

➤ **Huawei chairman says the 'aim is to survive' as revenue slides 29%.**

The chairman of Huawei said the Chinese technology company's "aim is to survive" as revenue fell almost 30% in the first half of the year. The Shenzhen-headquartered company, which was put on the U.S. trade blacklist in 2019, announced Friday that it generated 320.4 billion yuan (\$49.6 billion) in revenue in the first half of 2021. It's a significant fall from the 454 billion yuan that Huawei recorded in the first half of 2020.

Huawei said its profit margin grew 0.6% to 9.8%, largely as a result of efficiency improvements, and added that the overall performance was in line with forecasts.

Eric Xu, Huawei's rotating chairman, said in a statement that the company had set its strategic goals for the next five years.

"Our aim is to survive, and to do so sustainably," he said.

Former U.S. President Donald Trump put Huawei on an export blacklist in 2019, a move that prevents American firms from doing business with it. For instance, Google was no longer allowed to license its Android mobile operating system to Huawei.

The blacklist blocks U.S. companies from selling or transferring technology to Huawei unless they are granted a special license. It has hampered Huawei's ability to design its own chips and source other components.

Xu said in April that Huawei has ramped up its research and development investment as part of its efforts to "keep the company afloat, to address supply continuity challenges caused by U.S. bans, and to pursue sustainability well into the future."

Huawei's business is split into three subdivisions: carrier, enterprise and consumer.

Huawei said year-on-year revenue for the consumer business dropped to 135.7 billion yuan from 255.8 billion yuan, blaming the decline on the sale of its Honor business at the end of 2020.

Its carrier business, which sells 5G and other telecommunications infrastructure, saw first-half revenue slip to 136.9 billion yuan from 159.6 billion yuan in the first half of 2020.

Huawei said the carrier business grew steadily outside China in the first half of the year. However, in China, which is its largest market by far, the company said it was affected by delays in the 5G network rollout. Huawei said it expects the carrier business to continue to grow steadily over the next six months thanks to 5G efforts from China Mobile, China Broadcasting Network, China Telecom, and China Unicom.

First-half revenue at the enterprise division increased to 42.9 billion from 36.3 billion yuan in the first half of 2020, Huawei said.

The enterprise business achieved higher growth outside China than in its domestic market, Huawei said, adding that it will continue to remain the "most promising growth engine" for the company this year.

"Despite a decline in revenue from our consumer business caused by external factors, we are confident that our carrier and enterprise businesses will continue to grow steadily," Xu said.

He added: "These have been challenging times, and all of our employees have been pushing forward with extraordinary determination and strength. I want to thank every single member of the Huawei team for their incredible effort."

➤ **Germany after Merkel will face three key challenges, Goldman says.**

Germany is about to embark upon a new political chapter that will have three main challenges, Goldman Sachs said Friday.

Chancellor Angela Merkel will leave office this fall following 16 years in power. Though Goldman believes she will leave Europe's largest economy well-placed to recover from the coronavirus pandemic, the U.S. investment bank said climate change, trade frictions and an aging population will be the biggest obstacles in coming years.

"We see Germany exposed to a number of medium-term challenges, related to the missed structural opportunities during the Merkel years," Goldman analysts said, adding that "the next government faces a balancing act between achieving the country's ambitious climate goals and reaping the economic benefits from the green transition."

Germany has put in place some of the most ambitious climate targets in Europe, seeking to cut its greenhouse gas emissions by 65% from 1990 levels by 2030. The 27 EU nations together vowed to reduce emissions by 55% over that period.

Policymakers are under intensifying pressure to deliver on promises made as part of the Paris Agreement ahead of this year's COP26, due to be held in Glasgow, Scotland, in early November. Yet even as politicians publicly acknowledge the necessity of transitioning to a low-carbon society, hopes of limiting global warming — and meeting a crucial global target — are quickly deteriorating.

Germany's climate plan will demand effective action in helping the most vulnerable sectors and workers to make sure they are not marginalized and that they support the move to a carbon-neutral society. In France, for instance, when the government tried to raise fuel taxes in late 2018, the move triggered a massive backlash that led to the "yellow vest" movement.



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In addition, Goldman said, “Germany’s export-oriented economy looks vulnerable to ongoing de-globalization trends.” Germany has become Europe’s economic powerhouse thanks to its exports. In 2019, exports reached an all-time-high of 1.33 trillion euros (\$1.57 trillion). This number dropped to 1.21 trillion euros in 2020 amid the Covid pandemic, according to data from its national statistics office.

There are concerns that recent issues over supply chains, calls for protectionism, the U.K.’s departure from the EU and an overall stagnating level of global trade will hamper German exports.

“Ongoing supply shortages of intermediate inputs could last longer than expected, dampening the recovery in exports and investment, particularly for the automobile sector,” the International Monetary Fund said in July, specifically referring to Germany’s economic recovery. The IMF expects German gross domestic product to reach 3.6% this year and 4.2% in 2022.

“Germany’s potential growth rate is in the middle of the G-7 pack but will come under particular pressure through demographic change,” Goldman said.

Analysts said the country “will be affected more strongly by population ageing than most advanced economies, with the dependency ratio rising sharply in coming decades.”

This will bring fiscal challenges as an older population will likely mean more costs with health and social security services.

The latest polls project a win for Germany’s ruling conservative bloc, the CDU/CSU, with 27% of the vote. The Green Party is placing second with 19% of support, followed by the Social Democratic Party with 17%, according to Politico’s Poll of Polls.

➤ **Ireland stares down major changes to its tax system.**

As the OECD’s deadline for finalizing major reforms to the global tax system draws near, the Irish government recently opened a public consultation on the deal as it considers its future.

Ireland is notably one of the holdouts on the agreement, which has seen some 131 countries sign up to the deal that includes setting a 15% minimum corporation tax rate globally. The OECD aims to finalize the agreement in October.

Ireland’s vaunted 12.5% rate has been a key tool in its industrial policy, attracting several major pharmaceutical and tech giants to its shores, from Pfizer to Facebook.

Any changes to that rate could have serious implications for Ireland as a destination for foreign investment and for receipts at the exchequer.

The Dublin government estimates that changes to its tax rate could lead to 2 billion to 3 billion euros in lost tax revenue every year.

Finance Minister Paschal Donohoe has voiced support for reforms of the international system generally but stops short of agreeing to a minimum rate.

“Ireland is broadly supportive of the agreement but signaled a reservation in the respect to a commitment to a rate of ‘at least 15%’ for a global minimum effective tax rate,” a spokesperson for the Department of Finance told CNBC in a statement.

James Stewart, adjunct associate professor in finance at Trinity College Dublin, said that the consultation is likely a delaying tactic to see how things shake out stateside before making any decision. U.S. President Joe Biden, who has championed the reforms, will need to get the measures passed through Congress.

“Even if you get a whole array of opinions, what will the department do with those? They’re not binding, and they’ve had other consultations before,” Stewart said on Ireland’s consultation.

Ireland has long attracted scrutiny of its tax regime, most infamously in its affairs with Apple.

There have been gradual changes over the years to the global tax landscape that have affected Ireland’s tax regime. A loophole known as the “double Irish,” favored by some multinationals to cut their tax bills, was closed last year.

On the flipside, Ireland has maintained a scheme called the Knowledge Development Box, a low rate of tax related to patents and intellectual property.

KPMG’s Manal Corwin, a former Treasury Department official, said Ireland will face some pressure to sign up to the OECD deal and that maintaining its lower 12.5% rate may be inopportune in the long term.

Corwin said that the OECD proposal is not a direct request to set a rate of tax, but it would make maintaining a lower rate less advantageous for companies when it comes to choosing bases for their operations.

Under the current proposals, if Ireland maintained its 12.5% rate, a company would pay that tax at that rate in Ireland, but it would also be taxed on the excess amount by the company’s home country, such as the U.S. in many cases.

Sources: CNBC.com

This could leave tax revenue on the table that Ireland could otherwise pick up if it signs up to the deal, she said.

"The income [of companies] will be subject to the higher tax so whatever they are achieving by maintaining a low rate to attract investment will be neutralized by the taxation of other countries. If the rate isn't necessarily changing the attraction for investment, why wouldn't [Ireland] pick up that revenue rather than someone else?"

Corwin added that Donohoe's assertions that the minimum rate of 15% could be increased in years to come has little basis.

"They haven't put in the agreement any mechanism for that to happen, so I suspect that's a fear that he's expressing. You would still need to get global agreement because this is all dependent on a global consensus that this is the right rate," she said.

"I think the reality for Ireland is if there's enough buy-in from surrounding jurisdictions that are economically relevant to Ireland, then it will be difficult to not shift."

Trinity's Stewart said change is likely coming in one form or another for Ireland, whether that's a change in tax rate or how Ireland structures its tax regime for multinationals, such as giving tax breaks.

"It might be more difficult for Ireland to have favorable tax regimes introduced. I think changing the tax rate will be the first step but then there will be much more tightening up on the tax regime you can have in Ireland to facilitate multinational enterprises in one way or another," he said.

Attracting foreign direct investment has been a major part of the country's financial strategy for decades and in generating jobs.

"What will be the effect on location decision, that's a difficult one to know," Stewart said, referring to where multinationals will base future investments.

The likes of Google and Facebook are unlikely to unwind or uproot their substantial investments in staff, resources and property in Dublin but whether Ireland will continue to attract foreign direct investment at its current pace is the great unknown.

Ireland continues to trumpet the country's other aspects for why it is an ideal location for investment. It is English-speaking, politically stable and provides access to the EU market.

Stewart said there needs to be a "more balanced structure" between the Irish economy's reliance on multinational activity and native businesses.

"If you have a tax-driven industrial policy, you'll attract the firms for which tax is important. They can be footloose firms, you get all of this tax planning and tax strategy rather than real things like new product formation," he said.

Focusing on tax rates, breaks and incentives has had its day, he said, and Ireland, and other countries, need to re-think industrial policies with this in mind.

"I think it might have worked for a while in industrial development, but I think it's come to the end of the road. I don't think it's a recipe for long-term economic success."

➤ **U.S. reviews 9/11 documents for possible release after families tell Biden to skip memorial events.**

The Department of Justice pledged on Monday to conduct a fresh review of files related to the Sept. 11, 2001, terrorist attacks for possible public release, after years of pressure from victims' families to disclose information on the alleged role of Saudi government officials.

The Justice Department did not detail what documents or information might be released after the review is complete.

The decision comes just days after nearly 1,800 9/11 survivors, first responders and victims' family members told President Joe Biden to skip memorial events this year, unless he released FBI documents detailing Saudi government officials alleged role in the deadly attacks.

It also comes a month ahead of the 20th anniversary of the terrorist attacks that killed almost 3,000 people at the World Trade Center in New York, at the Pentagon and in Pennsylvania.

Biden welcomed the Justice Department's decision.

"As I promised during my campaign, my Administration is committed to ensuring the maximum degree of transparency under the law, and to adhering to the rigorous guidance issued during the Obama-Biden Administration on the invocation of the state secrets privilege," Biden said in a statement. "In this vein, I welcome the Department of Justice's filing today."

The Justice Department's decision comes in the wake of a federal lawsuit in the Southern District of New York by 9/11 victims' families against the Kingdom of Saudi Arabia.

The Justice Department, in a court filing Monday, noted that the FBI recently closed an investigation focused on individuals who may have provided substantial assistance to 9/11 hijackers.



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The FBI will review its prior decisions to withhold information and identify additional information appropriate for disclosure, according to the filing.

“The FBI will disclose such information on a rolling basis as expeditiously as possible,” Justice Department officials said in the filing. Organizations representing 9/11 victims’ families, including Peaceful Tomorrows and the 9/11 Families’ Association, did not immediately respond for comment.

Biden campaigned on the promise to provide 9/11 survivors and family members with more transparency about unreleased documents the government has on the attacks.

Survivors, first responders and victims’ families argued on Friday that Biden had failed to live up to his words. They also previously claimed that there are up to 25,000 pages of documents related to 9/11 that have been withheld from them.

“We cannot in good faith, and with veneration to those lost, sick, and injured, welcome the president to our hallowed grounds until he fulfills his commitment,” they wrote in a statement on Friday.

Brett Eagleson, whose father was killed in the attack on the World Trade Center, told CNN on Friday that the group specifically wants documents that reveal any information on the alleged role of the Saudi Arabian government.

“The administration, behind a cloak of secrecy, continues to stab us in the back,” Eagleson said.

The 9/11 Commission investigation, which concluded in 2004, found it likely that charities funded by the Saudi government supported the terrorist attacks but did not report evidence of direct funding from the government.

The group of survivors and family members contends that more recent FBI documents, such as from a 2016 investigation of Saudi Arabia, would reveal whether any individuals associated with al Qaeda, the group that carried out the terrorist attacks, received assistance or financing from the Saudi government.

Fifteen of the 19 attackers in the 9/11 attacks were Saudi citizens, and mastermind Osama Bin Laden was born in Saudi Arabia. The Saudi government has denied allegations that it was involved.

Multiple presidential administrations have withheld documents related to the attacks, citing security concerns. Most recently, the Trump administration invoked the state secrets privilege in 2019 to justify keeping documents classified.

➤ **Elon Musk offers for SpaceX to make NASA spacesuits, after watchdog says program to cost \$1 billion.**

Elon Musk offered SpaceX’s services to help NASA make its next-generation spacesuits, after a watchdog report on Tuesday said the agency’s current program is behind schedule and will cost more than \$1 billion.

“SpaceX could do it, if need be,” Musk wrote in a tweet.

Musk’s company has developed and made flight suits for astronauts who launch into orbit in SpaceX’s Crew Dragon spacecraft. The flight suits are primarily designed to protect the astronauts in case of a fire inside of the spacecraft, or if the cabin depressurizes. Building spacesuits would be a more complex and challenging endeavor, given the need to survive outside of a spacecraft in the harsh environment of space.

NASA spokesperson Monica Witt, in a statement to CNBC on Musk’s offer, pointed to the agency’s request last month to companies in the space industry for feedback on “purchasing commercial spacesuits, hardware, and services.”

Musk’s proposal came in response to a report by NASA’s inspector general – which is the investigative office which audits the agency for fraud and mismanagement – on the work being done to develop a new line of Extravehicular Mobility Units, which are informally called spacesuits.

Astronauts on board the International Space Station use spacesuits “designed 45 years ago for the Space Shuttle” program, the report noted. The IG also highlighted that those spacesuits have been “refurbished and partially redesigned” over the past decades to continue working.

The space agency has started three different spacesuit programs since 2007, the inspector general found, and has spent \$420.1 million on development since then. Additionally, the report said NASA “plans to invest approximately \$625.2 million more” on development, testing and qualification to complete a suit for a demonstration on the ISS and two suits for the crewed mission to the moon – for a total cost of “over \$1 billion” through 2025.

Beyond the soaring cost, the inspector general said delays “attributable to funding shortfalls, COVID-19 impacts, and technical challenges” have eliminated the chance the spacesuits are ready in time. The spacesuits will “not be ready for flight until April 2025 at the earliest,” the report said. NASA originally said the spacesuits would be ready by March 2023.....

Sources: CNBC.com

➤ **Senate approves framework of \$3.5 trillion budget plan that would expand Medicare, tax credits and climate initiatives.**

Senate Democrats took their first step toward passing a \$3.5 trillion spending plan early Wednesday as the party forges ahead with a massive economic agenda.

After more than 14 hours of votes on amendments, the Democratic-held chamber voted to pass a budget resolution 50-49 along party lines. The measure directs committees to craft a bill that would spend up to \$3.5 trillion on climate initiatives, paid leave, childcare, education and health care.

“The Democratic budget will bring a generational transformation to how our economy works for average Americans,” Schumer said after its passage.

It marks the first step in the budget reconciliation process, which will allow Democrats to approve their plan without a Republican vote in the Senate split 50-50 by party. The GOP has united against the proposal and the tax increases on corporations and wealthy individuals that Democrats plan to use to pay for it.

The vote for the resolution follows Senate passage of a \$1 trillion bipartisan infrastructure bill Tuesday. Democrats see the bipartisan plan and their reconciliation bill as complementary planks of an agenda that aims to create jobs, slow climate change and strengthen the social safety net.

Early signs of trouble emerged for Democrats, who have to keep every member of their Senate caucus on board to pass their spending plan. Sen. Joe Manchin, D-W.V., raised concerns about the \$3.5 trillion price tag and signaled he would try to scale back the final legislation.

“Given the current state of the economic recovery, it is simply irresponsible to continue spending at levels more suited to respond to a Great Depression or Great Recession – not an economy that is on the verge of overheating,” he said in a statement.

Neither bill will get to President Joe Biden’s desk for weeks or even months. The House will also need to approve a budget resolution before Congress can craft and pass final legislation.

Balancing competing interests in her caucus, House Speaker Nancy Pelosi, D-Calif., has said she will not take up the infrastructure or reconciliation bills until the Senate passes both. However, she has faced some pressure from centrists in her party to hold a stand-alone vote on the bipartisan plan.

House Majority Leader Steny Hoyer announced Tuesday that the chamber will return from its current recess on Aug. 23, about a month earlier than previously planned. The House will move to pass the budget resolution, the Maryland Democrat said.

The Senate is set to leave Washington until mid-September.

Senate Majority Leader Chuck Schumer, D-N.Y., gave committees a Sept. 15 target to put together their portions of the bill.

The resolution seeks to expand paid family and medical leave, make childcare more accessible, create universal pre-K and tuition-free community college, and extend enhanced household tax credits passed during the coronavirus pandemic. It also recommends lowering the Medicare eligibility age and expanding benefits to include dental, vision and hearing.

The measure also calls for expanding green energy and curbing climate change through business tax incentives, consumer rebates and polluter fees.

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The week ahead

Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
16.08.2021	01:50	Japan	GDP QQ	Q2	0.2%	-1.0%	0.15%	-0.05%
16.08.2021	01:50	Japan	GDP QQ Annualised	Q2	0.7%	-3.9%	0.72%	0.02%
16.08.2021	01:50	Japan	GDP QQ Pvt Consmp Prelim	Q2	-0.1%	-1.5%	-0.13%	-0.03%
16.08.2021	01:50	Japan	GDP QQ Capital Expend.	Q2	1.7%	-1.2%	1.93%	0.23%
16.08.2021	01:50	Japan	GDP QQ External Demand	Q2	-0.1%	-0.2%	0.03%	0.13%
16.08.2021	06:30	Japan	Industrial O/P Rev MM SA	Jun		6.2%		
16.08.2021	06:30	Japan	Capacity Utilization MM SA	Jun		-6.8%		
16.08.2021	08:00	Germany	Wholesale Price Index MM	Jul		1.5%		
16.08.2021	08:00	Germany	Wholesale Price Index YY	Jul		10.7%		
16.08.2021	14:30	United States	NY Fed Manufacturing	Aug	35.00	43.00	33.006	-1.994
16.08.2021	14:30	Canada	Manufacturing Sales MM	Jun		-0.6%		
16.08.2021	14:30	Canada	Wholesale Trade MM	Jun		0.5%		

Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
17.08.2021	08:00	United Kingdom	Claimant Count Unem Chng	Jul		-114.8k		
17.08.2021	08:00	United Kingdom	ILO Unemployment Rate	Jun		4.8%		
17.08.2021	08:00	United Kingdom	Employment Change	Jun		25k		
17.08.2021	08:00	United Kingdom	Avg Wk Earnings 3M YY	Jun		7.3%		
17.08.2021	08:00	United Kingdom	Avg Earnings (Ex-Bonus)	Jun		6.6%		
17.08.2021	09:30	Netherlands	GDP Prelim SA QQ	Q2		-0.8%		
17.08.2021	09:30	Netherlands	GDP Prelim NSA YY	Q2		-2.4%		
17.08.2021	09:30	Netherlands	Trade Balance	Jun		4.812B		
17.08.2021	09:30	Sweden	Industrial Inventories QQ	Q2		1.5B		
17.08.2021	14:15	Canada	House Starts, Annualized	Jul		282.1k		
17.08.2021	14:30	Canada	Securities Cdns C\$	Jun		10.65B		
17.08.2021	14:30	Canada	Securities Foreign C\$	Jun		20.79B		
17.08.2021	14:55	United States	Redbook YY	9 Aug, w/e				
17.08.2021	15:15	United States	Industrial Production MM	Jul	0.4%	0.4%	0.62%	0.22%
17.08.2021	15:15	United States	Capacity Utilization SA	Jul	75.7%	75.4%	75.82%	0.12%
17.08.2021	15:15	United States	Manuf Output MM	Jul		-0.1%		
17.08.2021	16:00	United States	Business Inventories MM	Jun	0.8%	0.5%	0.79%	-0.01%
17.08.2021	16:00	United States	NAHB Housing Market Indx	Aug	80	80	79.7	-0.3

Source: Refinitiv

Your Weekend Wire

The week ahead

Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
18.08.2021	01:50	Japan	Machinery Orders MM	Jun		7.8%		
18.08.2021	01:50	Japan	Machinery Orders YY	Jun		12.2%		
18.08.2021	01:50	Japan	Exports YY	Jul		48.6%		
18.08.2021	01:50	Japan	Imports YY	Jul		32.7%		
18.08.2021	01:50	Japan	Trade Balance Total Yen	Jul		384.0B		
18.08.2021	08:00	United Kingdom	PPI Input Prices MM NSA	Jul		-0.1%		
18.08.2021	08:00	United Kingdom	PPI Input Prices YY NSA	Jul		9.1%		
18.08.2021	08:00	United Kingdom	PPI Output Prices MM NSA	Jul		0.4%		
18.08.2021	08:00	United Kingdom	PPI Output Prices YY NSA	Jul		4.3%		
18.08.2021	08:00	United Kingdom	PPI Core Output MM NSA	Jul		0.3%		
18.08.2021	08:00	United Kingdom	PPI Core Output YY NSA	Jul		2.7%		
18.08.2021	13:00	United States	MBA 30-Yr Mortgage Rate	9 Aug, w/e				
18.08.2021	14:30	United States	Building Permits: Number	Jul	1.615M	1.594M	1.6339M	0.0189M
18.08.2021	14:30	United States	Build Permits: Change MM	Jul		-5.3%		
18.08.2021	14:30	United States	Housing Starts Number	Jul	1.610M	1.643M	1.6090M	-0.0010M
18.08.2021	14:30	United States	House Starts MM: Change	Jul		6.3%		

Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
19.08.2021	01:00	Japan	Reuters Tankan Man'f Idx	Aug		25		
19.08.2021	06:30	Netherlands	Unem Rate Monthly SA	Jul		3.2%		
19.08.2021	08:00	Switzerland	Trade	Jul		5 529M		
19.08.2021	14:30	United States	Initial Jobless Clm	9 Aug, w/e				
19.08.2021	14:30	United States	Jobless Clm 4Wk Avg	9 Aug, w/e				
19.08.2021	14:30	United States	Cont Jobless Clm	2 Aug, w/e				
19.08.2021	14:30	United States	Philly Fed Business Indx	Aug		21.9		
19.08.2021	14:30	United States	Philly Fed 6M Index	Aug		48.60		
19.08.2021	14:30	United States	Philly Fed Capex Index	Aug		41.20		
19.08.2021	14:30	United States	Philly Fed Employment	Aug		29.20		
19.08.2021	14:30	United States	Philly Fed Prices Paid	Aug		69.70		
19.08.2021	14:30	United States	Philly Fed New Orders	Aug		17.00		

Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
20.08.2021	08:00	Germany	Producer Prices MM	Jul		1.3%		
20.08.2021	08:00	Germany	Producer Prices YY	Jul		8.5%		
20.08.2021	08:00	United Kingdom	PSNB Ex Banks GBP	Jul		22.754B		
20.08.2021	08:00	United Kingdom	PSNB, GBP	Jul		22.020B		
20.08.2021	09:30	Sweden	Capacity Utilization QQ SA	Q2		1.4%		

Sources: Refinitiv

Your Weekend Wire Figures

Currencies

EURUSD	1.1787	Weekly Change
Week Low	Week High	
1.1707	1.1791	0.23%

GBPUSD	1.3846	Weekly Change
Week Low	Week High	
1.3792	1.3894	-0.23%

EURCHF	1.0807	Weekly Change
Week Low	Week High	
1.0757	1.0840	0.50%

AUDUSD	0.7369	Weekly Change
Week Low	Week High	
0.7317	0.7389	0.26%

USDCHF	0.9169	Weekly Change
Week Low	Week High	
0.9136	0.9242	0.27%

USDCAD	1.2512	Weekly Change
Week Low	Week High	
1.2488	1.2589	-0.32%

USDTRY	8.5466	Weekly Change
Week Low	Week High	
8.5065	8.6796	-0.81%

EURGBP	0.8510	Weekly Change
Week Low	Week High	
0.8451	0.8518	0.41%

Indices and Commodities

Eurostoxx 50	4 225.92
Week Change	YTD
1.17%	17.60%

Gold	1772.12
Week Change	YTD
0.53%	-6.64%

SMI	12 449.67
Week Change	YTD
2.08%	16.12%

WTI	69.1500
Week Change	YTD
1.87%	45.21%

S&P 500	4 463.81
Week Change	YTD
0.55%	18.76%

US 10Y Yield	1.332
Week bp Change	YTD bp Change
4.52	41.639

VIX	15.47
Week Change	YTD
-3.47%	-31.47%

EU 10Y Yield	-0.4600
Week bp Change	YTD bp Change
-0.50	8.83

Sources: Bloomberg/Refinitiv



Your CRYPTO Weekend Wire

Crypto Market Cap: \$1,920,496,104,028

Dominance*: BTC: 44.7% ETH: 19.3%

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

News Flow

➤ **Cinema operator AMC plans to accept BTC by 2022.**

American cinema operator AMC Entertainment is aiming to accept Bitcoin payments for movie tickets by 2022.

Speaking during a Aug. 9 conference call regarding the firm's Q2 results announced earlier the same day, AMC chairman and CEO Adam Aron revealed that the cinema chain intends to have the infrastructure ready to accept BTC payments for online movie tickets by the end of 2021.

While details regarding AMC's plan to accept Bitcoin are scant, Aron reported strong demand for buying movie tickets with crypto from the firm's customers.

AMC's Q2 results showed significant improvements compared to last year, reporting \$444 million in revenue compared to Q2 2020's \$18.9 million in revenue. Net losses also declined from \$561 million or \$5.38 per share to \$349 million or \$0.71 per share year-over-year.

Along with adopting BTC payments, AMC also announced plans to open more than one dozen locations across the U.S., Europe and the Middle East this year.

The chairman also made the unlikely claim that he first learned about crypto assets after being elected to the board of Centricus Acquisition Corp. on May 6 — one week before Centricus acquired blockchain technology firm, Arqit.

AMC's impressive Q2 results come just one year after the firm appeared destined for bankruptcy, with the cinema operator being forced to close venues as the global coronavirus pandemic spread.

Amid the pandemic, notorious Reddit-based pump-n-dump group, Wallstreetbets, converged on AMC's shares to drive a 900% gain in its stock during January. According to data from TradingView, the price of AMC stock is up 1,200% year-to-date after rallying from roughly \$2.60 to \$34 as of this writing.

➤ **Coinbase's Q2 profits top \$1.6B as ETH volume surpasses BTC's for the first time.**

Coinbase generated \$2.23 billion of revenue for the second quarter of 2021, as Ethereum (ETH) trading volume surpassed Bitcoin (BTC) for the first time on the platform.

Coinbase posted its Q2 report on Aug. 10 and the crypto exchange's revenue beat analyst predictions — with industry standard financial estimators Refinitiv forecasting \$1.78 billion in expected revenue for the firm. Coinbase's earnings per share came in at \$3.45, compared to estimates of \$2.33.

The trading platform posted a net profit of \$1.6 billion in Q2, a whopping increase of 4,900% compared to the \$32 million recorded in the same period in 2020.

For the first time in Coinbase's nine-year history, ETH flipped BTC in trading volume, with the assets representing 26% and 24% of total volume, respectively. BTC trading volume declined 39% compared to Q1, while ETH increased 23% within that time frame.

In the report, Coinbase stated that the decline in BTC trading volume may have been the result of the total Bitcoin volume decreasing "as a percentage of global exchange spot volume," along with the addition of many new assets which saw increased interest and speculation.

The firm attributed the rise in ETH trading volume to the growth in DeFi and NFT ecosystems, along with increased demand due to Eth 2.0 staking.

Coinbase saw a 38% increase in total volume compared to Q1, with the firm processing \$462 billion of volume in the second quarter.

Operating expenses were also high, totaling \$1.35 billion and equating to 67% of net revenue.

Retail traders accounted for \$145 billion worth of total volume, while institutional investors represented \$317 billion, equating to increases of 20% and 47% compared to Q1, respectively.

➤ **Shark Tank's Kevin O'Leary becomes FTX spokesperson, will be paid in crypto.**

Shark Tank host Kevin O'Leary has become an official spokesman for Sam Bankman-Fried's FTX crypto exchange and will be paid in crypto and receive equity as part of the deal.

According to an Aug.10 announcement, the partnership with FTX Trading Ltd. and West Realm Shires Services Inc. (owners of FTX.US and FTX.com) will see O'Leary take an equity stake in both firms.

The venture capitalist also known colloquially as "Mr. Wonderful" signed the multi-year deal to serve as a brand ambassador and spokesperson. He asked to be paid in crypto assets to increase his holdings.

Sources: Bloomberg/Refinitiv/cnbc.com



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In the announcement, O’Leary noted that “institutional investors struggle with the decision to invest in crypto assets” as they harbor compliance-related concerns as he did regarding crypto.

He added that, “To find crypto investment opportunities that met my own rigorous standards of compliance, I entered into this relationship with FTX.”

O’Leary has been tasked with elevating the brand to large audiences and has already got to work on social media by promoting a FTX CryptoPunk NFT giveaway on Twitter. However, he unfortunately misspelled a word in the caption of his post which reads “what to win a CryptoPunk? Here’s your chance!”

The venture capitalist has a knack for producing colorful nicknames for crypto, and in January he referred to Bitcoin (BTC) as a “giant nothing-burger” due to its inconsistent regulatory frameworks across the globe. He has also described BTC mined in non-environmentally friendly ways as “Blood Coin.”

He changed his tune on Bitcoin and revealed plans to allocate 3% of his investment portfolio to BTC in March. This week he called Ethereum “ultrasound money” in a Cameo video.

➤ **PNC Bank Is Planning a Crypto Offering With Coinbase.**

Coinbase said Tuesday it’s working with PNC Bank, the fifth-largest bank in the U.S., on a previously undisclosed crypto project.

“In recent months, we have formed partnerships with industry leaders including Elon Musk, PNC Bank, SpaceX, Tesla, Third Point LLC, and WisdomTree Investments,” Tuesday’s shareholder letter read. When asked by CoinDesk, Coinbase declined to elaborate.

A source had previously told CoinDesk that the PNC Bank is expected to unveil a crypto jawb in the coming quarters.

The service would give the Pennsylvania-based national bank more seamless access to cryptocurrency investments for its clients, the source said. It’s just one facet of PNC’s broader digital assets and blockchain strategy.

PNC is the latest mainstream megabank to dip its toe into digital assets, and perhaps the largest to do so with Coinbase, the industry’s biggest name. PNC is already plotting a more crypto-centric future and months ago began hunting for a hire to lead its innovation push.

That gig – a crypto product manager – will consider how PNC might leverage blockchain tech as it explores crypto’s “innovation cycle,” the source said, cautioning the role was about more than investment opportunities.

➤ **More than \$600 million stolen in what is likely to be one of the biggest cryptocurrency thefts ever.**

More than \$600 million has been stolen in what’s likely to be one of the biggest cryptocurrency thefts ever.

Hackers exploited a vulnerability in Poly Network, a platform that looks to connect different blockchains so that they can work together.

Poly Network disclosed the attack on Twitter and asked to establish communication with the hackers and urged them to “return the hacked assets.”

A blockchain is a ledger of activities upon which various cryptocurrencies are based. Each digital coin has its own blockchain and they’re different to each other. Poly Network claims to be able to make these various blockchains work with each other.

Poly Network is a decentralized finance platform. DeFi is a broad term encompassing financial applications based on blockchain technology that looks to cut out intermediaries — such as brokerages and exchanges. Hence, it’s dubbed decentralized.

Proponents say this can make financial applications such as lending or borrowing more efficient and cheaper.

“The amount of money you hacked is the biggest in defi history,” Poly Network said in another tweet.

Once the hackers stole the money, they began to send it to various other cryptocurrency addresses. Researchers at security company SlowMist said a total of more than \$610 million worth of cryptocurrency was transferred to three different addresses.

Poly Network urged cryptocurrency exchanges to “blacklist tokens” coming from the addresses that were linked to the hackers.

About \$33 million of Tether that was part of the theft has been frozen, according to the stablecoin’s issuer.

Meanwhile, Changpeng Zhao, CEO of major cryptocurrency exchange Binance, said he was aware of the attack.

He said Binance is “coordinating with all our security partners to proactively help,” but that “there are no guarantees.”

“We will take legal actions and we urge the hackers to return the assets,” Poly Network said on Twitter.

SlowMist said in a tweet that their researchers had “grasped the attacker’s mailbox, IP, and device fingerprints” and are “tracking possible identity clues related to the Poly Network attacker.”

Sources: [Bloomberg/Refinitiv/cnbc.com/coinmarketcap.com](https://www.bloomberg.com/news/articles/2022-03-15/pnc-bank-planning-crypto-offering-with-coinbase)



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The researchers concluded that the theft was “likely to be a long-planned, organized and prepared attack.”

DeFi has become a key target for attacks.

Since the start of the year until July, DeFi-related hacks totaled \$361 million — an increase of nearly three times from the whole of 2020, according to cryptocurrency compliance company CipherTrace.

DeFi-related fraud is also on the rise. In the first seven months of the year, they accounted for 54% of total crypto fraud volume versus 3% for all last year.

➤ As Bitcoin looks to go ‘green,’ some miners look to nuclear power as a possible solution.

As bitcoin miners search for ways to remove the carbon emissions from the electricity, they use for their many large computers, there have been some signs of interest in nuclear power as a solution.

“Nuclear energy is well suited to providing the [power] needed to do bitcoin mining,” Alex Gilbert, a project manager for nuclear power think tank the Nuclear Innovation Alliance, tells CNBC Make It.

Indeed, Elon Musk, who has been critical of Bitcoin’s energy use, recently suggested nuclear could be a viable alternative power source for bitcoin mining.

Here’s a look at the early signs of interest in nuclear energy powering Bitcoin and whether or not the trend is likely to have much potential for the future.

There have been several recent announcements of partnerships between nuclear power companies and bitcoin miners, according to Gilbert

In July, micro-nuclear reactor company Oklo and bitcoin mining company Compass Mining announced a 20-year commercial partnership in which Oklo will eventually power a portion of Compass’ mining activities with carbon-free nuclear energy.

Earlier in July, Akron, Ohio-based energy company Energy Harbor Corp. announced it will provide nuclear power to Standard Power’s new Bitcoin blockchain mining center in Coshocton, Ohio beginning in December 2021.

And Texas- and Pennsylvania-based Talen Energy is looking to develop a cryptocurrency mining facility and data center near its nuclear power plant in Berwick, Pennsylvania, which it expects to be operational in the second half of 2022, according to the company.

Though it may be a small start, “the move by bitcoin miners to carbon-free energy resources like nuclear energy reflects emerging concerns in the cryptocurrency industry about ensuring their operations are green,” Gilbert says. “Previously, the industry relied heavily on coal generation, with its attendant health impacts and large carbon emissions.”

While still a nascent trend, that may change. “Looking forward, nuclear energy is one of several options to decarbonize cryptocurrencies,” Gilbert says.

In May, Tesla stopped accepting bitcoin as payment for its vehicles. Musk made the move because overlooking the energy usage of bitcoin was “too sketchy” for an electric vehicle car company whose mission is to “[accelerate] the advent of sustainable energy,” he said at The B-Word conference hosted by the Crypto Council for Innovation in July.

One option for cleaning up the energy used by Bitcoin is nuclear, Musk said.

“Hydro or geothermal are great as renewable means... I’m also pro nuclear,” Musk said. “I think modern nuclear power plants are safe contrary to what people may think.”

What’s key is being able to continuously power bitcoin mining rigs — the computers that solve the computational puzzles to generate bitcoin. “In order to operate a bunch of hashing rigs effectively, you have to run them 24-7, which means you need baseload,” Musk said.

“Baseload” power refers to a consistent source of power, like nuclear, versus “intermittent” power, which refers to power sources that are available sometimes, but not all the time, like wind or solar.

Musk said bitcoin miners could mine effectively with wind and solar power with use of long-duration batteries to store the energy for the when the wind is not blowing, or sun is not shining. But, said Musk, nuclear energy would be a solution for miners looking for a reliable source of clean energy.

Sources: [Bloomberg/Refinitiv/cnbc.com](https://www.bloomberg.com/news/articles/2021-07-27/bitcoin-miners-look-to-nuclear-power)/[coinmarketcap.com/Newsnow.com](https://www.coinmarketcap.com/newsnow.com)



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“It’s just a natural thing” that Bitcoin and modern nuclear energy “are drawn to each other,” says Jacob DeWitte, co-founder and CEO of Silicon Valley-headquartered Oklo, which in the process of getting approval to build micro nuclear reactors that create nuclear energy from what is considered the waste of conventional nuclear reactors. That’s because bitcoin miners are looking for a clean energy source while advanced nuclear companies are developing and seeking customers.

With the Compass Mining deal, Oklo committed to supplying at least 150 megawatts of clean power in the first phase of the partnership. That’s enough energy to power roughly 150 small towns. It is also enough to power 44,000 S19s, which are the newest model bitcoin mining computers from mining technology company Bitmain.

The partnership is “an overlap between people who are... pro technology,” DeWitte says, and the timing is right.

Compass Mining, a Miami-headquartered company that oversees and manages bitcoin mining hardware remotely, among other services, currently has 21 bitcoin mining farms, where many mining computers live and are monitored. Eight of those farms are powered either in part or completely by clean, primarily renewable energy like wind, solar or hydro, with some nuclear energy. Compass is aiming to increase the number of it facilitates powered by clean energy, says Whit Gibbs, the company’s CEO.

Oklo co-founder (and DeWitte’s wife), Caroline Cochran, met Gibbs when they were speakers on the same panel about green mining during an online conference in March, and their respective teams followed up with each other, leading to their partnership.

The partnership will likely start in the early 2020s, according to Oklo and Compass Mining.

Oklo’s reactors will not be powering Compass Mining’s existing mining facilities. Instead, they will “go towards new facilities, new expansion projects that we will purposefully build” alongside Oklo reactors.

“It is kind of a great example of how ... driving the sustainability and green footprint of bitcoin also helps drive more clean energy market, because it’s a great complement and sort of enabler,” DeWitte says. “It’s kind of an inevitability where you’re going to see bitcoin largely shifting to clean sources.”

While there have been a few indications of bitcoin miners partnering with nuclear companies, it’s still very early days.

“There’s no data on this specifically, but it’s likely only a very small percentage,” says Alex de Vries, a financial economist who runs Digiconomist.

And further, “I don’t expect this to become a wider trend,” de Vries says.

He points to a recent July 15 announcement that Nevada-based Black Rock Petroleum Company entered into a 24-month binding agreement with Optimum Mining Host Limited Liability Co. to host up to one million bitcoin miners, all powered by natural gas from Alberta, Canada.

Natural gas emits about half as much carbon dioxide as coal and a third less carbon emissions than oil or petroleum, but methane is emitted during the production and transportation of natural gas. Methane is 25 times more potent in causing climate change than carbon dioxide.

The wholesale rates in that deal (about 2 cents per kWh or \$55.55 per miner per month) “are incredible and will generally be hard to compete with by nuclear power,” de Vries says.

The price of large nuclear energy plants is too high to make it a feasible option right now, says Marc Bevand, a computer security expert who developed the original methodology for the Cambridge Bitcoin Electricity Consumption Index. “It’s worth pointing out that the cost to build utility-scale renewable energy power plants is less than the cost to build new nuclear power plants,” Bevand says. “So, when it comes to expanding existing capacity, renewables are more attractive.”

Also, it takes a significant amount of time to build a nuclear reactor, and that makes it unlikely for nuclear power to play a significant role in shoring up emissions related to Bitcoin mining, says Jesse Morris, CEO of non-profit Energy Web.

“It is extremely challenging for new nuclear facilities of any size to be developed,” Morris says. “Next to no new nuclear capacity has been built in the U.S. in recent history, so I am somewhat skeptical that new nuclear technology from any vendor will be built on-time and on-budget in the US.”

The advancement of making nuclear energy from what is considered the waste of conventional nuclear reactors, as Oklo is aiming to do, makes the nuclear option more compelling for bitcoin miners, Morris says. “Recycling old nuclear waste would be a great innovation.”

Sources: [Bloomberg/Refinitiv/cnbc.com](https://www.bloomberg.com/news/articles/2019-07-15/bitcoin-miners-partner-with-nuclear-companies)/[coinmarketcap.com/Newsnow.com](https://www.coinmarketcap.com/newsnow.com)



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And as Gilbert says, the better nuclear solution for bitcoin miners is likely using surplus nuclear power or, in the future, using smaller nuclear reactors that are faster to build.

“Building new conventional nuclear power plants may not make sense because their long project lifetimes do not match the business cycles for miners,” Gilbert tells CNBC Make It.

“However, using power from existing plants is straightforward,” and a potential source of lifeblood for nuclear power plants, he says. “Some of those existing plants may otherwise close down without the revenue and would be replaced by fossil fuels. Similarly, microreactors can be built relatively quickly and co-located with mining facilities, growing alongside the crypto industry.”

➤ Soccer superstar Messi is being partly paid in crypto by PSG.

Lionel Messi’s financial package at French soccer club Paris Saint-Germain includes crypto tokens.

Messi signed a two-year deal with PSG this week, with an option for a third, that will net him an annual salary of \$41 million plus bonuses, and a reported \$30 million signing-on fee.

PSG said Thursday that Messi’s “welcome package” includes the cryptocurrency “\$PSG Fan Tokens.”

The development has triggered a rally in the crypto tokens that PSG first issued to its fans over a year ago. The \$PSG token, created in Jan. 2020 with crypto platform Socios.com, was designed to help PSG build a new fan community.

PSG claimed the move to pay the 34-year-old Argentine in crypto positions it as one of the “most innovative and avant-garde brands in sport globally.”

Cryptocurrencies and crypto tokens are incredibly volatile assets, and their value can surge or tank overnight. Critics say that many of these crypto assets are useless in the real world and that regulators will clamp down on them in the coming years.

Marc Armstrong, chief partnerships officer of PSG, said in a statement that embracing Socios.com and \$PSG Fan Tokens has enabled the club to engage with a new global audience and create a significant digital revenue stream.

England’s Manchester City launched its own fan token in March using the same technology.

“Fan Tokens and Socios.com play an increasingly prominent role across sport at the very highest level,” said Alexandre Dreyfus, CEO of Socios.com, in a statement.

PSG President Nasser Al-Khelaifi told reporters on Wednesday that the world will be “shocked” by the financial revenues generated by the club’s signing of the global soccer superstar.

The signing is expected to bring a windfall of commercial revenues, through such avenues as jersey sales. When Cristiano Ronaldo signed for Italian giants Juventus in 2018, more than \$60 million worth of his shirts were sold in just 24 hours.

Messi joined PSG as a free agent after Barcelona acknowledged they could no longer afford to follow through on the elite player’s five-year contract agreement.

Messi broke down in tears when bidding farewell to Barcelona on Monday and told Wednesday’s press conference that the past week had been an “emotional roller coaster.”

He has won FIFA’s player of the year award and the European Golden Shoe for the continent’s top scorer a record six times each and departed Barcelona after two decades with the Catalan club, in which he contributed 672 goals in all competitions and won 34 trophies.

➤ President of Argentina open to Bitcoin and a CBDC, but central bank says no.

Argentina President Alberto Fernandez has indicated support for digital assets, asserting there is no reason to push back against the emerging asset class.

During an interview with local media outlet, Caja Negra, on August 12, Fernandez responded to a question about whether he would consider exploring a central bank digital currency (CBDC), or even recognize Bitcoin as legal tender as El Salvador did earlier this year.

“I don’t want to go too far out on a limb [...] but there is no reason to say ‘no’,” Fernando stated, adding: “They say the advantage is that the inflationary effect is largely nullified.”

Inflation was a defining issue for the administration of Argentina’s previous president, businessman Mauricio Macri. Government data indicates that 100 Argentine pesos from when Macri left office in 2019 would be worth the equivalent of 661 pesos today.

Sources: [Bloomberg/Refinitiv/cnbc.com](https://www.bloomberg.com/news/articles/2022-08-12/argentina-president-open-to-bitcoin-and-cbdc-but-central-bank-says-no)/[coinmarketcap.com/Newsnow.com](https://www.coinmarketcap.com/newsnow.com)



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Despite Argentina's tight currency controls, the current President noted increasing perceptions of Bitcoin as a hedge against inflation in the broader global economy. However, Fernandez also cautiously noted that it is still very early days for the cryptocurrency sector.

Despite the president's openness to exploring digital assets, the head of Argentina's central bank, Miguel Pesce, appears to be threatening a crackdown on the industry.

Speaking during the Argentine Institute of Executive of Finance's Digital Finance Forum on August 10, Pesce took aim at cryptocurrency, characterizing digital assets as a threat to economic stability and foreshadowing tighter regulations for the sector.

During the event, Pesce asserted that BTC fails to generate value for investors outside of short-term hype cycles. The central bank head also likened Bitcoin to a commodity, concluding that BTC "is not a financial asset" as defined by the country's National Securities Commission.

Pesce expressed his intention to "regulate the intersection of Bitcoin with the payment system and exchange market," warning the cryptocurrency "could be very detrimental" for domestic financial stability.

In regulating the sector, the central bank wishes to prioritize "preventing low-sophistication investors" from engaging the crypto assets.

Pesce also dismissed the suggestion that Argentina would explore a central bank digital currency (CBDC).

In May, reports indicated that retail cryptocurrency mining was flourishing in Argentina as citizens looked to take advantage of cheap electricity and soaring crypto prices. That same month, the central bank reiterated warnings to Argentinians regarding the risks associated with crypto assets.

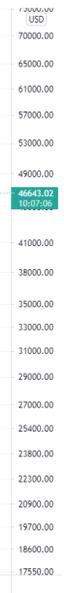
The previous month, Canadian mining firm, Bitfarms, advanced its roadmap for Argentine expansion, estimating its forthcoming Argentinian facility will reduce its production costs by 45%.

Sources: [Bloomberg/Refinitiv/cnbc.com/coinmarketcap.com/Newsnow.com](https://www.bloomberg.com/news/articles/2023-08-10/argentina-president-sees-bitcoin-as-hedge-against-inflation)

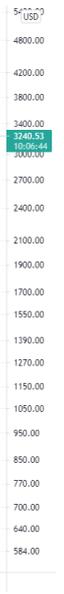


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Figures and Charts



BTC	46 577.05	Weekly Change
Week Low	Week High	6.71%
42 837.93	46 776.98	
Circulating Supply		18 784 525.00
Market Cap		859 933 350 295.00
\$		



ETH	3 238.71	Weekly Change
Week Low	Week High	8.81%
2894.96	3276.95	
Circulating Supply		117 084 665.00
Market Cap		370 701 344 733.00
\$		

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



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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.

Sources: blockspot.io/crypto-dictionary



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.



Your CRYPTO Weekend Wire Glossary

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.*



Your CRYPTO Weekend Wire Glossary

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.



Your CRYPTO Weekend Wire Glossary

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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