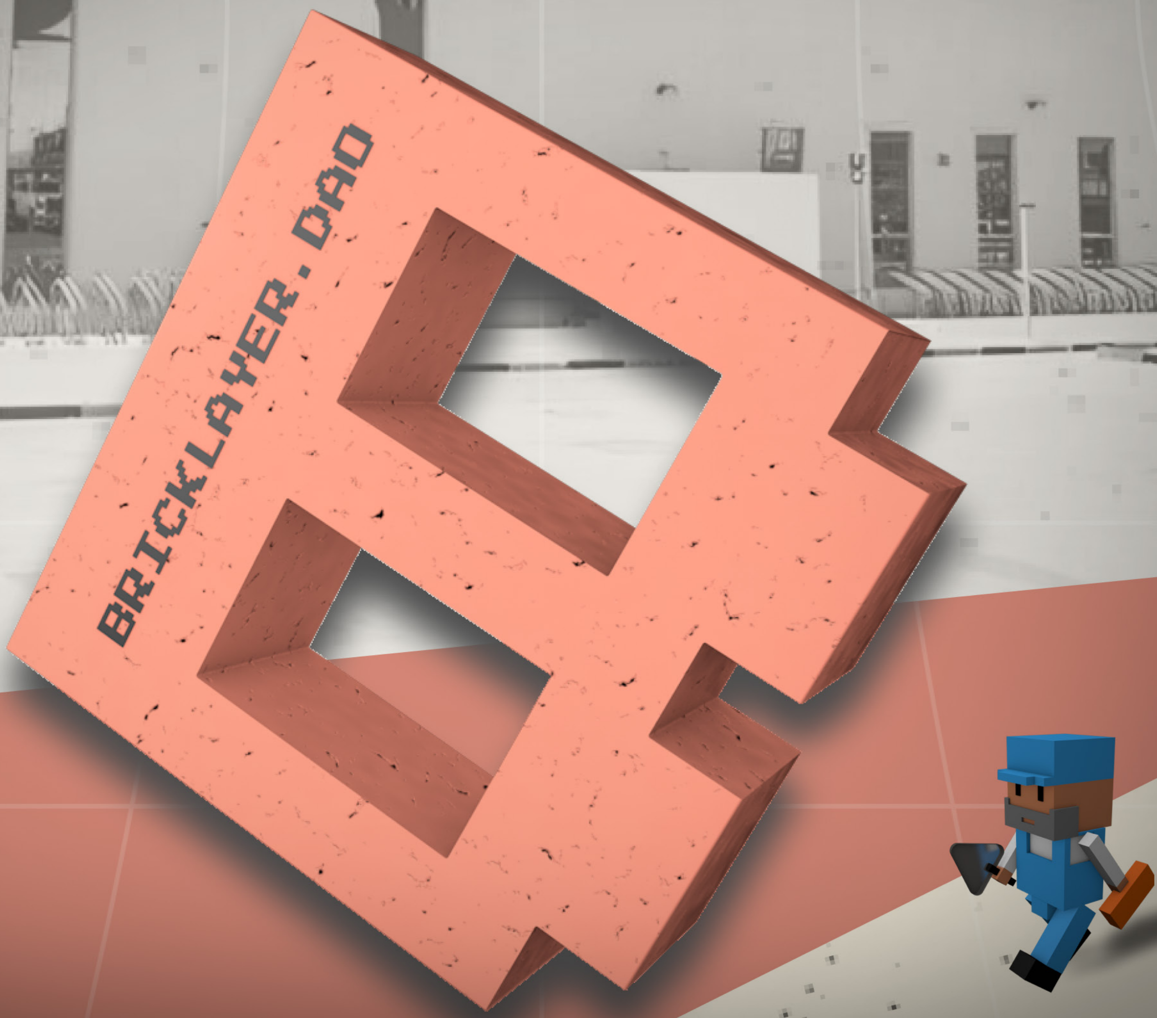
DECEMBER 17th, 2024

CRYPTONAIRE WEEKLY

CRYPTO INVESTMENT JOURNAL

367TH EDITION

BRICKLAYER DAO - DEMOCRATIZING THE REAL ESTATE INDUSTRY



PLATINUM CRYPTO ACADEMY

ANSG

CONTENTS

CRYPTONAIRE WEEKLY
CRYPTO INVESTMENT JOURNAL

EDITORS LETTER

Bitcoin's rally continued on December 16, showing strong demand from buyers. Keith Alan, co-founder of Material Indicators, noted on X that Bitcoin often makes significant macro moves around December 17. He added that a potential Federal Reserve rate cut could push Bitcoin prices higher but prefers to stay on the sidelines until the market's direction becomes clearer. Meanwhile, CK Zheng, chief investment officer at ZK Square, said Bitcoin appears to be in "Santa Claus mode," with investors eager to join the rally and avoid missing out. Zheng expects Bitcoin to reach $125,000 by early 2025 but foresees a 30% correction afterward.

Bitcoin's rally shows no signs of slowing, with the price hitting a new all-time high above $104,088 on December 15. The BTC/USDT pair is now testing the resistance line of its ascending channel pattern, where bears are likely to put up a strong fight. If bulls manage to break through this barrier, the pair could climb to $113,331 and potentially hit $125,000. However, if the price reverses from the resistance line and drops below the 20-day EMA at $98,920, it may signal profit-taking by bulls. In that case, the pair could retreat to the channel's support line, and a break below this level might give sellers the upper hand in the short term.

Ether is steadily approaching the $4,094 level, where bears are expected to provide strong resistance. The rising moving averages and an RSI above 61 indicate that momentum favors the bulls. A breakout above $4,094 could propel the ETH/USDT pair toward $4,500. The bullish trend remains intact as long as the price holds above the 20-day EMA at $3,747. A close below this support, however, would suggest that bulls are losing control, potentially driving the pair down to the critical support at the downtrend line.

Lastly please check out the advancement's happening in the cryptocurrency world

Enjoy the issue

Karnav Shah

Karnav Shah
Founder, CEO & Editor-in-Chief

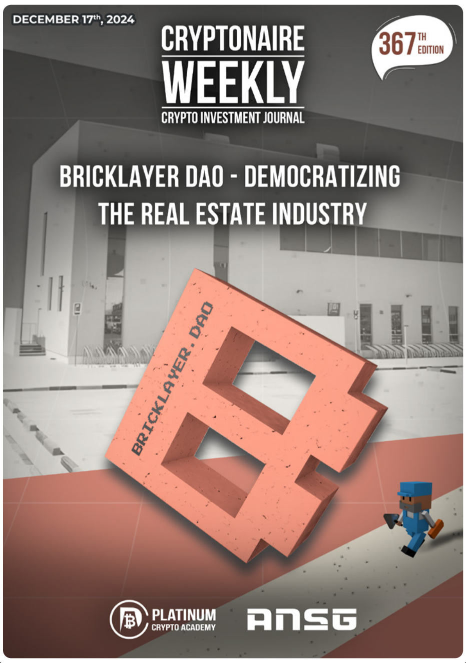
CRYPTONAIRE WEEKLY

Cryptonaire Weekly is one of the oldest and trusted sources of Crypto News, Crypto Analysis and information on blockchain technology in the industry, created for the sole purpose to support and guide our Crypto Trading academy clients and subscribers on all the tops, research, analysis and through leadership in the space.

Cryptonaire weekly, endeavours to provide weekly articles, Crypto news and project analysis covering the entire marketplace of the blockchain space. All of us have challenges when facing the crypto market for the first time even blockchain-savvy developers, investors or entrepreneurs with the ever-changing technology its hard to keep up with all the changes, opportunities and areas to be cautious of.

With the steady adoption of Bitcoin and other cryptocurrencies around the world, we wanted not only to provide all levels of crypto investors and traders a place which has truly great information, a reliable source of technical analysis, crypto news and top emerging projects in the space.

Having been publishing our weekly crypto magazine 'Cryptonaire Weekly' for since early 2017 we have had our fingertips at the cusp of this exciting market breaking through highs of 20k for 1 Bitcoin to the lows of $3500 in early 2021. Our Platinum Crypto Academy clients (students and mentee's) are always looking for shortcuts to success to minimize expenses and possible loses. This is why we created our Crypto Magazine. Those who wish to invest their assets wisely, stay updated with the latest cryptocurrency news and are interested in blockchain technology will find our Weekly Crypto Magazine a valuable asset!



Featuring in this weeks Edition:

- BricklayerDAO
- TVVIN
- CryptoGames

Also Get,

- Markets Analysis
- Market News Update
- Read Our Latest Blog:

HOW CAN NFTS BE USED TO HELP DRIVE SALES AND REVENUE?

HOW TO USE CRYPTO CORRELATION FOR BETTER RISK MANAGEMENT: A COMPREHENSIVE GUIDE

For Latest update

SUBSCRIBE NOW

WEEKLY CRYPTOCURRENCY MARKET ANALYSIS

Hello, welcome to this week's 367th edition of Cryptonaire Weekly Magazine. The global crypto market cap is $3.73 Trillion, Up 290 Billion since the last week. The total crypto market trading volume over the last 24 hours is at $203.76 Billion which makes a 27.28% increase. The DeFi volume is $14.52 Billion, 7.12% of the entire crypto market's 24-hour trading volume. The volume of all stable coins is $188.69 Billion, which is 92.60% share of the total crypto market volume the last 24 hours. The largest gainers in the industry right now are XRP Ledger Ecosystem and Venture Capital Portfolios cryptocurrencies.

Bitcoin's price has increased by 10.14% from $96,900 last week to around $106,725 and Ether's price has increased by 8.51% from $3,700 last week to $4,015
Bitcoin's market cap is $2.11 Trillion and the altcoin market cap is $1.62 Trillion.

Bitcoin's rally continued on December 16, showing strong demand from buyers. Keith Alan, co-founder of Material Indicators, noted on X that Bitcoin often makes significant macro moves around December 17. He added that a potential Federal Reserve rate cut could push Bitcoin prices higher but prefers to stay on the sidelines until the market's direction becomes clearer. Meanwhile, CK Zheng, chief investment officer at ZK Square, said Bitcoin appears to be in "Santa Claus mode," with investors eager to join the rally and avoid missing out. Zheng expects Bitcoin to reach $125,000 by early 2025 but foresees a 30% correction afterward. Despite the potential for a pullback, MicroStrategy announced another big purchase of 15,350 Bitcoin between December 9 and 15 at an average price of $100,386, bringing its total holdings to 439,000 Bitcoin, acquired at an average price of $61,725.

Ethereum whales are accumulating heavily, with on-chain analytics platform Santiment reporting that whale wallets now hold 57% of all Ether in circulation—an all-time high. Santiment highlighted in a December 16 post that 104 wallets, each holding over 100,000 ETH, collectively control $333 billion in value. In contrast, mid-sized wallets holding between 10 and 100,000 ETH have dropped to a record low of 33.46%. Small wallets with less than 100 ETH account for just 9.19%, hitting a near four-year low. This concentration of Ether among whales could signal long-term bullish potential if accumulation continues.

Percentage of Total Market Capitalization (Domnance)

BTC	53.66%
ETH	12.20%
USDT	3.58%
XRP	3.51%
BNB	2.68%
SOL	2.66%
DOGE	1.51%
USDC	1.08%
ADA	0.99%
Others	18.13%

US President-elect Donald Trump is reportedly considering creating a Strategic Bitcoin Reserve (SBR) through an Executive Order, according to Dennis Porter, founder of the Satoshi Act Fund. Porter shared on X that Trump plans to utilize the Treasury's Exchange Stabilization Fund (ESF) for this initiative after his inauguration. The ESF, traditionally used to stabilize financial markets during crises, has over $200 billion in assets as of October 2024. Historically, it played critical roles during events like the 2008 financial crisis and the COVID-19 pandemic. Porter emphasized that this move could reshape the US financial landscape and warned that acting quickly is essential to maintain a lead over other nations. If the executive order does not move forward, Porter's organization plans to push for state-level efforts to establish the SBR.

In the NFT space, OpenSea is stirring rumors of a token launch and potential airdrop after registering in the Cayman Islands. On December 14, Waleswoosh, a researcher from the Azuki NFT community, shared a screenshot of OpenSea's registration, sparking speculation about an upcoming cryptocurrency launch and user airdrop. OpenSea co-founder and CEO Devin Finzer previously announced on November 4 that the platform is preparing a relaunch, set for December. While some users are hopeful about an airdrop as part of this comeback, others, such as DappRadar's communications manager "nederob," remain skeptical due to OpenSea's US-based operations.

CRYPTOGAMES

CATCH THE WINNING SPIRIT!

Play your favorite game, use the coin of your choice & chat with your friends. Simple, social and most importantly entertaining!

PLAY NOW!

Dice
Roulette
Blackjack
Keno
Minesweeper
Video Poker
Plinko
Slot
DiceV2
Lottery

VIP membership

Become a Premium VIP Member for a month and enjoy the benefits that will enrich your gambling adventures.

Provably fair

We utilize the industry standard for provably fair gaming. Verify drawings with our or 3rd party verification tools.

Fast withdrawals

Get your winnings paid out to your wallet on your own terms. Simply select the withdrawal speed and confirm.

Progressive jackpots

With every bet on dice and roulette you have the chance to win our ever growing jackpot.

Low house edge

You're here to win often and a lot. Our games have extremely low house edge, starting at only 1%.

Secure and private

We don't collect sensitive private information such as bank accounts, which makes your stay with us safe and private.

No crypto? No problem. You can buy it here. VISA Pay G Pay Bank

RNG iTech Labs CERTIFIED
CRYPTO GAMBLING FOUNDATION VERIFIED OPERATOR

BricklayerDAO is setting a new standard in the intersection of blockchain technology and real estate. Frustrated by the limited returns and lack of control in traditional real estate investment, **Nick** and **Denis** founded a platform that merges the flexibility of blockchain technology with the stability of real estate investment trusts (REITs).

Their extensive experience in commercial real estate, spanning a collective 30 years and encompassing billions in transactions, has paved the way for an innovative model. This model not only reduces barriers to entry for institutional-grade real estate but also empowers investors by providing unprecedented levels of participation.

At its core, BricklayerDAO operates on two tokens that drive its ecosystem: **MRTR**, a utility token central to governance, and **BRCK**, a value token directly tied to real-world assets (RWAs).

Nick explains this model, *"Our dual-token system is designed to ensure robust engagement and transparency while empowering holders to influence investment strategies directly. MRTR tokens give stakeholders a voice in governance through staking and voting, with innovative quadratic voting mechanisms that balance power between large and small holders.*

At the same time, $BRCK tokens derive their value from tokenised real-world assets, such as industrial warehouses leased by Fortune 50 companies on long-term agreements, offering the community a cash flow-backed and tangible investment opportunity."

The DAO's governance system is designed with meticulous attention to community-driven decision-making. From idea formulation to final implementation, members contribute at every stage, with proposals rigorously vetted through forums, temperature checks, and voting.

Further, BricklayerDAO's operations are underpinned by a commitment to efficient capital reserves. Fiat accounts, maintained in local jurisdictions for operational requirements, are transparently monitored through blockchain oracles, bridging the gap between traditional and digital economies.

Virtual assets, including Bitcoin and Ethereum, are managed through the **Quarry,** the platform's digital mining network, contributing to the steady growth of reserves while offering stability in volatile markets. This dual-exposure strategy enables BricklayerDAO to balance growth and liquidity effectively.

Denis highlights, *"What truly sets BricklayerDAO apart is the seamless integration of PropTech innovations with decentralised finance. By tokenising real estate assets and utilising Chainlink oracles, we bridge the gap between off-chain value and blockchain technology, creating a transparent and efficient system that redefines how real estate investments are managed."*

By acquiring and managing both traditional and tokenised real estate, BricklayerDAO opens institutional-grade opportunities to a global audience without compromising on diligence or asset quality. Its acquisition strategy prioritises industrial assets with high-credit tenants, maximising rental yields while supporting long-term value appreciation for BRCK holders.

Central to the DAO's mission is its tenant-friendly approach, designed to reduce costs and nurture flexibility for occupiers. Partnerships with key stakeholders create an equitable real estate ecosystem that aligns the interests of investors and tenants. Through the **Bricktop A.I** real estate assistant tool, BricklayerDAO simplifies opportunity identification and asset management, integrating data-driven insights to optimise site selection, leasing, and market positioning.

The **Masonry (MSRY) NFTs** add a unique dimension to the ecosystem, offering members benefits ranging from early access to services and fee discounts to boosted governance influence. Available in four rarity tiers: **Clay, Granite, Marble, and Special**, these NFTs reward active community participation while promoting loyalty. BricklayerDAO's Kiln mechanism further incentivises engagement by linking NFT distribution to $BRCK token purchases, ensuring alignment between token value and user benefits.

BricklayerDAO's entry into the market also marks a significant step in preparing the real estate industry for a new era of blended assets. By advancing Web3 technologies, the DAO provides real estate vendors with tools for efficient, transparent, and globally accessible transactions. Its efforts are shaping the gig economy's role in property management and investment, allowing real estate professionals and on-chain enthusiasts to engage in every facet of RWA transactions.

Nick shares his enthusiasm, "Launching BricklayerDAO is a monumental step for us, and we're genuinely thrilled to bring this vision to life. We've built this platform with a strong foundation of trust, transparency, and innovation, ensuring that it serves the best interests of the market and its participants. We are dedicated to building the world's most verifiable RWA value offering ecosystem on-chain."

Denis adds, *"This isn't just about creating a platform; it's about setting a new standard for real estate and blockchain integration. We're committed to delivering value and opportunity in good faith to our investors, the community, and the broader industry, paving the way for a more inclusive and equitable future."*

BricklayerDAO invites investors and real estate professionals to join this transformative journey. As it continues to redefine property investment, the DAO offers not only a platform but a community, a space where collaboration and innovation pave the way to a more inclusive and efficient real estate ecosystem.

Also, the **MRTR presale** is now **live**, and we'd love for you to participate! Don't miss out. **Click here** to buy your tokens today!

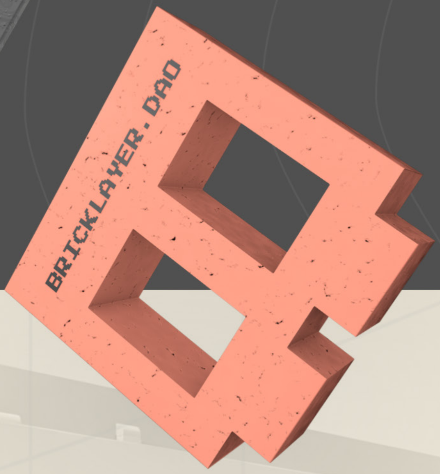
You can stay up-to-date with BricklayerDAO by following them on social media platforms such as **X**, **Discord**, **LinkedIn**, **Instagram**.

About BricklayerDAO:

BricklayerDAO is a groundbreaking platform that merges blockchain technology with real estate investment, offering a decentralised approach to property transactions. By tokenising real-world assets and empowering stakeholders through governance, BricklayerDAO creates a transparent, accessible, and community-driven ecosystem for the future of real estate and blockchain integration.

JOIN THE MOVEMENT, BUILD YOUR FUTURE NOW WITH BRICKLAYERDAO

BACKED BY TOP-TIER RWA, BUILT FOR LONGEVITY!



BRICKLAYERDAO IS DEMOCRATISING REAL ESTATE USING BLOCKCHAIN. OUR GOVERNANCE MODEL HARNESSES COLLECTIVE INTELLIGENCE AND VIRTUAL ASSET GROWTH, OFFERING THE MOST VERIFIABLE, LIQUID, AND DIVERSIFIED WAY TO OPTIMISE YOUR PORTFOLIO.

WHITEPAPER | WEBSITE

ACT NOW TO SECURE TIER 1 DISCOUNT BEFORE 25TH DECEMBER AND CEMENT YOUR POSITION IN BRICKLAYERDAO

MRTR TOKEN PRESALE IS LIVE!

BUY NOW

TAKE ADVANTAGE OF THE EARLY INVESTOR PRESALE DISCOUNTS AND BE A PART THE MOST VERIFIABLE RWA OFFERING PLATFORM ON CHAIN -

POWER IN YOUR HANDS:

STAKE OUR MRTR TOKEN AND GET PAID TO PARTICIPATE IN DAO GOVERNANCE ENSURING EVERY VOICE IS HEARD.

PREDICTABLE RETURNS:

SECURE LUCRATIVE REWARDS FROM REAL ESTATE PERFORMANCE WITHOUT THE HASSLE OF OWNERSHIP.

TOKENOMICS:

MRTR BENEFITS FROM FIXED SUPPLY, TOKEN BURN MECHANISM, PREFERRED PAYMENT METHOD FOR PLATFORM SERVICES AND PORTFOLIO DIVIDENDS.

SECURITY & LIQUIDITY:

TRADE TOKENS ANYTIME, ANYWHERE, WITH CONFIDENCE ON THE BLOCKCHAIN.

ENHANCING LIQUIDITY AND ACCESSIBILITY TO PREMIUM COMMERCIAL REAL ESTATE, GET BRICK'D

ADVANCEMENTS IN THE CRYPTOCURRENCY WORLD

BITCOIN SOARS TO RECORD HIGH ABOVE $106K, THEN RETREATS AS HAWKISH FED RATE CUT LOOMS

The Fed is likely to deliver a “hawkish rate cut,” with hints of less easing next year.

BTC pops and drops, making a quick retreat from $106.5K.

The Fed is likely to deliver a “hawkish rate cut,” with hints of less easing next year.

Bitcoin (BTC) surged to over $106,000 in early Asian hours, setting new all-time highs before quickly retreating to $104,500 amid concerns about the upcoming U.S. Federal Reserve (Fed) rate cut.

The U.S. central bank is expected to reduce the benchmark borrowing cost by 25 basis points to the 4.25% to 4.5% range, marking a total easing of 100 basis points since September. However, there are concerns that the accompanying Fed commentary will seek to temper expectations for further easing, potentially diminishing the bullish impact of the rate cut.

The Fed will announce its rate decision, the dot plot, comprising interest rate projections, and economic forecasts on Dec. 18 at 14:00 ET. A press conference by the Fed Chair Jerome Powell will occur a half hour later.

The previous dot plot released on Sept. 18 showed 2.5 points of rate cuts by the end of 2026, pushing the borrowing cost below 3%. Some observers believe the Fed will trim these forecasts on Wednesday.

"We suggest the risk of a 'hawkish' cut with less rate hikes next year than anticipated in September in the Summary of Economic Projections (dot plot), recognition that economy is stronger than it had expected previously, and inflation is on a bumpy path that allows the Fed to be patient," Marc Chandler, chief market strategist at Bannockburn Global Forex, said in Sunday's edition of the newsletter.

If the projections reflect slower or fewer rate cuts, Treasury yields and the dollar will likely extend their recent run higher, potentially making it harder for risk assets, including BTC, to stay as strongly bid as they have been of late.

Read more...

Trump may use Bitcoin as US reserve asset on 'day one' — How high will BTC price go?

A potential Trump executive order making Bitcoin a US reserve asset might drive a $20 billion BTC purchase in 2025.

President-elect Donald Trump will likely issue an executive order on his first day in office to designate Bitcoin as a United States reserve asset, according to Jack Mallers, founder and CEO of Strike.

A 200K Bitcoin buy order is coming in January 2025?
In a podcast interview with YouTuber Tim Pool, Mallers said that Trump could rely on provisions within a so-called "Dollar Stabilization Act," which grants him considerable authority to protect the US dollar.

The Bitcoin Act of 2024, introduced by pro-crypto Senator Cynthia Lummis in July, proposes that the Treasury and Federal Reserve purchase 200,000 BTC annually over five years, accumulating 1 million Bitcoin BTC $104,447.

The reserve would be held for at least 20 years, thereby taking 5% of Bitcoin's total supply (of 21 million tokens) from circulation.

These speculations have resulted in some lofty new BTC price targets for 2025 and beyond.

Bitcoin price may hit $800,000 by 2025's end

Read more...

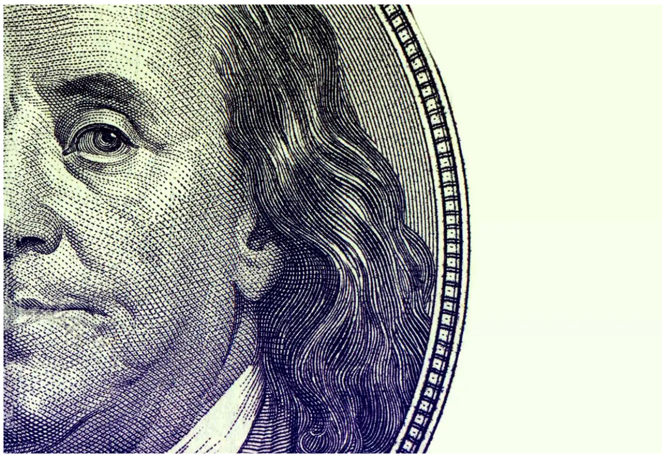
Funding Roundup: COSIMO digital raises $25M

Digital asset firm COSIMO Ventures rebranded to COSIMO digital earlier this week, announcing a $12 million strategic funding round.

The round, led by former Bridgewater executive Des Mac Intyre, will be used to target "strategic partners for expansion and growth in this rapidly developing market."

As part of the rebrand, COSIMO will consolidate under one single umbrella. A press release stated that the firm "offers a full suite of services, including investment funds, custody services, advisory, broker-dealer services, Web3 and blockchain development."

"Now was the right time to bring it all under one unified visionary identity," managing partner Ciaran Hynes said.



COSIMO's Rob Frasca added, "Our comprehensive approach to digital asset management positions us as leaders in the tokenization and blockchain markets, paving the way for institutional and individual investors to capitalize on this transformative technology."

Next up is Hyperbolic, which announced a $12 million Series A earlier this week.

The round, led by Variant Fund and Polychain Capital, brings Hyperbolic's total raise to $20 million.

CEO Jasper Zhang, in a blog post announcing the round, said the firm is using the funds to put together an "AI rainforest" which is basically a symbiotic ecosystem for artificial intelligence.

"I want [researchers and developers] to build their dreams on our infrastructure — services that are accessible,"

Read more...

The digital economy is experiencing an unprecedented transformation, driven by innovations in blockchain technology and the rise of **Non-Fungible Tokens (NFTs)**. These unique, blockchain-based assets are revolutionizing industries from art to gaming, sports to real estate. As businesses seek new avenues to generate revenue, NFTs have emerged as a powerful tool to engage customers, create exclusive products, and ultimately drive **sales and revenue**. In this comprehensive guide, we'll explore how NFTs can be used in business strategies, supported by real-world examples, statistical analysis, and future projections.

What are NFTs?

Before diving into how businesses can leverage NFTs to boost sales and revenue, it's essential to understand what NFTs are and how they function. NFTs, or Non-Fungible Tokens, are unique digital assets that are stored on a blockchain, often the Ethereum blockchain. Unlike cryptocurrencies such as Bitcoin or Ethereum, which are fungible and can be exchanged with one another on a 1:1 basis, NFTs are unique or rare items that cannot be exchanged in this way.

An NFT can represent anything from a digital artwork to video clips, music files, and even virtual real estate. The key characteristic of an NFT is its uniqueness, proven by its entry in the blockchain ledger. This makes NFTs a perfect tool for businesses looking to sell unique or limited-edition items that hold special value for customers.

The NFT market has exploded in popularity, with NFT sales reaching a staggering $17.6 billion in 2021, a growth of more than 20,000% from the previous year. This boom is a testament to the increasing adoption of NFTs by both creators and businesses, signifying the potential they hold for generating sales and revenue in a variety of industries.

1. NFTs as a Revenue Stream for Digital Products and Services

One of the primary ways businesses can drive revenue with NFTs is by offering digital products and services that can be bought, sold, and traded. Here's a closer look at how NFTs can transform revenue models in several industries:

a) Digital Collectibles and Limited Edition Content

The idea of digital collectibles isn't new, but NFTs have taken this concept to the next level. By turning valuable items into NFTs, businesses can create limited edition products that are highly sought after by collectors and fans. This is particularly effective in industries like sports, art, fashion, and entertainment, where exclusivity and scarcity increase perceived value.

Take, for example, NBA Top Shot, which allows basketball fans to buy, sell, and trade officially licensed NFT highlights from NBA games. These NFTs, representing iconic moments, have created a thriving marketplace where fans can engage with their favorite sport in a completely new way. By creating exclusive, limited-edition NFTs, the NBA has opened up a lucrative revenue stream, attracting both fans and investors.

Industry	Revenue from NFT Collectibles
Sports (NBA Top Shot)	$230 million (2021)
Art (Beeple NFT)	$69 million (2021)
Fashion (Gucci NFT)	$12 million (2021)

b) Virtual Real Estate and Online Spaces

Another unique way NFTs can drive revenue is through virtual real estate. Platforms like Decentraland and The Sandbox allow users to buy, sell, and trade virtual land in online worlds. As these digital spaces continue to gain traction, NFTs are increasingly being used to represent ownership of virtual assets such as land, buildings, and even entire neighborhoods.

Brands such as Atari and Snoop Dogg have already invested heavily in virtual real estate, using NFTs to establish virtual casinos, concert venues, and exclusive events. This opens up new opportunities for businesses to monetize digital properties, create immersive brand experiences, and engage with customers in innovative ways.

Platform	Revenue from Virtual Land Sales
Decentraland	$2.5 million (2021)
The Sandbox	$144 million (2021)
Somnium Space	$1 million (2021)

2. NFTs in Customer Loyalty Programs

Customer loyalty programs are one of the most effective ways to retain customers and drive repeat sales. With NFTs, businesses can take traditional loyalty programs to the next level by creating exclusive digital tokens that offer unique benefits to customers.

a) Digital Memberships and Badges

NFTs can serve as membership cards or loyalty badges that grant holders access to exclusive content, discounts, or VIP experiences. This creates a sense of exclusivity that can foster long-term customer relationships. In sectors like luxury retail, hospitality, and entertainment, offering customers exclusive NFTs could dramatically increase customer loyalty and lifetime value.

For instance, the Aventus Protocol offers NFT event tickets that provide more than just access to the event—they can unlock VIP lounges, backstage passes, and other premium perks for attendees. By offering NFTs as part of your loyalty program, you can add layers of value that traditional loyalty cards cannot match.

Additionally, NFTs can also be used as VIP rewards. A luxury fashion brand could offer its top customers an NFT that unlocks access to limited-edition collections or private sales. The exclusivity of these NFTs can not only encourage more spending but also create a sense of community and engagement among high-value customers.

b) Secondary Market Resale

NFTs also offer businesses the opportunity to earn ongoing revenue from secondary market sales. Smart contracts embedded within NFTs can allow businesses to earn royalties every time the NFT is resold. This is particularly useful in industries like art and fashion, where digital assets often appreciate in value.

For example, digital artists can mint NFTs that automatically return a percentage of resale revenue to the original creator, ensuring a continuous revenue stream even after the initial sale. This model could be applied to a variety of industries, from gaming items to exclusive fashion collaborations.

3. NFTs as Marketing and Branding Tools

a) NFTs as Promotional Tools

NFTs are not only valuable as products themselves, but they can also be used as powerful promotional tools to drive brand visibility and increase sales. By releasing limited edition NFTs tied to a specific marketing campaign, businesses can build hype and exclusivity around their products.

A successful example of this is Coca-Cola's NFT launch for International Friendship Day. Coca-Cola released a series of limited-edition NFTs, including a digital version of their iconic Coke bottle, to raise awareness for their brand and generate excitement. The NFTs attracted widespread media attention, boosted Coca-Cola's visibility, and helped drive engagement with their audience.

Similarly, Nike has patented a system that will allow customers to buy Nike-branded NFTs tied to physical products. This could involve customers purchasing an NFT tied to a limited edition sneaker, which can be verified as genuine and resold on the secondary market. These promotional NFTs can generate significant buzz, increasing both direct sales and brand recognition.

b) Collaborations and Cross-Promotions

NFTs also offer the opportunity for brands to collaborate and cross-promote with other businesses, expanding their reach. By partnering with well-known figures, artists, or other brands, companies can introduce their NFTs to new audiences, building excitement and increasing sales.

For example, Adidas collaborated with Bored Ape Yacht Club, a popular NFT collection, to release limited-edition NFT clothing and merchandise. This collaboration created buzz in the NFT community and drove sales for both Adidas and Bored Ape Yacht Club. Such collaborations can amplify marketing efforts and create viral campaigns that boost brand recognition and revenue.

4. NFTs as Investment and Crowdfunding Tools

a) Crowdfunding Through NFTs

NFTs also open up new possibilities for fundraising and crowdfunding. Rather than relying on traditional investors or venture capital, companies can sell NFTs to raise capital for their projects. These NFTs might offer early access to a product or special rewards for NFT holders. The creator economy is a prime example of how NFT crowdfunding can work in practice.

For example, a startup or gaming company could issue NFTs to fund the development of a new product or game. The sale of these NFTs can help cover costs, while the NFT holders receive benefits such as early access or special in-game items. Crowdfunding through NFTs provides businesses with a more direct connection to their customers and investors, creating a sense of ownership and involvement in the product's success.

b) Intellectual Property and Licensing

NFTs can also be used to secure intellectual property (IP) and provide businesses with new ways of managing and licensing content. When a company creates a digital asset or piece of content, minting it as an NFT ensures that the asset's ownership is clear and easily verifiable. This can prevent counterfeiting and piracy, which are common challenges in the digital content industry.

By tokenizing their intellectual property as NFTs, companies can more easily license it to others, opening up new revenue streams. For instance, a music company might tokenize a song as an NFT and allow others to license it for use in ads, films, or other content, generating additional income from the IP.

5. The Future of NFTs in Business: Potential Growth Areas

a) Expansion of NFT Use Cases

As blockchain technology and NFTs continue to evolve, their use cases in business will expand even further. Augmented reality (AR) and virtual reality (VR) technologies could provide new ways to engage customers through NFTs, such as creating virtual stores, showrooms, or interactive experiences that customers can access using NFTs as digital passes.

The future might also see NFTs being used as representations of physical assets, such as real estate, automobiles, and even luxury goods. This would create an entirely new market for businesses to tap into, allowing them to sell fractionalized ownership of high-value physical items as NFTs.

b) Mainstream Adoption and Integration

The future of NFTs also depends on their mainstream adoption. As blockchain technology becomes more accessible, and as consumers and businesses become more comfortable with digital assets, NFTs are likely to become a central part of commerce. Major brands across different sectors—whether it's fashion, luxury goods, gaming, or automotive—are already experimenting with NFTs, and their success will drive further investment in this space.

6. NFTs for Personalization and Customization

a) Customizable NFTs for Exclusive Experiences

NFTs can be used to offer customizable or personalized products to customers, adding an extra layer of value and engagement. By offering customers the opportunity to personalize NFTs — whether it's a digital collectible, artwork, or even virtual goods — businesses can create a more individualized experience, which has proven to increase customer satisfaction and loyalty.

For example, in the luxury fashion industry, customers could design and mint their own custom NFT shoes or clothing items. The NFT serves as a permanent record of the customer's design, and the brand can offer exclusive discounts or VIP experiences to customers who purchase these bespoke NFTs.

b) Loyalty Rewards Linked to Personal NFTs

NFTs can also be used as personal loyalty rewards that offer unique experiences or product customization opportunities. For instance, customers who make a certain number of purchases or reach a certain spending threshold could be awarded NFTs tied to exclusive items or experiences. This strategy ensures that loyal customers feel valued and incentivized to continue purchasing, thus driving repeat sales and increasing lifetime customer value.

7. NFT Integration with Subscription Models

a) Subscription-Based NFTs for Ongoing Revenue

Incorporating NFTs into subscription models can provide businesses with a steady, recurring revenue stream. Instead of just offering traditional subscription packages, companies can use NFTs as access tokens that grant subscribers access to exclusive content, services, or products for a set period.

For example, a digital media platform could create an NFT that serves as an annual membership pass, unlocking exclusive access to premium content, events, or digital products. Every year, subscribers could purchase a new NFT to renew their membership. This model ensures customers keep coming back for continued access, while also providing businesses with predictable and recurring revenue.

NFTs could also be used to integrate tiered subscription levels, where higher-tier NFT holders get more exclusive benefits. The ability to trade or sell NFTs in the secondary market may also create a sense of value and exclusivity for customers, pushing them to upgrade or renew their subscriptions.

8. NFTs for Virtual Events and Experiences

a) Virtual Concerts and NFT Tickets

The rise of the metaverse and virtual spaces has opened new opportunities for businesses to engage their audiences through virtual events. NFTs can serve as tickets for virtual concerts, exclusive webinars, and online product launches, offering customers an engaging and immersive experience.

For example, Kings of Leon, the American rock band, made history by selling their latest album as NFTs, which gave fans access to exclusive virtual content and concert experiences. Similarly, NFT tickets for virtual fashion shows or product launches offer businesses a new way to reach audiences and generate significant revenue.

By utilizing NFTs as virtual event tickets, businesses can provide holders with unique perks, like backstage passes, exclusive content, or access to limited edition products, further increasing the perceived value of the event.

b) Limited Edition NFT Access to Real-World Events

In addition to virtual events, NFTs can also act as VIP access passes to physical events. For example, a luxury car brand might create NFTs that serve as tickets to an exclusive driving experience, product reveal event, or a private meet-and-greet with the brand's CEO. The exclusivity and rarity of the NFT can drive up demand and generate buzz for the brand.

9. NFTs as Digital Fashion and Wearables

a) Digital Fashion Items for Virtual Avatars

As more businesses and industries dive into the metaverse, NFTs have the potential to revolutionize digital fashion. Brands can create NFT-based digital apparel and accessories that users can purchase to customize their avatars in virtual spaces. These digital items can range from clothes to shoes, jewelry, and even brand-specific merchandise.

Brands like Gucci, Balenciaga, and Dolce & Gabbana have already ventured into the digital fashion space, selling NFT versions of their real-world designs for avatars in virtual worlds like Decentraland and The Sandbox. These digital fashion assets provide customers with the opportunity to showcase their style online, while brands can profit from NFT sales.

b) Limited-Edition Fashion NFT Drops

Similar to limited-edition physical items, brands can create limited NFT collections of digital fashion items. The concept of rarity and exclusivity plays a significant role in driving demand, especially when the items are connected to a highly coveted brand. These items can be sold at premium prices, generating substantial revenue.

For instance, a high-end fashion brand might launch an exclusive NFT collection for a digital fashion show or virtual event, where each NFT grants buyers access to limited-edition clothing and VIP event invitations.

10. NFTs for Brand Partnerships and Collaborations

a) Co-Branding NFT Collections

NFTs present a unique opportunity for **co-branding** and **collaborations**. By teaming up with other brands, influencers, or creators, businesses can release **collaborative NFT collections** that appeal to a wider audience, driving both sales and brand awareness. These collaborations create excitement around the release, as customers are eager to own a piece of something special and limited.

For example, **Adidas** collaborated with **Bored Ape Yacht Club** and **Punks Comic** to launch an NFT collection, combining streetwear, art, and virtual worlds. This cross-industry collaboration attracted customers from various sectors and created massive buzz, generating millions in revenue.

The combination of established brands and unique digital assets can make NFTs an even more attractive offering for customers, and businesses can tap into each other's customer base to amplify their reach.

b) Leveraging Influencers and Creators

Influencers and creators have a substantial impact on the success of NFT projects. By partnering with well-known figures in the fashion, music, and art industries, businesses can leverage their influence to create hype around NFT collections, ensuring a higher rate of sales.

For example, **Snoop Dogg**'s NFT collection on **The Sandbox** raised significant interest due to his extensive fanbase and strong reputation within the digital and entertainment space. When celebrities and influencers join the NFT space, they help businesses tap into their existing audience, providing a boost in visibility and revenue generation.

Conclusion

NFTs have unlocked a whole new world of opportunities for businesses looking to innovate and diversify their revenue streams. Whether through **digital collectibles, loyalty programs, marketing campaigns**, or **crowdfunding**, NFTs can help companies engage customers, create unique products, and generate revenue in ways never before possible. As this technology continues to evolve, businesses that embrace NFTs early on will be positioned to reap significant rewards in the future.

The potential for NFTs in driving **sales** and **revenue** is vast, and with the right strategies in place, businesses can harness the power of NFTs to create long-term value and success. NFTs are here to stay, and they represent a new frontier for companies looking to stay ahead of the curve in an increasingly digital world.

FAQs

1. What is an NFT and how can it drive sales for my business?

An **NFT (Non-Fungible Token)** is a unique digital asset that represents ownership or proof of authenticity of a specific item or piece of content, such as digital art, music, videos, or even virtual goods. NFTs are built on blockchain technology, ensuring that each NFT is one-of-a-kind and cannot be replicated.

NFTs can drive sales for businesses by offering exclusive digital products, creating limited edition items that generate hype, and engaging customers with personalized experiences. Businesses can also use NFTs to incentivize loyalty, sell virtual goods, host exclusive events, and enable secondary market transactions that generate ongoing revenue.

2. How can NFTs be used in loyalty programs?

NFTs can be integrated into loyalty programs by offering customers **digital rewards** that have real-world value. For example, businesses can issue NFTs as loyalty tokens, where customers who reach a certain threshold of purchases or engagement are awarded NFTs. These NFTs can represent discounts, special offers, or access to exclusive products and events.

By utilizing NFTs in loyalty programs, businesses can enhance customer retention, incentivize repeat purchases, and create a sense of exclusivity, all while benefiting from increased brand loyalty.

3. Can NFTs be used to create recurring revenue for businesses?

Yes, NFTs can be used to create **recurring revenue** through **subscription models**. Businesses can issue NFTs as access passes for ongoing content or services, such as **exclusive digital content, VIP memberships, or premium access** to products. These NFTs can be set to **expire after a certain period**, prompting customers to renew them for continued access.

This model ensures a steady stream of income for businesses while offering customers valuable, ongoing access to services or products. For instance, a company could sell annual membership NFTs that grant access to private online communities or special events.

4. How can NFTs enhance brand partnerships and collaborations?

NFTs can be a powerful tool for **brand partnerships** and **collaborations**. By partnering with other brands, artists, or influencers, businesses can release co-branded NFT collections that attract a larger audience and generate buzz. Collaborative NFT drops often tap into the fanbases of both brands, driving higher sales and brand visibility.

These partnerships can also leverage the rarity and exclusivity of NFTs to create limited-edition collections that increase demand, enhance the customer experience, and result in more sales. Additionally, influencers can promote NFT collections, further expanding their reach.

5. How do NFTs help in creating personalized customer experiences?

NFTs can be used to offer **personalized experiences** by allowing customers to customize digital assets, products, or services. Businesses can create **customizable NFTs** where customers can design their own digital items (such as art, fashion, or collectibles), creating a one-of-a-kind product tied to the brand.

Personalized NFTs can also be linked to **exclusive rewards** or **VIP access**, providing customers with unique experiences that enhance brand loyalty. By offering exclusive content, tailored products, and one-of-a-kind NFTs, businesses can create deeper connections with customers, driving both engagement and revenue.remium features, like rewards programs or international spending. To avoid unexpected costs, always review the fee schedule provided by the card issuer before choosing a crypto debit card.

Michael Saylor's MicroStrategy enters Nasdaq 100

Nasdaq has announced that Michael Saylor's MicroStrategy will be added to the Nasdaq 100 index.

Nasdaq has announced that Bitcoin bull Michael Saylor's company, MicroStrategy (MSTR), will be added to the Nasdaq-100 Index starting Dec. 23.

MicroStrategy is one of three companies to be added to the index alongside Palantir Technologies Inc. (PLTR), and Axon Enterprise, Inc. (AXON), according to a Dec. 13 statement published by Nasdaq.

MSTR now among Nasdaq's 100 largest stocks by market cap Meanwhile, Illumina, Inc. (ILMN), Super Micro Computer, Inc. (SMCI), and Moderna, Inc. (MRNA) will be removed from the index.

The listing means that MicroStrategy, a software company that became a de facto Bitcoin BTC $104,421 hedge fund in 2020, is among the Nasdaq's 100 largest stocks by market capitalization.

On Dec. 11, Cointelegraph reported that the inclusion in the Nasdaq 100 will add MSTR to the portfolio of Invesco QQQ Trust (QQQ), an exchange-traded fund (ETF) with approximately $322 billion in assets under management (AUM).

Crypto analyst Will Clemente wrote in a Dec. 13 X post, "Now that MSTR is getting added to the Nasdaq, every large pension fund, sovereign wealth fund, and individual retirement account in the world is going to have Bitcoin exposure."

Read more...

Ripple CTO Warns of 'FOMO' as RLUSD Stablecoin Prepares for Market Debut

Schwartz highlighted pre-market bids for RLUSD reaching $1,244, driven by buyers eager to claim the "honor" of being the first to buy it.

Ripple's chief technology officer, David Schwartz, has cautioned investors about potential price volatility for RLUSD, Ripple's U.S. dollar-pegged stablecoin, as it prepares for launch.

In a December 15 post on X, Schwartz addressed concerns about RLUSD's market debut, acknowledging the possibility of initial supply shortages that could drive its price

above its intended $1 parity to the U.S. dollar.

An announcement for when RLUSD will be released to the market has yet to be provided. Ripple did not immediately respond to a request for comment.

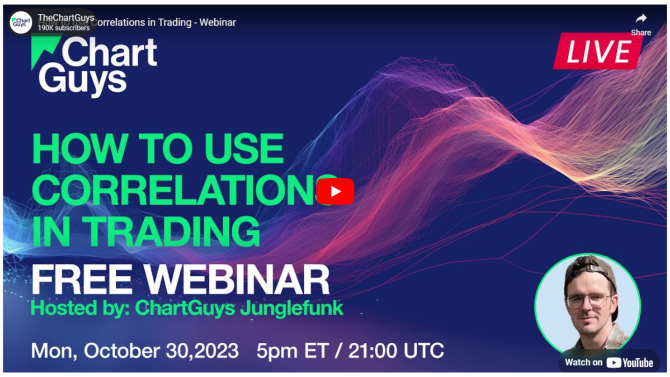
In August, Ripple announced that it had started testing its new stablecoin on XRP Ledger (XRPL) and Ethereum mainnet. Ripple plans to utilize RLUSD to provide cross-border payment solutions to its global users.
Schwartz noted some pre-market bids valuing RLUSD as high as $1,244, attributing this to excitement from buyers seeking to claim "the honor" of purchasing the first units of the stablecoin.

"There actually is someone willing to pay $1,200/RLUSD for a tiny fraction of one RLUSD," Schwartz wrote, referencing a Ripple wallet listing.

However, he said such inflated valuations would be short-lived, assuring that "the price will come back to very close to $1 as soon as supply stabilizes. If it doesn't, something is very seriously wrong."

Read more...

Cryptocurrency investments are becoming a popular asset class for many investors. However, due to the volatile nature of the crypto market, effective risk management is essential for protecting investments and achieving long-term growth. One valuable tool for managing risk in the crypto space is understanding crypto correlation. By measuring the relationship between cryptocurrency and traditional financial assets, investors can build diversified portfolios that help hedge against market fluctuations and mitigate risk.



This guide provides a detailed explanation of how to use crypto correlation for better risk management, including tools, strategies, and key concepts you need to know. From understanding the correlation coefficient to applying it effectively in your portfolio, this comprehensive guide will help you navigate the crypto market more confidently.

What is Crypto Correlation?

Crypto correlation is a mathematical measure that shows the relationship between the price movements of cryptocurrencies and other financial assets. It helps investors assess the correlation between different asset classes—such as cryptocurrencies, stocks, bonds, and commodities—and how these assets move in relation to one another.

The measure is represented by a correlation coefficient (r), which ranges from +1.0 to -1.0. Here's what each value indicates:

+1.0 (Positive Correlation): When assets move in the same direction. If one asset's price increases, the other's price does as well.

-1.0 (Negative Correlation): When assets move in opposite directions. If one asset's price increases, the other's price decreases.

0 (No Correlation): No discernible relationship exists between the price movements of the two assets.

Understanding these correlations can help investors optimize their portfolios by strategically choosing assets that complement each other, improving overall risk management.

How Crypto Correlation Helps in Risk Management

1. Hedging Against Volatility

The cryptocurrency market is known for its extreme volatility, with prices swinging dramatically within short time frames. This volatility can result in significant gains or losses, making it a risky asset class for investors.

Using crypto correlation strategies, investors can hedge against potential losses by pairing cryptocurrencies with traditional assets that have negative correlations. For example, if cryptocurrencies are highly correlated with a traditional asset like gold, which is considered a safe-haven asset, investors can diversify their portfolios to protect themselves when the crypto market is in a downturn.

2. Building a Diversified Portfolio

Diversification is one of the most effective strategies for reducing risk. By including assets with low or negative correlations, you can create a balanced portfolio that performs better during market fluctuations. The idea is to combine assets that don't all move in the same direction at the same time.

For instance, if the price of cryptocurrencies drops, stocks or bonds may rise or remain stable. A well-diversified portfolio would reduce exposure to risks associated with market downturns. Understanding the correlation between cryptocurrencies and traditional financial assets such as stocks, bonds, and commodities can help build a portfolio with a mix of asset classes.

3. Optimal Asset Allocation

Crypto correlation also helps investors understand how assets interact with one another over time, allowing them to allocate funds effectively. If two assets are positively correlated, it may make sense to avoid overexposure to both in the same portfolio. On the other hand, assets with negative correlations can help balance risk. A crypto investor who understands these correlations will be able to adjust their portfolio more effectively based on changing market conditions.

Types of Crypto Correlation

Understanding different types of correlations in the crypto market can significantly improve your risk management strategy. The primary types of correlations include:

1. Positive Correlation

Positive correlation occurs when two assets move in the same direction. For example, if the price of Bitcoin (BTC) rises, and so does the price of Ethereum (ETH), then BTC and ETH have a positive correlation. A perfect positive correlation occurs when two assets move exactly in sync, which is represented by a correlation coefficient of +1.0.

Positive correlation between crypto assets can be useful for amplifying exposure in an upward market. However, when the market goes down, positive correlation may lead to more significant losses across correlated assets. This is why it's essential to balance positive correlations with other types of correlations for more effective risk management.

2. Negative Correlation

Negative correlation occurs when assets move in opposite directions. For example, Bitcoin and gold have often shown a negative correlation. When Bitcoin's price rises, gold's price might fall, and vice versa. A perfect negative correlation is represented by a coefficient of -1.0, indicating that the assets move in perfect opposition to one another.

A negative correlation is especially useful for risk mitigation, as the decline in one asset may be offset by the rise of another. By pairing negatively correlated assets, such as cryptocurrency and gold, investors can reduce their overall portfolio volatility, ensuring that losses in one asset class are compensated by gains in another.

3. No Correlation

No correlation means that the price movements of two assets are completely independent of one another. A correlation coefficient of 0 indicates that there is no predictable pattern in how the assets move relative to each other.

Assets with no correlation can be useful in creating an extremely diversified portfolio. These assets might not necessarily react to market forces in the same way, providing another layer of protection from volatility.

Understanding the Evolving Relationship Between Bitcoin and Gold

One of the key examples of crypto correlation is the relationship between Bitcoin and gold. Gold is often considered a safe-haven asset—its price tends to rise during times of financial uncertainty or market turbulence. Bitcoin, on the other hand, is considered a speculative asset with higher volatility, which can result in sudden price fluctuations.

Historical Trends and Analysis

The correlation between Bitcoin and gold has fluctuated significantly over time. For instance, in October 2018, the correlation reached -0.58, indicating that when the price of gold rose, Bitcoin tended to fall. However, the correlation has shifted between positive and negative values over the years, reflecting changing investor sentiment and market dynamics.

In November 2024, the correlation between Bitcoin and gold stood at -0.36, suggesting a moderate tendency for the two assets to move in opposite directions. This can help investors hedge their risk, as the price of gold could rise during times when Bitcoin is experiencing a downturn, providing balance to the overall portfolio.

How Political Events Affect Bitcoin and Gold Correlation

Political events, such as the 2024 US presidential election, have further highlighted the changing correlation between Bitcoin and gold. After the election results, gold prices dropped by over 4%, while Bitcoin's price remained relatively stable, reflecting the distinct dynamics at play. These events also impact investor sentiment, with Bitcoin and gold reacting differently depending on the macroeconomic environment and inflation expectations.

How to Measure Crypto Correlation

Crypto correlation is a crucial concept in portfolio management, helping investors assess how different assets, including cryptocurrencies and traditional financial assets, interact with each other in terms of price movements. By measuring the correlation between assets, investors can better understand their exposure to risk and make more informed decisions when building their portfolios. In this article, we'll walk through the process of measuring crypto correlation, the methods used, and the tools available to assist with these calculations.

What is Crypto Correlation?

Before diving into the methods for measuring crypto correlation, it's essential to understand what the term means. Crypto correlation refers to the statistical relationship between the price movements of two or more assets, which can be cryptocurrencies (such as Bitcoin or Ethereum) or traditional financial assets (stocks, bonds, commodities like gold, etc.). The correlation is measured by the correlation coefficient, a number that can range from -1 to +1:

+1: A perfect positive correlation, where the two assets move in the same direction at the same time.

-1: A perfect negative correlation, where the two assets move in opposite directions at the same time.

0: No correlation, meaning there is no predictable relationship between the price movements of the two assets.

This correlation allows investors to assess how different assets behave relative to one another, which is essential for managing risk and diversification.

Why Measuring Crypto Correlation is Important

For investors, understanding crypto correlation is crucial for creating a well-balanced portfolio. Given the volatility in cryptocurrency markets, correlating assets with less risk or less volatility can provide a protective effect when the crypto market experiences sudden downturns. If the cryptocurrency in your portfolio is negatively correlated with other assets, these assets may perform well when the crypto market declines, thus helping to reduce overall portfolio risk.

For example, traditional financial assets such as gold have historically been negatively correlated with cryptocurrencies. If Bitcoin's price falls, gold may rise as investors flock to it as a safe-haven asset. Conversely, when the crypto market is booming, traditional assets like stocks may face a downturn, depending on broader economic factors.

Methods of Measuring Crypto Correlation

There are several statistical methods available to measure crypto correlation. The most commonly used methods are:

1. Pearson Correlation Coefficient (Linear Correlation)

The Pearson correlation coefficient is the most widely used method for calculating the linear correlation between two variables. It measures how strongly two assets are related in terms of their price movements and provides a number between -1 and +1. A positive value indicates that the assets tend to move in the same direction, while a negative value indicates that they move in opposite directions.

The formula for the Pearson correlation coefficient (denoted as r) is as follows:

r=∑(Xi−X¯)(Yi−Y¯)∑(Xi−X¯)2∑(Yi−Y¯)2r = \frac{\sum{(X_i – \bar{X})(Y_i – \bar{Y})}}{\sqrt{\sum{(X_i – \bar{X})^2} \sum{(Y_i – \bar{Y})^2}}}r=∑(Xi −X¯)2∑(Yi −Y¯)2 ∑(Xi −X¯)(Yi −Y¯)

Where:

XiX_iXi and YiY_iYi are the values of the two assets being compared at time iii,

X¯\bar{X}X¯ and Y¯\bar{Y}Y¯ are the mean values of the respective assets.

Pearson's method is highly effective when the relationship between the two assets is linear.

However, if the relationship is nonlinear, this method might not provide accurate results.

2. Spearman Rank Correlation (Non-Linear)

The Spearman rank correlation measures the strength and direction of the relationship between two assets, but it focuses on the rank order of the values rather than the actual data points. This method is used when the relationship between assets is non-linear, and it doesn't assume that the data follows a normal distribution.

The Spearman rank correlation coefficient can range from -1 (perfect negative correlation) to +1 (perfect positive correlation). A value of 0 indicates no correlation. The formula for the Spearman correlation coefficient is:

ρ=1−6∑di2n(n2−1)\rho = 1 – \frac{6 \sum d_i^2}{n(n^2 – 1)}ρ=1−n(n2−1)6∑di2

Where:

did_idi is the difference between the ranks of each pair of observations,

nnn is the total number of data points.

Spearman's rank correlation is useful when data exhibits outliers or non-linear trends, as it does not require the relationship to be linear.

3. Kendall's Tau

Kendall's Tau is another non-parametric method used to measure correlation, particularly in cases where the data does not follow a linear trend. It calculates the strength of the relationship between the ranks of two variables. Kendall's Tau is often used when the dataset contains many tied ranks or when the data is ordinal.

The formula for Kendall's Tau is:

τ=(C−D)(C+D+T1)(C+D+T2)\tau = \frac{(C – D)}{\sqrt{(C + D + T_1)(C + D + T_2)}}τ=(C+D+T1)(C+D+T2) (C−D)

Where:

CCC is the number of concordant pairs,

DDD is the number of discordant pairs,

T1T_1T1 and T2T_2T2 represent tied values in each dataset.

Kendall's Tau is considered to be more robust and accurate for smaller datasets or datasets with many tied ranks, compared to Spearman's rank correlation.

Tools for Measuring Crypto Correlation

While the above methods are powerful, they require access to data and the ability to perform complex calculations. Fortunately, there are a variety of tools and platforms available that make it easier to measure crypto correlation, whether you are an experienced investor or just starting out.

1. Coin Metrics

Coin Metrics offers an advanced platform for analyzing the correlation between various cryptocurrencies. It provides multiple methods for calculating correlation, including Pearson's, Spearman's, and Kendall's Tau. Coin Metrics has an extensive database of historical price data for cryptocurrencies, allowing users to analyze how assets have behaved in the past.

Coin Metrics offers a user-friendly dashboard that allows you to visualize correlation trends, making it easier to assess how crypto assets interact with each other or with traditional financial assets.

2. Blockchain Center
Blockchain Center offers a simple yet powerful tool to measure crypto correlation. It allows users to compare the price movements of the top cryptocurrencies against each other and against traditional assets like gold, stocks, and indices. With this tool, investors can assess how different assets move in relation to each other, helping to make informed decisions about portfolio diversification.

3. DefiLlama
DefiLlama is another excellent resource for measuring crypto correlation. The platform offers access to historical price data and a Pearson coefficient correlation matrix, which allows you to compare multiple cryptocurrencies at once. DefiLlama also lets you customize the correlation analysis to suit your particular data needs, providing insights into how altcoins behave relative to Bitcoin, Ethereum, or other assets.

4. CryptoCompare
CryptoCompare provides users with real-time and historical data on a wide range of cryptocurrencies. It includes a built-in tool to measure the correlation between different assets over time, making it an excellent resource for assessing your portfolio's risk exposure.

Practical Steps to Measure Crypto Correlation
To measure crypto correlation effectively, follow these steps:

Collect Historical Price Data: Choose the cryptocurrencies and traditional assets you wish to analyze. Use platforms like CoinMarketCap, CoinGecko, or Bloomberg to gather price data for a selected period.

Choose a Correlation Method: Depending on the relationship you believe exists between the assets (linear or non-linear), choose either the Pearson, Spearman, or Kendall correlation method.

Analyze the Data: Use tools like Excel, Google Sheets, or programming languages like Python or R to perform the correlation calculation. Alternatively, leverage online platforms such as Blockchain Center, Coin Metrics, or DefiLlama for pre-built tools and visualizations.

Interpret the Results: Look at the correlation coefficient value to assess the relationship between assets. A positive value indicates the assets move in the same direction, while a negative value suggests they move in opposite directions. A coefficient of 0 means no correlation.

Build Your Portfolio: Use the insights from your correlation analysis to create a diversified portfolio. Include assets with low or negative correlation to reduce overall risk and protect against market downturns.

Utilizing Real-Time Correlation Data for Tactical Adjustments

While historical correlation data is useful for understanding long-term relationships, real-time data is invaluable for making tactical adjustments in a volatile market. Tools such as Coin Metrics, Blockchain Center, and DefiLlama allow investors to track live correlation data between cryptocurrencies and traditional assets. By closely monitoring this data, traders can respond to short-term market events, such as sudden market shifts or geopolitical crises, and make quick decisions to adjust their portfolio.

This responsiveness allows investors to optimize their risk management strategies and adjust their exposure based on current market conditions, making their portfolio more adaptable to rapid changes in market sentiment. For example, if Bitcoin becomes strongly correlated with equities during a market rally, traders may shift some funds into more uncorrelated or negatively correlated assets to avoid overexposure.

Common Mistakes in Using Crypto Correlation for Risk Management

While using crypto correlation is a powerful tool, it's important to avoid certain mistakes to ensure effective risk management:

1. Over-Reliance on Historical Data
Past performance is not always indicative of future results. Relying too heavily on historical data can lead to miscalculations and ineffective portfolio decisions. Market conditions, regulations, and investor sentiment can change, impacting correlation trends.

2. Ignoring Market Conditions
Event-driven volatility can drastically alter asset correlations. It's crucial to consider current market conditions, geopolitical events, and economic shifts when assessing correlation trends.

3. Data Misinterpretation
Incorrect calculations or misinterpretations can lead to flawed risk assessments and poor asset allocation. Always ensure your data sources are reliable and that your analysis is thorough.

Conclusion

Crypto correlation is a powerful tool for managing risk in cryptocurrency investments. By understanding how cryptocurrencies interact with traditional assets, investors can diversify their portfolios, hedge against market volatility, and make more informed decisions. Utilizing tools like BlockchainCenter, DefiLlama, and Coin Metrics can help streamline the process, allowing investors to track correlations and adjust their portfolios accordingly. By carefully measuring crypto correlation, investors can build stronger, more resilient portfolios that thrive in both bullish and bearish market conditions.

The crypto market is volatile, but with the right approach, you can better manage risk and navigate the complexities of cryptocurrency investing.

FAQs

1. What is crypto correlation and why is it important for investors?

Crypto correlation refers to the relationship between the price movements of cryptocurrencies and other financial assets, such as stocks, bonds, or commodities. It is measured using a correlation coefficient ranging from +1.0 (perfect positive correlation) to -1.0 (perfect negative correlation). Understanding crypto correlation is crucial for investors as it helps manage risk by identifying how assets in their portfolio react to market changes. By analyzing correlations, investors can diversify their portfolios more effectively, minimizing risks associated with the extreme volatility of cryptocurrencies and aligning them with traditional investments like equities or bonds.

2. How can investors use crypto correlation for better risk management?

Investors can use crypto correlation as a tool to diversify their portfolios and manage risk. By analyzing the correlation between different assets, investors can choose assets that either move in the same direction (positive correlation) or in opposite directions (negative correlation). This allows for building a portfolio that is more resilient to market fluctuations. For example, if cryptocurrencies are correlated with traditional stocks, an investor may reduce exposure to stocks or increase holdings in assets that have a negative correlation to crypto, such as gold or bonds. This strategic approach helps to cushion the impact of market volatility and protect the overall portfolio.

3. What role does diversification play in managing crypto risk?

Diversification is a key strategy for managing risk in any investment portfolio, and it's particularly important in the volatile world of cryptocurrency. By spreading investments across different asset classes with varying degrees of correlation, investors can reduce the risk of their entire portfolio being affected by fluctuations in a single asset. For instance, adding traditional assets like stocks, bonds, or commodities that have low or negative correlation with cryptocurrencies can help balance out the risk. This way, even if the value of cryptocurrencies drops significantly, the other assets in the portfolio can stabilize or even increase in value, helping to protect against heavy losses.

4. Can crypto correlation change over time?

Yes, crypto correlation can change over time due to shifting market conditions, investor sentiment, and external economic factors. For example, during periods of economic uncertainty or market crises, the correlation between cryptocurrencies and traditional assets like stocks may increase as investors seek either high-risk opportunities or safe havens. Conversely, in more stable market conditions, the correlation may decrease as cryptocurrencies and traditional assets react independently to different economic factors. It's essential for investors to regularly monitor correlations to ensure their portfolios remain balanced and adapt to changing market dynamics.

5. What tools can I use to analyze crypto correlation?

There are several tools and platforms available to help investors analyze crypto correlation. Popular ones include Blockchain Center, DefiLlama, and Coin Metrics, which offer interactive tools and dashboards for tracking correlations between cryptocurrencies and traditional assets. These platforms provide real-time and historical correlation data, making it easier for investors to understand market relationships and make informed decisions. Many of these tools offer customizable data sets, allowing investors to tailor their analysis to specific assets or time periods, enhancing their ability to manage risk and improve portfolio diversification.

Bitcoin Mining Giant Riot Platforms Adds More Than $510,000,000 Worth of BTC to Corporate Treasury

Publicly traded Bitcoin (BTC) mining firm Riot Platforms just added a massive amount of the flagship crypto to its corporate treasury.

In a new announcement, Riot says it used company-issued bonds to generate revenue to purchase 5,117 BTC at an average price of $99,669 per token.

"With the net proceeds from Riot's recent $525 million, 0.75% coupon convertible bond issue, the company has acquired 5,117 BTC at an average price of $99,669 per BTC, inclusive of fees and expenses.

As a result, Riot has increased its holdings to 16,728 BTC [as of December 11th], currently valued at approximately $1.68 billion based on the current market price of BTC of $100,303."

MicroStrategy founder and executive chairman Michael Saylor highlights Riot's latest Bitcoin purchase as he encourages more companies to consider Bitcoin as a treasury asset. He pioneered the strategy with MicroStrategy, which has the largest corporate holding of Bitcoin in the world.

"RIOT has a Bitcoin treasury strategy."

MicroStrategy also made a recent buy of Bitcoin this month, bringing its total holdings as of December 8th to 423,650 BTC.

Other companies are also building on their Bitcoin treasury strategy in December.

Read more...

LINK Surges to 2021 Levels as Trump's World Liberty Buys More Chainlink Tokens

LINK neared $30 in Asian morning hours Friday, data shows, with open interest (OI) on the token's futures zooming to record highs above $860 million.

The project purchased another $1 million worth of LINK late Thursday, data shows, for the second straight day.
LINK is now World Liberty Financial's fourth-largest holding after ether (ETH), bitcoin (BTC) and tether (USDT).
LINK neared $30 in Asian morning hours Friday, data shows, with open interest (OI) on the token's futures zooming to record highs above $860 million.
Donald Trump-backed World Liberty Financial just increased its holdings of Chainlink's LINK token.

The project purchased another $1 million worth of LINK late Thursday, data shows, for the second straight day, increasing its LINK stash to $2 million worth of tokens. It additionally brought $246,000 worth of Aave's AAVE, taking total token holdings to $1.2 million.

LINK is now World Liberty Financial's fourth-largest holding after ether (ETH), bitcoin (BTC) and tether (USDT).

Backed by the Trump family, World Liberty Financial is a unified platform where users can borrow and lend cryptocurrencies, create liquidity pools and transact with stablecoins. WLFI serves as a governance token for the platform.

It uses data provider Chainlink's services for better integrating with the wider crypto ecosystem.

Read more...

Pump Fun updates terms to block UK users days after FCA warning

Compliance woes have resulted in Pump.Fun blocking UK users from Solana's go-to memecoin hub.

Pump.Fun has restricted access to users in the UK days after receiving a regulatory warning from the country's financial watchdog.

The decision comes after a Dec. 3 warning from the UK's Financial Conduct Authority (FCA), which flagged the Solana-based memecoin launchpad for potentially offering financial products without authorization.

In compliance with UK regulations, Pump.Fun updated its terms of service on Dec. 6 to exclude British users. Visitors from the region are now met with a notification explaining the change.

The FCA, the nation's primary financial watchdog, requires all crypto firms to register before offering services to UK residents. Since the rules were introduced in 2020, only 47 out of 347 applicants have successfully obtained FCA approval, reflecting the regulator's stringent standards.

By restricting access for UK users, Pump.Fun joins a growing list of crypto platforms adjusting operations to navigate regulatory challenges. However, critics argue that such actions are often reactive and do little to address underlying issues of transparency and governance.

Pump.Fun, which facilitates rapid token issuance for meme-inspired cryptocurrencies.

Read more...

Solana emerges as fastest-growing ecosystem for developers globally

According to data from CoinMarketCap, Pepe has a maximum supply of roughly 420 trillion tokens, with all tokens already in circulation.

Solana's grassroots approach in Africa fuels its rapid ascent in global developer rankings.

Solana has claimed the top spot as the preferred blockchain ecosystem for new developers, eclipsing Ethereum's dominance for the first time in nearly a decade.

A report by Electric Capital highlighted that 7,625 new developers joined the Solana network in the past year, marking the first time any blockchain ecosystem has surpassed Ethereum in developer attraction since 2016.

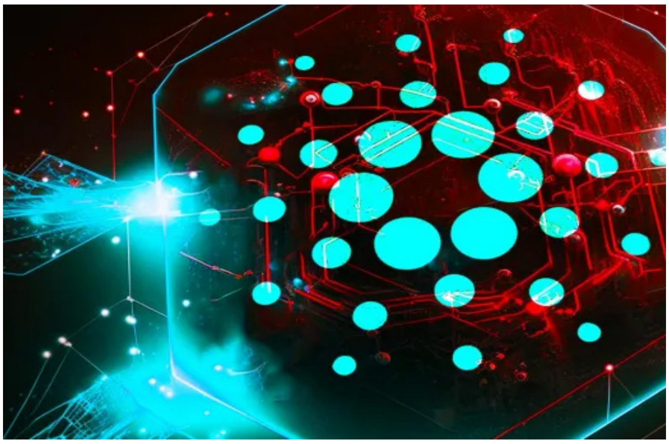
Solana has also positioned itself as the fastest-growing large ecosystem, with over 2,000 monthly active developers—a remarkable 83% year-over-year growth. This surge aligns with Solana's global adoption, particularly in Asia. Across continents, Solana trails only Ethereum in total developer activity.

The network now leads as the top developer ecosystem in India and ranks second in the US, UK, Canada, and China. It is also a leading choice across Africa, especially in Nigeria.

Harrison Obiefule, co-lead of Solana Superteam Nigeria, attributes the network's success in Africa to its grassroots approach, which focused on decentralization, talent development, and a mission to onboard users through earning rather than buying crypto.

Read more...

Crypto Whales Gobble Up Nearly $149,600,000 Worth of Cardano and Large-Cap Memecoin in Just Two Days: Analyst



An on-chain analyst says deep-pocketed investors are loading up massive amounts of Cardano (ADA) and a top memecoin as the market went sideways for the past week.

Analyst Ali Martinez tells his 98,800 followers on the social media platform X that crypto whales accumulated $85.6 million worth of ADA in a couple of days.

At time of writing, ADA is trading for $1.07.

Martinez also says deep-pocketed investors snapped up $64 million worth of the large-cap memecoin Dogecoin (DOGE).

"Whales bought another 160 million Dogecoin DOGE in 24 hours!"

At time of writing, DOGE is worth $0.40.

In total, the crypto whales accumulated nearly $150 million worth of ADA and DOGE in just two days during the past week.

Turning to Bitcoin, Martinez says he's looking at BTC's In/Out of the Money Around Price (IOMAP) metric. IOMAP classifies crypto addresses as either profiting, breaking even, or losing money – to determine support and resistance levels for BTC.

According to the analyst, Bitcoin has a fortress of support above $94,000 as millions of wallets accumulated millions of BTC around and above the price area.

Read more...

Japanese Lawmaker Named Satoshi Pushes for National Bitcoin Reserve

As national Bitcoin reserve plans gain traction, House of Councillors member Satoshi Hamada is urging consideration in Japan.

A Japanese lawmaker is pushing his government to consider launching a national Bitcoin reserve, as calls to stockpile the cryptocurrency gain traction across the world.

A formal request to discuss the would-be Bitcoin reserve was submitted on December 11 to the National Diet, according to the Japanese legislature's website. National Diet member Satoshi Hamada put forth the proposal; he shares a given name with Bitcoin's pseudonymous creator (or creators), Satoshi Nakamoto.

The push to kick-start discussions around creating a national Bitcoin reserve in Japan follows similar calls to action by lawmakers in Russia, Brazil, Poland and the U.S. The issue has gained supporters in several corners of the world following Bitcoin's ascent to a new all-time high price above $103,000 earlier this month.

The National Diet had not responded to the Bitcoin reserve proposal as of publication time.

A Japanese parliament representative did not immediately respond to Decrypt's request for comment.

Read more...

Bit Global Digital Takes Coinbase To Court Over WBTC Delisting

A well-known cryptocurrency exchange firm might be forced to pay up to $1 billion in damages for delisting a digital currency from its platform.

The issuer of Wrapped Bitcoin, Bit Global Digital is suing crypto platform Coinbase for the losses incurred after the digital currency exchange removed its crypto token.

Coinbase is now facing a complaint filed by Bit Global Digital for the unfair delisting of Wrapped Bitcoin to gain an upper hand on the Wrapped Bitcoin market.

The Wrapped BTC issuer said that the delisting resulted in around $1 billion in losses, seeking damages from the crypto exchange for the unjust removal of the virtual token.
Bit Global Digital filed a complaint at the US District Court, Northern District of California for eight counts of violations which include attempted monopolization, unfair competition, and trade libel, claiming that Coinbase's actions led to huge financial losses for the company and tainted the reputation of Wrapped BTC leading to consumers losing their confidence on the token.

Launching Of Coinbase's New Asset
Bit Global Digital accused Coinbase of removing Wrapped Bitcoin to eliminate competition for its new asset, cbBTC, saying that cbBTC is a product that is directly competitive with wBTC.

The crypto exchange platform launched cbBTC in September 2024 and has been introduced on Ethereum, Base, and Solana.

Read more...

Robinhood Recorded $119B in Crypto Notional Trading Volume This Year: Report

Robinhood faced some regulatory challenges in 2024, but that did not stop the company from expanding to new markets and experiencing significant growth.

The cryptocurrency arm of the American financial services company Robinhood has released its end-of-the-year report for 2024, outlining its growth and expansion to new markets over the past 11 months.

Alongside the report release, Robinhood Crypto is celebrating the first anniversary of launching a digital asset trading division in Europe.

Robinhood Releases End of Year Report
According to the report, Robinhood Crypto recorded a notional trading volume of $119 billion and $38 billion in crypto assets under custody as of November 2024. The entity said 2024 was an important year for its business because of the milestones it achieved.

Robinhood Crypto expanded its services in the United States by achieving full coverage in 50 states and territories, including Hawaii, Puerto Rico, and the U.S. Virgin Islands. The company increased the number of available cryptocurrencies in the U.S. to 20 by adding new assets like Solana (SOL), Pepe (PEPE), and dogwifhat (WIF).

It also launched a new trading application programming interface for its U.S. users, offering tools to view market data, manage portfolios, and place advanced orders.

Read more...

Kraken Slammed With $5.1 Million Fine for Regulatory Breach in Australia

An Australian court fined Kraken $5.1 million AUD for offering a margin lending product to Australian customers without proper regulatory approval.

An Australian court has fined the digital asset exchange platform Kraken $5.1 million Australian dollars (AUD) for "unlawfully issuing a credit facility to more than 1,100 Australian customers." The penalty concludes legal proceedings launched against the platform by the Australian Securities and Investments Commission (ASIC).

According to the regulator's Dec. 12 statement, the penalty against Kraken relates to its "margin extension" product, which had been offered to users without a target market determination (TMD). The product, which Kraken has offered since October 2021, allowed for margin extensions to be made and repaid in either digital assets like bitcoin or national currencies such as U.S. dollars.

However, in August of this year, an Australian Federal Court ruled that Bit Trade — the operator of Kraken in the country — had breached its design and distribution obligations (DDO) each time it offered the product without the TMD. Commenting on the court's decision to penalize Bit Trade, ASIC Chair Joe Longo, said:

Target market determinations are fundamental in ensuring that investors are not inappropriately marketed products that could harm them.

Read more...

Polygon community weighs proposal to deploy over $1 billion in stablecoin on its bridge for yield generation

The Polygon community is evaluating a proposal to utilize over $1 billion in stablecoin reserves held on the PoS Chain bridge to generate yield.

The proposal was pitched by Web3 risk provider Allez Labs in conjunction with DeFi protocols Morpho and Yearn, aiming to gather community input.
The idle reserves currently represent an opportunity cost of around $70 million annually, the proposal claimed.

The Polygon community is discussing a proposal to generate a yield from over $1 billion held on the PoS Chain bridge — the canonical bridge connecting the network with Ethereum.

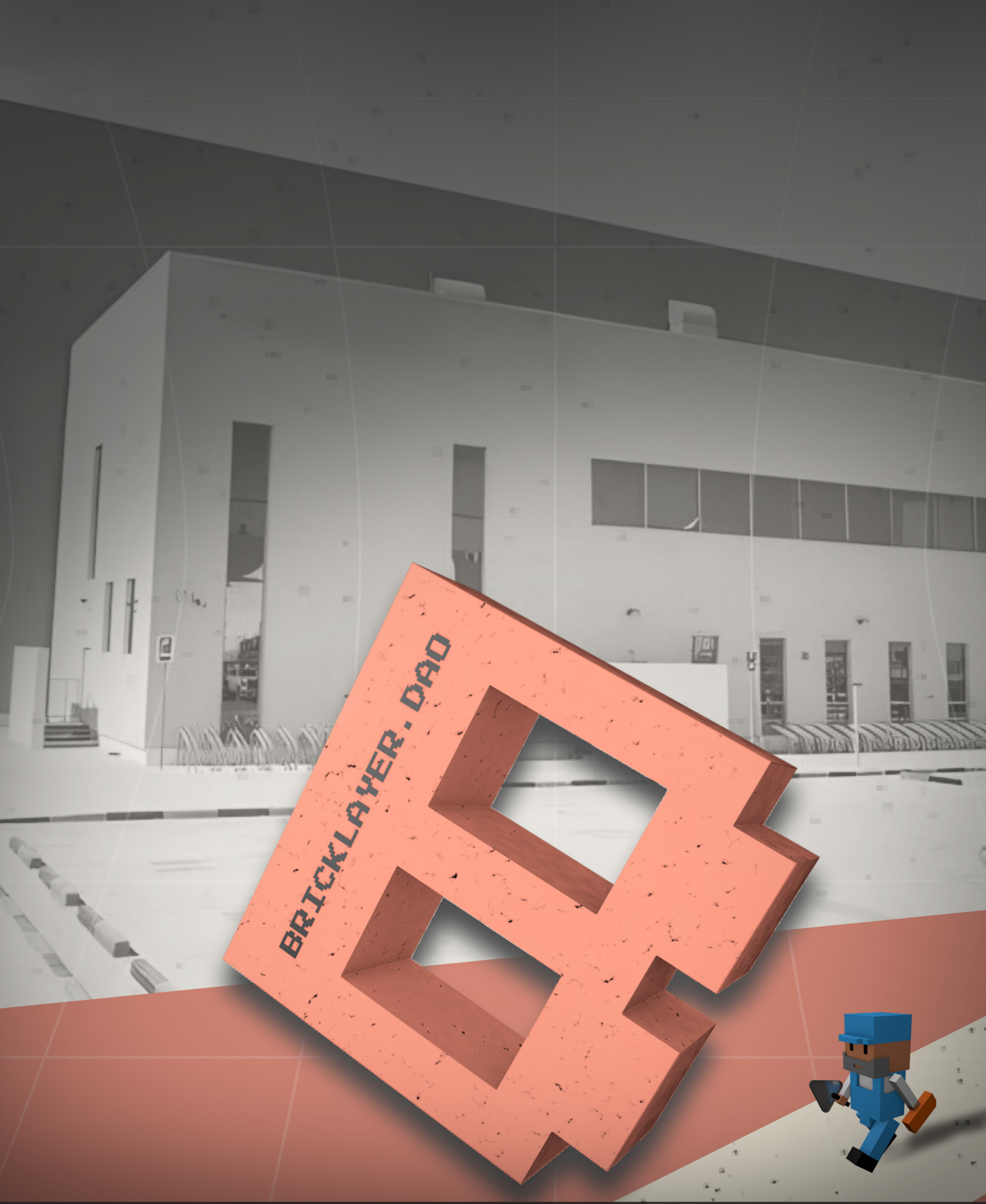
Web3 risk provider Allez Labs, along with DeFi protocols Morpho and Yearn, wrote a Pre-Polygon Improvement Proposal seeking input from the Polygon community on deploying about $1.3 billion in stablecoin reserves (DAI, USDC and USDT) from the Polygon PoS Bridge.

The proposal claimed that these funds represent an opportunity cost of around $70 million annually due to the idle $1.3 billion stablecoin reserve.

It aims to use these funds to incentivize additional activity on Polygon PoS and within the broader AggLayer.

The stablecoin reserves would be gradually deployed into ERC-4626 vaults specific to each asset type.

Read more...



WWW.PLATINUMCRYPTOACADEMY.COM