would supposedly help Wright's company, Tulip Trading, regain access to allegedly lost cryptocurrency assets. Noteworthy, a 2022 ruling by Norwegian judge Helen Engebretsen branded Wright as a 'fraud' and 'scammer' for his Nakamoto claim. Wright has now appealed this decision.

WEB3

Mastercard Teams Up with MoonPay to Explore Web3 Integration

Mottis, Fabrizio

Global payments giant Mastercard is partnering with MoonPay to expand its presence in the cryptocurrency and blockchain industry. MoonPay is a payment platform specializing in digital assets. The collaboration aims to explore the potential of Web3 technologies to enhance customer experiences and expand marketing tools.

Mastercard's shown interest in blockchain and cryptocurrency has remained unchanged over the past few years. The company has already partnered with Coinbase to facilitate payments for Web3 and non-fungible tokens (NFTs). Web3, signifying the next Internet generation fueled by blockchain tech, holds the promise to transform customer engagement and loyalty. One key aspect of the collaboration is MoonPay's integration of Mastercard's tools such as "Send," "Crypto Credentials," and "Click-to-Pay" into its payment solutions. This integration will not only enhance compliance but also foster trust in the rapidly evolving Web3 industry.

The partnership between Mastercard and MoonPay is a profound example that conventional financial institutions are increasingly attracted to the potential of Web3 technologies. The ongoing evolution of Web3 teases even more thrilling advancements, fundamentally reshaping how we engage with digital assets and the wider financial landscape.



Mastercard is showing strong interest in Blockchain and Web3.

M&A in Web3: Shaping the Digital Frontier

Hauri, Christoph

In the constantly evolving landscape of modern finance, mergers and acquisitions (M&A) are recognised as powerful tools for transforming industries and influencing global economies. The synergies created by M&A extend beyond corporate growth to impact the broader economic ecosystem, making them a powerful force.

The global M&A market reached around \$1.32 trillion in the first half of 2023, reflecting the importance of M&A in traditional financial markets. In contrast, Web3 M&A activity was relatively moderate at around \$800 million over the same period. The unique challenges of the Web3 sector, combined with regulatory uncertainties, contribute to this slower pace.

The Web3 M&A landscape takes different forms: token deals involve the management of tokens post-M&A, while equity deals are similar to those in traditional markets. Key factors driving Web3 M&A include the early maturity of the sector, a prolonged bear market, regulatory hurdles and the acquisition of specialised talent. M&A will undoubtedly remain a central element in shaping the digital future of the Web3 world.

In conclusion, while the Web3 space is still in its early stages, M&A will play a major role in its development, providing opportunities for both established players and new entrants to navigate this dynamic digital frontier.

GAMING

Touchdown to Success: NFL Rivals – A Blockchain Games Scores Big

Hauri, Christoph

The popular blockchain-based game NFL Rivals is making waves with nearly 3 million sign-ups in just four months, driven by a perfect storm of factors that signal a bright future for Web3 gaming.

The winning playbook behind NFL Rivals' triumph? It's the backing from tech titans Apple and Google! Both companies gave the green light to the game's in-game NFT marketplace, marking a ground-breaking development in the crypto-gaming space. Players can now trade non-fungible tokens (NFTs), including official player cards, driving further engagement and revenue.

Apple's and Google's approval marks a significant advancement in the world of 'GameFi', as blockchain-based games overcome the complicated policies of these tech giants' app stores. New opportunities are opening for crypto adoption in the gaming and mobile sectors, laying the groundwork for further innovation in the near future.



With NFL season fever on the rise, over 20,000 new players are joining the game daily. With a whopping \$1.25 billion valuation and major industry players on its side, Mythical Games is preparing to secure an additional \$38 million in funding. The company has also secured partnerships with the NFL, the NFL Players Association, the Miami Dolphins and Amazon Prime Gaming. The convergence of the NFL, blockchain and gaming promises a bright future for digital assets in the world of sports and entertainment. Get ready for some touchdown-level gaming!

SWITZERLAND

Bitcoin Suisse Adds Matic Staking to its Services

Mottis, Fabrizio

Bitcoin Suisse, the Swiss crypto-finance technology pioneer, has expanded its services to include MATIC. MATIC is the primary token in the Polygon ecosystem. Services now include MATIC staking, trading, and custody solutions. Clients can access staking with a minimum of CHF5,000 MATIC holdings.

Polygon, previously called Matic Network, is a blockchain network that solves scalability challenges for decentralized applications (dApps) on Ethereum. It speeds up transactions and reduces costs by using sidechains and rollups. Polygon emphasizes interoperability, staking, and a growing dApp ecosystem. It also focuses on usability, security, and decentralization. What sets Polygon apart is the ability to stake its token, the MATIC. Users can earn MATIC by delegating their stake to validators who contribute computing resources to the Polygon network.

Currently, MATIC's staking reward is 4.9%. Staking is conducted on the Ethereum blockchain. Clients using Bitcoin Suisse's custodial staking solution receive rewards while keeping their assets secure. Staked crypto assets are stored on separate blockchain addresses. The integrated staking service offers a seamless experience with no technical requirements. Clients can delegate their crypto assets 24/7 via the online platform or mobile app.

Did you know...?

Staking cryptocurrencies involves holding and locking up a certain amount of a cryptocurrency to support a blockchain network, with participants earning rewards in return. It enhances network security and decentralization while offering token holders passive income.

Swiss Collaboration on CBDC Pilot for Digital Securities Transactions

Douga, Erietta



Will the digital Swiss Franc ever replace traditional counters?

SIX, the Swiss National Bank (SNB), and six commercial banks are collaborating on a pilot for wholesale central bank digital currency (wCBDC). This pilot, called Helvetia Phase III, aims to settle digital securities transactions with Swiss Franc wCBDC for the first time. The leading role will be played by SIX Digital Exchange (SDX). Switzerland leads the charge in this tech evolution, shaping the global financial industry's future.

Participating in this transformative initiative are Banque Cantonale Vaudoise, Basler Kantonalbank, Commerzbank, Hypothekbank Lenzburg, UBS, and Zürcher Kantonalbank, all of which are existing SDX member banks. The pilot, operating from December 2023 to June 2024, aims to test the settlement of primary and secondary market transactions in wCBDC. This enables participating banks to issue digital Swiss Franc bonds that will be settled against wCBDC in a delivery-versus-payment basis.

Did you know...?

SIX Digital Exchange (SDX) is the world's first fully regulated Distributed Ledger Technology (DLT)-based financial market infrastructure for digital assets.

Additionally, the project extends to the settlement of repo transactions initiated on the CO:RE trading platform of SIX Repo and administered by the Triparty Agent of SIX SIS. These transactions, conducted in test environments, are collateralized by digital bonds eligible for SNB repo transactions and are settled on SDX in wCBDC. The move demonstrates Switzerland's commitment to digital financial innovation, highlighting the transformative power of DLT in the financial system.

In parallel, the Swiss Financial Market Supervisory Authority, the Financial Services Agency of Japan, and the United Kingdom's Financial Conduct Authority have joined forces with the Monetary Authority of Singapore to conduct various crypto pilot initiatives, including those related to fixed income, foreign exchange, and asset management products. As these pilots gain scale and sophistication, cross-border collaboration among policymakers and regulators becomes increasingly essential.

German Companies Adopt NFTs and Thrive

Douga, Erietta

Deutsche Post combines NFTs and AI

Deutsche Post combines NFTs and AI Deutsche Post, the German postal service, is venturing into the world of NFTs with a unique twist – the integration of artificial intelligence (AI). Deutsche Post will soon introduce a limited-edition collectible stamp that combines the traditional charm of a self-adhesive stamp with a digital image. The stamp will become an NFT, symbolizing ownership of the physical stamp. What distinguishes Deutsche Post's NFT stamp collection is its utilization of AI-generated visuals. The inaugural stamp in this collection showcases a pixelated rendition of the iconic Brandenburg Gate, demonstrating AI's innovative potential to generate distinctive digital assets. As this collection evolves, future stamps will continue to highlight other iconic German landmarks, ultimately curating a digital portfolio with profound cultural and historical significance.

Lufthansa takes to the skies with NFT art

Lufthansa, the German airline, has entered the world of NFTs by launching its loyalty program on the Polygon network. In partnership with Lufthansa Innovation Hub and Miles & More, its frequent flyer program, the airline has created the Uptrip mobile application. This app allows passengers to turn their travel experiences into NFTs, which can be redeemed for rewards such as mileage bonuses and business lounge vouchers. The program has already garnered significant interest, with thousands of users registering and collectible cards being issued.



Mercedes-Benz has launched its third NFT collection.

Adidas and Hugo Boss revolutionize fashion

German fashion brands Adidas and Hugo Boss have embraced NFTs to engage with their communities and explore new avenues of creativity. Adidas introduced limited-edition NFT sneakers inspired by its iconic footwear designs. These digital sneakers can be showcased in virtual environments, allowing users to express their love for the brand in the metaverse. Additionally, Adidas launched the Triple Stripes Studio, a Web3-based digital artist-in-residency program to support budding creators in the NFT space.

Hugo Boss has also ventured into NFT fashion with exclusive NFT clothing items. These digital fashion pieces can be worn by avatars in the metaverse, allowing users to exhibit style even in the digital universe.

Mercedes-Benz digitalizes its history

Mercedes-Benz, renowned for its rich history spanning over a century, has launched Mercedes-Benz NXT, a foray into the Web3 space. The automaker introduced the Era of Luxury, its third NFT collection, featuring digital reinterpretations of iconic designs from seven design eras. Spearheaded by the brand's Chief Design Officer, Gorden Wagener, the initiative aims to blend digital technology with automotive design by showcasing the brand's most iconic designs as NFT cards. The cards will celebrate the brand's rich history and innovation in automotive engineering.

Ritter Sport, Haribo, and Katjes create sweet NFTs

Traditional German food brands have also embraced NFTs as a creative way to engage with a tech-savvy audience. Ritter Sport has launched the Art of the Square, a collection of digital chocolate bars as NFTs, each depicting the famous square Ritter Sport bar. Similarly, confectioner Katjes released NFTs featuring unicorn babies, a popular character among children and teenagers.

Haribo, known for its gummy bears, has filed for NFT trademarks in the United States, indicating plans to expand its brand into the digital world with a wide range of digital assets authenticated by NFTs. These initiatives represent a growing trend of traditional German brands venturing into the NFT space and using it as a mainstream marketing tool to connect the virtual and physical worlds while building new communities.

BLOCKCHAIN HISTORY

What happened in the blockchain world this month some years ago?

November 2013 - Block 0

Vitalik Buterin publishes the Ethereum whitepaper, attracting the attention of technologists like Joseph Lubin and others around the world. January 2014, Block 0: Vitalik Buterin formally announces Ethereum at The North American Bitcoin Conference in Miami.

November 09, 2008 - Key Bitcoin Terminology Shift: The Introduction of "Blockchain"

It's worth noting that when Satoshi Nakamoto first outlined the basic concept behind Bitcoin, he referred to it as a "timestamp server". However, on 9 November 2008, a key moment in the development of Bitcoin occurred. Hal Finney, a key figure in the early stages of Bitcoin's development, introduced the term "blockchain".

*Hauri, Christoph
Douga, Erietta*

Vodafone, Sumitomo, and Chainlink Transform Global Trade with Blockchain

Mottis, Fabrizio

Vodafone's Digital Asset Broker (DAB), in partnership with Sumitomo and Chainlink Labs, is revolutionizing the \$32 trillion global trade sector. The focus lies on enhancing the flow of vital trade documents, while ensuring security and seamless compatibility. This alliance simplifies the transfer of essential trade documents, such as bills of lading, across multiple platforms and blockchains. The goal is to eliminate delays caused by fragmented systems with multiple inefficient platforms. The companies demonstrated how digital bills could be efficiently transferred between parties across multiple blockchains. This can be a game-changer for global trade efficiency.

Chainlink Labs' technology is based on a decentralized oracle network that connects smart contracts on the blockchain to events and data in the real world. As a node operator on the Chainlink network, Vodafone DAB will enhance the data exchange and computation processes essential for smart contracts deployment. The collaboration also explores the Internet of Things (IoT). IoT enables devices to autonomously provide reliable data for trade processes, increasing automation and reliability.

In summary, the partnership between Vodafone, Sumitomo, and Chainlink simplifies global trade processes with a focus on interoperability and data integrity.



The global trade sector is worth \$32 trillion

CRYPTOCURRENCIES

Polygon launches POL token on Ethereum to replace MATIC

Mottis, Fabrizio

Polygon, the multichain scaling solution, has launched its new token, POL, on the Ethereum network. POL will replace MATIC as the primary token within the Polygon ecosystem. This transition is part of the Polygon 2.0 upgrade, which focuses on improving the network's capabilities. Noteworthy is that users are not required to switch from MATIC to POL immediately. MATIC holders will be able to migrate to the new token over a four-year transition period.

POL, officially named the "Polygon Ecosystem Token," powers various zero-knowledge layer 2 chains. It also provides a re-staking protocol that allows users to stake across multiple chains. Polygon's roadmap includes launching a new staking layer, upgrading the current Proof-of-Stake (PoS) network to zkEVM Layer-2, and creating a common liquidity protocol for all Polygon networks.

POL is now live. However, it's not yet actively used within the Polygon network. Staking and gas fees are still settled in MATIC.

This deployment represents a significant step in Polygon's evolution towards an advanced Layer 2 ecosystem using zero-knowledge proofs for transaction validation. The launch of POL on Ethereum marks a significant milestone in Polygon's journey towards increased scalability, usability, and decentralization.



POL will replace MATIC as the primary token in the Polygon ecosystem.

EAST ASIA

China's Interprovincial Health Insurance Goes Digital with Blockchain

Douga, Erietta

Thanks to blockchain and a partnership with Ant Insurance, residents in Shanghai, Zhejiang, Jiangsu, and Anhui can now swiftly submit and authenticate health insurance claims, receiving reimbursements within hours. For instance, Mr. Wang got his \$17,800 (¥130,000) reimbursement for lung cancer treatment within just two hours. The Yangtze River Delta region has wholeheartedly embraced digital transformation in insurance claims. This move not only enhances efficiency but also serves as a deterrent against moral hazard. Ant Insurance's blockchain platform has processed over 2.25 billion medical claims in the past four years, fostering better communication between insurers and medical practitioners.



A health insurance in China goes digital thanks to the blockchain.

China Partially Lifts NFT Bans

Douga, Erietta



NFTs in China are not banned anymore.

China, a major player in the global crypto market, has taken a surprising step by partially lifting its ban on non-fungible tokens (NFTs). This shift is a significant moment for the NFT industry and crypto enthusiasts globally.

Xianyu, an Alibaba-backed marketplace, led this change by allowing NFT-related keywords in its search tool and relisting Topnod NFT collectibles on Alibaba's Ant Blockchain. This signals China's willingness to explore NFTs, acknowledging their potential to benefit its creative industries and culture.

Additionally, China aims to uphold its technological leadership by promoting innovation and experimentation in the blockchain sector. This transformation is motivated by the aspiration to counter capital migration and retain skilled talent in the crypto space, thereby opening up fresh opportunities for the tech-savvy population.

While this move is positive for the NFT industry and global crypto enthusiasts, it doesn't signify a complete embrace of cryptocurrencies or relaxed regulations. At least not yet! China still views cryptocurrencies as a potential threat to its financial stability and social order.

Blockchain-Powered Surveillance Enhancement in Huaian

Douga, Erietta

Huaian's Jianpu People's Court has implemented an innovative system that combines AI recognition, big data, and blockchain technology to enhance law enforcement surveillance. This all-purpose system, launched on October 25, effectively monitors visitors entering and exiting the court premises. Whenever a visitor is detected in an unauthorized area, the system immediately notifies court bailiffs, reducing the need for extensive patrols.

Officials highlight the system's capacity to use intelligent behavior analysis technology to monitor and analyze the actions of individuals outside the courtroom. It can provide early warnings for potential security concerns, such as abnormal gatherings or altercations, allowing prompt response from judicial authorities. This system provides court bailiffs with access to visitor data and augmented reality for enhanced visibility in challenging areas. It's a significant step towards improved surveillance and security at the Jianpu People's Court.



A new type of surveillance has been implemented in Huaian.

Digital Yuan Makes Waves: Clears First Crossborder Oil Deal

Hauri, Christoph

China's digital yuan (e-CNY) is reshaping global trade, with the latest milestone being the purchase of 1 million barrels of crude oil on the Shanghai Petroleum and Natural Gas Exchange (SHPGX) on 19 October. This innovative application of e-CNY is a significant step forward, initiated by directives from the Shanghai Municipal Party Committee and Municipal Government.

While specific details of the deal remain undisclosed, the OPEC basket of oil was trading at \$95.72 per barrel on the same day. This transaction underscores the yuan's growing influence in global markets, contributing to the ongoing trend of de-dollarisation. In the first three quarters of 2023, the use of the yuan in cross-border settlements increased by 35%, reaching \$1.39 trillion.

The yuan's journey into cross-border transactions began in March with the trading of liquefied natural gas (LNG). Later this year, First Abu Dhabi Bank signed an agreement with the Bank of China, marking a promising step towards facilitating cross-border transactions through central bank digital currencies (CBDCs). In related news, Abu Dhabi and India have finalised their agreement to use the rupee to settle oil transactions.

As the digital yuan plays a central role in transforming cross-border trade, its early adoption in the oil sector sets the stage for broader shifts in global trade and currency paradigms.

Did you know...?

A Central Bank Digital Currency (CBDC) is the digital counterpart of a nation's official currency, issued and overseen by the central bank. Unlike cryptocurrencies, CBDCs maintain a stable value that mirrors conventional fiat currency. Their primary goals are to increase financial inclusion and simplify the implementation of monetary and fiscal policies.

MARKET UPDATE

Bitcoin's Rapid Rise

Hauri, Christoph

Surging Beyond \$35,000: Bitcoin's Spectacular Rebound

In a matter of minutes, the price of Bitcoin shot up from \$31,000, breaking through the \$32,000, \$33,000 and \$34,000 marks before almost reaching \$36,000. This increase has renewed the excitement of crypto enthusiasts, as it is reminiscent of levels last seen in May 2022, when the crypto industry was in a state of turbulence.

Bright Prospects: Bitcoin ETFs and the Upcoming Halving

The rebound in the price of Bitcoin is largely attributed to the growing excitement surrounding the potential approval of Bitcoin exchange-traded funds (ETFs). These ETFs are expected to simplify the process of acquiring Bitcoin, potentially broadening its investor base. In addition, increased trading volumes in the spot markets and developments surrounding BlackRock's proposed spot Bitcoin

ETF have contributed to Bitcoin's renewed vitality.

Industry Giants and ETF Approval Odds

CEO Larry Fink has acknowledged growing client interest in Bitcoin, describing the recent price rally as a "flight to quality". Bloomberg ETF analysts have raised the odds of a spot Bitcoin ETF being approved by the SEC to 90% by 10 January 2024, reflecting the positive sentiment in the market.

Anticipating the Fourth Halving

Anticipation is also building around Bitcoin's upcoming halving event, which is expected to take place in approximately 180 days at the end of April 2024. This event will reduce the Bitcoin block reward from 6.25 BTC to 3.125 BTC, marking the fourth halving in Bitcoin's history. Historically, Bitcoin has experienced significant price appreciation in the year before and after a halving event.

In summary, these developments underscore a promising turnaround for Bitcoin and highlight its ongoing potential as the crypto market evolves.

Solana's SOL Skyrockets: Gains 50% in October, Outperforms Other Top Cryptos

Douga, Erietta

In the world of cryptocurrencies, Solana's native token, SOL, took center stage in October. It gained a significant 50%, outperforming other leading cryptocurrencies. Throughout the year, SOL's performance has been stellar, with an impressive overall gain of over 250%. This robust performance demonstrates Solana's resilience and recovery after a period of uncertainty caused by issues within its ecosystem and its major supporter, FTX.

In October, Bitcoin gained 23%, reaching a 16-month high at \$35,000. Meanwhile, Chainlink's LINK token followed Solana with a 42% uptick, while Ethereum (ETH) posted a more modest 3% monthly gain. Solana's performance highlights its potential for growth and resilience in the crypto market.

Did you know...?

Solana is a high-performance blockchain known for its incredibly fast transaction processing speed. It can process up to 65,000 transactions per second, making it one of the fastest blockchains in the world.



Bitcoin's monthly evolution from <https://coinmarketcap.com/currencies/bitcoin/>

Solana's monthly evolution compared with Bitcoin and Ethereum from <https://www.coingecko.com/en/coins/bitcoin>

Bitcoin's Seasonal Rhythms: From Winter's Chill to the Warmth of Crypto Spring

Hauri, Christoph

Morgan Stanley's wealth management division has predicted that the crypto winter has ended and that Bitcoin's next halving will be the start of a new bull run. In their report, they drew parallels between the four-year cryptocurrency cycle and the seasons of the year in their report. Here's a breakdown of their findings:

Summer Phase (halving event): This summer-like phase begins with the much anticipated Halving Event, where the creation of new Bitcoins is reduced by half. Historically, the price of Bitcoin rises significantly during this time, as shortages drive demand.

Fall phase (post all-time high): After surpassing its previous all-time high, Bitcoin attracts media attention, new investors and business interest. The market heats up with renewed enthusiasm.

Winter phase (bear market): The onset of the bear phase is similar to the onset of winter. This is when the market cools as investors lock in profits and sell Bitcoin. It often lasts around 13 months.

Spring phase (pre-halving): Before each halving event, the price of Bitcoin tends to rally. However, similar to early spring, the enthusiasm of investors remains cautious. This phase represents a new beginning and preparation for the next halving event and the subsequent bull run.

According to Morgan Stanley analyst Denny Galindo, most of Bitcoin's gains come after a halving event. To determine the arrival of a crypto spring, key factors to consider are the timeline of Bitcoin's bottom, the decline in Bitcoin's value from its all-time high, the capitulation of miners, the Bitcoin price-to-thermocap multiple, and price action. The signs point to the possibility of a crypto spring on the horizon, in line with the four seasons of crypto.

SCL NOW

SCL's Onboarding Week: Welcome to All New Members

Douga, Erietta



SCL's old and new members were photographed before the start of the social event

The SCL family is growing as seven new students joined the project on the 30th of October. The onboarding week, carefully organized by SCL's Operations team, equipped the new joiners with everything they need to know about blockchain and the association.

As part of their introduction, the new members engaged in a use case analysis, providing them with a hands-on experience with blockchain solutions. The challenge revolved around smart cities, prompting participants to identify common urban issues and propose tokenization-based solutions. With just 90 minutes for research and presentation preparation, all groups impressively delivered high-quality, well-considered solutions.

The onsite part of the onboarding week ended with an SCL Social Event. The BD team organized a fun pub quiz for all members of the organization. General questions, but also questions about celebrities, music and movies created a lighthearted and enjoyable atmosphere for all participants. It was a great way to get to know each other better and build up the team spirit.

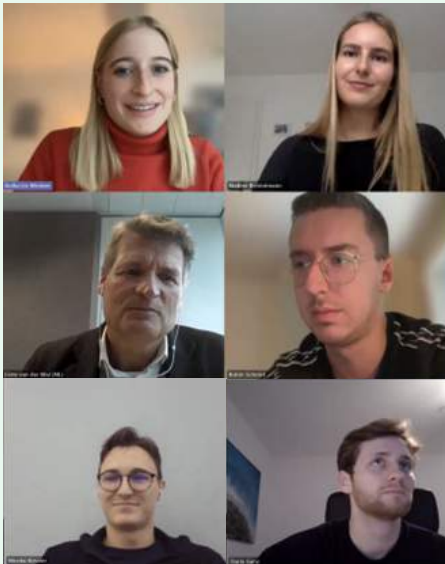
We are excited to work in the new group formations and to see the new SCL members grow in confidence and knowledge. This growth isn't limited to the project and blockchain; it also extends to recognizing and harnessing their individual strengths. Join us in welcoming them to this new journey.



The newcomers listened to the interesting presentations from other SCL's members.

INTERVIEW

Preventing VAT Fraud with Blockchain: An Interview with Einte van der Wal



The Tokenization team discussing with Einte van der Wal about VAT and blockchain.

Brönnimann, Nadine

Over the past few months SCL's Tokenization Team has been working on finding solutions to a pressing concern in the world of taxation: VAT fraud. In an interview with Einte van der Wal the team addressed this challenge and revolved the discussion around innovative tokenization strategies. Einte van der Wal works as an advisor in the Public Sector at PwC, specializing in VAT and digital transformation. Together with the Blockchain Experience Lab and external fraud experts, he initiated the development of an automated system that leverages blockchain technology to combat VAT fraud. Valuable insights could be gained out of the exchange with him.

Einte shared his vision for using blockchain technology to revolutionize the fight against VAT fraud, highlighting the potential for a VAT-specific token that can only be used to pay tax authorities, thus removing the incentives for fraud. An exclusive part of the interview is disclosed below.

Could you please provide an overview of the use case on how blockchain can prevent VAT fraud?

Einte van der Wal: ... the idea in a way is simple; If you would have a token related to VAT, that you can only use for paying the tax authorities rather than paying anything else. You take away all the incentives to commit fraud with VAT amounts received...but there is a challenge in how to implement this? You need entrepreneurs to work with this pilot and you also need tax authorities involved... you must have a blockchain account with the tax authorities, and that is where it has stuck so far. The tax authorities will find difficulties in setting up such kind of systems. And I've been thinking about, why they are not willing to take measures on the VAT leak? Why is it not taken care of more aggressively? And my feeling is that there is not a real owner of this problem. Because if you look at it from let's say, a tax loss. A tax loss is only felt by a government if you have budgeted a certain amount of income, and you receive less than this income... none of the governments confronted with the VAT fraud has budgeted this VAT as income. They also don't see it as a potential income. So, then it is very hard to get people motivated in order to take ownership for this problem.

There are many strategies to engage in fraudulent activities with VAT. Which types of VAT fraud plays a predominant role?

E: It is difficult to determine where different fraud merely takes place. But let's say one of the most common ways of committing fraud is to send invoices to receive the money, including the VAT and not paying this VAT to the tax authorities and having the company that received VAT from another company then disappear. Then, of course, the VAT also disappears... And if they disappear in a high-quality way, then it's very hard for the tax authorities to get grip of these... So, there is really a chain of companies sending each other invoices sometimes it is like a carousel. ...



Typically, it is good to send each other invoices for goods rather than services, because if you have one party that sends goods to another party in another country, you don't need to charge VAT. But if you send an invoice for goods in the same country you do need to charge it. And that is where this carousel comes from.

Do you think businesses and tax authorities are ready to adopt a blockchain-based solution for VAT compliance?

E: No, and that's a very relevant question. I think the EU is maybe not the best environment to have these kind of pilots, because from a VAT perspective, the VAT systems within the EU are relatively old. For example, in the Netherlands it's 55 years old. I don't say it's not possible...But there are also many burdens in politics, systems etc. If you look to the Dutch tax authorities from an IT system wise point of view, it's a nightmare. It works, but it's too old to easily adapt a modern pilot like this one. But if you look to the Middle East for example, there are countries with a pretty modern VAT system, and it would be interesting to see where VAT fraud occurs in these environments and also whether it is easier to implement a blockchain pilot in these more modern systems.

How do you see the future of VAT evolving and what are the key trends you anticipate in the field?

E: Well, I think in general there is a European trend of the VAT becoming more important rather than corporate income tax or personal income tax. there is a shift on taxing income less and consumption more. that was the trend for, the last ten or fifteen years and I think that trend will remain there...

Find The Differences

Douga, Erietta

The onboarding week was a success and the new SCL members are excited to start their journey with us. In this picture Martin (left), Tim (middle) and Igor (right) asked questions to Erietta and discussed which topics and functions would interest them the most. The picture on the left was altered and you are now requested to find the 7 differences. Email them to student-project@blockchainpresence.net and see what you've won!

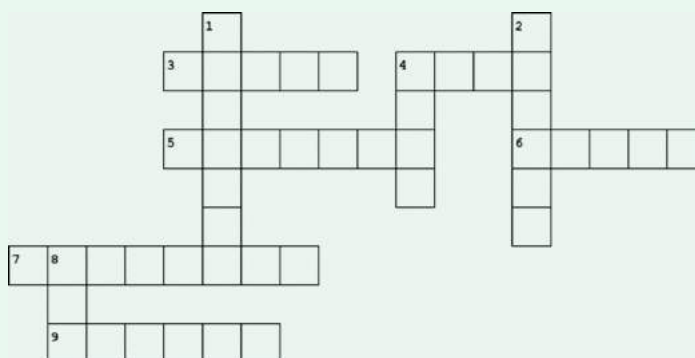


SCL Crossword

Mottis, Fabrizio

Across

- 3. The primary token of Polygon
- 4. How many Bitcoin seasons are there according to Morgan Stanley?
- 5. Ecosystem Token POL is the abbreviation of?
- 6. This country recently partially lifted its ban on non-fungible tokens (NFTs).
- 7. The Miami ____ have a partnership with the game NFL Rivals



Down

- 1. Nakamoto Craig Wright declared himself as the pioneer of Bitcoin. What is the name the real pioneer of Bitcoin goes by?
- 2. It connects smart contracts with real-world data
- 4. The CEO of BlackRock is Larry ____?
- 8. What kind of good was traded with the digital yuan (e-CNY) as a cross-border deal?

Solutions: 1 - Satoshi, 2 - Oracle, 3 - MATTIC, 4 - Four, 5 - Polygon, 6 - China, 7 - Dolphins, 8 (Down) - Fink, 8 (Down) - Oil

Impressum

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