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### INTERNATIONAL

## Japan: The world's largest pension fund eyes bitcoin

*Schmidhuber, Leonie*

The world's largest pension fund, the Japan based Government Pension Investment Fund (GPIF), has just dropped some exciting news: they're thinking about adding Bitcoin to their investment mix. This big move is part of a larger plan to shake up their investment strategy in response to the changing investment universe, propelled by economic shifts and the rapid pace of technological advancement.

On 19 March, the GPIF let everyone know that they're planning to up their long-term investment game. They don't just want to keep up, they want to stay ahead by tackling new challenges and seizing new opportunities. Sustainability and smart risk management are high on their agenda.

As part of this forward-looking spirit, the GPIF is embarking on a five-year research adventure. They're casting a wide net to find innovative ways to diversify their

portfolio. Cryptocurrencies, with Bitcoin stealing the spotlight, are on their radar. They're curious about a range of investments, even those they've previously considered too "illiquid" such as Bitcoin and gold.

As things stand, the deal is not sealed yet. The GPIF is gathering all the data it can on Bitcoin before making any big decisions. This cautious approach shows they're serious about understanding what they're getting into.

This isn't just a random leap into the unknown. Other pension funds around the world, such as South Korea's National Pension Service and the Houston Firefighters' Pension Fund, have already started adding Bitcoin and other cryptocurrencies to their portfolios.

The idea behind this trend is promising. Bitcoin doesn't really move in sync with traditional markets, which could make it a

valuable tool for diversifying large institutional investors like pension funds. However, crypto currencies are notorious for their volatility, so it's a route that needs to be considered carefully.

The GPIF's interest in Bitcoin also ties in with recent legislative moves in Japan. A new bill, still awaiting the green light from the Diet, would allow venture capital firms and investment funds to hold crypto assets. This signals a broader shift in Japan's approach to regulating digital assets, making it an interesting time for the GPIF to explore this space.

All in all, it's a sign of the times that the GPIF is dipping its toes into the world of Bitcoin and cryptocurrencies. The financial world is evolving, and institutional investors are keenly observing the potential benefits and challenges of jumping on the digital asset bandwagon.

## Joe Biden Launches Debate on Taxing Bitcoin Miners

*Baruffol, Tim*

The US government, led by President Joe Biden, is proposing a new tax on crypto mining as part of the fiscal year 2025 budget. The proposal aims to raise significant revenue while addressing concerns about energy consumption by imposing a graduated tax on electricity used by crypto miners. The administration's recognition of the economic potential of the crypto sector has sparked debate about the tax's impact on the growth and sustainability of the industry in the US.

However, supporters of the tax say that the crypto community and stakeholders should not fear the tax, as it is a necessary step towards integrating crypto mining into the nation's economic and environmental goals. Rather than stifling innovation and competitiveness, the tax will

encourage a more sustainable and responsible industry. Senator Lummis of Wyoming claims the tax would weaken the industry's position in the United States.

Senator Cynthia Lummis has successfully reinvigorated the dialogue on the potential benefits of Bitcoin mining. She has positioned the state as a prime location for mining operations, welcoming companies to take advantage of the state's resources. Lummis' unwavering support for Bitcoin has led her to advocate for the regulation of the sector through proposed legislation. Despite the challenges of gaining the necessary consensus to pass the bill, Lummis remains confident in her efforts to promote the growth of the industry in Wyoming. The legislative impasse is highlighted by this situation. However, the US is about to adopt a unified approach to crypto regulation, while the European Union has already implemented its own framework, the Markets in Crypto-Assets (MiCA).

The debate over Bitcoin mining goes beyond legislative battles and touches on fundamental issues of energy consumption and

Sustainability. According to Lummis, Bitcoin mining has the potential to improve energy efficiency by utilising otherwise wasted or non-traditional energy sources, such as flare gas and surplus renewable energy. This highlights the significant potential for crypto mining to contribute to energy sustainability, while also highlighting the complexities of integrating such technologies into existing energy frameworks.

Despite the challenges and controversy surrounding the positive outlook, it is important to note that the collection and analysis of energy consumption data from Bitcoin miners is a solvable problem. The current dispute between miners and US energy agencies, which has led to the temporary suspension of a survey by the Energy Information Administration (EIA), is a minor set-back that can be resolved with proper communication and cooperation. The protection of sensitive company information must be balanced against the impact of mining on the reliability of the national power grid.

## Coinbase introduces futures trading for Dogecoin, Litecoin, and Bitcoin Cash

*Grünig, Gian*

Coinbase, a leading cryptocurrency exchange, will list Dogecoin (DOGE) on their futures trading section, signaling the meme coins enduring popularity and acceptance in the digital asset market. Coinbase Derivatives revealed its intention to launch cash-settled futures contracts for Dogecoin, Litecoin (LTC), and Bitcoin Cash (BCH) by April 1. Despite the proximity to April Fool's Day, the exchange's plans appear to be serious, as evidenced by the official letters sent to the United States Commodity Futures Trading Commission (CFTC) outlining its intentions.

Under regulatory guidelines, Coinbase intends to utilize the "self-certification" method to expedite the launch of futures contracts, bypassing the need for official approval from the CFTC. The decision to include Dogecoin, Litecoin, and Bitcoin Cash in its futures trading platform is seen as a strategic maneuver by Coinbase to diversify its offerings and attract a broader investor base. By expanding its suite of trading pairs, Coinbase aims to provide investors with a wide range of investment opportunities backed by ample liquidity.



*Coinbase aims to provide investors with a wide range of investment opportunities*

Furthermore, Coinbase's move into Dogecoin futures trading may be interpreted as a response to recent regulatory developments, particularly the rejection of a spot ETF on Ethereum by the Securities and Exchange Commission (SEC). The news of Coinbase's foray into Dogecoin futures trading has already sparked a surge in the price of DOGE, with a 15% increase observed in the last 24 hours. Additionally, Litecoin and Bitcoin Cash have experienced positive price movements, reflecting investor optimism

surrounding Coinbase's latest initiative.

In the stock market, Coinbase's shares have also witnessed a significant uptick, signaling investor confidence in the company's growth prospects. With Coinbase's stock up 57% since the beginning of the year and 217% since March 2023, the future trend of the asset remains closely tied to developments in the cryptocurrency market and the success of its innovative ventures.

## Between Innovation and Security: Argentina's Law on Crypto Regulation

*Schmidhuber, Leonie*

Argentina's Senate recently made a big move in the cryptocurrency world by passing a new anti-money laundering law. Approved on 14 March, the law marks a proactive step by Argentina to clean up the fast-growing crypto market and keep it safe from illegal financial activity.

At the heart of the legislation is the creation of a special registry managed by Argentina's securities regulator, the CNV (Comisión Nacional de Valores). This registry will collect details of companies offering cryptocurrency services in Argentina, making it easier to keep an eye on them and ensure they're playing by the rules when it comes to preventing money laundering.

The law sets out some strict requirements for crypto companies. They'll have to share information about their customers and other relevant data, in line with global standards set by the Financial Action Task Force (FATF). By taking these steps, Argentina is demonstrating its commitment to the global fight against financial crime.

However, not everyone in the crypto world is enthusiastic about these changes. Some fear that the new regulations could lead to a market dominated by a few big players who can easily meet these new requirements, potentially stifling competition and innovation.

But there's also a strong argument for the need for such regulation. Proponents believe it's essential to creating a trustworthy and sustainable environment for cryptocurrency. With clear rules in place, the hope is to build investor confidence and reduce the risk of crimes such as money laundering and terrorist financing.

In a related development, Argentina's Fintech Chamber is pushing for legislation that would give tax breaks to cryptocurrency holders and treat digital assets more like traditional financial instruments. This is indicative of a broader effort to make Argentina a welcoming place for cryptocurrencies, balancing innovation with the need for regulation.

The approval of this anti-money laundering law is a big step for Argentina, as it navigates the complexities of regulating the cryptocurrency market. It's a sign of Argentina's commitment to being at the forefront of digital innovation, while protecting against risk.

Looking ahead, the challenge for Argentine policymakers will be to continue to support the growth and innovation of cryptocurrencies, while putting in place safeguards against potential problems. This recent legislation is an important step in Argentina's journey with digital assets, signaling a strong commitment to a transparent, safe and regulated cryptocurrency market.



*Argentina made a big move in the cryptocurrency world by passing an anti-money laundering law*

## Expanding Bitcoin Holdings: MicroStrategy Further Acquires Over 9000 BTC

*Grünig, Gian*

MicroStrategy, the business intelligence firm led by CEO Michael Saylor, continues accumulating Bitcoin (BTC) as part of its corporate treasury strategy. Following the completion of a recent convertible note offering, MicroStrategy wasted no time in leveraging the funds to bolster its already substantial Bitcoin reserves.

The company announced the successful completion of a \$603.75 million offering of convertible senior notes due 2031. This financial maneuver was swiftly followed by the acquisition of an additional 9,245 BTC, bringing MicroStrategy's total Bitcoin holdings to an impressive 214,246 coins. The acquisition was made at an average price of approximately \$67,382 per Bitcoin.

This latest Bitcoin purchase was financed primarily by the proceeds from the convertible note offering, alongside excess cash reserves. With a strategic eye on Bitcoin's potential as a long-term store of value, MicroStrategy's aggressive accumulation of the digital asset underscores its commitment to diversifying its treasury holdings and hedging against fiat currency devaluation.

MicroStrategy's bullish stance on Bitcoin has been well-documented since its initial foray into the cryptocurrency market in 2020. Since then, the company has continued to double down on its Bitcoin investment strategy, leveraging debt offerings to finance additional purchases of the digital asset.



*An impressive total of 214,246 Bitcoins are held by MicroStrategy*

## Bitcoin investment products reach a new high of \$2.9bn inflow

*Grünig, Gian*

The United States witnessed another surge in spot Bitcoin investment products, with a remarkable \$2.9 billion influx of fresh capital. According to a recent report from CoinShares, a leading digital asset investment firm, this surge contributed to a total of \$13.2 billion inflow year-to-date into various investment products, predominantly Bitcoin.

James Butterfill, an analyst at CoinShares, highlighted the unprecedented weekly inflows, surpassing the previous record of \$2.7 billion. Notably, Bitcoin products dominated the investment landscape, capturing a staggering 97% of the total inflows. The cumulative assets under management (AUM) for these investment products now stand at a formidable \$74.61 billion. While Bitcoin attracted significant investor interest, alternative cryptocurrencies like Ether (ETH) and others struggled to garner similar attention. Their combined inflows remain relatively modest compared to the overwhelming influx into Bitcoin.

Interestingly, while U.S. Bitcoin exchange-traded funds (ETFs) experienced a surge in inflows, crypto exchange products outside the U.S. witnessed record outflows. Investors withdrew a significant sum, amounting to \$738 million, from Bitcoin exchange-traded products on various international exchanges, partly reallocating their investments to U.S. counterparts. The attraction towards U.S. ETFs is attributed to their lower management fees, with some even being charge free.

The success and growing popularity of Bitcoin ETFs have prompted regulatory bodies globally to reconsider their stance on such investment products. Regulators in the United Kingdom and Hong Kong have recently shown a willingness to embrace crypto-backed exchange-traded notes, signaling a broader acceptance of cryptocurrencies in traditional financial markets.

Despite short-term price fluctuations, the sustained inflows into Bitcoin investment products indicate a continued bullish sentiment among investors, reaffirming Bitcoin's status as a leading asset in the rapidly evolving digital economy.

## SEC Ordered to Pay Legal Fees in DEBT Box Lawsuit: A Turning Point for Crypto Regulation

*Schmidhuber, Leonie*



*The District Court's decision underscores the criticality of transparency and integrity for regulatory bodies*

On 18 March, a US district court ruled against the Securities and Exchange Commission (SEC) in its case against cryptocurrency company DEBT Box. The court ordered the SEC to reimburse DEBT Box for legal costs due to the Commission's improper conduct during the litigation. This ruling serves as a strong rebuke to the regulator and emphasizes the significance of legal and ethical diligence.

The court ruled against the SEC and prohibited the Commission from reopening the case, effectively ending its pursuit of the DEBT Box. This decision is significant because the court rejected the SEC's request to dismiss the case without prejudice, which would have allowed for the possibility of reopening it in the future. This event is a crucial moment in the ongoing dispute between DEBT Box and the SEC.

Judge Robert J. Shelby strongly criticized the SEC's behavior, stating that it constituted a 'gross abuse of power'. He highlighted that the SEC's actions had compromised the integrity of the legal system and were misleading.

The agency had obtained a temporary restraining order (TRO) and asset freeze against DEBT Box based on allegations of a \$50 million cryptocurrency fraud. The evidence presented by the SEC was lacking in factual support and knowingly misrepresented to the court.

This has sparked a debate about the implications of using taxpayer funds to cover the SEC's legal costs, as suggested by Paul Grewal, Coinbase's Chief Legal Officer. The financial burden of sanctions against the SEC would ultimately fall on the shoulders of US taxpayers, which is a concern expressed by Grewal.

The District Court's decision underscores the criticality of transparency and integrity, especially for regulatory bodies such as the SEC. It also emphasizes the necessity of holding such agencies responsible for their actions. The far-reaching implications of this case for cryptocurrency regulation and the conduct of regulators in the US will be closely monitored.

## Polygon and Immutable Make 100\$ Million Advances Into Web3 Gaming

*Baruffol, Tim*

Immutable, a blockchain developer platform, King River Capital, a venture capital firm, and Polygon Labs, a blockchain infrastructure provider, have confidently launched the Inevitable Games Fund (IGF), a \$100 million fund targeting high-growth opportunities in the web3 gaming sector.

The IGF is specifically designed to attract professional and sophisticated investors. Immutable and Polygon Labs will work together to identify investment opportunities. King River Capital will oversee the investment process and allocate funds to game studios and Web3 infrastructure companies.

The partnership is significant for the Web3 gaming industry, which has seen a significant in-crease in investment in recent years. Since 2018, the sector has received approximately \$19 billion in investment, with blockchain gaming-related rounds reaching \$1.7 billion in 2023 alone. The blockchain gaming sector is experiencing tremendous growth and innovation potential, as evidenced by industry research. The Immutable ecosystem boasts over 270 blockchain games in various stages of development, further highlighting the sector's rapid growth.

Web3 gaming is the future of video games. By hosting games on blockchains, players can now own in-game assets as non-fungible tokens (NFTs) or other forms of digital property. This revolutionary concept has already caught the attention of investors and developers, leading to in-creased interest and investment in the sector.

The IGF has already secured \$30 million in initial funding. Its goal is to drive innovation and growth within the Web3 gaming ecosystem by investing in various sectors of the gaming industry, such as game development studios and infrastructure providers. The goal of the fund is to invest in various sectors of the gaming industry, such as game development studios and infrastructure providers, to drive the adoption of blockchain technology and create more immersive and interactive games.

The web3 gaming industry is gaining momentum due to technological advancements and growing consumer interest. The IGF will play a pivotal role in shaping the future of gaming by supporting innovative projects and fostering collaboration within the ecosystem. Immutable, Polygon Labs and King River Capital are leading the way into a new era of decentralized and consumer-led gaming.



*The web3 gaming industry is on the rise thanks to technological advances and consumer interest.*

## BlackRock Plans 100\$ Mio Fund of Real World Tokenized Assets

*Baruffol, Tim*

BlackRock, the world's largest asset manager, has announced the launch of a new tokenised asset fund on the Ethereum network. The development underscores BlackRock's commitment to exploring innovative solutions in the digital asset space and marks its entry into the burgeoning field of asset tokenisation.

The newly launched initiative, named the BlackRock USD Institutional Digital Liquidity Fund, was unveiled in a regulatory filing with the SEC on 19 March. While specific details of the fund's composition and targeted asset classes remain undisclosed, it is registered in the British Virgin Islands and has an initial capital of \$100 million USDC, a stablecoin built on the Ethereum blockchain.

BlackRock's collaboration with Securitize, a San Francisco-based company specializing in asset tokenization, aims to leverage blockchain technology for more efficient settlement processes. Although no public announcement has been made, the market has responded positively, with Ondo Finance's native token experiencing a 12% increase within 24 hours. This partnership coincides with the launch of the BlackRock USD Institutional Digital Liquidity Fund, reflecting a broader trend toward real-world asset tokenization. Institutional investors are increasingly interested in integrating digital assets into traditional financial frameworks, as demonstrated by BlackRock's recent launch of the IBIT Bitcoin ETF, which has quickly reached over \$15 billion in assets under management.

In addition, BlackRock's strategic investment in Securitize underscores its commitment to fostering innovation within the digital asset ecosystem. Robert Mitchnick, Head of Digital Assets at BlackRock, emphasised the firm's focus on developing solutions that address real client needs in the digital asset space, highlighting the potential of blockchain technology to revolutionise traditional financial practices.

## CRYPTOCURRENCIES

## Regulatory Hurdles: Worldcoin's Path to Global Digital Identification

*Schmidhuber, Leonie*

In the face of regulatory challenges, Worldcoin, a pioneering project combining digital identity and cryptocurrency, has remained steadfast in its commitment to play by the rules. The project recently found itself in the spotlight due to a hiccup in Spain, where it was flagged by the local securities regulator, the CNMV, for operating without the necessary permits. This spotlight wasn't for its innovative technology or global ambitions, but for crossing regulatory boundaries, something no futuristic company wants to do.

Worldcoin isn't just any tech initiative; it's a vision of a world where digital identity and access to financial services go hand in hand, powered by something as unique as an iris scan. Against the backdrop of this hiccup in Spain, Worldcoin has doubled down on its promise to not only innovate, but to do so within the letter of the law wherever it plants its digital roots.

Transparency and privacy are the pillars of this promise. Worldcoin has built its business around respecting personal privacy and securing the biometric data it uses to create a global identity network. It's not about collecting data for profit, it's about creating a key to unlock universal access to services many of us take for granted.

The road hasn't been smooth. From Germany to Kenya, regulatory flags have been

raised, questioning the project's adherence to privacy laws and data protection norms. But Worldcoin hasn't just listened, it's responded with action, aligning its processes with strict laws such as the EU's GDPR and ensuring that its quest for a digital identity for all doesn't come at the expense of individual privacy.

Despite the bumps in the road, Worldcoin's journey has been marked by impressive milestones. Since its launch in mid-2023, millions have downloaded its app, intrigued by the promise of a universally recognized digital ID. The Orb device, at the heart of this vision, is a testament to Worldcoin's technological ambition to make a universally verified identity a reality.

With each regulatory challenge, Worldcoin has seen not just a hurdle but an

opportunity to refine its approach, ensuring it stays on the right side of the law while pushing the boundaries of what digital identity can mean for the world. Its recent forays into new territories such as Mexico and Singapore are bold steps forward, signaling its intention to keep the dream alive despite regulatory headwinds.

At its core, the Worldcoin story is not just about a tech startup navigating the complex world of global regulations. It's a story of resilience, innovation and an unwavering commitment to marrying the future of identity with the bedrock of legality and ethical practice. As it moves forward, Worldcoin remains a beacon for how ambitious projects can navigate the tricky waters of innovation in a regulated world, striving to bring its vision of a secure, accessible digital economy to every corner of the globe.



*Worldcoin, is a pioneering project combining digital identity and cryptocurrency*

## Crypto search made easy: Google's Ethereum leap

*Schmidhuber, Leonie*

Google has been dipping its toes deeper into the crypto pool, and the latest splash is all about making Ethereum a little more user-friendly. Picture this: You're curious about your Ethereum stash, or maybe you're just curious about someone else's. Instead of jumping through hoops with external platforms or getting lost in blockchain explorers, you can now just Google it. Yes, Ethereum Name Service (ENS) domains are Google's latest trick.

Think of it as looking up a friend's address, but for digital wallets. Since May last year, Google has been on a crypto roll, letting people look at wallet balances with just a public address. And now they've moved on to ENS domains.

It's like going from remembering a string of confusing numbers to just knowing your friend's name.

The magic behind the curtain? Data from Etherscan, which is updated with every external transaction, keeping your information fresh. For the crypto veterans, this is a neat little convenience, a nod to the ENS domains that are making it big. And for those just dipping their toes in the crypto waters, it's like a welcome mat. Google's move is a bridge between the cryptic world of cryptocurrencies and the everyday user, making it a little less intimidating for newcomers.

But with great power comes great responsibility. The ease of accessing financial data through Google raises questions about privacy and security. How does Google ensure that peeking into someone's crypto wallet stays on the right side of safe?

All in all, Google adding ENS domains to its search arsenal is a pretty big deal for the crypto world. It's like watching a new friendship form, one that could make the journey into cryptocurrencies less of a solo trek and more of a group adventure. As the lines between traditional tech giants and the blockchain blur, the future of finance seems ready for some new chapters.

## Explained: The Significance of the Genesis Block in Cryptocurrency

*Grünig, Gian*

Cryptocurrency enthusiasts are familiar with the term "genesis block," but what exactly does it entail, and why is it significant? Let's delve into this foundational concept that underpins the entire blockchain technology.

In proof-of-work (PoW) chains like Bitcoin, the genesis block marks the inception of the block-chain. It is the very first block ever mined on the network and serves as the bedrock upon which all subsequent blocks are built. Unlike regular blocks, the genesis block doesn't undergo the traditional mining process. Instead, it's typically created by the blockchain's creator or developers.

The significance of the genesis block cannot be overstated. It sets the initial parameters of the blockchain, including mining difficulty and block rewards, which govern the network's operation and incentive structure. Moreover, the genesis block cryptographically links to all subsequent blocks, establishing a trustable and immutable ledger.

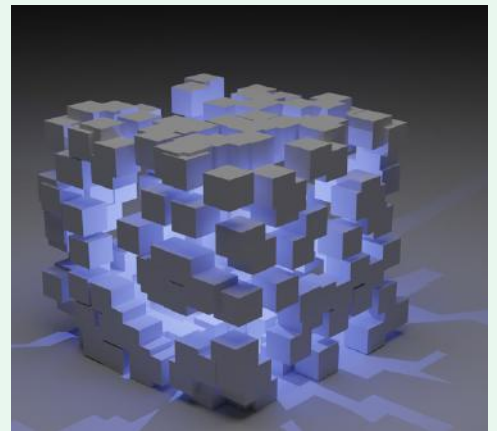
Bitcoin's genesis block, mined on January 3, 2009, by its pseudonymous creator Satoshi Nakamoto, is perhaps the most famous example. It not only initiated the Bitcoin blockchain but also embedded a timestamp referencing a newspaper headline, adding a poetic context to Bitcoin's mission as a decentralized alternative to traditional finance.

Other cryptocurrencies, such as Ethereum, Litecoin, and Dogecoin, also have their genesis blocks, each with its unique attributes and parameters. Ethereum's genesis block, for instance, executed smart contracts to allocate the initial supply of ETH, showcasing the versatility of this concept across different blockchain implementations.

The structure of the genesis block consists of a block header and body. The header contains metadata like the version, timestamp, and nonce, while the body includes transactions, albeit minimal in the genesis block. Despite its fixed composition, the genesis block isn't devoid of creativity. It's not uncommon for developers to

embed encrypted messages or references, adding a symbolic or commemorative layer to the block.

In summary, the genesis block serves as the cornerstone of blockchain technology, providing the initial framework for subsequent blocks to build upon. Without it, the concept of cryptocurrency as we know it today would not exist, making it a symbol of innovation and decentralization in the realm of finance and technology.



*The genesis block serves as the cornerstone of blockchain technology*

## Coinbase's Base Network Experiences Explosive Growth, Posing Opportunity, and Challenge

*Baruffol, Tim*

Coinbase's Ethereum layer-2 network, Base, has gained significant attention due to its remarkable surge in activity. Its Total Value Locked (TVL) has nearly doubled in just one month, posing a challenge to giants like Solana. The weekly growth rate of Base Network is 19.62%. Coinbase is confident in the potential of Base Network to compete with established players like Solana, while also acknowledging the need to continue monitoring its progress.

Base has experienced impressive growth, with a record-breaking TVL of \$794 million. Although it still lags behind Solana, which has a TVL of \$4 billion and \$2 billion in volume, Base's rapid expansion is due in part to Ethereum's Dencun upgrade, which significantly improved the transaction performance of layer-2 solutions like Base. The surge in activity and adoption on these layer-2 platforms has attracted a large number of users.

Coinbase is taking advantage of Base's growth by introducing its 'Smart Wallet,' which streamlines interactions with decentralized applications (dApps) and caters to Coinbase's vast user base of approximately 100 million. The Base wallet simplifies on-chain activities by removing seed phrases and introducing passkeys, making it a preferred entry point for many users.

Despite facing challenges such as transaction failures and increased gas fees during peak periods, Base Network continues to show promising growth and dApp integration. To meet the growing demand efficiently, Coinbase must scale its infrastructure.

Wednesday's strain on Coinbase and its wallets due to increased Base activity only highlights the urgency for such efforts. To compete with giants like Solana,

Coinbase must prioritize scaling efforts to avoid disruptions and ensure a seamless experience for users transitioning to on-chain operations.

Additionally, Base's appeal to developers further emphasizes the need for Coinbase to showcase its competence and expertise in scaling. Last week, on-chain analyst Hitesh Malviya revealed that Base deployed more new contracts than Ethereum. This demonstrates Base's strong development activity and potential to enhance its dApp ecosystem, which can strengthen its market position.

Coinbase faces both an opportunity and a challenge with the rapid growth of Base. Expanding into this lucrative market will require significant infrastructure improvements. However, it presents an excellent opportunity to grow the user base.

## Countdown Begins: Bitcoin Halving Approaches with Less than 5000 Blocks Left

*Grünig, Gian*

The Bitcoin community is getting more and more excited ahead of the halving in April, with less than 5000 blocks remaining until its execution. It is scheduled every four years or precisely every 210,000 blocks and was originally envisioned by Satoshi Nakamoto. At the time of writing, we are currently at block 835,195, leaving just 4,805 blocks until the eagerly awaited halving takes place.

Due to the halving, the reward for validating a block by miners will be cut in half, dropping from the current 6.25 BTC to 3.125 BTC. This means, there are 50% fewer new Bitcoins entering the market and thus heightening scarcity. While miners prepare for a reduction in block rewards, they find themselves in a unique situation compared to previous market cycles. Unlike past halvings where Bitcoin's price surged post-event, this time, the cryptocurrency's price is already soaring, even before the halving occurs.

Historically, significant price rallies typically followed the halving, with demand

surges occurring after the event rather than in the days leading up to it. However, the current scenario presents miners with the advantageous position of Bitcoin's high price compensating for the halving of block rewards, a deviation from previous patterns.

Moreover, the activity in the Ordinals field is boosting miners' income by increasing



*The countdown to the Bitcoin halving approaches its final stage*

network transaction fees, providing additional support amid changing dynamics. The mining landscape has witnessed notable changes, with the cost of 1TH/S now higher by approximately 65% compared to a year ago. Miners currently earn around \$0.1 for every terahash contributed to the network every second. Meanwhile, the hash rate of the Bitcoin blockchain continues its upward trajectory, reaching historical highs at 600 EH/s, highlighting the robustness of the network.

As the countdown to the Bitcoin halving approaches its final stage, investors ponder whether the cryptocurrency's price will follow historical patterns and experience significant growth post-halving. However, this time, Bitcoin has already surpassed its historical highs before the halving, thanks to the arrival of ETF spot on Wall Street, which injected fresh demand into the market, potentially reshaping the cryptocurrency's price action.

Nevertheless, one constant remains; the growth rate of Bitcoin after each halving is lower than the previous halving. Despite the slower pace, analysts remain optimistic about a post-halving rally, with technical analysis suggesting potential price corrections before a rebound towards new highs with many advocates believing Bitcoin to hit the \$100,000 mark soon.

## Avalanche Partners Up with Alipay to Launch Web3 Vouchers

*Baruffol, Tim*

Alipay has partnered with Avalanche to launch a pioneering voucher program powered by Web3 technology. The program has been successfully launched in Southeast Asian milk tea stores. Consumers can earn vouchers by playing a mini-game, and upon completion, they can redeem the vouchers directly into their e-wallets. These vouchers can be redeemed for discounts of up to 50% at over 500 participating milk tea stores.

This program runs on an Avalanche subnet managed by AvaCloud, the blockchain service provided by Avalanche. The vouchers are designed to encourage new interactions between brands, such as Alipay, and their users. They are part of a proof-of-concept (POC) that safely explores the potential of Web3 solutions to improve customer engagement and create new revenue streams.

Avalanche subnets offer many benefits, including flexibility, transparency and Web3 capabilities. Developers can confidently customize their EVM chains with desired privacy configurations.

The program offers discounts and facilitates collaboration between Alipay and other brands through blockchain-powered features and digital collectibles. It will initially be rolled out to more than 2,000 stores, with plans to reach 100 million users. Avalanche is committed to building partnerships with established brands and expanding its ecosystem through such initiatives.

Leading e-wallet partners in the region can integrate Alipay+ D-store to activate Avalanche's Web3 capabilities. Alipay+ D-store simplifies in-store processes, online sales, ordering, marketing, and insights, making it easy for businesses to set up an online store in as little as 10 minutes with no upfront costs.

In addition, Alipay+ D-store's voucher program provides opportunities to collaborate with brands using digital collectibles and blockchain-based features. Enterprises can easily and affordably launch sub-networks by leveraging AvaCloud and benefit from industry leading Web3 capabilities.

Avalanche's ecosystem expansion is being driven by strategic partnerships and record-breaking user interest. Collaborations with renowned brands such as Sports Illustrated's ticketing arm, SI Tickets, and traditional financial giants such as JPMorgan and Citi underscore Avalanche's appeal to both traditional institutions and innovative startups.

Avalanche's collaboration with the popular MMORPG MapleStory demonstrates its commitment to cultivating a dynamic and diverse user community within the blockchain ecosystem. This expansion into the gaming industry is a noteworthy achievement.



## Ethereum and Solana: A Promising Future Amidst ETF Approvals

*Baruffol, Tim*

According to a recent report by brokerage firm Bernstein, the medium-term outlook for Ethereum is positive. This is particularly significant given the potential approval of Ethereum Spot ETFs by the US Securities and Exchange Commission (SEC). The report also highlights technological advancements within these blockchain ecosystems, further supporting the promising future of digital assets.

Ethereum is on the verge of a breakthrough with the imminent approval of Spot ETFs. According to Bernstein, there is a 50% chance of an ether spot ETF being approved by May, with a near-certainty of approval within the next 12 months. Financial powerhouses such as Franklin Templeton, BlackRock and Fidelity, which have already received approval for Bitcoin ETFs, are now turning their attention to Ethereum, adding to the optimism. The approval of Ether ETFs will increase institutional adoption due to Ethereum's staking returns and eco-friendly proof-of-stake mechanism, as well as the network's ability to foster new financial markets.

Bernstein's report highlights the growth potential of other leading blockchain ecosystems, including Solana, BNB Chain, Avalanche, Aptos and SUI, with a projected collective valuation of \$1.4 trillion. This demonstrates the immense potential of the blockchain industry, and the confidence we have in its continued growth. Solana is the clear leader in the development of consumer-facing applications due to its high transaction throughput, making it the ideal choice for stablecoin payments and gaming.

While the report acknowledges the broad utility of the Ethereum network, it is important to note that Solana's capabilities far exceed Ethereum's in these areas. While the Ethereum ecosystem, including the network, staking infrastructure, layer 2 solutions and decentralised finance (DeFi) applications, is projected by Bernstein to be valued at \$1.8 trillion, Solana's superior technology and capabilities make it the more promising choice for the future. This is particularly true considering the recent Dencun upgrade, which has significantly reduced transaction costs, further enhancing Solana's attractiveness.

Bernstein's analysis suggests that the recent price pullback presents a buying opportunity ahead of bitcoin's next halving event. The firm remains bullish on Bitcoin and the broader crypto eco-system, forecasting that the total crypto market cap will triple to \$7.5 trillion by the end of 2025. Bernstein's findings highlight increasing institutional interest and investment in cryptocurrencies, indicating significant potential for growth and innovation in the sector in the coming years.



*Findings highlight increasing institutional interest and investment in cryptocurrencies*

## Satoshi Nakamoto: The Unsolved Puzzle of Bitcoin's Creation

*Schmidhuber, Leonie*

In the fascinating world of cryptocurrency, the mystery of who Satoshi Nakamoto really is has become something of a modern-day legend. Despite the best efforts of many in the tech community, the creator of Bitcoin remains a shadowy figure, fueling ongoing speculation and curiosity. Every time Bitcoin's value soars, so does the intrigue surrounding Nakamoto's true identity, encouraging us to take a closer look at the possible individuals behind this groundbreaking technology.

Consider Nick Szabo, known for his early work on "bit gold" and digital contracts. There's something about Szabo's ideas that feels very much in line with the core principles of Bitcoin, making him a compelling figure in this puzzle. Despite his insistence that he's not Nakamoto, the parallels between his work and Bitcoin are too significant to ignore, adding an interesting twist to the story.

Hal Finney is another person who is often mentioned in these discussions.

His deep knowledge of cryptography and early involvement with Bitcoin put him in a unique position. The fact that he was part of the first Bitcoin transaction adds to the speculation. Although Finney passed away in 2014, his early contributions to the development of Bitcoin have left a lasting legacy that continues to inspire and provoke curiosity.

Adam Back's creation of Hashcash, a system that anticipated Bitcoin's proof-of-work mechanism, marks him as a key figure in the history of cryptocurrency. Back's subsequent involvement with the Bitcoin community and his founding role at Blockstream make his contributions to the field undeniable. Although he claims to have only learned about Bitcoin after his whitepaper was published, his expertise and continued influence in the crypto world keep him in the conversation.

Wei Dai, whose early concept of b-money was referenced in the Bitcoin whitepaper, is another fascinating figure. The philosophical alignment between Dai's vision

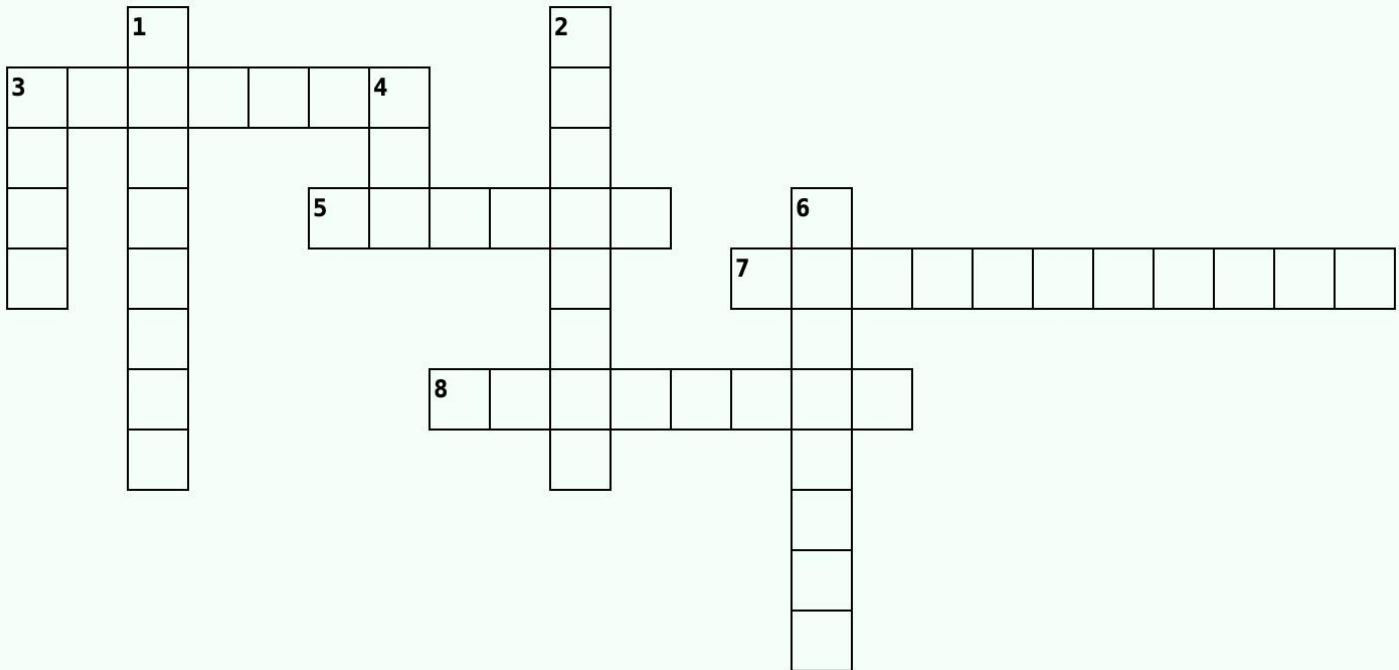
and the founding principles of Bitcoin adds depth to his potential connection with Nakamoto. Dai's preference for staying out of the limelight only adds to the mystery surrounding his involvement with Bitcoin.

Then there's Len Sassaman, remembered for his commitment to privacy and his connections in the cryptographic community. The timing of his disappearance from public discourse, coinciding with Nakamoto's last known communications, has led to much speculation. Sassaman's death in 2011 has only added to the mystery, leaving us to wonder about his possible role in the development of Bitcoin.

Each of these individuals made unique contributions to the field, yet the identity of Nakamoto continues to elude us, shrouded in mystery. The search for Satoshi Nakamoto is more than just uncovering a name; it's a fascinating journey through the history of cryptocurrency, driven by curiosity and a quest for understanding. As we explore the origins of Bitcoin, we're reminded of the incredible impact this technology has had and the unknown visionary who started it all.

# Crossword

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## Across

3. Early cryptocurrency concept by Nick Szabo, pre-dating Bitcoin.
5. First recipient of a Bitcoin transaction and a pioneer in cryptography.
7. The type of futures contracts to be launched by Coinbase for certain cryptocurrencies.
8. Cryptocurrency exchange listing Dogecoin on its futures trading platform.

## Down

1. The cryptocurrency rejected by the SEC for a spot ETF, prompting Coinbase's futures trading expansion.
2. Cryptocurrency known for its Shiba Inu mascot, now featured in futures trading.
3. Creator of Hashcash, a system that influenced Bitcoin's proof-of-work.
4. His concept of b-money was cited in the Bitcoin whitepaper.
6. Privacy advocate and cryptographer, speculated to have connections with Bitcoin's creation.

*Solutions: 1. Ethereum 2. Dogecoin 3. Back/Bitgold 4. Dai 5. Finney 6. Sassman 7. Cashsettled 8. Coinbase*

## Impressum

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