

De-Coding Crypto

Weekly Analysis

The altcoins come in, two by two

February 5, 2020

In this week's issue, we assess the performance of mid and large-cap altcoins in January, and what it may mean going forward. We also examine a couple of pieces of potential new cryptocurrency legislation in the US.

Written by Joseph Edwards, Head of Research at Enigma Securities.

Our Market View

May you live in interesting times. Not an entirely actionless week, with almost every alt gaining heavily, but BTC itself stood pat, extremely tightly bound between \$9200-\$9500 for the most part, with just one serious swing at resistance on Monday.

We still think resistance goes before support, and the move upwards this morning seems to all but confirm a bull flag formation. Our bias hence remains bullish.

Please direct all enquiries about this week's research to jedwards@enigma-securities.io.

Major

Ticker	Price	7D	1M	6M	12M	Cap
BTC	9404.77	1.40%	25.02%	-16.69%	159.30%	171.2B
ETH	197.273	12.58%	40.81%	-4.26%	67.20%	21.62B
XRP	0.271065	15.50%	28.87%	-8.12%	-11.26%	11.85B
BCH	423.439	11.04%	81.67%	34.97%	235.60%	7.73B
LTC	67.9216	19.26%	62.91%	-15.71%	62.44%	4.34B
EOS	4.22772	10.24%	61.28%	10.07%	61.46%	4.02B

Selected

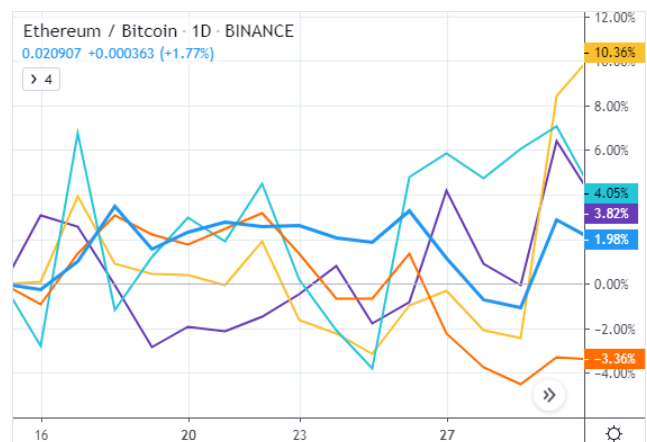
Ticker	Price	7D	1M	6M	12M	Cap
BSV	268.302	0.17%	148.50%	101.80%	339.20%	4.90B
XTZ	2.07418	33.06%	57.02%	49.12%	448.00%	1.44B
ETC	12.0519	-1.69%	147.60%	113.80%	198.20%	1.40B
DASH	120.175	3.16%	119.10%	21.72%	64.54%	1.12B

The altcoins come in, two by two

In our January 15th issue, we asked: is alt-season here?

We do not fully trust a lot of the recent price action. There has been a degree of blatant manipulation (as our research discusses) and a lord of herd effect pushing prices up; the only reason we wouldn't call it a market-wide bubble is because some of the best performers have been the ones that were on balance likely oversold in Q4 (ETH, EOS, ZEC all stand out) and hence are closer to reaching fair values than outlandish ones. This could be similar to the January 2019 rally or the outperformance in May, but it could just as easily be a September-style blip; far more needs to be seen in our view to have any confidence in the trend.

At the time, we were just barely removed from the peak of BSV's sudden (and almost certainly inorganic) run upwards, and essentially all altcoins were riding above BTC on the week (and most on the month too). From there until the end of the month, performances remained positive, if not explosive:



Credit: Tradingview. Blue: ETHBTC, orange: XRPBTC, turquoise: BCHBTC, yellow: LTCBTC, purple: EOSBTC, all Binance except BCH (Coinbase Pro).

Most finished the month somewhere between 2% and 6% ahead of BTC, with LTC being the one outlier among the mid- and large-caps. It should be noted that this was in the context of BTC itself rallying (to the tune of around 7%).

Still, this was a decent appreciation, and this feels like an opportune time to reevaluate alts as a class - and, in particular, to look at the context of alts that had significant performances deanchored from BTC rallies.

To start, we looked at a total of 15 alts and their performances across the month. These were comprised of:

- the five alts that we classify as 'major' alts - ETH, XRP, BCH, LTC, EOS.
- an additional ten alts: ADA, BNB, BSV, DASH, ETC, LINK, TRX, XLM, XMR, XTZ. Our only criteria here was that any mentioned alt had a market cap of over \$1b as of February 1st (as defined by cryptowat.ch); a handful of alts did miss the cut as a result (most notably ZEC and a few 'Chinacoins' such as NEO; we discuss ZEC later, and most Chinacoins were around the average for alts).

These were the performances across the whole month, as defined by BTC pairings specifically:

Coin	Change	Coin	Change	Coin	Change
BTCUSD	29.99%	BTCUSD	29.99%	BTCUSD	29.99%
ETH	7.19%	ADA	26.26%	LINK	22.78%
XRP	-4.55%	BNB	2.52%	XLM	4.01%
BCH	41.15%	BSV	116.19%	XMR	24.20%
LTC	26.70%	DASH	116.65%	XTZ	-5.48%
EOS	23.34%	ETC	94.24%	TRX	8.70%

Data: all Binance via Cryptodatadownload, except BCH, XTZ (Coinbase Pro), BSV (Huobi). Based on opens on 01/01/2020 and 01/02/2020. All prices except BTC are BTC-denominated (e.g. ETH is ETHBTC).

We can see some very clear winners (DASH, BSV, ETC), an outperformance of about 20% by most of the herd, and a relatively modest number that were flat or negative that nonetheless encompasses somewhere around 50% of the market at any given time (based on ETH and XRP alone). Note that, again, this was specifically against BTC (i.e. every coin gained in USD terms).

However, these movements were far from evenly distributed, and hence, we go to this chart:

CLOSE	BTC	ETHBTC	XRPBTC	BCHBTC	LTCBTC	EOSBTC	ADABTC	BNBBTC	BSVBTC	DASHBTC	ETCBTC	LINKBTC	XLMBTC	XMRBTC	XTZBTC	TRXBTC
01/01/2020	0.08%	1.11%	0.00%	-0.11%	0.66%	0.61%	1.53%	-0.21%	0.15%	1.61%	0.21%	2.16%	0.80%	2.51%	1.90%	-0.54%
02/01/2020	-3.27%	0.61%	0.37%	-0.99%	-2.06%	-2.38%	1.08%	-1.84%	-1.32%	-1.14%	-2.88%	-0.82%	-0.32%	2.72%	-6.40%	0.55%
03/01/2020	-5.44%	0.22%	-2.19%	7.62%	1.59%	1.87%	-0.64%	-0.48%	5.05%	4.14%	2.65%	-1.25%	-0.80%	6.15%	-2.27%	0.04%
04/01/2020	0.12%	-0.27%	-0.94%	1.12%	1.18%	0.11%	0.43%	0.97%	6.00%	5.01%	3.75%	-0.81%	-0.32%	-1.30%	-2.60%	-0.50%
05/01/2020	0.06%	0.82%	0.76%	-0.95%	1.13%	1.42%	0.64%	1.71%	0.88%	10.68%	2.36%	-1.73%	-0.32%	6.51%	0.09%	0.55%
06/01/2020	9.43%	0.98%	8.85%	3.90%	0.36%	0.68%	1.91%	0.89%	1.19%	4.86%	-2.13%	2.30%	5.34%	4.15%	-1.91%	3.26%
07/01/2020	4.99%	5.65%	9.03%	5.86%	-3.74%	-4.98%	-5.41%	-4.26%	-7.94%	3.03%	8.53%	3.38%	8.76%	5.71%	5.26%	-7.37%
08/01/2020	-1.10%	-0.34%	-1.57%	0.40%	-0.95%	-1.32%	-0.66%	-2.06%	1.35%	-2.91%	3.74%	5.44%	-0.34%	3.06%	4.45%	-1.14%
09/01/2020	-2.96%	0.86%	1.09%	2.01%	1.67%	1.80%	2.44%	1.94%	5.72%	-0.77%	7.72%	2.87%	1.86%	1.73%	-0.80%	2.87%
10/01/2020	4.85%	0.28%	-0.31%	9.08%	4.52%	3.88%	-2.60%	0.00%	40.10%	7.49%	-1.33%	-2.77%	-2.65%	-4.99%	-2.59%	0.56%
11/01/2020	-2.16%	0.45%	1.85%	-1.90%	2.76%	2.28%	2.00%	1.09%	14.00%	6.12%	4.22%	2.56%	1.77%	1.36%	0.56%	0.56%
12/01/2020	2.06%	0.90%	-0.08%	1.57%	2.23%	5.26%	0.87%	0.86%	7.50%	2.17%	-1.77%	-3.59%	-0.50%	-0.39%	-1.21%	1.10%
13/01/2020	-0.91%	-1.17%	-0.95%	-0.33%	-2.66%	-2.40%	-1.73%	-0.32%	5.62%	5.91%	-1.01%	-1.21%	-0.83%	-1.55%	-1.86%	-1.09%
14/01/2020	8.63%	6.21%	2.23%	20.04%	8.29%	12.90%	3.74%	0.59%	18.29%	13.99%	-0.10%	0.84%	-0.69%	-3.91%	5.52%	0.50%
15/01/2020	0.13%	0.37%	-0.53%	-2.53%	-0.51%	-1.25%	2.75%	6.43%	49.85%	17.70%	0.73%	3.51%	9.73%	1.25%	2.62%	1.53%
16/01/2020	-1.15%	-0.21%	-0.91%	-2.70%	0.12%	3.09%	-1.65%	-2.30%	0.37%	-3.82%	6.37%	5.02%	-0.65%	-3.02%	11.76%	1.53%
17/01/2020	2.22%	1.22%	2.29%	9.76%	3.80%	-0.48%	5.45%	3.58%	14.00%	9.84%	6.12%	10.71%	2.74%	-3.40%	-0.50%	0.00%
18/01/2020	0.03%	2.47%	1.71%	-2.43%	-2.89%	-2.58%	0.00%	-1.58%	14.00%	14.00%	2.76%	1.17%	-2.83%	0.76%	0.00%	0.00%
19/01/2020	-2.40%	-1.84%	-0.84%	-2.35%	-0.45%	-2.76%	-3.98%	0.05%	15.28%	6.26%	5.13%	-3.19%	0.00%	-0.39%	-1.41%	-0.33%
20/01/2020	2.68%	0.73%	-0.44%	1.77%	-0.06%	0.94%	4.97%	0.45%	8.35%	5.39%	2.04%	3.36%	5.36%	0.40%	12.75%	0.00%
21/01/2020	1.08%	0.47%	0.70%	-1.03%	-0.42%	-0.21%	4.14%	3.39%	3.06%	-0.55%	2.20%	-1.81%	-1.10%	0.36%	-5.06%	3.65%
22/01/2020	-0.61%	-0.21%	0.66%	2.49%	1.94%	0.69%	-0.19%	-0.97%	-1.66%	-1.90%	5.38%	-0.53%	-1.81%	-0.69%	4.80%	0.50%
23/01/2020	-3.20%	0.05%	-1.72%	-3.92%	-3.45%	1.02%	-2.47%	-1.02%	14.00%	-1.45%	6.79%	-3.41%	-1.98%	-0.61%	1.16%	-3.50%
24/01/2020	-0.41%	-0.57%	-2.01%	-2.43%	-0.65%	1.27%	3.70%	-0.44%	1.96%	-2.78%	1.59%	0.94%	-2.17%	-1.89%	-3.40%	0.52%
25/01/2020	-1.17%	-0.16%	0.00%	-1.75%	-0.88%	-2.58%	-2.81%	0.49%	-0.45%	2.36%	-1.37%	-1.30%	-0.89%	0.68%	-0.52%	-0.52%
26/01/2020	3.29%	1.35%	2.01%	8.92%	2.22%	0.98%	0.39%	-0.15%	1.90%	6.00%	6.06%	2.19%	1.04%	0.90%	-0.88%	1.55%
27/01/2020	3.40%	-2.05%	-3.54%	0.82%	0.67%	5.05%	3.46%	-2.22%	4.51%	-1.86%	9.56%	-1.11%	-1.80%	-1.00%	-3.43%	-1.53%
28/01/2020	-5.24%	-1.83%	-1.54%	-0.86%	-1.80%	-3.17%	4.83%	-3.07%	6.12%	-2.37%	3.85%	-3.23%	-3.88%	-1.69%	-3.52%	3.11%
29/01/2020	-0.78%	-0.32%	-0.78%	1.19%	-0.36%	-0.95%	1.60%	0.00%	-2.99%	5.99%	8.24%	5.54%	0.93%	4.07%	2.06%	1.01%
30/01/2020	2.28%	3.91%	1.26%	0.98%	11.13%	6.49%	3.14%	1.51%	2.06%	-1.99%	-1.67%	2.50%	0.92%	4.66%	4.86%	1.99%
31/01/2020	-1.69%	-0.88%	-0.08%	-2.81%	1.76%	-2.46%	-2.37%	0.10%	-7.16%	-3.43%	6.11%	-1.40%	-1.67%	-1.97%	0.33%	-2.44%

Don't worry about the specific details in any given cell here; at this resolution, this is more illustrative than anything else. Simply put, this is a matrix of all daily returns over the month for our alts simple:

- green representing a 5+% gain
- yellow representing a 2-5% gain
- orange representing a 2-5% loss
- red representing a 5+% loss

At a glance, we see a few patterns, both across the chart as a whole (the failure by alts to follow during the Iran crisis, the concentration of alt runs across a relatively quiet period for BTC itself during the third week of the month) and among certain alts (extreme fluctuations both ways, most notably on BSV). Let us hence look at a few pairs of alts in more detail.

BCH, BSV

We talk about BSV somewhat begrudgingly, because as outlined in our 15th January issue and repeatedly emphasised since, BSV is maybe the single most toxic asset in the modern crypto market, being blatantly manipulated in a way that lacks even the veneer that most 'liquid' small-caps possess. Performance since the 15th has done very little to dissuade us from that view:



Credit: Tradingview. BSVBTC, Huobi.

At the time, we noted that BCH had been moving very much in concert with BSV, and that we did have some doubts over how sustainable BCH's own move up was. Performance since has been mixed, but does suggest to us an asset that is for the most part moving organically and not merely in relation to BSV:



Credit: Tradingview. BCHBTC, Coinbase Pro.

It should be noted that after BSV's initial flourish, it has never again seriously approached BCH's price and hence market cap; this would be one thing to keep an eye on going forward.

DASH, ETC

These two have seen by far the biggest gains over January outside of BSV, both doubling or thereabouts in price:

We will note a few things. Firstly, this does appear to be essentially unconnected to the forces around the BSV rally; both were big beneficiaries on those particular days, but they were clearly up and running in the first week of December, and have been doing well since:

CLOSE	BSVBTC	DASHBTC	ETCBTC	CLOSE	BSVBTC	DASHBTC	ETCBTC
01/01/2020	0.15%	1.61%	0.21%	17/01/2020	-10.21%	-12.95%	9.84%
02/01/2020	-1.32%	-1.14%	-2.88%	18/01/2020	-13.17%	-10.70%	-11.97%
03/01/2020	5.05%	4.14%	2.65%	19/01/2020	15.28%	6.26%	5.13%
04/01/2020	6.00%	5.01%	3.75%	20/01/2020	8.35%	5.39%	2.04%
05/01/2020	0.88%	10.68%	2.36%	21/01/2020	3.06%	-0.55%	2.28%
06/01/2020	1.19%	4.86%	-2.13%	22/01/2020	-1.66%	-1.90%	5.38%
07/01/2020	-7.94%	-8.08%	-8.53%	23/01/2020	-13.13%	-1.45%	-6.78%
08/01/2020	1.35%	-2.91%	3.74%	24/01/2020	1.96%	-2.78%	1.59%
09/01/2020	5.72%	-0.77%	7.72%	25/01/2020	-0.45%	2.36%	-1.37%
10/01/2020	40.10%	7.49%	-1.33%	26/01/2020	1.90%	6.00%	6.06%
11/01/2020	-10.09%	14.00%	6.12%	27/01/2020	4.91%	-1.86%	9.56%
12/01/2020	7.50%	2.17%	-1.77%	28/01/2020	-5.13%	-2.37%	3.85%
13/01/2020	5.62%	5.91%	-1.01%	29/01/2020	-2.99%	5.99%	8.24%
14/01/2020	125.56%	18.29%	13.99%	30/01/2020	2.06%	-1.99%	-1.67%
15/01/2020	-25.73%	49.85%	17.70%	31/01/2020	-7.16%	-3.43%	-6.11%
16/01/2020	0.37%	-3.82%	6.37%				

What distinguishes these two assets? There has been little in terms of headline catalysts here, but a few things have aligned in their favour on both. ETC appears to mostly be benefiting from a mild degree of disillusionment in ETH and the Ethereum network; while it has been obvious for at least three or four months now that the 3rd January 2020 date for the move over to proof-of-stake (by far the biggest short-term milestone for the ETH 2.0 hard fork) was going to be missed, the radio near-silence on when launch will now come is not exactly reassuring, and we would suspect that ETC has been a beneficiary of that. The potential is there for the ETC rally to continue given that uncertainty itself seems to be continuing, though potential is the key word there.

As for DASH, we should point out the performance of the trio of 'privacy coins' (DASH, ZEC, XMR):



Credit: Tradingview. Blue: DASHBTC, orange: ZECBTC, turquoise: XMRBTC, all Binance.

ZEC was too small of a cap to list, but has basically done as well as DASH over the month; XMR has lagged significantly, but did see moves up in several of DASH/ZEC's biggest days too. There has been very little to speak of about the three coins in terms of specific news; our tendency is to think that Iran and coronavirus has been a decent catalyst here (while not stores of value in the same way as BTC, it should be noted that part of the BTC SoV thesis over gold is its liquidity, and privacy coins are more attractive than other payment processors in that regard). We should however note that privacy coins took more of a beating than almost any other class of crypto in late 2019, and that even this run has only taken the XXXBTC pairings up to their July levels:

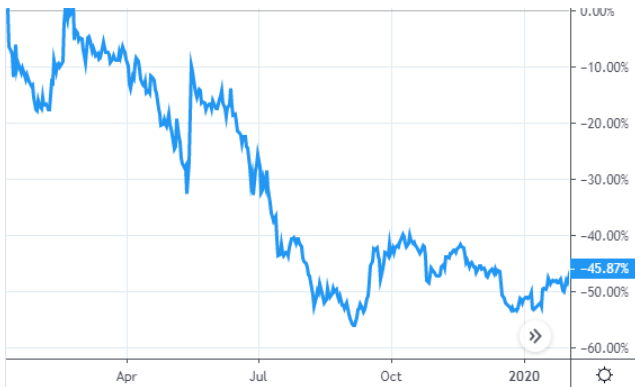


Credit: Tradingview. Blue: DASHBTC, orange: ZECBTC, turquoise: XMRBTC, all Binance.

Longer-term outperformance across the remainder of Q1 is clearly possible, but in our minds currently far from an odds-on bet.

ETH, XRP

Onto the two big disappointments. XRP actively trailed BTC during the month, one of only two assets in our top 15 to do so (the other was XTZ, which was coming off a 150% gain between 1st November and 12th December). ETH did outperform by 7% - decent in isolation, but still leaving it lagging in BTC terms behind the levels prior to its mid-December breakdown (where it dipped below \$120 for the first time since February 2019):



Credit: Tradingview. ETHBTC. Binance.

Our tendency is to see both as, to some degree, underbought assets right now. Do we think either has the same long-term value proposition as BTC? No. Do we think that either will be around in five years? We would still lean towards yes for ETH; XRP's situation is a little more complicated, but probably still more positive than any other single cryptocurrency outside of BTC/ETH themselves. This fact by itself gives a weight to said assets that is generally not there with similarly speculative mid-cap crypto assets.

That being said, we still remain roughly with the framework that we employed throughout Q4: both assets have the highest floor of any crypto asset outside of BTC, there are likely to be opportunities over certain timeframes in ETHBTC but the signs aren't there for an overall trend reversal yet, and XRPBTC is unlikely to ever stop being an overall negative proposition without a total shift in conditions.

LTC, EOS

Finally, we get to the oddest pairing. From an investment perspective, LTC and EOS have basically nothing in common. LTC is possibly the least Asian-centric mid-cap, while EOS is commonly cited as the biggest of the 'Chinacoins'; LTC is the purest of pure payment processors, while EOS is a direct competitor to ETH and the Ethereum platform; LTC is one of the more genuinely decentralised coins, while scandal after scandal comes out about how centralised EOS actually is.

Yet, correlation on price action throughout January on both was exceptionally high (as well as with BTCUSD):

CLOSE	BTC	LTCBTC	EOSBTC	CLOSE	BTC	LTCBTC	EOSBTC
01/01/2020	0.08%	0.66%	0.61%	17/01/2020	2.22%	3.80%	-0.48%
02/01/2020	-3.27%	-2.06%	-2.38%	18/01/2020	0.03%	-2.89%	-2.58%
03/01/2020	5.44%	1.59%	1.87%	19/01/2020	-2.40%	-0.45%	-2.76%
04/01/2020	0.12%	1.18%	0.11%	20/01/2020	-0.68%	-0.06%	0.94%
05/01/2020	0.06%	1.13%	1.42%	21/01/2020	1.08%	-0.42%	-0.21%
06/01/2020	5.43%	0.36%	0.68%	22/01/2020	-0.61%	1.94%	0.69%
07/01/2020	4.99%	-3.74%	-4.98%	23/01/2020	-3.20%	-3.45%	1.02%
08/01/2020	-1.10%	-0.95%	-1.32%	24/01/2020	0.41%	-0.65%	1.27%
09/01/2020	-2.96%	1.67%	1.80%	25/01/2020	-1.17%	-0.88%	-2.58%
10/01/2020	4.85%	4.52%	3.88%	26/01/2020	3.29%	2.22%	0.98%
11/01/2020	-2.16%	2.76%	2.28%	27/01/2020	3.40%	0.67%	5.05%
12/01/2020	2.06%	2.23%	5.26%	28/01/2020	5.24%	-1.80%	-3.17%
13/01/2020	-0.91%	-2.66%	-2.40%	29/01/2020	-0.78%	-0.36%	-0.95%
14/01/2020	8.63%	8.29%	12.90%	30/01/2020	2.28%	11.13%	6.49%
15/01/2020	0.13%	-0.51%	-1.25%	31/01/2020	-1.69%	1.76%	-2.46%
16/01/2020	-1.15%	0.12%	3.09%				

In isolation, we lean optimistic on EOS, and pessimistic on LTC. Our point here, however, is less about the specifics of EOS/LTC, and more to make the point: we do see herdings between alts, not just between alts and BTC. Looking again at total returns over the month, we can separate them roughly into three groups:

Coin	Change	Coin	Change	Coin	Change
BTCUSD	29.99%	BTCUSD	29.99%	BTCUSD	29.99%
DASH	116.65%	LTC	26.70%	TRX	8.70%
BSV	116.19%	ADA	26.26%	ETH	7.19%
ETC	94.24%	XMR	24.20%	XLM	4.01%
BCH	41.15%	EOS	23.34%	BNB	2.52%
		LINK	22.78%	XRP	-4.55%
				XTZ	-5.48%

5 of the 15 coins examined returned within a few percent of each other – gains that happened to nearly, but not quite, double the underlying increase from BTC’s own appreciation.

When we wrote about near-term prospects for alts back in December, the thing that struck us most was that besides from one or two, there was very little that actually excited on the horizon that made many existing significant projects stand out. More needs to be seen, but in the context of a possible BTC run, it is possible that not standing out and simply riding the wave upwards may not be as bad as first thought.

Cryptocurrency in congress: the legal perspective

By Alina Kisilevich

In the House of Representatives of the United States of America Mr. Gosar and Ms. Delbene introduced two bills into the 116th Congress, the “Crypto-Currency Act of 2020” and the “Virtual Currency Tax Fairness Act of 2020” accordingly. While the former is aimed at clarification for the regulatory framework of digital assets as well as defining of such, the latter, which stirred up public interest, amends the Internal Revenue Code of 1986 to exclude from gross income gain from disposition of virtual currency in a personal transaction.

The Virtual Currency Tax Fairness Act is the reintroduced bill that is rumored to make an impact on everyday commerce when digital assets are used. This is exactly what has made people talk about it: under the current U.S. law any payment for goods or services is treated as a taxable event, but if passed, transactions in the amount of 200\$ made by an individual are not taxable, meaning an exception for the potential capital gains taxes with payments made via Bitcoin, Ethereum, and other major cryptocurrencies.

Such legislation is helpful in daily situations where people want to use crypto more frequently for smaller payments. In this way cryptocurrency would be treated as any other foreign currency.

This bill plays a big role in finishing out an important crypto tax agenda in Congress and should be closely watched by anyone who holds crypto.

What we’re reading

[Singapore Clears Securities Token Platform iSTOX for Full Trading](#) (Coindesk): The potential's there for some significant breakthroughs in a few different Asian domiciles with regards to securities tokens. We don't tend to think that this will be as significant for cryptocurrency as there can be a tendency to think; yes, a lot of early talk around STOs essentially circled around them being a rebrand of ICOs/IEOs, but the last 18 months have proven beyond a doubt that this won't be enough to change either public perception or regulatory pressure on any offering that's attempting to pivot, and STOs will turn out to be an entirely different product in just about every conceivable way. Still, digital proof-of-concept is digital proof-of-concept.

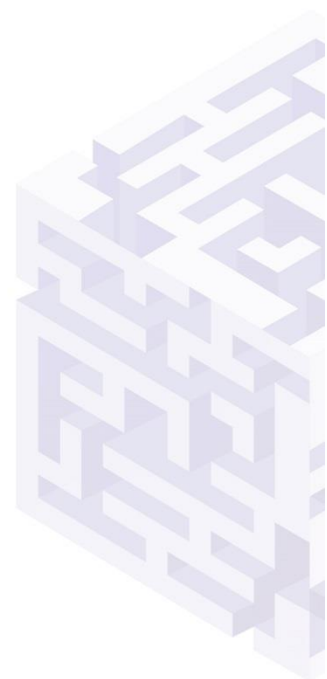
[A bitcoin ETF won't be approved in the U.S. this year, most 2020 Outlook survey respondents say](#) (The Block): 82 out of 106 respondents to The Block's survey said that they don't believe it'll happen. We agree, but in any case, worth keeping in mind re: industry sentiment.


[When Will We See the Digital Dollar? 'Crypto Dad' Says Soon](#) (Coindesk): Expect to see a lot of pieces like this over the next few months. It's unlikely to actualise into anything in a hurry – at least, not in the sort of hurry that the media attention is going to imply – but Christopher Giancarlo's project does seem to have more to it than most similar declarations.

[Zcash's Funding Vote and the Woes of Decentralized Governance](#) (Coindesk): It's worth mentioning as a footnote with regards to BCH and ZEC: neither coin has been entirely out of the headlines in recent weeks. In BCH's case, [the top handful of BCH mining pools tried to rally support on January 22nd](#) for a development fund equal to 12.5% of mining revenue in order to support the Bitcoin Cash ecosystem.

[Bakkt set to acquire loyalty program provider Bridge2 Solutions](#) (The Block): We haven't heard much at all from Bakkt since options launch (which, like futures, have been disappointing in terms of volume so far). News like this clearly isn't a bad thing, but honestly, is in a sense actually a little worrying. Bakkt will live or die by its ability to become an institutional starting point for cryptocurrency; acquisitions like Bridge2, which “offers loyalty rewards solutions for merchants and financial institutions”, are like the Starbucks announcement from last year – it doesn't speak too positively to clarity of priorities.

Until next week – thank you for reading.



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