

➤ **U.S. and German relations at a crossroads as Afghanistan crisis unfolds.**

After four years of tension under former President Donald Trump, the relationship between the United States and Germany was already at a crossroads. Now, experts say the ongoing crisis in Afghanistan could add fuel to the fire.

The election of President Joe Biden in November boosted hopes of a transatlantic realignment between the two economic powerhouses, but analysts say that despite some encouraging rhetoric, many key issues have yet to be addressed.

"We see a lot of positive signs: there were great moves from the Biden administration, there was a lot of communication and dialogue with visits back and forth and [German Chancellor] Angela Merkel having been in Washington. So that is positive — although we do not have yet tangible results," Simone Menne, president of the American Chamber of Commerce, told CNBC earlier this month.

"There are still a couple of things to solve, which means the tariffs on steel and aluminium, which means the travel ban and the exchange of data," she added.

The European Union, which has Germany as its largest economy, announced in May that it was not going to introduce a previously planned second round of tariffs on U.S. products. The move was designed to allow for dialogue over steel and aluminum duties that were imposed during the Trump presidency. But Europe's trade chief, Valdis Dombrovskis, told the FT in July that a future deal might fall short of the mutual suspension of all tariffs.

In addition, the EU decided in June to open its doors to U.S. travelers as the health situation improved in both regions. However, Biden has not yet taken the reciprocal step, which has upset some European officials.

For Germany's part, its government also decided to go ahead with a gas pipeline from Russia, the Nord Stream 2 project, despite opposition from U.S. politicians.

"The U.S.-German relationship has changed on tone but not yet on substance," Carsten Brzeski, economist at ING Germany, told CNBC via email.

More recently, Biden's decision to withdraw American troops from Afghanistan and the ensuing rapid takeover of the country by the Taliban has angered many in Europe. Some politicians, including in Germany, see these developments as a problem for the political and moral credibility of Western nations.

Though Merkel has not publicly criticized her American counterpart, she said the developments in Afghanistan were "bitter, dramatic and terrifying," according to German media.

Her successor as leader of the conservative CDU party, Armin Laschet, went a step further, saying that the withdrawal of international troops is the "biggest debacle that NATO has suffered since its founding."

"The political cost of this situation for Merkel and her government is going to be high. That cannot reflect well on the relationship between the United States and Germany," Erik Jones, professor of European studies at Johns Hopkins University, told CNBC via email.

He added, however, that "both governments are going to be too distracted with the domestic consequences of the Afghan situation to worry much at the moment about the implications for their bilateral ties."

Brzeski added that, "Germany is now realizing that the Biden administration is clearly EU-friendlier and uses a more polite tone, but still keeps the U.S. first and the rest of the world second."

U.K. Prime Minister Boris Johnson has called an emergency meeting of the G-7 on Tuesday to coordinate Western leaders' responses to the crisis in Afghanistan.

But not everyone is convinced that a coordinated is possible.

"The pace of events [in Afghanistan] took everyone by surprise," Tina Fordham, head of global political strategy at Avonhurst, a consultancy firm, told CNBC's street Signs on Monday.

The reality is for some years now, as most clearly evidenced by the uncoordinated response to the pandemic, the leading nations of the G-7 haven't been able to agree on a common framework for approaching very many problems."

She said Western leaders will want to be seen to prevent the worst of a humanitarian crisis in Afghanistan, but that any action could have far-reaching consequences.

"What I think is not appreciated as much as it should be, either by market participants or by G-7 leaders, is how this advance with the fall of Afghanistan could be quite a pivotal one for political risk for our own domestic environments," she added.

➤ **The EU is reportedly considering support for production of rare earth magnets used in Evs.**

The EU is working on proposals to jump-start home output of a type of specialist magnet vital in electric car motors by offering support to local producers so they can compete with Chinese rivals, sources close to the situation said.

The moves to support production of rare earth permanent magnets would mirror legislation introduced in the United States earlier this month to offer tax credits to makers of the devices there.

The United States, the EU and Britain aim to expand output of the super-strong magnets used in electric vehicles (EVs) and wind turbines to help meet targets to cut carbon emissions and lessen dependence on China, whose producers currently dominate the global sector.

European firms say they cannot compete with Chinese producers, which they say get subsidies worth about a fifth of their raw materials costs, helping them to supply 90% of the global market for the magnets.

The proposals being considered by the EU include both cheap financing and compensation for higher raw material costs, said two sources who have seen the plans but were not authorized to speak publicly about them.

"If we're going to invest our own capital, we will need to see a coordinated effort where our portion of the capital will attract a sufficient return," said Constantine Karayannopoulos, chief executive of Neo Performance Materials.

Neo owns the only commercial rare earth separation facility in Europe and is prepared to build a \$100 million permanent magnet factory in Estonia, Karayannopoulos added. He said he had not seen the EU proposals but supported a public/private effort to boost the sector.

The EU launched the European Raw Materials Alliance (ERMA) late last year to ensure the bloc has a range of critical minerals needed for its green transition and gave top priority to rare earths.

The bloc aims to create a domestic industry of rare earth mining, processing and magnets to lessen vulnerability to any disruption in Chinese supplies.

China supplies 98% of EU demand for magnets made from rare earths, a set of 17 minerals used in range of applications including electronics, defense and aerospace.

A Chinese rare earths industry official said the country's policy of encouraging export tax rebates for magnets has a long history and the ultimate beneficiaries are end users.

European officials hope to repeat Europe's success in building an EV battery sector, which has seen a surge of investment after the EU offered funding and coordination.

The battery effort has seen 40 billion euros (\$47 billion) of promised investment in 38 planned "gigafactories" over the past three years, climate group Transport & Environment said.

European attention is now shifting to the minerals used in permanent magnets, demand for which is due to surge as much as tenfold by 2050, when the EU and Britain have pledged to cut net greenhouse gas emissions to zero.

Recommendations on how to create a rare earth magnet industry from a group under the umbrella of ERMA are due to be made public next month, sources with knowledge of the situation said. An action plan from the ERMA Rare Earth Magnets and Motors Cluster has been passed to top EU officials, they added.

An EU Commission spokesperson declined to comment but said any potential measures must be compatible with state aid and World Trade Organization rules.

A viable magnet industry in Europe would also need the support of customers, such as automakers, who must agree to pay a slight premium to be guaranteed an environmental and traceable product, the sources said.

Thierry Breton, European Commissioner for Internal Market, has agreed to approach automakers to gain their backing, they added. The Association of German Automobile Manufacturers (VDA) declined comment on whether its members would support such an initiative.

Breton told a conference in June that the EU aims to supply 60% of the bloc's magnet needs for wind turbines by 2030. "I believe we are in a similar situation with rare earths and permanent magnets as we were a few years ago with batteries and lithium," he said at the time.

Germany's Vacuumschmelze (VAC), the only major permanent magnet producer in the western hemisphere, is waiting to give a green light to expansion plans for a factory to make magnets for Europe's burgeoning EV industry until it is sure it has a viable business case.

"Chinese permanent magnet producers get raw materials at 25% below the price I can get them," said Bernd Schleede, head of permanent magnets at VAC.

"To reach a level playing field either the EU should compensate for this gap or should consider penalties on the import of magnets. I personally would prefer the first option."

Sources: CNBC.com

He declined to comment on specific EU proposals.

Chinese producers take advantage of 13% refunds for VAT on raw materials and typically get a 10% raw material subsidy from local governments, Schleede said.

VAC mainly sells specialty magnets into high-tech areas including industrial robots or automotive sensors.

There are three other small permanent magnet producers in Europe, while the United State has no such companies on a commercial scale, although one has a pilot project to produce magnets by recycling old ones.

➤ **Russia is pumping a lot less natural gas to Europe suddenly — and it is not clear why.**

Russia has slowed the delivery of piped natural gas to Europe in recent weeks, according to analysis from ICIS, a commodity intelligence service, raising questions about the potential causes behind the drop and its implications for global gas markets.

It comes shortly after German Chancellor Angela Merkel sought to ease long-running concerns about the nearly completed Nord Stream 2 pipeline, saying further sanctions may be imposed if Moscow used gas “as a weapon.”

The controversial project is designed to deliver Russian gas directly to Germany via the Baltic Sea, bypassing Ukraine and Poland.

Critics argue the pipeline is not compatible with European climate goals, increases the region’s dependence on Russian energy exports, and will most likely strengthen Russian President Vladimir Putin’s economic and political influence over the region.

Some analysts have suggested Gazprom, Russia’s state-owned gas giant, may be limiting its delivery of discretionary natural gas supply to Europe to support its case in starting flows via Nord Stream 2.

“That’s because Gazprom is readying itself for starting Nord Stream 2 and it is hoping to exert an element of leverage in terms of trying to make sure that when all the regulatory t’s get crossed and i’s get dotted, that that process is as swift as possible,” Tom Marzec-Manser, lead European gas analyst at ICIS, told CNBC via telephone.

“If there is less gas around than normal and the price is high then it may streamline that process,” he added.

When approached for comment, Gazprom referred CNBC to a statement published on its Telegram account Aug. 16. The company described August as “another ‘winter’ month on the gas market,” according to a translation.

An increased load on the gas supply system had coincided with the traditional season of scheduled preventive maintenance and preparation for the fall to winter period, “which cannot be paused,” Gazprom said.

“The practice of the last few years both in Russia and in Europe suggests that the winter period has also shifted to the spring month of March. Therefore, now, in the summer, the priority is to pump gas into underground storage facilities,” the company said. “This is also very well understood by our European colleagues.”

Natural gas flows at the westernmost point of the Yamal pipeline — a strategically important 2,000-kilometer pipeline that runs across four countries: Russia, Belarus, Poland and Germany — dropped to 20 million cubic meters per day in mid-August, according to ICIS. This was down from 49 mcm per day at the end of July, and a sharp fall from its typical rate of 81 mcm per day.

What’s more, European piped natural gas supply from Russia is expected to slip even further in September.

Marzec-Manser said that for Russia to move gas through neighboring energy community states, such as Ukraine, it must first purchase access to a pipeline, “like a toll road.” The Nord Stream 1 route is an option, although this is already owned by Gazprom, and is flowing at capacity. The Yamal pipeline is a second major route and, until the end of July, was running at close to capacity as expected.

“Thirdly, you have the Ukrainian route which obviously comes with a lot of political baggage,” he continued. “It is the only other way you are going to get gas from Russia to Europe in any significant volume.”

Gazprom typically efficiently uses its booked EU pipe capacity, Marzec-Manser said, but an unexpected drop in volumes at the end of July along the Yamal pipeline “immediately indicated something was amiss.

Natural gas flows to Europe dropped again shortly thereafter following a fire at a condensate plant in the Siberian city of Novy Urengoy.

As a result, external observers of Gazprom closely monitored interruptible monthly capacity auctions via Ukraine. These auctions are widely seen as a key signal to the market of upcoming volumes because they take place two to three weeks prior to the month in which natural gas flows.

A string of no-shows at each auction prompted analysts to question whether absent capacity bookings via Ukraine were as much to do with Gazprom’s inability to supply as opposed to its unwillingness to deliver.

“If true, this has serious implications on how the global gas and LNG [liquefied natural gas] market treats Russian pipe volumes and the availability — or not — of its discretionary supply,” Marzec-Manser said.

Sources: CNBC.com



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Another theory, although analysts consider it somewhat less likely, is that because Gazprom believes Nord Stream 2 will soon be fully operational, it may not need to book further capacity elsewhere.

Valentina Bonetti, senior gas analyst of EMEA at S&P Global Platts, told CNBC that the firm regards the recent drop in Russian flows to Europe “as a consequence caused by a physical upstream issue” that is taking longer than expected to return to full flows.

“Gazprom has long prided itself on being very reliable and prompt in restoring supply after accidents,” Bonetti said. However, she argued the company’s recent pivot to a “value-over-volume strategy” had tested the company’s ability to restore natural gas flows and put pressure on the EU to allow a smooth start up of Nord Stream 2.

While Gazprom is currently producing above the five-year range, Bonetti said it needs significant amounts of gas for both domestic storage injections as well as much higher year-on-year exports to Turkey. This “may exacerbate their value-over-volume strategy for exports to Europe.”

S&P Global Platts believes Russian flows to Europe will recover gradually in the coming weeks and expects Nord Stream flows to start in October, saying Gazprom’s recent actions and statements seem to confirm a relatively imminent start.

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➤ **The U.S. is reviewing its trade policy with China, says USTR Katherine Tai.**

Seven months since U.S. President Joe Biden took office, his administration has yet to establish a trade policy with China.

U.S. Trade Representative Katherine Tai said Tuesday the “Biden-Harris Administration and USTR are conducting a comprehensive review of U.S.-China trade policy,” according to a readout of a virtual meeting with two business associations, the U.S. Chamber China Center Advisory Board and the U.S.-China Business Council.

She acknowledged the significance of the U.S.-China trade relationship, and said the U.S. remains committed to “addressing China’s unfair trade policies and non-market practices that undermine American businesses and workers,” the readout said.

Michael Hirson, practice head for China and Northeast Asia at consulting firm Eurasia Group, has pointed out that Biden was able to persuade major G-7 countries to make strong statements against China.

However, Biden has “not yet articulated a trade strategy or another approach that would really be effective in countering China’s economic strength,” Hirson said.

Trade tensions between the world’s two largest economies escalated under former President Donald Trump. A dispute that began with tariffs on billions of dollars’ worth of goods from both sides has since spilled over into technology and finance.

American companies and other foreign businesses have had longstanding complaints about unequal access to the Chinese market, lack of intellectual property protection and forced technology transfer.

China’s Ministry of Commerce said last week the two countries remained in “normal communication” regarding trade, according to a CNBC translation.

Trade between the U.S. and China has grown despite the political tensions.

China’s exports to the U.S. for the first seven months of the year rose 36.9% compared to the same period in 2020, while imports climbed 50.4% year-on-year in the January to July period, according to customs data accessed through Wind Information.

China’s trade surplus with the U.S. rose further in July to \$35.42 billion, despite Trump’s efforts to reduce that surplus.

➤ **Biden to host tech, finance and energy CEOs for security summit at White House following wave of cyberattacks.**

President Joe Biden will meet Wednesday with top executives from several of the largest companies in tech, financial services, insurance, energy and education to discuss how to combat cybersecurity threats.

The event comes after the U.S. experienced several large cyberattacks that have added urgency to the public and private sectors in containing such threats. Those incidents include the attack on software firm SolarWinds that impacted several government agencies and the Colonial Pipeline hack. The latter resulted in a gas shortage in some parts of the country.

Biden plans to meet with CEOs from Amazon, Apple, JPMorgan Chase, Bank of America, Travelers, PG&E, Girls Who Code and more to discuss ways to improve U.S. cybersecurity, a senior administration official told reporters Tuesday. Members from Biden’s cabinet and national security team will also join the meeting before leading break-out discussions with executives from various sectors.

One of the three break-out sessions will include energy, water and financial services leaders in a discussion about “Critical Infrastructure Resilience.”

Sources: CNBC.com

The talks will be led by Department of Homeland Security Secretary Alejandro Mayorkas and Energy Secretary Jennifer Granholm. A second will include tech and insurance leaders on “Building Enduring Cybersecurity” chaired by Department of Commerce Secretary Gina Raimondo and Small Business Administrator Isabel Guzman.

The third discussion will be among education leaders on “Cybersecurity Workforce,” led by National Cyber Director Chris Inglis. On the call with reporters, the senior administration official said concrete steps for beefing up cybersecurity practices would come out of Wednesday’s event. The official emphasized the goal was to address “root causes” of the attacks, like vulnerabilities in critical infrastructure and 500,000 unfilled U.S. cybersecurity jobs.

The U.S. needs to move to a system where cybersecurity is built into all technology, the official said, suggesting that insurance providers could play a role in incentivizing businesses to keep up with good cybersecurity practices.

The Biden administration has undertaken several actions to address the growing cybersecurity threat. In May, Biden signed an executive order to strengthen government software security, mandate IT service providers to report attacks that could impact U.S. networks and streamline info-sharing. He later issued a memo directing federal agencies to take action to improve cybersecurity for critical infrastructure.

➤ **Xiaomi acquires autonomous driving firm as it looks to boost nascent electric vehicle business.**

Chinese electronics giant Xiaomi has acquired an autonomous driving start-up, jumping into an extremely competitive area, while trying to diversify its business beyond smartphones.

Xiaomi said Wednesday it had acquired Deepmotion for around \$77.37 million to “enhance the technological competitiveness” of its electric vehicle business.

In March, Xiaomi announced plans to launch an electric vehicle business and invest \$10 billion over the next 10 years.

The acquisition could help bring autonomous driving features to the cars Xiaomi eventually produces, a feature being developed by many automakers for next-generation electric vehicles.

Xiaomi’s electric and autonomous vehicle ambitions will pit it against China’s other technology giants in what is becoming an increasingly crowded space. Xiaomi will compete with companies like Baidu and even Huawei, as well as carmakers including Tesla, Xpeng and Nio.

The company announced the Deepmotion acquisition after reporting financial results for the second quarter which saw revenue surge 64% year-on-year to 87.8 billion yuan (\$13.5 billion). Xiaomi said total revenue and adjusted net profit hit record highs in the quarter.

Smartphones accounted for 67.3% of total revenue but the company has looked to reduce its reliance on cell phones by pushing into other internet-connected devices. The company hopes electric vehicles can be a new revenue stream.

Xiaomi shares were down nearly 4% in afternoon trade.

➤ **How Europe could get China and the U.S. on its side with new carbon tax.**

The European Union’s proposed carbon pricing rules could hit a major snag in the form of China and the U.S., but one expert predicts it will still be possible to convince the economic superpowers to get onboard using a series of cautious steps.

The EU said in July that it wants to impose a carbon border adjustment mechanism — also referred to as CBAM. The measure, if approved, will force EU businesses to pay a carbon levy for goods they import from outside the bloc. In essence, it aims to incentivize other places with less stringent emissions rules to reduce their carbon footprints or else risk losing some business.

The problem is that some nations might not want to go down that route; or at least not as fast as the EU, which is aiming to cut its greenhouse gas emission by 55% from 1990 levels by the end of 2030. China, India, South Africa and Brazil said in April they had “grave concern” regarding the EU’s intentions for a carbon tax, calling it “discriminatory.”

Tim Gore, member of the Institute for European Environmental Policy, a think tank, told CNBC in July that the CBAM “has very big implications, of course, for countries which are exporting into the EU market.”

As such, he said the EU will have “to invest in serious dialogue” with those countries to bring them on board. He said one of the ways to achieve this is “to make sure the revenues that will be generated are returned to those countries to support their low carbon transition.”

He said this would be particularly useful for poorer countries, that are looking to increase their cash positions.

But China is not necessarily in this category and nor is the United States, which has also raised eyebrows over the EU's plan. John Kerry, the U.S.' top climate envoy, said earlier this year he had concerns about the proposal and that it should be used only as a "last resort," suggesting that other steps could be taken to reduce global emissions.

Gore, from the Institute for European Environmental Policy, believes that competition to be the world's leading economy will be the solution to any conflict with the EU's climate plans.

"Both those economies [the U.S. and China] know as well that the EU here is making a serious down payment on advancing into this new low carbon economy. So irrespective of the international climate negotiations, those governments will be looking at their own economies and saying where the competitive edge is in the next 10 to 20 years," Gore said via Zoom, while adding that Beijing and Washington will want to make sure they will not be left behind in the race to carbon neutrality.

A Brussels-based think tank, Bruegel, also said in a blogpost last month that the EU should ensure that international talks over its carbon tax plan happen at the World Trade Organization. This approach would likely reduce future trade disputes in this space.

Either way, the EU seems intent in pursuing this policy.

The European Commission, the executive arm of the EU, decided to put forward the CBAM proposal despite the concerns raised by some international partners. The institution believes the policy is essential to prevent "carbon leakage" — the idea that companies operating in Europe would shift their production to places with less restrictive emissions policies.

"As long as industrial installations outside the EU are not subject to similarly ambitious measures, these efforts can lose their effect," the EU's economic commissioner, Paolo Gentiloni, said in July about the need to impose the CBAM.

As a result, the 27 EU member states and the European Parliament are assessing the proposal. But this legislative process could take up to two years to be fully implemented into law.

"We are already too late in moving on climate change. We can see this summer, extreme weather events all around the world," Bob Ward, from the Centre for Climate Change Economics and Policy in London told CNBC last week.

He added that "this is going to continue to get worse for at least the next three decades till we get to net zero as a world."

"We need an orderly but accelerated transition towards net zero emissions," he said.

➤ **Bullard says the Fed must 'get going' on the taper, may need to get aggressive to stop inflation.**

St. Louis Federal Reserve President James Bullard said Thursday that the central bank should begin curbing its monthly stimulus efforts soon and have the process wrapped up by the end of March to prevent the U.S. economy from overheating.

Many Fed leaders believe the central bank should reduce the pace of its monthly purchases of \$120 billion in Treasury bonds and mortgage-backed securities in a process known as tapering.

Bullard said the Fed's purchases were appropriate in 2020 to support American business through the Covid-19 pandemic, but they now run the risk of creating bubbles in financial markets and runaway inflation.

"We do have a new framework we did say that we would allow inflation to run above target for some time, but not this much above target," Bullard said of recent price increases in the U.S. economy.

"So, for that reason I think we want to get going on taper. Get the taper finished by the end of the first quarter next year," he continued.

"And then we can evaluate what the situation is, and we'll be able to see at that point whether inflation has moderated and if that's the case we'll be in great shape. If it hasn't moderated, we're going to have to be more aggressive to contain inflation."

Bullard, who spoke with CNBC's Steve Liesman for an interview that aired on "Squawk Box," said there's some evidence that the Fed's bond-buying blitz has started to create bubbles in the U.S. housing market.

"I think that there is worry that we're doing more damage than helping with the asset purchases because there is an incipient housing bubble in the U.S. The median house price, at least the number I saw, was approaching \$400,000," he said. "We got into a lot of trouble in the mid-2000s by being too complacent about housing prices, so I think we want to be very careful on that this time around."

Officials have set the standard of "substantial further progress" as the point at which they will consider tightening monetary policy that includes benchmark interest rates being held near zero.

Bullard spoke as part of the Fed's annual Jackson Hole conference, which is virtual in 2021 to protect against the spread of Covid-19. The yield on the benchmark 10-year Treasury note last traded at 1.358%.

Central bank leaders use the summit to discuss the current of the U.S. economy and how monetary policy could be adjusted. This year likely will feature significant debate over when to begin tapering.

Sources: CNBC.com

Bullard is known as a “hawk” among central bank officials, meaning he tends to be more apt to pursue higher interest rates and curb easy policy sooner than his peers. He is not a voting member on the Fed’s policymaking committee in 2021 but will be in 2022. Reducing the minimum \$120 billion a month in bond purchases is the first step in the tightening process. The Fed would later move to increase interest rates.

➤ **Biden vows to complete Afghanistan evacuation, hunt down ISIS leaders after Kabul attack.**

President Joe Biden on Thursday vowed to complete the evacuation of Americans and their allies from Afghanistan after a deadly terror attack near Kabul’s airport took the lives of more than a dozen U.S. service members and many Afghans.

“We will not be deterred by terrorists. We will not let them stop our mission. We will continue the evacuation,” Biden said from the White House. “We will rescue Americans, we will get our Afghan allies, and the mission will go on. America will not be intimidated.”

The U.S. has about 5,400 military personnel assisting with the emergency evacuation efforts in Kabul.

U.S. Central Command confirmed Thursday evening that the death toll had risen to 13 U.S. service members and 18 wounded after two suicide bombers detonated explosives.

U.S. Marine Gen. Kenneth McKenzie, commander of U.S. Central Command, said that a number of Afghan civilians were also killed in the blast, but he was not able to provide a precise number. He added that the current U.S. military assessment is that the bombers were ISIS fighters.

ISIS has claimed responsibility for the attack.

The president addressed those responsible for the attack, saying, “We will not forgive. We will not forget. We will hunt you down and make you pay.”

“I’ll defend our interests and our people with every measure in my command,” Biden said.

“I’ve also ordered my commanders to develop operational plans to strike ISIS-K assets, leadership and facilities. We will respond with force and precision at our time, at the place we choose and now of our choosing,” he said, indicating that the U.S. had leads on the ISIS leaders who ordered the attack.

“We have some reason to believe we know who they are,” Biden said, though he noted that the U.S. was not certain. “And we will find ways for our choosing, without large military operations, to get them, wherever they are.”

The president had warned on Tuesday that staying longer than planned in Afghanistan carried serious risks for foreign troops and civilians. He has said that ISIS-K, the Afghanistan-based affiliate of the terror group, presented a growing threat to the airport.

“I’ve repeatedly said this mission was extraordinarily dangerous, and that’s why I’ve been so determined to limit the duration of this mission,” Biden reiterated on Thursday.

Earlier in the week, the president told leaders of the G-7, NATO, United Nations and European Union that the United States will withdraw its military from Afghanistan by the end of the month.

In the last 24 hours, Western forces evacuated 13,400 people out of Kabul on 91 military cargo aircraft flights. Since the mass evacuations began on Aug. 14, approximately 95,700 people have been airlifted out of Afghanistan.

About 101,300 people have been evacuated since the end of July, including about 5,000 U.S. citizens and their families.

A State Department spokesperson said Thursday that the U.S. is now in contact with the approximately 1,000 Americans believed to be still in Afghanistan.

“The vast majority — over two-thirds — informed us that they were taking steps to leave,” the spokesperson added.

Your Weekend Wire

The week ahead

Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
30.08.2021	06:30	Netherlands	Manufacturing Confidence	Aug		12.3		
30.08.2021	11:00	Belgium	GDP QQ Revised SA	Q2		1.4%		
30.08.2021	14:30	Canada	Current Account C\$	Q2		1.18B		
30.08.2021	16:00	United States	Pending Homes Index	Jul		112.8		
30.08.2021	16:00	United States	Pending Sales Change MM	Jul		-1.9%		
30.08.2021	16:30	United States	Dallas Fed Mfg Bus Idx	Aug		27.30		

Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
31.08.2021	01:30	Japan	Jobs/Applicants Ratio	Jul		1.13		
31.08.2021	01:30	Japan	Unemployment Rate	Jul		2.9%		
31.08.2021	01:50	Japan	Industrial O/P Prelim MM SA	Jul		6.5%		
31.08.2021	01:50	Japan	IP Forecast 1 Mth Ahead	Aug		-1.1%		
31.08.2021	01:50	Japan	IP Forecast 2 Mth Ahead	Sep		1.7%		
31.08.2021	07:00	Japan	Construction Orders YY	Jul		32.3%		
31.08.2021	07:00	Japan	Housing Starts YY	Jul		7.3%		
31.08.2021	08:45	France	Consumer Spending MM	Jul		0.3%		
31.08.2021	08:45	France	GDP QQ Final	Q2		0.9%		
31.08.2021	08:45	France	Producer Prices MM	Jul		1.1%		
31.08.2021	09:00	Switzerland	Official Reserves Assets CHF	Jul		1 002 153.31M		
31.08.2021	09:55	Germany	Unemployment Chg SA	Aug		-91k		
31.08.2021	09:55	Germany	Unemployment Total NSA	Aug		2.600M		
31.08.2021	09:55	Germany	Unemployment Rate SA	Aug		5.7%		
31.08.2021	09:55	Germany	Unemployment Total SA	Aug		2.600M		
31.08.2021	10:00	Italy	GDP Final QQ	Q2		2.7%		
31.08.2021	10:00	Italy	GDP Final YY	Q2		17.3%		
31.08.2021	10:30	United Kingdom	M4 Money Supply	Jul		0.5%		
31.08.2021	12:00	Italy	Producer Prices MM	Jul		1.4%		
31.08.2021	12:00	Italy	Producer Prices YY	Jul		9.1%		
31.08.2021	14:30	Canada	GDP QQ	Q2		1.4%		
31.08.2021	14:30	Canada	GDP QQ Annualized	Q2		5.6%		
31.08.2021	14:30	Canada	GDP Implicit Price QQ	Q2		2.9%		
31.08.2021	14:30	Canada	GDP MM	Jun		-0.3%		
31.08.2021	14:55	United States	Redbook YY	23 Aug, w/e				
31.08.2021	15:45	United States	Chicago PMI	Aug	69.8	73.4	69.94	0.14
31.08.2021	16:30	United States	Texas Serv Sect Outlook	Aug		33.3		
31.08.2021	16:30	United States	Dallas Fed Services Revenues	Aug		21.7		

Source: Refinitiv

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Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
01.09.2021	01:50	Japan	Foreign Reserves	Aug		1 386.5B		
01.09.2021	01:50	Japan	Business Capex (MOF) YY	Q2		-7.8%		
01.09.2021	02:30	Japan	Jibun Bank Mfg PMI	Aug		52.4		
01.09.2021	08:30	Sweden	PMI Manufacturing Sect	Aug		65.3		
01.09.2021	09:00	Netherlands	PMI - Manufacturing	Aug		67.4		
01.09.2021	09:30	Switzerland	Manufacturing PMI	Aug		71.1		
01.09.2021	09:45	Italy	Markit/IHS Mfg PMI	Aug		60.3		
01.09.2021	09:50	France	Markit Mfg PMI	Aug		57.3		
01.09.2021	09:55	Germany	Markit/BME Mfg PMI	Aug		62.7		
01.09.2021	10:00	Italy	Unemployment Rate	Jul		9.7%		
01.09.2021	10:30	United Kingdom	Markit/CIPS Mfg PMI Final	Aug		60.1		
01.09.2021	13:00	United States	MBA 30-Yr Mortgage Rate	23 Aug, w/e				
01.09.2021	14:15	United States	ADP National Employment	Aug	575k	330k	477.1k	-97.9k
01.09.2021	15:30	Canada	Markit Mfg PMI SA	Aug		56.2		
01.09.2021	15:45	United States	Markit Mfg PMI Final	Aug		61.2		
01.09.2021	16:00	United States	Construction Spending MM	Jul		0.1%		
01.09.2021	16:00	United States	ISM Manufacturing PMI	Aug	59.1	59.5	58.48	-0.62
01.09.2021	16:00	United States	ISM Mfg Prices Paid	Aug		85.7		
01.09.2021	16:00	United States	ISM Manuf Employment Idx	Aug		52.9		
01.09.2021	16:00	United States	ISM Manuf New Orders Idx	Aug		64.9		

Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
02.09.2021	09:00	Switzerland	GDP QQ	Q2		-0.5%		
02.09.2021	09:00	Switzerland	GDP YY	Q2		-0.5%		
02.09.2021	13:30	United States	Challenger Layoffs	Aug		18.942k		
02.09.2021	14:30	United States	International Trade \$	Jul	-75.1B	-75.7B	-75.35B	-0.25B
02.09.2021	14:30	United States	Initial Jobless Clm	23 Aug, w/e				
02.09.2021	14:30	United States	Jobless Clm 4Wk Avg	23 Aug, w/e				
02.09.2021	14:30	United States	Cont Jobless Clm	16 Aug, w/e				
02.09.2021	14:30	United States	Labor Costs Revised	Q2	1.0%	1.0%	0.81%	-0.19%
02.09.2021	14:30	United States	Productivity Revised	Q2	2.4%	2.3%	2.41%	0.01%
02.09.2021	14:30	Canada	Building Permits MM.	Jul		6.9%		
02.09.2021	14:30	Canada	Trade Balance C\$	Jul		3.23B		
02.09.2021	14:30	Canada	Exports C\$	Jul		53.76B		
02.09.2021	14:30	Canada	Imports C\$	Jul		50.53B		
02.09.2021	16:00	United States	Durables Ex-Def, R MM	Jul				
02.09.2021	16:00	United States	Durable Goods, R MM	Jul				
02.09.2021	16:00	United States	Factory Orders MM	Jul		1.5%		
02.09.2021	16:00	United States	Durables Ex-Transp R MM	Jul				
02.09.2021	16:00	United States	Nondef Cap Ex-Air R MM	Jul				
02.09.2021	16:00	United States	Factory Ex-Transp MM	Jul		1.4%		

Sources: Refinitiv

Your Weekend Wire

The week ahead

Date	Time	Country	Indicator Name	Period	Reuters Poll	Prior	SmartEstimate®	Predicted Surprise
03.09.2021	02:30	Japan	Services PMI	Aug		47.4		
03.09.2021	08:30	Sweden	PMI Services	Aug		69.1		
03.09.2021	08:45	France	Budget Balance	Jul		-131.29B		
03.09.2021	09:30	Sweden	Current Account QQ	Q2		78.3B		
03.09.2021	09:45	Italy	Markit/IHS Svcs PMI	Aug		58.0		
03.09.2021	09:50	France	Markit Serv PMI	Aug		56.4		
03.09.2021	09:50	France	Markit Comp PMI	Aug		55.9		
03.09.2021	09:55	Germany	Markit Services PMI	Aug		61.5		
03.09.2021	09:55	Germany	Markit Comp Final PMI	Aug		60.6		
03.09.2021	10:30	United Kingdom	Markit/CIPS Serv PMI Final	Aug		55.5		
03.09.2021	10:30	United Kingdom	Reserve Assets Total	Aug		178 114.56M		
03.09.2021	14:30	United States	Non-Farm Payrolls	Aug	763k	943k	800.0k	37.0k
03.09.2021	14:30	United States	Private Payrolls	Aug	700k	703k	607.2k	-92.8k
03.09.2021	14:30	United States	Manufacturing Payrolls	Aug		27k		
03.09.2021	14:30	United States	Government Payrolls	Aug		240k		
03.09.2021	14:30	United States	Unemployment Rate	Aug	5.2%	5.4%	5.25%	0.05%
03.09.2021	14:30	United States	Average Earnings MM	Aug	0.4%	0.4%	0.36%	-0.04%
03.09.2021	14:30	United States	Average Earnings YY	Aug		4.0%		
03.09.2021	14:30	United States	Average Workweek Hrs	Aug	34.8	34.8	34.77	-0.03
03.09.2021	14:30	United States	Labor Force Partic	Aug		61.7%		
03.09.2021	14:30	United States	U6 Underemployment	Aug		9.2%		
03.09.2021	14:30	Canada	Labor Productivity Rate	Q2		-1.7%		
03.09.2021	15:45	United States	Markit Comp Final PMI	Aug		55.4		
03.09.2021	15:45	United States	Markit Svcs PMI Final	Aug		55.2		
03.09.2021	16:00	United States	ISM N-Mfg PMI	Aug	63.0	64.1	62.70	-0.30
03.09.2021	16:00	United States	ISM N-Mfg Bus Act	Aug		67.0		
03.09.2021	16:00	United States	ISM N-Mfg Employment Idx	Aug		53.8		
03.09.2021	16:00	United States	ISM N-Mfg New Orders Idx	Aug		63.7		
03.09.2021	16:00	United States	ISM N-Mfg Price Paid Idx	Aug		82.3		

Sources: Refinitiv

Your Weekend Wire Figures

Currencies

EURUSD	1.1786	Weekly Change
Week Low	Week High	
1.1693	1.1802	0.80%

GBPUSD	1.3751	Weekly Change
Week Low	Week High	
1.3615	1.378	0.88%

EURCHF	1.0760	Weekly Change
Week Low	Week High	
1.0701	1.0805	0.30%

AUDUSD	0.7296	Weekly Change
Week Low	Week High	
0.7113	0.7306	2.39%

USDCHF	0.9126	Weekly Change
Week Low	Week High	
0.9111	0.9199	-0.45%

USDCAD	1.2624	Weekly Change
Week Low	Week High	
1.2578	1.284	-1.54%

USDTRY	8.3501	Weekly Change
Week Low	Week High	
8.3470	8.4991	-1.64%

EURGBP	0.8570	Weekly Change
Week Low	Week High	
0.8543	0.8593	-0.22%

Indices and Commodities

Eurostoxx 50	4 189.70
Week Change	YTD
-0.17%	16.20%

Gold	1807.6
Week Change	YTD
1.49%	-4.78%

SMI	12 432.14
Week Change	YTD
-0.05%	15.93%

WTI	68.6300
Week Change	YTD
10.77%	44.12%

S&P 500	4 503.47
Week Change	YTD
0.64%	19.01%

US 10Y Yield	1.334
Week bp Change	YTD bp Change
8.42	41.529

VIX	16.53
Week Change	YTD
1.51%	-17.19%

EU 10Y Yield	-0.4100
Week bp Change	YTD bp Change
8.30	13.83

Sources: Bloomberg/Refinitiv



Your CRYPTO Weekend Wire

Crypto Market Cap: \$2,009,925,734,496

Dominance*: BTC: 44.1% ETH: 18.2%

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

News Flow

➤ **Bitcoin tops \$50,000, hitting a more than 3-month high.**

Bitcoin hit \$50,000 on Sunday to reach a more than 3-month high, as the cryptocurrency continues to rebound.

The digital coin rose above that level around 10:40 p.m. ET on Sunday, according to data from CoinDesk. It was trading at around \$50,095 at 2:45 a.m. ET on Monday.

Bitcoin hit an all-time high over \$64,000 in April but sold off heavily in June and July, even dipping below \$30,000. One of the major reasons was renewed regulatory scrutiny from Chinese authorities which has forced bitcoin mining operations to shut down and move elsewhere. But since mid-July, bitcoin has been on a steady rise.

In the last few days, two key announcements have been positive for the cryptocurrency space. Last week, Coinbase said it would buy \$500 million in crypto on its balance sheet and allocate 10% of profits into a crypto asset portfolio.

On Monday, PayPal said it would launch its service to let people buy, hold and sell digital currencies, in the U.K.

Meanwhile, other digital coins were also higher. Ether was trading higher by about 1.8% at \$3,302.59 early Monday morning. Ethereum, the blockchain network powered by ether, activated a key upgrade earlier this month which helped lift the price.

Vijay Ayyar, head of business development at cryptocurrency exchange Luno, said there was a lot of buying around the \$29,000 to \$30,000 level when bitcoin was roughly at a 50% discount to April's all-time high.

"Lots of large players took advantage of those prices," Ayyar said, adding that bitcoin could move "to test all-time highs again."

The value of the entire cryptocurrency market stood above \$2.14 trillion on Sunday, according to data from Coinmarketcap.

➤ **PayPal launches its cryptocurrency service in the UK.**

PayPal is launching its cryptocurrency service in the U.K.

The U.S. online payments giant said Monday it would let British customers buy, hold and sell digital currencies, starting this week.

It marks the first international expansion of PayPal's crypto product, which first launched in the U.S. in October last year.

"It has been doing really well in the U.S.," Jose Fernandez da Ponte, PayPal's general manager for blockchain, crypto and digital currencies, told CNBC. "We expect it's going to do well in the U.K."

PayPal's crypto feature lets customers buy or sell bitcoin, bitcoin cash, Ethereum or Litecoin with as little as £1. Users can also track crypto prices in real-time and find educational content on the market.

Like the U.S. version of the product, PayPal is relying on Paxos, a New York-regulated digital currency company, to enable crypto buying and selling in the U.K. PayPal said it has engaged with relevant U.K. regulators to launch the service.

A spokesperson for the Financial Conduct Authority, Britain's financial services watchdog, was not immediately available for comment on the announcement.

PayPal's crypto service is like one from U.K. fintech firm Revolut. As is the case with Revolut, PayPal users can't move their crypto holdings outside the app. Although Revolut recently started testing a feature that lets users withdraw bitcoin to their own personal wallets.

PayPal says its foray into crypto is about making it easier for people to participate in the market. "The tokens and coins have been around for a while, but you had to be a relatively sophisticated user to be able to access that," da Ponte said. "Having that on a platform like ours makes a really good entry point."

The payments processor is one of many large finance companies taking a leap into the mostly unregulated world of cryptocurrencies. Despite ongoing concerns about price volatility, consumer protection and potential money laundering in the industry, major firms including Mastercard, Tesla and Facebook have been warming to crypto lately.

Bitcoin, the world's biggest digital currency, hit a record high of nearly \$65,000 in April before tumbling below \$30,000 in July as Chinese regulators extended a crackdown on the market. It has since recovered to a price of \$48,400.

While PayPal started with crypto trading, the company is betting digital currencies will take a greater role in e-commerce in the long run. Earlier this year, PayPal started letting U.S. consumers use crypto to pay at millions of its online merchants globally. The firm also expanded crypto buying and selling to Venmo, its popular mobile wallet.

"We definitely have ambitions to continue to expand the product range in the U.S., the U.K. and other markets," da Ponte said.

"We are very deliberate about starting with initial functionality, and then we'll see where the market is going to take us. Different markets have different appetite for products."

Sources: Bloomberg/Refinitiv/cnbc.com



Your CRYPTO Weekend Wire

News Flow

The launch of PayPal’s crypto service in the U.K. also comes as regulators become increasingly wary about the rise of digital currencies. In June, the FCA banned the British subsidiary of Binance, the world’s largest crypto exchange, citing a failure to meet money-laundering requirements.

“It makes sense that, as there is increased consumer interest and increased volume, the regulators are putting more attention into this space,” da Ponte said, adding that PayPal has built “strong regulatory relations.”

Meanwhile, central banks are exploring the potential issuance of their own digital currencies, as cash use in several developed countries dwindles rapidly. In April, the U.K. Treasury and Bank of England said they would evaluate the potential launch of a digital version of the British pound, dubbed “Britcoin” by the U.K. press.

Da Ponte said central bank digital currencies, or CBDCs, were a “fantastic prospect” but it would take policymakers some time to iron out the key issues involved.

➤ The world’s second-largest stablecoin is undergoing a massive change.

Digital currency company Circle had claimed its stablecoin, USD Coin, was backed 1:1 by actual dollars in a bank account.

In July, it was revealed this was no longer the case, with Circle disclosing in an “attestation” from auditors Grant Thornton that cash made up just over 60% of USD Coin’s reserves. The other 40% was backed by various forms of debt securities and bonds.

What constitutes a stablecoin’s reserves is important. What sets them apart from other cryptocurrencies is the fact they’re pegged to an existing currency like the U.S. dollar or the euro. The aim is to avoid the volatility often found in bitcoin and other major cryptocurrencies.

Now, Circle says it’s changing the makeup of USD Coin’s reserves once again, with just cash and U.S. Treasury bonds underpinning the stablecoin.

Centre, a consortium founded by Circle and crypto exchange Coinbase which developed the stablecoin, unveiled the change on Sunday.

“Mindful of community sentiment, our commitment to trust and transparency, and an evolving regulatory landscape, Circle, with the support of Centre and Coinbase, has announced that it will now hold the USDC reserve entirely in cash and short duration US Treasuries,” Centre said in a blog post. “These changes are being implemented expeditiously and will be reflected in future attestations by Grant Thornton.”

Many crypto traders use stablecoins as an alternative to their bank, to buy or sell digital currencies.

USD Coin is the second-largest stablecoin globally, with \$27 billion worth of coins in circulation.

Tether, the largest stablecoin with \$75 billion in circulation, has drawn scrutiny from regulators amid fears it doesn’t have enough assets to support its peg to the greenback.

Earlier this year, tether’s issuer revealed that just 2.9% of its reserves were held in cash. Most of its reserves were made up of commercial paper, a form of unsecured, short-term debt that’s riskier than government bonds.

This sparked fears that a sudden mass redemption of tether tokens could destabilize short-term credit markets.

In their latest policy meeting, officials at the U.S. Federal Reserve said stablecoins should be regulated as they pose a potential threat to financial stability.

Fed Chairman Jerome Powell has previously said a U.S. central bank digital currency could eliminate the need for cryptocurrencies and stablecoins like USDC and tether.

There are increasing calls for stablecoin issuers to provide frequent breakdowns of their reserve compositions to address opaqueness in fast-growing crypto industry.

New York Attorney General Letitia James said Tether, the company behind the stablecoin of the same name, should submit quarterly transparency reports. It’s one of the things Tether was required to do as part of an \$18.5 million settlement with James’ office.

Both Tether and Circle have since released reports breaking down their reserves.

On Sunday, Centre it was “deepening its commitment to transparency” and “exploring new opportunities to collaborate with the community.”

“By later this year we expect to announce several new opportunities for members to become more formally involved with Centre’s standards and governance activities,” it added.

Sources: [Bloomberg/Refinitiv/cnbc.com/coinmarketcap.com](https://www.bloomberg.com/news/articles/2022-07-27/circle-stablecoin-reserves)



Your CRYPTO Weekend Wire

News Flow

➤ **Visa jumps into the NFT craze, buying a 'CryptoPunk' for \$150,000.**

Visa is the latest major company jumping into the NFT craze.

The payments processor said Monday it bought a "CryptoPunk," one of thousands of NFT-based digital avatars, for nearly \$150,000 in Ethereum.

An NFT — which stands for non-fungible token — is a unique digital asset designed to represent ownership of a virtual item. Unlike bitcoin and other cryptocurrencies, NFTs can't be exchanged like-for-like with another NFTs.

Proponents say this makes NFTs scarce, driving up their value. NFTs have often been compared to physical collectible items like rare trading cards and works of art.

"We think NFTs will play an important role in the future of retail, social media, entertainment, and commerce," Cuy Sheffield, head of crypto at Visa, said in a blogpost Monday.

"To help our clients and partners participate, we need a firsthand understanding of the infrastructure requirements for a global brand to purchase, store, and leverage an NFT."

Sheffield said CryptoPunks have become a "cultural icon for the crypto community."

"With our CryptoPunk purchase, we're jumping in feet first," he said. "This is just the beginning of our work in this space."

Anchorage, a federally-chartered digital asset bank, facilitated the purchase, Visa said.

Several big firms have been experimenting with NFTs lately.

Christie's has auctioned off several NFTs, some worth millions of dollars. The auction house set records in March when an image created by the digital artist Beeple sold for \$69 million.

Meanwhile, several media publications, including CNN, The New York Times and Fortune magazine, have sold NFTs of their own.

But some critics are skeptical of NFTs. While such tokens represent a digital certificate of ownership, buyers don't own the underlying item, and internet users can still view the associated media online. Some people have even stolen other artists' work and gone on to sell them as NFTs.

"The purchaser of Beeple's \$69 million NFT artwork, 'Everydays – The First 5000 Days', owns the unique token," Adam Rendle, partner at law firm Taylor Wessing, said in a blogpost.

"They do not, however, own copyright or any other intellectual property rights in the digital artwork itself. They cannot distribute or otherwise commercialize the represented asset."

➤ **Institutional investors bet big on Solana while BTC outflows persist.**

Institutional investors are loading up on Solana (SOL), with one-third of inflows to crypto investment products being invested in instruments tracking Solana this past week.

According to CoinShares' Aug. 23 Digital Asset Fund Flows Weekly report, \$7.1 million flowed into Solana investment products between Aug. 15 and Aug. 20.

While the price of SOL gained a meagre 1.4% on the spot markets over the same period, SOL has gained 110% from \$35.58 since the start of August to trade for \$75 as of this writing.

CoinShares' report notes that institutional crypto investment products bucked a six-week trend of outflows, with roughly \$21 million flowing into the sector this past week.

Products tracking Cardano (ADA) were the second-most popular for the week with inflows totaling \$6.4 million. Institutions also poured \$3.2 million into products tracking Ethereum (ETH), \$1.8 million into Litecoin (LTC), and \$1.1 million into Polkadot (DOT).

Institutional BTC products saw outflows of \$2.8 million for the week — marking the seventh consecutive week of outflows for Bitcoin. BTC shed 6% over the same period.

The report noted that the value of assets under management (AUM) by crypto investment product issuers increased to \$57.3 billion as the markets rallied this week — its largest level since peaking at around \$66 billion during the heights of the 2021 bull market in mid-May.

Leading institutional asset manager Grayscale represents three-quarters of the sector's AUM with \$42.6 billion.

Flows across asset providers were mixed however, with the Coinshares XBT, ETC Issuance funds shedding \$9.5 million and \$9.4 million, while 21shares, CoinShares Physical and 3iQ posted inflows of \$21.8 million, \$14.7 million and \$10.8 million, respectively.

Sources: [Bloomberg/Refinitiv/cnbc.com/coinmarketcap.com/Newsnow.com](https://www.bloomberg.com/refinitiv/cnbc.com/coinmarketcap.com/Newsnow.com)

➤ **Saylor's MicroStrategy Buys Another \$177M of Bitcoin.**

Virginia-based MicroStrategy has added another 3,907 bitcoins to its vast trove of the original cryptocurrency.

According to a Tuesday filing with the Securities and Exchange Commission, the company spent about \$177 million on its latest BTC (-2%) purchase, at an average price of approximately \$45,294 per coin.

In total, the firm holds 108,992 BTC, according to a tweet from CEO Michael Saylor.

MicroStrategy's stock, which some investors use as a proxy for the price of bitcoin, has sunk from highs of \$1,273 in March to \$718 as of press time.

The price of bitcoin is down 2% over the last 24 hours, changing hands at \$49,191.30 at time of publication.

➤ **Recently Hacked Exchange Liquid Global Secures \$120M Loan From FTX.**

FTX, the crypto exchange founded and led by billionaire Sam Bankman-Fried, will lend \$120 million to Liquid Global, the Japanese crypto exchange that was hacked last week.

Last week, Liquid Global saw more than \$90 million stolen in the hack. At the time, the exchange said the attack targeted its multiparty computation (MPC) system of custody.

The debt financing secured from FTX will be used for Liquid Global's capital position and to speed up capital generation projects, as well as provide liquidity, Liquid Global said in a press release.

"The financing will also improve Liquid's balance sheet and, in turn, its key regulatory metrics, which further corroborates its ongoing licensing opportunities in the key jurisdictions of Japan and Singapore," Liquid Global said.

"This opportunity with Liquid allows both organizations to strengthen and reinforce the belief that regulation in crypto and knowing your customer is an important part of the future of our industry," Bankman-Fried said.

Liquid Global's parent company, Quoine, was one of the first exchanges to receive a crypto asset operating license under Japan's Payment Services Act.

Liquid's Singapore subsidiary, Quoine Pte, has applied to the Monetary Authority of Singapore (MAS) for a license under Singapore's Payment Services Act.

➤ **Record \$900 million month for NFT sales as CryptoPunks go stratospheric.**

August is shaping up to be a record month for nonfungible token sales with almost \$900 million spent on them over the past 30 days.

According to data from the tracking portal Nonfungible, \$896 million has been spent on NFTs over the past 30 days. The number is very likely to exceed \$900 million by the end of the month marking a new record for the burgeoning industry.

The number is more than triple the previous best month for NFT sales in May when \$255 million were sold. August has seen sales skyrocket and it has been largely down to CryptoPunks and Axie Infinity.

According to Cryptoslam, a record \$397 million in CryptoPunk sales have occurred so far this month. The average sale price for the pixelated punks is a whopping \$214,000. One of the most expensive ones ever sold was number 7523, a rare alien punk wearing a face mask that went for a whopping \$11.5 million in a Sotheby's auction in June.

Earlier this week, credit card giant Visa announced that it had purchased its own CryptoPunk for 49.5 ETH, worth just under \$150,000 at the time of purchase.

Chinese industry outlet Wu Blockchain reported that Chinese investors are buying up CryptoPunks like proverbial hotcakes. Cai Wensheng, the founder of smartphone software firm Meitu, splashed out on CryptoPunk 8236 with 125 ETH, roughly \$387,000.

Meitu was one of the first publicly traded companies in China to bet big on cryptocurrencies, purchasing \$100 million in Bitcoin and Ethereum earlier this year.

NFT's have also been driving the adoption of the staking cryptocurrency Tezos. According to a blog post earlier this year, Tezos NFT platforms have proven to be attractive for artists due to low transaction fees and a more energy-efficient proof-of-stake consensus mechanism favored by eco-conscious artists.

Sources: [Bloomberg/Refinitiv/cnbc.com/coinmarketcap.com/Newsnow.com](https://www.bloomberg.com/refinitiv/cnbc.com/coinmarketcap.com/Newsnow.com)



Your CRYPTO Weekend Wire

News Flow

➤ **Jim Cramer: Coinbase stock is cheap, put 5% of your portfolio in crypto.**

Jim Cramer, the host of CNBC's "Mad Money" has recommended buying Coinbase stock and suggested that 5% of investment portfolios should be allocated to cryptocurrency.

Cramer made the comments in the Lightning Round on Aug. 25 in response to a caller who asked whether buying Coinbase stock was a good way to get crypto exposure. The 66-year-old finance personality stated that while Coinbase's listing went "very poorly" he views it as a big player in crypto.

Coinbase Stock (COIN) stock has seen a lackluster performance since its listing on the Nasdaq exchange in mid-April. At the time of writing, COIN is sitting at \$248, down 27% from its all-time high of \$340 on April 16.

However, the firm had a strong performance last quarter with its Q2 report posting net profits of \$1.6 billion, compared to \$32 million in Q2 2020.

Cramer added to his comments by suggesting that direct exposure to crypto should also be an option for investors.

The CNBC host is a former hedge fund manager and co-founder of financial news website TheStreet.com. While Cramer has remained relatively consistent on Ethereum (ETH) lately, he has had an on-again-off-again love affair with digital gold since he first bought Bitcoin (BTC) back in December 2020.

In fact, he's all over the place. In the middle of a crypto downturn in June, Cramer urged investors to be "patient" with BTC — but ten days later his patience ran out and he boldly claimed that BTC is "not going up because of structural reasons."

In March, Cramer bullishly stated that BTC made him a "ton of money" while his investments in gold and stocks had let him down. In April he stated that he had cashed out 50% of his "phony money" BTC to pay off his mortgage.

Cointelegraph reported on May 5 Cramer said he owned "a lot of Ether" after he initially bought the asset to bid on a Time Magazine NFT.

➤ **Cuba Regulates the Use of Virtual Assets for Commercial Transactions.**

Cuba's Central Bank issued a resolution establishing rules to regulate the use of virtual assets in commercial transactions and licensing of service providers in that sector.

In a resolution published Thursday, the Cuban Central Bank (BCC) said it may authorize, for reasons of socioeconomic interest, the use of certain virtual assets in commercial transactions and license virtual asset service providers for operations related to financial, exchange and collection or payment activities.

According to the BCC, "financial institutions and other legal entities may only use virtual assets among themselves and with natural persons to carry out monetary and mercantile operations, and exchange and swap transactions, as well as to satisfy pecuniary obligations." All of the above may be done if authorized by the Central Bank, it added.

The entity detailed that a virtual asset is understood as "the digital representation of value that can be traded or transferred digitally and used for payments or investments."

The BCC also clarified that "persons assume the civil and criminal risks and liabilities derived from operating with virtual assets and service providers that operate outside the banking and financial system, even though transactions with virtual assets between these persons are not prohibited."

On the other hand, the resolution stipulated that government administration agencies must refrain from using virtual assets in transactions, except in cases authorized by the Central Bank of Cuba.

According to the BCC, even when such virtual assets and the providers of such services operate outside the banking and financial system, their management implies risks for monetary policy and financial stability, due to the high volatility that characterizes them and their use in data networks in cyberspace.

The BCC also said that cryptocurrencies imply risks of being used to finance criminal activities, given the excessive anonymity of the users registered in such networks and of the transactions derived from their use.

Sources: [Bloomberg/Refinitiv/cnbc.com/coinmarketcap.com/Newsnow.com](https://www.bloomberg.com/news/articles/2021-08-25/jim-cramer-recommends-buying-coinbase-stock)



Your CRYPTO Weekend Wire

News Flow

➤ **Turkish prosecutors investigate alleged \$119M Dogecoin mining scam.**

Turkish media reports that authorities there are investigating an alleged Dogecoin mining scam that pulled the rug on investors after amassing \$119 million worth of deposits.

An Aug. 23rd report from local channel TV100 broke the news, with police identifying pseudonymous online avatar “Turgut V.” as the scheme’s suspected operator.

Authorities believe that Turgut and 11 associates managed to gather close to 350 million Dogecoin valued at \$119 million before disappearing.

Turgut reportedly solicited investments from 1,500 Turkish citizens, drumming up excitement for the Dogecoin “mining” operation at in-person networking events held at ritzy locations, and by using a Telegram group online. Investors were promised returns of 100% in 40 days and reportedly paid returns for around 3 months.

Investors were told that the Dogecoin they sent would procure new equipment to mine DOGE. Like Bitcoin, Dogecoins are created through Proof-of-Work mining, where network participants compete to validate transactions and produce the next block by computationally solving complex equations. The miner that solves the equation mines the network’s next block, also receiving all of the crypto contained within it as a reward.

The operation ran smoothly for its first three months, with early investors receiving their returns as promised. However, after the scheme’s total value locked (TVL) peaked at 350 million Dogecoin during its fourth month, the funds reportedly disappeared.

The Chief Public Prosecutor’s Office of the Turkish suburb Küçükçekmece is now carrying out an ongoing investigation to locate Turgut and his 11 associates. Authorities have issued an order restricting Turgut and his partner Gizem N. from traveling outside the country.

The recently surging popularity of crypto assets in Turkey has brought with it an increase in scammers seeking to leverage digital assets to dupe victims out of their hard-earned cash.

At the end of April, Turkish authorities jailed six suspects associated with the collapse of local crypto exchange Thodex. The exchange had abruptly halted withdrawal services earlier that month, stranding users’ funds on the platform.

Also in April, four employees of the local Vebitcoin exchange were arrested for allegations of fraud just a day after Vebitcoin announced it would cease operations.

➤ **India could begin trials for a digital rupee by December, central bank governor says.**

The Reserve Bank of India may launch its first digital currency trial programs by December, central bank governor Shaktikanta Das told CNBC.

Central banks including those in China, Europe and the U.K. are exploring digital currencies that would be issued by them, either to commercial lenders or to the public directly.

They are called central bank digital currencies, or CBDC — legal tender in digital form, and are essentially the online version of their respective fiat currencies. In India’s case, that would be the digital rupee.

“We are being extremely careful about it because it’s completely a new product, not just for RBI, but globally,” Das told CNBC’s Tanvir Gill in a pre-recorded interview on Thursday.

The RBI is studying various aspects of a digital currency including its security, impact on India’s financial sector as well as how it would affect monetary policy and currency in circulation, according to the governor.

Das added that the central bank is also exploring the choice between having a centralized ledger for the digital currency or the so-called distributed ledger technology (DLT).

DLT refers to a digital database that allows multiple participants to access, share and record transactions simultaneously. A centralized ledger means the database is owned and operated by a single entity — in this case, the central bank.

“I think by the end of the year, we should be able to — we would be in a position, perhaps — to start our first trials,” Das told CNBC.

His deputy, T Rabi Shankar, last month said the central bank was working toward a “phased implemental strategy” for a digital currency.

Central banks stepped up their efforts looking into digital currencies over the past year following a decline in cash usage and growing interest in cryptocurrencies like bitcoin.

Sources: [Bloomberg/Refinitiv/cnbc.com/coinmarketcap.com/Newsnow.com](https://www.bloomberg.com/news/articles/2021-08-23-turkish-prosecutors-investigate-alleged-119m-dogecoin-mining-scam)



Your CRYPTO Weekend Wire

News Flow

The People's Bank of China is leading the way, with real-world trials already in place across several cities. The European Central Bank and the Bank of England are also looking into a digital euro and a U.K. CBDC, respectively.

CBDCs differ from cryptocurrencies in several important ways — first, they would be fully regulated and under a central authority, typically the central banks.

Second, instead of being a tradeable asset with wildly fluctuating prices, central bank digital currencies would function more like their fiat counterparts and would have widespread acceptance.

Sources: [Bloomberg/Refinitiv/cnbc.com/coinmarketcap.com/Newsnow.com](https://www.bloomberg.com/news/articles/2021-09-24/central-banks-are-trying-to-create-digital-currencies)



Your CRYPTO Weekend Wire

Figures and Charts



BTC	48 187.92	Weekly Change
Week Low	Week High	-0.43%
46 267.93	50 530.51	
Circulating Supply		
		18 798 575.00
Market Cap		
\$		886 035 242 012.00

ETH	3 243.30	Weekly Change
Week Low	Week High	2.84%
3055.91	3382.55	
Circulating Supply		
		117 272 668.00
Market Cap		
\$		365 475 068 667.00



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



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.

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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