



Your Weekend Wire

News Flow

➤ **Swiss National Bank chief says policy will stay the course despite uptick in inflation.**

The Swiss National Bank on Thursday increased its inflation and GDP forecasts but vowed to keep monetary policy ultra-loose to counter the highly valued Swiss franc.

Inflation is now expected to hit 0.4% in 2021, up from a previous forecast of 0.2%, rising to 0.6% in 2022 and 2023, while GDP is now projected to grow 3.5% this year, up from its previous forecast of between 2.5% and 3%.

However, SNB Governor Thomas Jordan told CNBC that this was not sufficient reason to change course, as the central bank held its base policy rate at a global low of -0.75%.

Both the European Central Bank and the U.S. Federal Reserve have raised their inflation forecasts in the past week in response to sharp spikes in prices, with the latter offering a hawkish signal that two hikes to interest rates could be coming down the pike in 2023.

Jordan highlighted that even the Swiss two- and three-year inflation outlook of 0.6% remains low in comparison to international peers, with the ECB expecting annual inflation in the euro zone to reach 1.9% this year and 1.5% in 2022. The SNB stressed in Thursday's report that it expects long-term inflation to be firmly anchored at 1%.

"We are very happy that we are back in positive territory, but inflation remains very, very low," Jordan said.

"For us, it's clear we still need an expansionary monetary policy. The Swiss franc is highly valued, inflation is very low, the output gap is still negative so all in all, I think it's necessary to maintain the monetary policy unchanged — negative interest rates — but also the willingness to intervene, if necessary, in the foreign exchange markets is very important at this moment," he said, adding that this will likely be the case "for some time to come."

The U.S. Treasury Department recently dropped its label of Switzerland as a currency manipulator after former President Donald Trump's administration issued the tag in December on the back of the SNB's intervention in foreign exchange markets. The SNB rejected the designation, citing extenuating circumstances surrounding the high value of the Swiss franc.

Jordan noted that the currency, often perceived as a so-called "safe haven" in foreign exchange markets, had seen "huge inflows" during the first half of 2020 as the Covid-19 pandemic hit, which necessitated intervention from the SNB.

"The Swiss franc is still highly valued, and this is one of the reasons that we have low inflation, probably lower inflation than elsewhere, and it is also one of the key reasons that we have to maintain our expansionary monetary policy for some time," he said.

Karsten Junius, chief economist at asset manager J. Safra Sarasin, said in a note Thursday that the SNB's policy position sounded "a bit defensive" in an environment with strong Swiss exports, a booming global economy and "less and less evidence that the Swiss franc is materially overvalued."

"Hence, we also see no need for strong FX-interventions in the coming months and believe that the SNB could allow for some CHF strength," he said.

➤ **Iran nuclear talks make progress in Vienna, diplomats say.**

Top diplomats said Sunday that further progress had been made at talks between Iran and global powers to try to restore a landmark 2015 agreement to contain Iranian nuclear development that was abandoned by the Trump administration. They said it was now up to the governments involved in the negotiations to make political decisions.

It was the first official meeting since Iran's hard-line judiciary chief won a landslide victory in the country's presidential election last week. Some diplomats expressed concern that Iran's election of Ebrahim Raisi as president could complicate a possible return to the nuclear agreement.

Enrique Mora, the European Union official who chaired the final meeting of the sixth round of talks between Russia, China, Germany, France, Britain and Iran, told reporters that "we are closer to a deal, but we are not still there."

"We have made progress on a number of technical issues," Mora added. "We have now more clarity on technical documents — all of them quite complex — and that clarity allows us to have also a great idea of what the political problems are."

He did not elaborate.

Top Russian representative Mikhail Ulyanov said the members of the Joint Comprehensive Plan of Action, or JCPOA, "took stock of the significant progress made at the Vienna talks, including at the sixth round, and decided to make a break to allow participants to consult with their capitals in preparation for what is supposed to be the final round of negotiations."

Sources: CNBC.com

“There are a few controversial points which require political decisions. Apparently diplomatic efforts to find common language have been almost fully exhausted. So, the time has come for political decisions,” Ulyanov added.

The nations involved in the negotiations have been trying to resolve the major outstanding issues on how to return the U.S. into the landmark agreement, which then-U.S. President Donald Trump pulled Washington out of unilaterally in 2018. Trump also restored and augmented sanctions to try to force Iran into renegotiating the pact with more concessions.

Ulyanov said after heading back to report on the talks’ results to their respective governments, he expected the diplomats to return for the final round of talks in Vienna in about 10 days and said they could finalize negotiations by mid-July.

“I believe we have all chances to arrive at the final point of our negotiations, maybe even by mid-July, unless something extraordinary and negative happens,” he said.

In a written statement after the talks Sunday, the E3 European senior diplomats urged speedy decision-making in the capitals involved in the talks.

“Delegations will now travel to capitals in order to consult with their leadership,” the diplomats wrote without giving their names, as is customary. “We urge all sides to return to Vienna and be ready to conclude a deal. The time for decision is fast approaching.”

Iran’s deputy foreign minister for political affairs said Sunday before the meeting that “we think almost all the agreement documents are ready,” according to semi-official Iranian news agency Mehr.

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➤ **Beware of inflation ‘headwinds’: It could take a year to break even after a 10% to 20% market correction, economist Mark Zandi warns.**

Moody’s Analytics Mark Zandi has a message for investors: Brace for a significant market correction.

The firm’s chief economist expects a more hawkish Federal Reserve will spark a 10% to 20% pullback.

And, unlike the sharp drops over the past several years, Zandi anticipates a quick recovery won’t be in the cards particularly because the market is richly valued. He estimates it could take a year to return to break even.

“The headwinds are building for the equity market,” Zandi told CNBC’s “Trading Nation” on Friday. “The Federal Reserve has got to switch gears here because the economy is so strong.”

He suggests the correction may already be underway because investors are starting to get spooked.

The Dow just saw its biggest weekly loss since October 2020, tumbling 3.45%. The broader S&P 500 saw its worst week since late February. The tech-heavy Nasdaq also had a losing week, but it’s just 1.28% off its all-time high.

Despite his market warning, Zandi believes the economy will avert a recession because the downturn is more about risk asset prices getting overextended than a serious fundamental issue.

“The economy is going to be rip-roaring,” he said. “Unemployment is going to be low. Wage growth is going to be strong.”

Zandi has been ringing the alarm on inflation for months.

On “Trading Nation” in early March, Zandi asserted inflation was “dead ahead” and investors weren’t fully grasping the risks. According to Zandi, it’s still a problem affecting stock market and bond investors. Zandi sees little chance the benchmark 10-year Treasury Note yield will keep falling.

“I wouldn’t count on rates staying at 1.5% for very long given what’s going on,” he added.

Stocks and bonds aren’t the only risk assets catching his attention. Zandi also sees more trouble brewing in the commodities and cryptocurrency sell-offs. Plus, he’s worried about the sustainability of a strong housing market amid higher mortgage rates.

“Inflation is going to be higher than it was pre-pandemic,” Zandi said. “The Fed has been struggling for at least a quarter of a century to get inflation up, and I think they’ll be able to get that.”

➤ **\$5.5 billion fintech firm Revolut’s losses mounted in 2020 but crypto gave it a big boost.**

British fintech start-up Revolut saw slower growth in revenues and mounting losses last year as the coronavirus pandemic hit payment volumes, though an increase in the value of cryptocurrencies gave the company a big boost.

Revolut generated revenues of £222.1 million (\$310.5 million) in 2020, up 34% from the £166 million revenue it made a year earlier. However, the company said adjusted revenues, a metric it uses to account for revaluation of intangible assets like crypto, came in at £261 million, up 57% year-on-year.

Sources: CNBC.com

Revenue growth was much slower last year compared to 2019, when the company reported an almost threefold increase in sales. Revolut was last privately valued at \$5.5 billion and is reportedly seeking a valuation of more than \$10 billion in its next fundraising round, according to a Sky News report.

A rise in the value of cryptocurrencies, which Revolut supports through its trading features, led to a £38.7 million windfall for the firm. However, this wasn't shown on Revolut's income statement due to a change in reporting, Mikko Salovaara, Revolut's chief financial officer, said.

Bitcoin, the world's biggest digital coin, almost quadrupled in value over the course of last year and rallied to an all-time high close to \$65,000 in April 2021, but it's fallen significantly since and was last trading at about \$33,000.

Revolut reported a total annual loss of £167.8 million, or \$231.8 million, higher than the £106.7 million it lost in 2019. But it reported adjusted operating losses, which include crypto revaluation income but exclude share-based payments, of £122 million, an increase from the £98.4 million loss in its previous fiscal year.

Meanwhile, Revolut said gross profit, a measure that excludes onboarding costs, more than tripled year-on-year to £123 million. The company's gross profit margin rose to 49% in 2020 from 25% a year earlier. By the fourth quarter of 2020, Revolut says its gross margin exceeded 60%, resulting in an adjusted operating profit in November and December.

"It's a translation into numbers of the very good performance that we've seen in the year 2020 and basically is ultimately a validation of the business model and the strategy we have set out," Salovaara said.

Revolut, which offers app-based checking accounts and trading services, still makes most of its revenue from interchange fees that are taken from a merchant's bank account each time a customer uses their card. The firm sought to reduce its reliance on interchange, however, as the coronavirus pandemic led to a sharp drop in payment volume.

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➤ **Swedish PM Lofven ousted in parliament no-confidence vote.**

Sweden's parliament ousted Prime Minister Stefan Lofven in a no-confidence vote on Monday, giving the Social Democrat leader a week to resign and hand the speaker the job of finding a new government, or call a snap election.

The nationalist Sweden Democrats had seized the chance to call the vote after the formerly communist Left Party withdrew support for the center-left government over a plan to ease rent controls for new-build apartments.

Sweden Democrat leader Jimmie Akesson told parliament the government was harmful and historically weak, adding: "It should never have come into power."

The no-confidence motion, which required 175 votes in the 349-seat parliament to pass, was supported by 181 lawmakers.

Lofven, 63, is the first Swedish prime minister to be ousted by a no-confidence motion put forward by the opposition. He was due to hold a news conference later Monday.

His shaky minority coalition with the Green Party has relied on support in parliament from two small center-right parties and the Left Party since a tight election in the European Union member state in 2018.

The Left Party blamed Lofven for triggering the crisis.

"It is not the Left Party that has given up on the Social Democrat government, it is the Social Democrat government that has given up on the Left Party and the Swedish people," Left Party leader Nooshi Dadgostar said.

With parliament deadlocked, it is not clear to whom the speaker might turn to form a new government if Lofven resigns. Opinion polls suggest the center-left and center-right blocs are evenly balanced, so a snap election might not bring clarity either.

Dadgostar said that even though her party had voted against Lofven, it would never help "a right-wing nationalist government" take power.

A new government - or a caretaker administration - would sit only until a parliamentary election scheduled for September next year.

➤ **EU opens antitrust probe into Google's advertising unit.**

The European Commission, the EU's executive arm, opened a new investigation into Google on Tuesday to assess whether the tech giant has favored its own online display ad technology services, and therefore breached antitrust rules.

"Google collects data to be used for targeted advertising purposes, it sells advertising space and also acts as an online advertising intermediary. So, Google is present at almost all levels of the supply chain for online display advertising. We are concerned that Google has made it harder for rival online advertising services to compete in the so-called ad tech stack," European Commission Executive Vice President Margrethe Vestager said in a statement.

As part of the new probe, the commission will be assessing the restrictions that Google has placed on the ability of advertisers, publishers and other third parties to access data about user identity and user behavior.

A spokesperson for Google said via email: "Thousands of European businesses use our advertising products to reach new customers and fund their websites every single day. They choose them because they're competitive and effective. We will continue to engage constructively with the European Commission to answer their questions and demonstrate the benefits of our products to European businesses and consumers."

The announcement marks the official start of a full assessment into how Google behaves in the advertising space with no set deadline for its completion. It also adds to a list of probes and fines that have taken place in the European market in recent years.

Earlier this month, the French competition authority fined Google 220 million euros (\$262 million) for abusing its market power in the online ad industry.

The commission also imposed a 1.49 billion euro fine on Google in March 2019 for breaching antitrust rules. At the time, the Brussels-based institution said the U.S. tech giant had imposed restrictive clauses in contracts with third-party websites that prevented Google's rivals from placing their search ads on these websites.

Prior to this, the commission fined Google 4.34 billion euros in July 2018 for illegal practices regarding Android mobile devices. It also imposed a fine of 2.42 billion euros in 2017, saying that Google had abused its market dominance in its shopping services.

All the three EU cases above are under appeal.

➤ **Chinese Tesla rival Xpeng to raise up to \$2 billion from Hong Kong listing.**

Chinese electric carmaker Xpeng will raise up to nearly \$2 billion in a Hong Kong listing.

The Guangzhou-based company said on Thursday it will issue 85 million Class A ordinary shares at a price of no more than 180 Hong Kong dollars (\$23.19) each. A final offer price will be set on or around Jun. 30.

At the maximum offer price, Xpeng would raise 15.3 billion Hong Kong dollars (\$1.97 billion) before related costs such as underwriting fees. CNBC reported earlier this week that Xpeng is looking to raise between \$1 billion and \$2 billion.

Xpeng is already listed in New York. Its share offering in Hong Kong is unusual because it's not a secondary listing, as companies including Alibaba and JD.com have done. A secondary listing is when a company already has a main listing location such as the United States, and it then sells shares on another exchange.

Instead, Xpeng is doing what's called a dual-primary listing. That means it will be subject to the rules and oversight of both U.S. and Hong Kong regulators, which isn't the case with a secondary listing.

Depending on demand, Xpeng and its underwriting investment banks could issue more shares, which would presumably raise the amount of money the company gets from the listing.

Xpeng said it will use the proceeds from the Hong Kong listing to expand its products and develop more advanced technologies, as well as marketing and expanded manufacturing.

U.S.-listed Chinese companies have looked to list in Hong Kong to hedge against tensions between China and the United States.

Earlier this year, U.S. Securities and Exchange Commission adopted rules that impose stricter auditing requirements on foreign firms listed in America. Those requirements carry the threat of delisting for companies that run afoul of the rules.

Xpeng faces rising competition in China from other start-ups like Nio and Li Auto, as well as Tesla and traditional automakers that are entering the electric vehicle market.



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➤ **Microsoft closes above \$2 trillion market cap for the first time.**

Microsoft is now worth more than \$2 trillion.

The software maker first hit that level just after 3 p.m. ET on Tuesday, June 22, but dipped below that mark again before ending Thursday's trading session at \$266.69 per share. The milestone follows the company's unveiling of Windows 11, its first new version of the flagship operating system in more than five years, on Thursday morning.

Microsoft's value has doubled in two years' time, bolstered by demand for products such as the Teams chat app that kept organizations functioning during the coronavirus pandemic.

The appreciation of the company's stock price reflects a rejuvenated company, one that has looked beyond its dominant Windows operating system and found growth in cloud computing and acquisitions.

Microsoft stock has grown more than 600% since Satya Nadella replaced Steve Ballmer as the company's CEO in 2014. (During Ballmer's 14-year tenure as CEO, the company's stock fell 32%.) One of Nadella's first moves was to reveal that Office applications like Word and Excel were coming to Apple's iOS and Google's Android, rather than restricting those apps to smartphones that ran Windows. A year later, when Windows 10 came out, it was a free update, unlike Windows 7 and Windows 8.

Nadella had run the division that includes Microsoft's Azure public cloud immediately before taking the CEO job, and it shows. In his years as CEO, he has made public appearances to talk about uses of Azure at prominent customers such as the National Basketball Association, Volkswagen and Walgreens. Azure is on track to become Microsoft's largest business.

Microsoft under Nadella has become gentler and more open to working with rivals where it makes sense. It improved relations with rivals such as Red Hat and Salesforce, and it has added the open-source Linux operating system, once seen as a threat to Windows, directly into Windows. On Thursday, the company announced Windows 11 will support apps that run Google's Android operating system, and Nadella spent the end of the company's presentation portraying Microsoft as a friendlier option for software developers than Apple.

These days, venture investor Ben Horowitz has said, Microsoft is a great company for start-ups to partner with, rather than an entity to be feared.

Nadella's Microsoft has managed to largely avoid antitrust scrutiny despite its past, which includes a landmark antitrust case brought by the U.S. Justice Department in 1998. Meanwhile, Amazon, Apple, Facebook and Google have all faced pressure from regulators during the Nadella years. However, team communication app maker Slack did file an antitrust complaint in Europe last year after Microsoft introduced Teams and released it to clients that subscribe to the Office 365 bundle.

More recently, the top Republican on the House Judiciary Committee, Ohio's Jim Jordan, sent a letter to Microsoft President Brad Smith suggesting that it might be covered by parts of five proposed antitrust bills making their way through committee.

Microsoft has spent more than \$45 billion acquiring companies on Nadella's watch, including business social network LinkedIn, video game developers Mojang and Zenimax, and the code-storage service GitHub. Microsoft has largely left them to operate independently and grow.

In April, the company said it had agreed to acquire speech-recognition company Nuance for \$19.7 billion, inclusive of equity and debt.

Nadella's deal track record has been more successful than that of his predecessor, whose aQuantive and Nokia acquisitions resulted in write-downs. Mojang's Minecraft game, by contrast, has become the best-selling game in history, and LinkedIn's quarterly revenue has nearly tripled.

Microsoft was among the first companies to exceed a \$1 trillion valuation when it hit that milestone in April 2019. Not long before that, Microsoft had reclaimed the title of most valuable public company, although today it's held by Apple.

Amazon and Google's parent company, Alphabet, are both worth more than \$1 trillion, as is oil company Saudi Aramco.

Sources: CNBC.com

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The week ahead

Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
28.06.2021	09:30	Sweden	Broad Money	May		4 460 213M		
28.06.2021	16:30	United States	Dallas Fed Mfg Bus Idx	Jun		34.90		

Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
29.06.2021	01:30	Japan	Jobs/Applicants Ratio	May		1.09		
29.06.2021	01:30	Japan	Unemployment Rate	May		2.8%		
29.06.2021	06:30	Netherlands	Manufacturing Confidence	Jun		8.8		
29.06.2021	07:30	France	ILO Unemployment Rate	Q1		8.0%		
29.06.2021	09:00	Sweden	Overall Sentiment	Jun		119.3		
29.06.2021	09:00	Sweden	Manufacturing Confidence	Jun		126.0		
29.06.2021	09:00	Sweden	Total Industry Sentiment	Jun		116.2		
29.06.2021	09:30	Sweden	Trade Balance	May		1.8B		
29.06.2021	09:30	Sweden	Swedish Exports (BLN SEK)	May		130.8B		
29.06.2021	09:30	Sweden	Swedish Imports (BLN SEK)	May		129.0B		
29.06.2021	10:45	United Kingdom	M4 Money Supply	May		0.1%		
29.06.2021	10:45	United Kingdom	Broad Money	May		2 881 125M		
29.06.2021	14:55	United States	Redbook YY	21 Jun, w/e				
29.06.2021	16:30	United States	Texas Serv Sect Outlook	Jun		40.0		
29.06.2021	16:30	United States	Dallas Fed Services Revenues	Jun		23.9		

Source: Refinitiv

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Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
30.06.2021	01:50	Japan	Industrial O/P Prelim MM SA	May		2.9%		
30.06.2021	01:50	Japan	Industrial O/P Prelim YY SA	May		15.9%		
30.06.2021	01:50	Japan	IP Forecast 1 Mth Ahead	Jun		-1.7%		
30.06.2021	01:50	Japan	IP Forecast 2 Mth Ahead	Jul		5.0%		
30.06.2021	07:00	Japan	Construction Orders YY	May		3.3%		
30.06.2021	07:00	Japan	Housing Starts YY	May		7.1%		
30.06.2021	08:00	United Kingdom	GDP QQ	Q1		-1.5%		
30.06.2021	08:00	United Kingdom	GDP YY	Q1		-6.1%		
30.06.2021	08:00	United Kingdom	Current Acc GBP	Q1		-26.300B		
30.06.2021	08:45	France	Consumer Spending MM	May		-8.3%		
30.06.2021	08:45	France	Producer Prices MM	May		-0.3%		
30.06.2021	08:45	France	Producer Prices YY	May		7.3%		
30.06.2021	09:00	Switzerland	Official Reserves Assets CHF	May		974 517.57M		
30.06.2021	09:55	Germany	Unemployment Chg SA	Jun		-15k		
30.06.2021	09:55	Germany	Unemployment Total NSA	Jun		2.687M		
30.06.2021	09:55	Germany	Unemployment Rate SA	Jun		6.0%		
30.06.2021	09:55	Germany	Unemployment Total SA	Jun		2.739M		
30.06.2021	10:00	Italy	Producer Prices MM	May		1.1%		
30.06.2021	10:00	Italy	Producer Prices YY	May		6.5%		
30.06.2021	10:30	United Kingdom	Current Acc GBP	Q2				
30.06.2021	13:00	United States	MBA 30-Yr Mortgage Rate	21 Jun, w/e				
30.06.2021	14:15	United States	ADP National Employment	Jun	450k	978k	455.8k	5.8k
30.06.2021	14:30	Canada	GDP MM	Apr		1.1%		
30.06.2021	14:30	Canada	Producer Prices MM	May		1.6%		
30.06.2021	14:30	Canada	Producer Prices YY	May		14.3%		
30.06.2021	14:30	Canada	Raw Materials Prices MM	May		1.0%		
30.06.2021	14:30	Canada	Raw Materials Prices YY	May		56.4%		
30.06.2021	15:45	United States	Chicago PMI	Jun		75.2		
30.06.2021	16:00	United States	Pending Homes Index	May		106.2		
30.06.2021	16:00	United States	Pending Sales Change MM	May		-4.4%		
30.06.2021	16:30	United States	EIA Ethanol Ref Stk	21 Jun, w/e				
30.06.2021	16:30	United States	EIA Ethanol Fuel Total	21 Jun, w/e				

Sources: Refinitiv

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Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
01.07.2021	01:50	Japan	Foreign Invest JP Bonds	21 Jun, w/e				
01.07.2021	01:50	Japan	Foreign Stock Investment	21 Jun, w/e				
01.07.2021	01:50	Japan	Foreign Reserves	Jun		1 387.5B		
01.07.2021	01:50	Japan	Tankan Big Mf Idx	Q2	15	5	15.6	0.6
01.07.2021	01:50	Japan	Tankan Big Mf Outlook DI	Q2	18	4	17.0	-1.0
01.07.2021	01:50	Japan	Tankan Big Non-Mf Idx	Q2	3	-1	2.4	-0.6
01.07.2021	01:50	Japan	Tankan big non-mf outlook DI	Q2	8	-1	6.6	-1.4
01.07.2021	01:50	Japan	Tankan All Big Capex Est	Q2	7.2%	3.0%	7.52%	0.32%
01.07.2021	01:50	Japan	Tankan Small Mf Idx	Q2	-5	-13	-4.6	0.4
01.07.2021	01:50	Japan	Tankan Sm Mf Outlook DI	Q2	-3	-12	-3.6	-0.6
01.07.2021	01:50	Japan	Tankan Small Non-Mf Idx	Q2	-9	-11	-9.2	-0.2
01.07.2021	01:50	Japan	Tankan Sm Non-Mf Outlook DI	Q2	-8	-16	-8.6	-0.6
01.07.2021	01:50	Japan	Tankan All Sm Capex Est	Q2	-2.6%	-5.5%	-1.95%	0.65%
01.07.2021	02:30	Japan	Jibun Bank Mfg PMI	Jun				
01.07.2021	08:30	Sweden	PMI Manufacturing Sect	Jun		66.4		
01.07.2021	09:00	Netherlands	PMI - Manufacturing	Jun		69.4		
01.07.2021	09:30	Switzerland	Manufacturing PMI	Jun		69.9		
01.07.2021	09:30	Sweden	Riksbank Rate	1 Jul		0.00%		
01.07.2021	09:45	Italy	Markit/IHS Mfg PMI	Jun		62.3		
01.07.2021	09:50	France	Markit Mfg PMI	Jun				
01.07.2021	09:55	Germany	Markit/BME Mfg PMI	Jun				
01.07.2021	10:00	Italy	Unemployment Rate	May		10.7%		
01.07.2021	10:30	United Kingdom	Markit/CIPS Mfg PMI Final	Jun				
01.07.2021	13:00	Belgium	Car Registration MM	Jun		-6.3%		
01.07.2021	13:00	Belgium	Car Registration YY	Jun		0.2%		
01.07.2021	13:30	United States	Challenger Layoffs	Jun		24.586k		
01.07.2021	14:30	United States	Initial Jobless Clm	21 Jun, w/e				
01.07.2021	14:30	United States	Jobless Clm 4Wk Avg	21 Jun, w/e				
01.07.2021	14:30	United States	Cont Jobless Clm	14 Jun, w/e				
01.07.2021	15:00	United States	All Car Sales	Jun		3.950M		
01.07.2021	15:00	United States	All Truck Sales	Jun		13.040M		
01.07.2021	15:45	United States	Markit Mfg PMI Final	Jun				
01.07.2021	16:00	United States	Construction Spending MM	May	0.5%	0.2%	0.49%	-0.01%
01.07.2021	16:00	United States	ISM Manufacturing PMI	Jun	61.2	61.2	60.46	-0.74
01.07.2021	16:00	United States	ISM Mfg Prices Paid	Jun		88.0		
01.07.2021	16:00	United States	ISM Manuf Employment Idx	Jun		50.9		
01.07.2021	16:00	United States	ISM Manuf New Orders Idx	Jun		67.0		

Sources: Refinitiv

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Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
02.07.2021	01:50	Japan	Monetary Base YY	Jun		22.66%		
02.07.2021	08:45	France	Budget Balance	May		-91.37B		
02.07.2021	14:30	United States	Non-Farm Payrolls	Jun	550k	559k	570.4k	20.4k
02.07.2021	14:30	United States	Private Payrolls	Jun	500k	492k	543.5k	43.5k
02.07.2021	14:30	United States	Manufacturing Payrolls	Jun	30k	23k	26.1k	-3.9k
02.07.2021	14:30	United States	Government Payrolls	Jun		67k		
02.07.2021	14:30	United States	Unemployment Rate	Jun	5.7%	5.8%	5.61%	-0.09%
02.07.2021	14:30	United States	Average Earnings MM	Jun	0.4%	0.5%	0.37%	-0.03%
02.07.2021	14:30	United States	Average Earnings YY	Jun		2.0%		
02.07.2021	14:30	United States	Average Workweek Hrs	Jun	35.0	34.9	34.96	-0.04
02.07.2021	14:30	United States	Labor Force Partic	Jun		61.6%		
02.07.2021	14:30	United States	U6 Underemployment	Jun		10.2%		
02.07.2021	14:30	United States	International Trade \$	May	-70.1B	-68.9B	-69.14B	0.96B
02.07.2021	14:30	United States	Goods Trade Balance (R)	May				
02.07.2021	14:30	Canada	Building Permits MM.	May		-0.5%		
02.07.2021	14:30	Canada	Trade Balance C\$	May		0.59B		
02.07.2021	14:30	Canada	Exports C\$	May		50.21B		
02.07.2021	14:30	Canada	Imports C\$	May		49.61B		
02.07.2021	15:30	Canada	Markit Mfg PMI SA	Jun		57.0		
02.07.2021	16:00	United States	Durables Ex-Def, R MM	May				
02.07.2021	16:00	United States	Durable Goods, R MM	May				
02.07.2021	16:00	United States	Factory Orders MM	May	1.3%	-0.6%	1.49%	0.19%
02.07.2021	16:00	United States	Durables Ex-Transpt R MM	May				
02.07.2021	16:00	United States	Nondef Cap Ex-Air R MM	May				
02.07.2021	16:00	United States	Factory Ex-Transp MM	May		0.5%		

Sources: Refinitiv

Your Weekend Wire Figures

Currencies

EURUSD	1.1949	Weekly Change
Week Low	Week High	
1.1848	1.1975	0.71%

GBPUSD	1.3916	Weekly Change
Week Low	Week High	
1.3787	1.4001	0.76%

EURCHF	1.0949	Weekly Change
Week Low	Week High	
1.0935	1.0976	0.05%

AUDUSD	0.7603	Weekly Change
Week Low	Week High	
0.7479	0.7672	1.70%

USDCHF	0.9160	Weekly Change
Week Low	Week High	
0.9143	0.9236	-0.48%

USDCAD	1.2281	Weekly Change
Week Low	Week High	
1.2252	1.2486	-1.45%

USDTRY	8.7280	Weekly Change
Week Low	Week High	
8.5975	8.7945	0.20%

EURGBP	0.8586	Weekly Change
Week Low	Week High	
0.8531	0.8604	0.00%

Indices and Commodities

Eurostoxx 50	4 114.28
Week Change	YTD
0.50%	13.98%

Gold	1781.11
Week Change	YTD
1.05%	-6.13%

SMI	11 989.76
Week Change	YTD
0.44%	12.05%

WTI	73.6700
Week Change	YTD
3.01%	54.70%

S&P 500	4 276.75
Week Change	YTD
2.40%	13.59%

US 10Y Yield	1.495
Week bp Change	YTD bp Change
2.25	57.939

VIX	15.62
Week Change	YTD
-22.85%	-29.80%

EU 10Y Yield	-0.1690
Week bp Change	YTD bp Change
4.30	40.00



Your CRYPTO Weekend Wire

Crypto Market Cap: \$1,386,246,432,121

Dominance*: BTC: 46.7% ETH: 16.6%

*: Split of crypto usage within the global crypto market cap.

News Flow

➤ **Bitcoin price dips below \$34K as day of Grayscale's giant BTC unlocking draws near.**

Data from Cointelegraph Markets Pro and TradingView showed BTC/USD swiftly dropping below \$34,000 on Sunday after choppy behavior at the start of the weekend.

A comedown from resistance at near \$40,000 continued to unfold, with low volumes highlighting little interest in protecting price action much above \$30,000.

Orderbook data from Binance confirmed this on the day, with sellers eradicating a major buy wall above \$36,500 to leave the next significant support level at just \$31,000.

Among traders, talk mostly revolved around the so-called "death cross" on the BTC/USD daily and hourly charts which occurred on Friday. This refers to the 50-day moving average crossing over the 200-day moving average and is traditionally considered to be a bad omen for price stability.

Historically, not all death crosses have resulted in losses — as Cointelegraph reported, some are followed by bullish phases.

"A death cross is overrated," popular trader Crypto Ed summarized earlier in the week.

In a separate commentary, Adam Back, CEO of Blockstream, likewise took Twitter users to task over the negative skew given to death cross events.

At the time of writing, however, Bitcoin nonetheless traded down 5% on the day, while 3-day losses totaled over 14%.

Liquidations were mounting on exchanges, with almost \$150 million of positions gone in just a single hour after a flash dip of around \$800.

Another theory about price direction involved an impending "unlocking" phase at institutional giant Grayscale.

As Cointelegraph previously noted, the coming weeks will see a large chunk of investor funds released after a 6-month lock-up period, with the potential for selling pressure to therefore increase as accredited investors seek to offset some of their losses (realized after selling their GBTC shares) by selling BTC on the spot market.

"Between mid-April 2021 to today there have been 139.5K BTC (GBTC) in unlockings," explained Decentrader analyst Tonald Dusk.

Thereafter, by contrast, there should be a reduction in potential sell-side activity after the summer — at least from GBTC — if these unlockings have indeed put downward pressure on price since the mid-April all-time highs.

A look at network fundamentals meanwhile gave additional cause for concern. Hash rate, already in flux thanks to shifts in miner distribution, fell below 100 exahashes per second (EH/s) having previously hit a peak of 168 EH/s.

Difficulty, fresh from two consecutive downward adjustments, was on track for a third leg down of around 9.7% at the next in around nine days' time.

The last time that Bitcoin saw three downward difficulty adjustments in a row was during the capitulation phase of the previous bear market in late 2018.

➤ **Amber Group Valued at \$1B in \$100M Funding Round.**

Crypto financial services firm Amber Group has raised \$100 million in a Series B round led by Chinese investment firm China Renaissance. The firm scored a pre-money valuation of \$1 billion, Amber said Sunday.

* With operations in Hong Kong, Taipei, Seoul and Vancouver, Amber Group said it plans to use the funding to expand its global operations.

* The firm offers algorithmic trading, high-frequency trading and over-the-counter trading to a deep roster of 500 institutional clients, the firm said in April.

* At the time, Amber boasted \$1 billion in assets under management, though crypto prices have dipped since then.

"We've had record months over the past quarter across both client flow and on-exchange market-making volumes," Amber Group CEO Michael Wu said in a press release. "Our cumulative trading volumes have doubled from \$250 billion since the beginning of the year to over \$500 billion."

Sources: [Bloomberg/Refinitiv/cnbc.com](https://www.bloomberg.com/news/articles/2021-05-02-amber-group-raises-100-million)



Your CRYPTO Weekend Wire

News Flow

- * Participants in the Series B include Tiger Brokers, Tiger Global Management, Arena Holdings, Tru Arrow Partners, Sky9 Capital, DCM Ventures and Gobi Partners.
- * Existing investors Pantera Capital, Coinbase Ventures and Blockchain.com also joined in.
- * Amber Group raised a \$28 million Series A in early 2020.

➤ **Portugal Grants First Crypto Exchanges Operating Licenses.**

The Central Bank of Portugal (Banco de Portugal) has licensed two cryptocurrency exchanges for the first time. In an official statement, the entity announced that it recognized Criptoloja and Mind The Coin as “virtual asset service providers.” This is the first-time exchanges have been licensed to operate since a new law around crypto trading platforms took effect earlier this year. The approval came after nearly nine months. Criptoloja first filed for approval on Sept. 29, 2020, the company’s CEO Pedro Borges told CoinDesk.

“It was a long way. Being the first regulated exchange in Portugal means a lot,” Borges said.

In April, a bank executive confirmed that at the time, Banco de Portugal had received five formal registration requests and a total of 60 informal contacts, according to local media outlet Dinheiro Vivo.

Mind the Coin and Banco de Portugal did not immediately respond to CoinDesk’s queries.

Criptoloja plans to launch operations “in the next couple of weeks,” Borges said, adding that the company allows customers to open online accounts but has not yet enabled online trading.

According to Borges, Criptoloja will seek to bring together Portuguese people who are looking to invest in cryptocurrencies and do not feel confident enough to open accounts in foreign exchanges.

Borges added that the greatest adoption of crypto in Portugal is among the new generation of traders, although the company will seek to promote the crypto ecosystem among people of different profiles.

➤ **Bitcoin drops as China intensifies crypto mining crackdown.**

Bitcoin sank Monday on reports that China has intensified its crackdown on cryptocurrency mining.

The world’s largest digital currency fell 7% to a price of \$32,801 Monday morning, dropping below \$33,000 for the first time since June 8, according to data from Coin Metrics. It was last trading at \$32,964 as of 5 a.m. ET. Smaller rivals like ether and XRP also tumbled, down 8% and 7% respectively.

Many bitcoin mines in Sichuan were shuttered Sunday after authorities in the southwestern Chinese province ordered a halt to crypto mining, according to a report from the Communist Party-backed newspaper Global Times. More than 90% of China’s bitcoin mining capacity is estimated to be shut down, the paper said.

Bloomberg and Reuters also reported on the move from Sichuan authorities. It follows similar developments in China’s Inner Mongolia and Yunnan regions, as well as calls from Beijing to stamp out crypto mining amid worries over its massive energy consumption.

This appears to have led to a significant decline in bitcoin’s hash rate — or processing power — which has fallen sharply in the last month, according to data from Blockchain.com. An estimated 65% of global bitcoin mining is done in China.

Bitcoin’s network is decentralized, meaning it doesn’t have any central party or middleman to approve transactions or generate new coins. Instead, the blockchain is maintained by so-called miners who race to solve complex math puzzles using purpose-built computers to validate transactions. Whoever wins that race is rewarded with bitcoin.

This power-intensive process has led to growing concerns over the potential environmental harm of bitcoin, with everyone from Tesla CEO Elon Musk to U.S. Treasury Secretary Janet Yellen raising the alarm. China, where most bitcoin mining is concentrated, relies heavily on coal power. Last month, a coal mine in the Xinjiang region flooded and shut down, taking nearly a quarter of bitcoin’s hash rate offline.

However, miners in China often migrate to places like Sichuan, which are rich in hydropower, in the rainy season. And some industry efforts have been launched — including the Bitcoin Mining Council and the Crypto Climate Accord — in an effort to reduce cryptocurrencies’ carbon footprint.

Sources: [Bloomberg/Refinitiv/cnbc.com/coinmarketcap.com](https://www.bloomberg.com/news/articles/2020-10-29/bitcoin-crashes-as-china-cracks-down-on-crypto-mining)



Your CRYPTO Weekend Wire

News Flow

➤ **Banque de France tests digital currency-based securities settlement.**

The central bank of France — Banque de France — is continuing its work on the development of a European central bank digital currency (CBDC).

On Monday, the bank officially announced the successful completion of a CBDC experiment with major Switzerland-based cryptocurrency bank SEBA.

Conducted in collaboration with SEBA, Banque Internationale à Luxembourg, and Luxembourg central securities depository LuxCSD, the experiment used a CBDC to simulate the settlement and delivery of listed securities on TARGET2-Securities (T2S), a European securities settlement engine.

SEBA purchased securities from Banque Internationale à Luxembourg, with post-trade settlement managed by LuxCSD.

Nathalie Aufaivre, general director of financial stability and operations at Banque de France, said that the latest CBDC test demonstrated the possibilities for conventional finance systems and distributed systems to interact. “It also paves the way for other alliances in order to benefit from the opportunities offered by financial assets in a blockchain environment,” Aufaivre said.

The bank noted that the new CBDC test is part of an experimental CBDC program launched in March 2020, that aims to test CBDC integration for settlements. The program’s other experiments will continue until mid-2021 as Banque de France, in addition to other central banks in Europe, tests the viability of CBDCs.

➤ **Bitcoin falls again, breaking below key \$30,000 level that traders say could lead to more losses.**

The slump for bitcoin continued Tuesday morning as the leading cryptocurrency fell below a key level and is trading at its lowest price since January.

Bitcoin was down 8% to \$29,674.25, according to Coin Metrics. Traders had warned a break below \$30,000 could lead to more losses.

Technical analysts had been watching the \$30,000 level as a key support level on the charts after the cryptocurrency had fallen to near that low during its May crash. The analysts, who study charts to make buying and selling decisions, believe the next level to watch for support could now be as low as \$20,000.

Now that it is approaching \$29,000, the price of bitcoin is threatening to turn negative for the year.

Galaxy Digital CEO Mike Novogratz said on CNBC’s “Squawk Box” that bitcoin could still rebound after Tuesday’s move but there was significant downside to the next support level.

“\$30,000, we’ll see if it holds on the day. We might plunge below it for a while and close above it. If it’s really breached, \$25,000 is the next big level of support,” Novogratz said. “Listen, I’m less happy than I was at \$60,000 but I’m not nervous.”

Bitcoin has been struggling to reclaim its highs from earlier in the quarter. It fell dramatically in May following some market-moving tweets by Elon Musk and then even further in early June around fears of the cryptocurrency’s use in the Colonial Pipeline ransomware attack. It’s been on a rollercoaster ride since then, battered by a stream of headlines out of China, where regulators have imposed new restrictions on energy-intensive mining and ordered financial institutions like Alipay to stop doing business with crypto companies. The price briefly touched \$40,000 last week and fell again Monday.

Environmental concerns have also become a new flashpoint for the asset class, with Tesla CEO Elon Musk suspending the use of bitcoin as payment for vehicles and saying that the pause would remain in effect until miners use more clean energy.

With Tuesday’s losses, bitcoin has slid about 54% from its all-time high of more than \$64,000 in mid-April.

Other cryptocurrencies were also facing pressure, with ether falling 8% and dogecoin dropping more than 16%.

Significant pullbacks have happened before in the cryptocurrency market, with bitcoin falling about 80% from its late 2017 highs at one point. Professional crypto investors have warned that the space should continue to be volatile in the years ahead.

Bitcoin and other cryptocurrencies have gained more institutional support over the past two years, with major hedge fund managers and banks getting involved in the space.

The price of bitcoin rose nearly 500% between mid-September of last year and its April peak. Even with the recent decline, the cryptocurrency is still up about 150% over the past 12 months.

Sources: [Bloomberg/Refinitiv/cnbc.com](https://www.bloomberg.com/news/articles/2020-01-20/banque-de-france-tests-cbdc-experiment) | [coinmarketcap.com/Newsnow.com](https://www.coinmarketcap.com/newsnow.com)



Your CRYPTO Weekend Wire

News Flow

➤ **Mining bitcoin could be about to get a whole lot easier after China’s crypto crackdown.**

With China cracking down on cryptocurrencies, it may soon become much easier — and more profitable — to mine bitcoin. Last month, Beijing called for measures to stamp out bitcoin mining amid concerns over its environmental impact. This has already resulted in crypto miners fleeing China for other regions, like North America. China’s crackdown intensified over the weekend, with authorities in the hydropower-rich Chinese province of Sichuan ordering crypto miners to shut down operations.

According to reports, more than 90% of China’s bitcoin mining capacity is estimated to be closed. It is thought that between 65% to 75% of all global bitcoin mining takes place in China. Though it may not be good news for bitcoin miners in China, others could stand to benefit. When you think of mining, the image of a gold mine with picks and shovels is probably the first thing that comes to mind. But bitcoin mining is nothing like hunting for gold or other precious metals. Digital currencies are underpinned by a vast network of computers around the world. In the case of bitcoin, these computers are racing to solve complex math puzzles in order to make transactions go through. This process also generates new bitcoins, rewarding miners in the cryptocurrency if they’re successful.

Currently, rewards to miners are capped at 6.25 BTC. It used to be 12.5 BTC, but since bitcoin’s total supply is limited to 21 million, the amount of bitcoin rewarded to miners gets halved roughly every four years. Being the first miner to mine a new block — essentially a list of bitcoin transactions — is “a game of random chance,” explains Alyse Killeen, founder and managing partner of bitcoin-focused venture firm Stillmark. The total hashrate, or processing power, of the bitcoin network appears to have gone down sharply in the wake of Beijing’s crackdown. In the last month or so, bitcoin’s hashrate has gone down from a record 180.7 million terahashes per second — a measure of the speed of crypto mining hardware — in mid-May to around 116.2 million as of Wednesday, according to Blockchain.com data. Crypto experts say that, with more bitcoin miners going offline due to China’s restrictions, other miners’ share of the network will increase, potentially making mining much more lucrative.

“As more hashrate falls off the network, difficulty will adjust downwards, and the hashrate that remains active on the network will receive more for their proportional share of the mining rewards,” Kevin Zhang, vice president of crypto mining firm Foundry, told CNBC. Meanwhile, the network difficulty of bitcoin — a measure of how hard it is to mine bitcoin — went from a record above 25 trillion in May to 19.9 trillion last week. Mining difficulty is adjusted roughly every two weeks, so there is a time lag in the data. “Network difficulty goes down the less mining equipment is online,” Killeen said. This effectively leads to less competition for other bitcoin miners.

However, another big factor that determines profits to bitcoin miners is the price of bitcoin, which has plummeted from record highs in recent months on the back of negative comments from Tesla CEO Elon Musk and China’s crackdown on the industry. Bitcoin has nearly halved in value since reaching a record high of almost \$65,000 in April. The cryptocurrency fell below \$30,000 on Tuesday, briefly wiping out its 2021 gains, but has since recovered to trade above \$34,000.

➤ **Athena confirms plans to bring 1500 Bitcoin ATMs to El Salvador.**

U.S. company Athena intends to supply El Salvador’s new crypto-based economy with 1500 Bitcoin ATMs, a company representative has confirmed. The rollout will start small, trialing a few dozen machines to establish a business model. The Chicago headquartered firm plans to invest more than \$1 million to install cryptocurrency ATMs, targeting regions where residents receive remittances from abroad. Along with installing the new machines it will also hire staff and open an office to carry out operations in El Salvador. Athena currently operates just two ATMs of this type in El Salvador, one at El Zonte beach as part of an experiment called “Bitcoin Beach” aimed at making the town one of the world’s first crypto economies, and the other in El Tunco, according to CNN. Athena’s director for Latin America, Matias Goldenhör, told Reuters that Salvadorian President Nayib Bukele had “presented us with a tough challenge of 1,500 ATMs, we will go for that, but in phases. We are a private company, and we want to ensure that our development in the country is sustainable.”

Sources: [Bloomberg/Refinitiv/cnbc.com/coinmarketcap.com/Newsnow.com](https://www.bloomberg.com/news/articles/2021-05-26/bitcoin-mining-could-be-about-to-get-a-whole-lot-easier-after-china-s-crypto-crackdown)



Your CRYPTO Weekend Wire

News Flow

On June 17, Athena posted about its plans to expand in the country in the wake of lawmakers passing a bill to make Bitcoin legal tender. The company tagged President Bukele asking if a thousand machines would be enough. He responded he had set his target on a larger figure.

Goldenhorn stated that the business model is likely to be different from that in the U.S., which currently has a total of 19,325 BTC ATMs according to Coinatmradar.

El Salvador's Bitcoin adoption plan has already experienced pushback from the World Bank, which refused to assist the country in its transition, citing "the environmental and transparency shortcomings" associated with the digital asset.

On June 22, Cointelegraph reported that an opposing political party filed a lawsuit alleging the new Bitcoin law could be unconstitutional and harmful to the country.

➤ **El Salvador to airdrop \$30 in Bitcoin to every adult citizen.**

The president of El Salvador has announced the government will airdrop \$30 worth of Bitcoin (BTC) to every adult citizen of the country. The announcement was welcomed by Bitcoiners, with influencers speculating El Salvador's government will need to purchase the required BTC it intends to distribute adding more than \$100 million in buying pressure on markets.

Quickly googled estimates of the adult population of El Salvador varied, with onchain analyst Willy Woo tweeting that Bitcoin's global user base will grow by 2.5% thanks to the influx of 4.5 million Salvadorians.

Others placed the Salvadoran adult population as high as 6.5 million (which is the total population), with Yahoo Finance anchor Zack Guzman using the figure for some rough back of the envelope calculations suggesting that \$195 million worth of Bitcoin will be airdropped across the country.

Exact figures are hard to find but Statista shows that in 2019 the population aged 15 and above was 4.72M.

However, crypto Twitter's euphoria may be slightly premature, as local publication Prensa Latina notes El Salvador's citizens will only receive the free Bitcoin after downloading the government-issued cryptocurrency wallet application.

The news was announced during a June 25 press conference, with President Bukele stating the government's "wallet app will even work anywhere with a cell connection, and you won't have to have a cell plan for the app."

President Bukele also stated that the country's much-celebrated Bitcoin law recognizing BTC as legal currency nationwide will come into effect on September 7.

El Salvador's Bitcoin law was passed roughly two weeks ago. While the move has been praised by the global crypto community, the legislation has faced opposition from a minority political party and the World Bank.

Sources: [Bloomberg/Refinitiv/cnbc.com](https://www.bloomberg.com/news/articles/2021-06-17/athena-bitcoin-legal-tender)/[coinmarketcap.com/Newsnow.com](https://www.coinmarketcap.com/news)



Your CRYPTO Weekend Wire

Figures and Charts

Bankmed-Advisory publié sur TradingView.com, Juin 25, 2021 07:01:56 UTC
 COINBASE:BTCUSD, 1D 34304.62 ▼ -349.96 (-1.01%) O:34654.87 H:35500.00 L:34100.05 C:34295.36



BTC	33 245.50	Weekly Change
Week Low	Week High	-4.75%
28 810.96	36 163.32	
Circulating Supply		
19 742 231.00		
Market Cap		
\$ 647 079 253 290.00		

TradingView

Bankmed-Advisory publié sur TradingView.com, Juin 25, 2021 07:02:21 UTC
 COINBASE:ETHUSD, 1D 1958.00 ▼ -30.81 (-1.55%) O:1988.81 H:2019.99 L:1950.26 C:1958.00



ETH	1 872.15	Weekly Change
Week Low	Week High	-13.45%
1701.32	2276.63	
Circulating Supply		
116 426 747.00		
Market Cap		
\$ 229 218 918 399.00		

TradingView

Sources: Bloomberg/Refinitiv/TradeView.com/Coinmarketcap. com



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Your CRYPTO Weekend Wire Glossary

A

- ❖ **Address (Crypto Address):** An address is comparable to a bank account number. It is a unique collection of numbers and letters. This identification code is required to carry out a blockchain transaction and is unique for each owner. (ie: 1GyWgXtkVG5gsm9Ym1rkHoJHAftmPnTHQj)
- ❖ **Airdrop:** An airdrop is a way to distribute coins. End users can generally get coins for free or in exchange for a small task, such as subscribing to a newsletter, sending a tweet or inviting other people via a personal affiliate link.
- ❖ **Algorithm:** The 'algorithm' is a way to solve a task using data processing and calculations. There are different types of algorithms in use by blockchains.
- ❖ **Altcoin:** An altcoin is any cryptocurrency or token created after the Bitcoin was developed.
- ❖ **Anti-Money Laundering (AML):** AML is the abbreviation for 'anti-money laundering'. AML stands for policy and legislation on money laundering. This prevents illegally acquired funds from being converted into a legal variant. Within the crypto world, it is no longer unusual for AML techniques to be used by exchanges and wallets. This term is often used as AML/KYC, where KYC stands for 'Know your customer'.
- ❖ **APY:** APY is short for 'annual percentage yield', which is the total return rate that is earned on an interest-bearing asset or savings account. The compounding interest should be considered when the APY percentage is projected. An APY of 5% will turn \$100 into \$105 after exactly one year.
- ❖ **ATH:** ATH is the abbreviation of 'All-Time High' and means the highest price ever paid for a particular coin. ATH is also often used to indicate that someone's total portfolio has reached the highest value ever.
- ❖ **ATL:** ATL stands for 'all-time-low' and is the opposite of ATH, or 'all-time-high'. ATL is used to indicate that the price of a coin or the entire wallet of a person is at the lowest level ever in terms of value.

B

- ❖ **Bitcoin (BTC):** Bitcoin is the very first, best known and currently the most valuable digital coin.
- ❖ **Bitcoin (unit of Currency):** The bitcoin is the very first cryptocurrency invented in 2008 by an anonymous developer named Satoshi Nakamoto. It can be divided up to 8 digits after the comma. The smallest one is called a satoshi (0.00000001 BTC).
- ❖ **Blockchain:** The blockchain is a technique that makes it possible to safely store data in a decentralized way. This data can be money, but it could be other data as well.



Your CRYPTO Weekend Wire Glossary

❖ **Bot:** A 'bot' is an autonomous program on a network, such as the Internet, that can interact with systems or users. It is often designed to automate certain manual tasks. Bots are often used in Telegram chat groups to prevent spam.

C

❖ **CBDC:** CBDC stands for 'Central bank digital currency' and is the fully digital form of fiat money. Unlike at Bitcoin, this type of currency would be created by a centralized authority like a central bank or a monetary authority. It might or might not have a distributed ledger. Each central bank in the world can have a custom implementation. Currently, it is still in test phase or just a concept on paper.

❖ **Centralized:** Centralized means that one organization has control. For example, governments and companies are centralized. The opposite of centralized is decentralized, such as the Internet and the blockchain.

❖ **Coin:** A Coin is the umbrella term for cryptocurrencies and tokens.

❖ **Cold Storage:** Cold storage refers to storing cryptocurrency on a place where the private key cannot be accessed via the internet. This can be done on a hardware wallet, paper wallet or software wallet in an offline environment.

❖ **Cold Wallet:** A cold wallet is a wallet for storing cryptocurrency where the private key is not exposed to the Internet.

❖ **Cryptocurrency:** A cryptocurrency, also known as 'crypto', is a type of currency that is transferred via a blockchain. It uses strong cryptography to secure the transactions, that usually have value. While traditional fiat currencies are subject to counterfeiting, this is not possible in a cryptocurrency. Bitcoin is still the most valuable cryptocurrency.

D

❖ **DAO:** DAO is an abbreviation of 'Decentralized Autonomous Organization'. This is an organization that runs automatically on itself without any human interventions. The work is automatically executed through Smart contracts.

❖ **DeFi:** DeFi is the abbreviation of 'Decentralized Finance'. It can be defined as a new financial ecosystem consisting of various financial tools, apps and services utilizing blockchain technology. It's an umbrella term for all these projects combined and is growing daily. Examples of DeFi functionality are banking services in the form of stablecoins, decentralized exchanges, derivatives, prediction markets, or lending and borrowing systems. The last one can be either peer-to-peer or with a pool. It is a combination of replicating products and services in the traditional finance industry as well as innovative new ones only possible with blockchain technology.



Your CRYPTO Weekend Wire Glossary

❖ **DEX:** A DEX is short for Decentralized Exchange. This is an exchange where people can trade cryptocurrencies and tokens without the need of a middleman. It is usually run by code in a 'smart contract'. The transactions are generally written to the blockchain, which makes a DEX by default slower than a centralized exchange that uses fast databases. The main benefit of a DEX is that nobody, but yourself, holds the private key to the funds. Even though a DEX will not have a middleman regarding the trades, the exchange and the website are centrally managed. Therefore, it's not 100% decentralized in fact. The level of decentralization differs per DEX. Use the filters in this list with exchanges to find each DEX.

E

- ❖ **ERC-20:** ERC20 coins are all tokens on the Ethereum blockchain. These coins are also supported by most Ethereum wallets.
- ❖ **ETF:** ETF is an abbreviation for 'Exchange-Traded-Fund' or a listed fund on a stock exchange. This is a tradable product (security) that follows the price of an underlying asset. Examples are an equity index, a basket of certain securities, bonds and commodities. There are several applications for a Bitcoin ETF, but none of these has yet been approved by the SEC in the United States of America.
- ❖ **Ethereum:** Ethereum (ETH) consists of one blockchain where both its own transactions (Ether) and those of numerous other coins (tokens) are recorded. Ethereum distinctive feature is the so-called "smart contract". The programming language of Ethereum is written in such a way that programmers can write their own programs based on the Ethereum blockchain.

F

- ❖ **Fiat Currency:** Fiat currency or also simply called fiat is money issued by a government or organizations that can issue it, like banks for example. It doesn't have any value by itself and is for decades not backed by gold anymore either. It instead remains value based on the trust of the people. Once the trust goes away it will decrease in value and could eventually cause hyperinflation.
- ❖ **Fully Diluted:** Fully Diluted in crypto refers to fully diluted market cap. This is the market cap of a coin based on its total supply instead of the circulating supply. This is an important metric for investors to compare coins and help with the decision if it's overvalued or undervalued.

H

- ❖ **HODL:** HODL is the wrong spelling of 'hold'. This spelling mistake was once made by someone accidentally or intentionally on a forum. Since then, this term has been used to indicate that you keep or should be holding your position.



Your CRYPTO Weekend Wire Glossary

I

- ❖ **ICO:** An 'initial coin offering' (ICO) can be compared a bit with an IPO. Investors get an opportunity to invest in a certain coin for the first time. The difference with the stock market however is that a company must meet all kinds of requirements before the IPO can take place. The market of ICO's is much less regulated. Therefore, it happens more often that an ICO is fraudulent.
- ❖ **Interoperability:** The term interoperability in crypto refers to blockchain interoperability. In short, this means the ability to share information between different blockchains. Since the launch of Bitcoin, a lot of new blockchains have emerged of which the most well known Ethereum. All these new blockchains are in a way competing to get adoption by developers and users and results in a lot of silos. Since each blockchain usually has its own speciality, it would make sense for developers to utilize more than one blockchain. For this to work there is a need for the interoperability and several projects are working on this.

K

- ❖ **Key Pairs:** A key pair is the combination of a public and private key together. During the process of creating a wallet, a pair of keys is generated. The private key is the most important one and should be backed up safely and not shared with anyone.
- ❖ **KYC:** KYC is an abbreviation for 'Know Your Customer' and was created to combat money laundering via cryptocurrencies. At almost every ICO it is mandatory to prove that you are who you say you are. This is also regularly requested at crypto exchanges.

M

- ❖ **Masternode:** A masternode is a server, ran from home or in a data center, that has an essential role in a decentralized network. It usually performs specific tasks, like storing files or data and keeping it accessible in the network. It could also function to validate the transaction or for consensus purposes like voting on proposals. The technical (memory, CPU, etc.) and financial criteria (number of coins needed) are different for each coin. If the masternode you set up does not perform well it's possible to lose your coins if those are meant as collateral. The rewards could also just stop and then you can just start over again. A masternode usually gives a high reward that's paid out in the coin itself.
- ❖ **Maximum Supply:** This is the maximum number of coins that will exist for a token or cryptocurrency. If there is a max supply defined, no more coins can be created. 'Burned' coins are part of this supply, so therefore it is always larger than or equal to the total supply.
For Bitcoin, the maximum is set to 21 million.
- ❖ **Mining:** Mining is also known as 'Cryptocurrency mining' or 'Cryptomining'. It is a process where blocks are added to a blockchain by solving a mathematical puzzle. The block can also contain transactions on that blockchain and will then become verified and immutable. Depending on the blockchain, mining can be done with a CPU, GPU, specialized hardware or a combination of all.



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N

- ❖ **NFT:** *NFT is the abbreviation of non-fungible token. This is a type of token representing a unique asset. These can be either digital or represent real-world assets. Examples are a sword in a game or ownership of a piece of land. NFT's are generally scarce, unique and indivisible. The Ethereum blockchain makes it easy to create NFT's with it's ERC-721 and ERC-1155 standards.*

O

- ❖ **ODN:** *ODN is the abbreviation of 'OriginTrail Decentralized Network'. This is an open-source and permissionless network that relies on an off-chain technology stack consisting of several inter-related layers. It is a decentralized network of data providers, data creators, data holders, and data viewers. The glue between all entities is the ERC-20 based Trace Token (TRAC). This is used as a collateral stake to keep data holders honest and for payments to compensate the data holders for providing their resources.*

P

- ❖ **Paper Wallet:** *A paper wallet is an alternative to a hardware or software wallet. It is a piece of paper or a PDF containing the information to access the cryptocurrency in that wallet. It normally consists of a 'public key' and a 'private key'.*
- ❖ **Permissioned Blockchain/ledger:** *Anyone can mine Bitcoins because it is a public blockchain. This is not the case with a permissioned blockchain. There is a layer above it that determines which entity can write transactions in a block. The XRP coin from the company Ripple Labs is an example of such a blockchain and has CGI, MIT and Microsoft as approved entities for example. These are called "transaction validators".*
- ❖ **PoA (Proof of Authority):** *PoA stands for 'Proof of Authority'. This is a validation method to process transactions and blocks in a blockchain only by approved accounts. These are known as 'validators' and run specific software to store the transactions in blocks. Since the identity is linked to the system, it can contribute to more trust.*
- ❖ **Private Key:** *A private key in the crypto space can be defined as the combination of letters and numbers that corresponds to a specific public key. The private key can be used to gain access to the assets on that public key, also known as the wallet address. Once you share your private key with somebody, store it on your computer in plain text or type it in a website or app, you risk losing all your funds stored on its a corresponding public address.*
- ❖ **Public Key:** *A public key in the crypto space can be defined as a combination of letters and numbers and forms the address to which the cryptocurrencies or tokens can be sent to. Everybody who knows the public key of somebody can see the assets stored on that address. Only the owner of the corresponding private key can send those assets out.*



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Q

- ❖ **QR Code:** A QR code is a type of barcode in the form of a square. The letters QR stand for 'Quick Response'. The code contains many dots, a few small squares and sometimes a small logo in the middle. This is different from most other barcode types, which are rectangular with lines. A QR code can therefore contain much more information. Within the crypto world, it is often used to make a 'wallet' address scannable. This speeds up the process of transferring crypto and prevents errors.

S

- ❖ **Satoshi Nakamoto:** Satoshi Nakamoto is the alias of the creator of Bitcoin, who wants to remain anonymous. Nobody knows who it is. It could be a person, a group, a company or even a government. It is quite likely that it is a person because there are people who have communicated with him or her via e-mail.
- ❖ **SEC:** SEC is the abbreviation of 'Securities and Exchange Commission'. This is an independent government organization of the United States of America. The SEC holds the primary responsibility regarding the financial markets. They enforce the federal securities laws, propose new rules and regulate the US financial markets.
- ❖ **Stablecoin:** Stablecoins are tokens or cryptocurrencies attempting to have a minimized volatility of its price. It usually tries to keep a stable price of a related asset like USD for example. It can be backed by the related asset or replicated using smart contracts. Stablecoins are usually pegged to fiat money, but it's also possible to be pegged to precious metals like gold or silver, or even other assets. It enables an easily accessible way to store crypto wealth, temporarily, in a more stable asset during market volatility instead of using the traditional financial ecosystem. Fiat withdrawals can take a few days and could be costly as well.

T

- ❖ **Tether:** The Tether is often abbreviated as USDT on exchanges. This is a non-government regulated 'stablecoin' with a value of around 1 US dollar. The company behind this coin claims that every Tether in circulation is covered with real dollars on their bank account.
- ❖ **Total Supply:** The 'total supply' indicates the number of coins already in circulation, supplemented with the coins that are not tradable yet. So, it only applies to coins already in existence. This is different from the 'max supply', in which future coins are included. The total supply is greater than or equal to the 'circulating' supply. It can consist of tradable and non-tradable coins, such as reserved or not yet released coins for the team or investors.
- ❖ **Transaction Fee:** The 'transaction fee' is the amount that must be paid to execute transactions on the Blockchain. This fee is usually paid to the 'Miners', but sometimes they are burned. There are also several cryptocurrencies, where you don't have to pay a fee.



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W

- ❖ **Wallet:** A 'wallet' is a place to store cryptocurrencies encrypted. There are several variants, such as a paper wallet, hardware wallet or software wallet. Each coin has one or more supported wallets.
- ❖ **Whale:** A 'whale' is someone with a very large position in a coin.
- ❖ **Whitepaper:** A 'whitepaper' is a document that is almost always written for the launch of a new coin through an ICO. All aspects of a coin should be explained here: how it is used, for what and sometimes also the price expectation. After the ICO new versions can be released if the situation changes.

Y

- ❖ **Yield Farming:** Yield farming is the process of generating the most returns possible on your crypto assets by putting them to work. Within the crypto space, DeFi has taken on a big role and services inside this space are making yield farming possible. There are nowadays ways to move your crypto assets to pools to gain interest on those assets giving it an annual percentage yield (APY). Just buying crypto-assets and holding them in your wallet, won't generate any yield, but lending them out with DeFi services like, Compound, for example, does make this possible. A term closely related to yield farming is liquidity mining.

Sources: blockspot.io/crypto-dictionary

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