News Flow

➢ EU to discuss watered-down oil embargo on Russia as Hungary holds firm.

The European Union on Monday will continue to work toward an agreement to embargo Russian oil after attempts to do so on Sunday failed.

The talks are largely held up by Hungary, a major user of Russian oil and whose leader Viktor Orban has been on friendly terms with Russia's Vladimir Putin.

Budapest over the weekend signaled support for a European Commission proposal that would apply sanctions only on Russian oil brought into the EU by tankers, which would allow landlocked energy importers Hungary, Slovakia and the Czech Republic to continue to receive their Russian oil via pipeline until alternative sources can be found. Talks were held up however by demands from Hungary for EU financing.

A spokesperson for the European Commission, the EU's executive arm, declined to comment on the ongoing proposals.

Roughly 36% of the EU's oil imports come from Russia, a country that plays an outsized role in global oil markets.

To be sure, Russia is the world's third-largest oil producer, behind the U.S. and Saudi Arabia, and the world's largest exporter of crude to global markets. It is also a major producer and exporter of natural gas.

Oil prices rose on Monday morning as market participants closely monitored the prospect of the world's largest trading bloc agreeing to impose a ban on Russian oil imports.

International benchmark Brent crude futures traded 0.8% higher at $120.41 a barrel in London, while U.S. West Texas Intermediate futures traded 0.9% higher at $116.15.

Energy prices, already high at the start of this year, have skyrocketed since Putin launched the war against Ukraine in late February.

The proposed sanctions on oil imports would be part of the EU's sixth sanctions package on Russia since it invaded Ukraine nearly 100 days ago.

The five previous rounds of measures have included restricted access to capital markets, freezing Russia's central bank assets, excluding Russian financial institutions from SWIFT and banning imports of Russian coal and other commodities, among others.

Talks to impose an oil embargo have been underway since the start of the month, although no tangible progress has been made since European Commission President Ursula von der Leyen said member states would ban all Russian oil from Europe.

"Today, we are addressing our dependency on Russian oil. And let's be clear, it will not be easy because some member states are strongly dependent on Russian oil, but we simply have to do it," von der Leyen told the European Parliament on May 4, prompting applause from lawmakers.

It had been hoped leaders could reach an agreement in time for their Monday-Tuesday summit in Brussels, Belgium, to illustrate the bloc's unity in response to the Kremlin's onslaught. Failure to secure any type of deal would likely be heralded as a victory for Putin.

Ukrainian officials have repeatedly insisted the EU impose a total embargo on Russian oil and gas, with energy-importing countries continuing to top up Putin's war chest with oil and gas revenue on a daily basis.

Analysis from campaign group Transport and Environment shows Russia's military might is being reinforced by $285 million in oil payments made every day by European countries.

Indeed, revenue from Russian oil and gas was seen to be responsible for roughly 43% of the Kremlin's federal budget between 2011 and 2020, highlighting how fossil fuels play a central role for the Russian government.

"Given that Russia is a major producer and exporter of crude oil and refined products an embargo on sales would cause significant financial pain," said Tamas Varga of oil broker PVM.

"On the other hand, in the absence of firm additional retaliatory measures, the EU still finances Russia in the conflict. In the first three months of the war, it acquired energy in the value of $60 billion, hardly a recipe to cause financial strain for the invader," Varga said.

"This much the EU admits itself. What is under serious discussion is whether sanctions are the best way to punish Russia or [whether] imposing tariffs would be more effective," he added.

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News Flow

➢ **Global recession? Not yet, economists say — but brace for high prices, low growth.**

A global recession is not imminent, but brace for rising costs and slower growth, economists say.

"There will be no sudden 'after' of stagflation," said Simon Baptist, global chief economist at the Economist Intelligence Unit, referring to a surprise recession after a period of stagflation.

As the war in Ukraine and pandemic disruptions continue to wreak havoc on supply chains, stagflation — marked by low growth and high inflation — will stick around "for at least the next 12 months," Baptist told CNBC last week.

"Commodity prices will start to ease from next quarter, but will remain permanently higher than before the war in Ukraine for the simple reason that Russian supplies of many commodities will be permanently reduced," he added.

The pandemic as well as the war in Ukraine have stifled supply of commodities and goods and upended efficient distribution through global supply chains, forcing up prices of everyday goods such as fuel and food.

But, while higher prices will cause pain for households, growth in many parts of the world, while slow, is still ticking over and job markets have not collapsed.

Unemployment levels across many economies have reached their lowest in decades.

So, consumers — while wary of a repeat of the last global recession brought on by the U.S. subprime crisis over 10 years ago — need not start preparing for a recession.

"For almost all economies of Asia, a recession is fairly unlikely, if we're talking about successive periods of negative GDP," Baptist told CNBC's Street Signs on Thursday.

Even if the global economy is at risk of a recession, many consumers have ample savings and have stocked up on household durables, the economist said.

"So to an extent, it won't feel as bad as the immediate numbers look," he said.

AMP Capital chief economist Shane Oliver doesn't see the recession writing on the wall either, at least not for another 18 months.

"Yield curves or the gap between long-term bond yields and short-term rates have yet to decisively invert or warn of recession and even if they do now the average lead to recession is 18 months," he said in a note.

He takes the view that a deep bear market can be avoided in the U.S. and in Australia.

At the same time, central banks across the globe are tightening up interest rates to combat inflation.

The U.S. central bank announced its biggest rate hike in more than 22 years earlier this month, raising its benchmark interest rate by half a percentage point and warning of further rate hikes.

Federal Reserve minutes released Wednesday indicated that officials were prepared to move ahead with multiple 50 basis points interest rate increases, as they attempt to bring down inflation.

Last week, the Reserve Bank of New Zealand, which has been tightening more than other central banks, raised its cash rate by another half a percentage point to 2%. It was the central bank's fifth rate hike in a row, and signaled the cash rate would peak at a higher level than previously forecast.

The rate has now risen by 1.75 percentage points since the tightening cycle started in October.

"We are very committed to making sure that actual inflation tracks back to within our target range of 1 to 3% and at 6.9%, we are well north of that … we are resolute in our determination to contain inflation," governor Adrian Orr said.

But there is always a risk the control of inflation will induce a recession, economists say.

Stagflation is notoriously hard to control as reining in high prices through raising interest rates could lead to even lower growth.

"The longer inflation stays high the more investment markets worry that central banks will not be able to tame it without bringing on recession. As Fed Chair Powell indicated, getting inflation to 2% will 'include some pain,'" Oliver said.

But not everyone is concerned.

Capital Economics senior economic advisor Vicky Redwood said she was confident central banks would be able to dial down inflation without engineering a recession.

Planned rate rises in many places — such as in Europe, the UK and the U.S. — should be sufficient to bring inflation back to target, Redwood said.

"[But] if inflation expectations and inflation prove more stubborn than we expect, and interest rates need to rise further as a result, then a recession most probably will be on the cards," she said in a note.

A Volcker-shock style recession might even be warranted, she added.
The Volcker Shock occurred when Fed Chairman Paul Volcker raised interest rates to the highest point in history in the 1980s, in an effort to end double-digit inflation in the U.S.

➢ Euro zone inflation hits yet another record high as food and energy prices soar.

Prices in the euro zone continued their march higher in May, hitting a record high for the seventh month in a row.
Inflation came in at 8.1% for the month, according to preliminary figures from Europe's statistics office Tuesday, up from April's record high of 7.4% and higher than expectations of 7.8%.
It comes after inflation prints from several major European economies surprised to the upside in recent days. German inflation (harmonized to be comparable with other EU nations) came in at an annual 8.7% in May, preliminary figures showed on Monday — significantly outstripping analyst expectations of 8% and marking a sharp incline from the 7.8% seen in April.
French inflation also surpassed expectations in May to a notch record 5.8%, up from 5.4% in April, while harmonized Spanish consumer prices jumped by an annual 8.5% in May, exceeding expectations of 8.1%.
Across the euro zone, the record annual consumer price increase was driven by soaring energy costs, which hit 39.2% (up from 37.5% in April) and a 7.5% increase in food, alcohol and tobacco prices (up from 6.3%).
However, even without energy and food prices, inflation increased from 3.5% to 3.8%, Eurostat added.
Rising prices have been exacerbated over recent months by the war in Ukraine, particularly food and energy costs, as exports are blocked and countries across the West scramble to reduce their reliance on Russian gas.
EU leaders agreed late Monday to ban 90% of Russian crude oil by the end of the year, sending prices higher. Charles Michel, president of the European Council, said the move would immediately hit 75% of Russian oil imports.
Inflation — which remains persistently high not just in Europe, but also in the U.K., U.S. and beyond — is causing a headaches for central banks, which are also balancing the risk of recession.
Earlier this month, European Central Bank President Christine Lagarde said she was anticipating a rate rise at the central bank's meeting in July.
"Based on the current outlook, we are likely to be in a position to exit negative interest rates by the end of the third quarter," she wrote in a blog post. "If the euro area economy were overheating as a result of a positive demand shock, it would make sense for policy rates to be raised sequentially above the neutral rate."

The ECB's governing council is due to meet on June 9, and then on July 21.

Goldman Sachs Chief European Economist Jari Stehn told CNBC on Tuesday that the Wall Street bank expects 25 basis point hikes to the ECB's deposit rate at each of its upcoming meetings over the next year, taking the rate from -0.5% currently to 1.5% in June 2023. Goldman expects euro area headline inflation to peak at 9% in September.
"But remember that a lot of this is driven by energy prices, a lot of it is driven by things related to global bottlenecks, and the core inflation numbers, if you strip out food and energy prices, are running at about 3.5%. Wage growth is running a bit above 2%," Stehn said prior to Tuesday's data release.
"So the underlying inflation pressures in the euro area have certainly firmed, which is why we do think they will normalize pretty rapidly, but they are not running at the same kind of levels that we are seeing in the U.S. and the U.K., where core inflation is running at about 6% and where the central banks — or the Fed in particular — needs to take a more decisive approach to tightening policy than the ECB."

➢ China faces a nearly $1 trillion funding gap. It will need more debt to fill it.

The Chinese government faces a growing shortfall of cash, analysts say, as they predict an increase of debt to fill the gap.
"The latest wave of Omicron and the widespread lockdowns in place since mid-March have resulted in a sharp contraction in government revenue, including land sales revenue," Ting Lu, chief China economist at Nomura, and a team said in a report last week.
They estimate a funding gap of about 6 trillion yuan ($895.52 billion) — roughly 2.5 trillion yuan in decreased revenue due to tax refunds and weaker economic production, and another 3.5 trillion yuan of lost land sales revenue.

"Much of the incoming 'stimulus measures', be it special government bonds or incremental lending by policy banks, will be merely used to fill this funding gap," the Nomura analysts said.
It's that 3.5 trillion yuan figure they expect will be hard to fill, and they listed several measures, from using fiscal deposits to increasing borrowing, that could be used to make up the shortfall.
Economic data for April showed weakening growth as Covid controls took a toll. Premier Li Keqiang said during a rare nationwide meeting last week that in some respects, the difficulties were greater than in 2020.
Even before the latest Covid outbreak, land sales, a significant source of local government revenue, have plunged following Beijing's crackdown on real estate developers' high reliance on debt. Local governments are also responsible for implementing tax cuts and refunds that Beijing has announced to support growth.
The Japanese bank and analysts from other firms did not share specific figures on how much additional debt might be needed. But they pointed to growing pressure on growth that would require more support from debt.
Excluding tax cuts and refunds, the Ministry of Finance said local fiscal revenue grew by 5.4% during the first four months of the year from a year ago. Eight of China's 31 province-level regions saw a drop in fiscal revenue during that time, the ministry said, without naming them.
Incomplete data for the period from Wind Information showed the regions of Qinghai, Shandong, Liaoning, Hebei, Guizhou, Hubei, Hunan and Tianjin posted year-on-year declines in fiscal revenue for the first four months of the year. Tianjin was the worst with a 27% decline.
In 2021, Tibet was the only province-level region to see a decline in fiscal revenue, according to Wind.
It's "important to notice that the decline of fiscal revenue happened not only in cities under lockdown," said Zhiwei Zhang, president and chief economist, Pinpoint Asset Management.
"Many cities without Omicron outbreaks also suffered, as their economies are linked to those currently under lockdown," Zhang said in an email in mid-May. "The economic costs are not limited to a small number of cities, it is a national problem."

Since March, mainland China has sought to control its worst Covid outbreak in two years with stay-home orders and travel restrictions in many parts of the country, notably Shanghai and the surrounding region.
Although financial data isn't readily available for many Chinese cities, the southern tech hub of Shenzhen released figures showing a 44% year-on-year drop in fiscal revenue in April to 25.53 billion yuan. That followed a 7% year-on-year decline in March to 22.95 billion yuan.
"The local governments face mounting fiscal pressure. Their expenditure is rising but revenue dropping," Zhang said. "Land sales are down sharply as well. I think the central government may have to revise the fiscal budget and issue more debt to help the local governments."
Beijing in March already announced an increase in transfer of funds from the central to local governments. When asked in May whether that would be expanded, the Ministry of Finance noted some funding for next year would be transferred ahead of time to help local governments with tax refunds and cuts this year.

To Susan Chu, senior director at S&P Global Ratings, she's more concerned about the deficit, the decline in revenue versus spending. Land sales don't create deficit pressure, she said, noting that "more pressure will come from infrastructure spending, tax cut allocation."
A "widening deficit means there's a chance of more borrowing or debt burden in the future," Chu said in a phone interview earlier this month. While she doesn't expect off-budget borrowing will come back, she said it is an important signal to watch for assessing risk.
In late April, Chinese President Xi Jinping called for a nationwide push to develop infrastructure ranging from waterways to cloud computing infrastructure. It was not clear at what scale or timeframe the projects would be constructed.
"This year, one consequence will be that there will be less money left over for infrastructure expenditure," Jack Yuan, VP and senior analyst at Moody's Investors Service, said in a phone interview earlier this month.
He said since land sales have been an important source for local government spending on infrastructure, a drop in land sales and limited increase in special purpose bonds would restrict financing options for infrastructure spending.
"We expect the debt to continue to climb this year as a result of these economic pressures," Yuan said, noting it remains to be seen how Beijing decides to balance economic growth with debt levels this year.

News Flow

➢ Dutch DSM and Swiss Firmenich join forces in cash and shares deal.

Dutch specialty chemicals maker DSM on Tuesday said it would merge with Swiss peer Firmenich in a deal involving shares and cash, to become a leading supplier of food ingredients and beauty and well-being products.

The companies said the merger, expected to be finalized in the first half of next year, could lead to an organic sales growth of 5% to 7% per year and annual cost savings of 350 million euros ($376.15 million).

DSM shareholders would own 65.5% of the new Dutch-Swiss group, while current owners of Firmenich will own the rest of the shares and will receive 3.5 billion euros ($3.76 billion) in cash.

DSM said last September that it would sell its materials division to focus purely on producing sustainable food and health products.

The deal with Firmenich valued DSM at 21.6 billion euros adjusted for the Materials business, the company said.

Sales of its nutrition division, which produces goods ranging from vitamins and other supplements to baby formula and animal feed, rose 10% to 7 billion euros last year. DSM's total sales were 9.2 billion euros in 2021.

Firmenich reported sales of 4.5 billion Swiss franc ($4.7 billion) last year. Both companies realised an adjusted core profit margin (EBITDA) of around 20%.

The new company will be based in Switzerland, with headquarters in Kaiseraugst and Maastricht, in the south of the Netherlands. Shares will remain listed on Euronext Amsterdam.

The merger will be effected through a public offer of DSM shares, in which current DSM shareholders can exchange their share for a share in the new company.

DSM last month said it had agreed to sell its protective materials business, part of the materials division for sale, to Avient Corp for $1.48 billion.

➢ Jamie Dimon says 'brace yourself' for an economic hurricane caused by the Fed and Ukraine war.

JPMorgan Chase CEO Jamie Dimon says he is preparing the biggest U.S. bank for an economic hurricane on the horizon and advised investors to do the same.

"You know, I said there's storm clouds but I'm going to change it … it's a hurricane," Dimon said Wednesday at a financial conference in New York. While conditions seem "fine" at the moment, nobody knows if the hurricane is "a minor one or Superstorm Sandy," he added.

"You'd better brace yourself," Dimon told the roomful of analysts and investors. "JPMorgan is bracing ourselves and we're going to be very conservative with our balance sheet."

Beginning late last year with high-flying tech names, stocks have been hammered as investors prepare for the end of the Federal Reserve's cheap money era. Inflation at multidecade highs, exacerbated by supply chain disruptions and the coronavirus pandemic, has sown fear that the Fed will inadvertently tip the economy into recession as it combats price increases.

While stocks bounced from a precipitous decline in recent weeks on optimism that inflation may be easing, Dimon seemed to dash hopes that the bottom is in.

"Right now, it's kind of sunny, things are doing fine, everyone thinks the Fed can handle this," Dimon said. "That hurricane is right out there, down the road, coming our way."

There are two main factors that has Dimon worried: First, the Federal Reserve has signaled it will reverse its emergency bond-buying programs and shrink its balance sheet. The so-called quantitative tightening, or QT, is scheduled to begin this month and will ramp up to $95 billion a month in reduced bond holdings.

"We've never had QT like this, so you're looking at something you could be writing history books on for 50 years," Dimon said. Several aspects of quantitative easing programs "backfired," including negative rates, which he called a "huge mistake."

Central banks "don't have a choice because there's too much liquidity in the system," Dimon said, referring to the tightening actions. "They have to remove some of the liquidity to stop the speculation, reduce home prices and stuff like that."

The other large factor worrying Dimon is the Ukraine war and its impact on commodities, including food and fuel. Oil "almost has to go up in price" because of disruptions caused by the worst European conflict since World War II, potentially hitting $150 or $175 a barrel, Dimon said. "Wars go bad, [they] go south in unintended consequences," Dimon said. "We're not taking the proper actions to protect Europe from what's going to happen to oil in the short run."

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Last week, during an investor conference for his bank, Dimon referred to his economic concerns as “storm clouds” that could dissipate. Presentations from Dimon and his deputies at the all-day meeting have bolstered JPMorgan shares by giving greater detail on investments and updated figures on interest revenue.
But his concerns seem to have deepened since then.
During the response to the 2008 financial crisis, central banks, commercial banks and foreign exchange trading firms were the three major buyers of U.S. Treasuries, Dimon said Wednesday. The players won’t have the capacity or desire to soak up as many U.S. bonds this time, he warned.
“That’s a huge change in the flow of funds around the world,” Dimon said. “I don’t know what the effect of that is, but I’m prepared for, at a minimum, huge volatility.”
One step the bank could take to gird itself for a coming hurricane is to push clients to move a type of lower-quality deposit called “non-operating deposits” into other places, such as money market funds, for example. That would help the bank manage its capital requirements under international rules, potentially helping it absorb a surge in bad loans.
“With all this capital uncertainty, we’re going to have to take actions,” Dimon said. “I kind of want to shed nonoperating deposits again, which we can do in size, to protect ourselves so we can serve clients in bad times. That’s the environment we’re dealing with.”
Banks having a “fortress balance sheet” and conservative accounting are the best protections for a downturn, Dimon said.
The bank has shied away from servicing a lot of federal FHA loans, he said, because delinquencies could hit 5% or 10% there, “which is guaranteed to happen in a downturn,” Dimon said.

Dimon went on a tear during the hourlong session, barreling through topics like a “greatest hits” of his observations and gripes, often letting loose with profanity.
He lambasted investors for voting along with proxy advisors like Glass Lewis, which has disagreed with JPMorgan’s board on recent matters including executive compensation and whether the bank should separate the chairman and CEO roles in the future.
“Shame on you if that’s how you vote,” Dimon said. “Seriously, you should be embarrassed. Do your own homework.”
Companies are being driven out of public markets “because of litigation, regulation, press, cookie-cutter governance,” he added.
Meanwhile, other critics often conflate stakeholder capitalism for being “woke,” Dimon said. “I am a red-blooded, free market capitalist and I’m not woke,” he said.
“All we’re saying is when we wake up in the morning, we give a s--- about serving customers, earning their respect, earning their repeat business.”

Source: Click on the link on each article title to be redirected to the original website.

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Date Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
06/03-06/10	RU				Wellbeing Fund	May	--	--	$155.0b	--
06/06 10:00	UK				New Car Registrations YoY	May	--	--	-15.8%	--
06/06 14:00	CA				Bloomberg Nanos Confidence	Jun 3	--	--	--	--
06/06	RU				Light Vehicle Car Sales YoY	May	--	--	-78.5%	--
06/07 01:01	UK				BRC Sales Like-For-Like YoY	May	--	--	-1.7%	--
06/07 01:30	JN				Household Spending YoY	Apr	--	--	-2.3%	--
06/07 01:30	JN				Labor Cash Earnings YoY	Apr	--	--	1.2%	2.0%
06/07 01:30	JN				Real Cash Earnings YoY	Apr	--	--	-0.2%	0.6%
06/07 07:00	JN				Leading Index CI	Apr P	--	--	100.8	--
06/07 07:00	JN				Coincident Index	Apr P	--	--	97.5	--
06/07 08:00	GE				Factory Orders MoM	Apr	--	--	-4.7%	--
06/07 08:00	GE				Factory Orders WDA YoY	Apr	--	--	-3.1%	--
06/07 09:30	GE				S&P Global Germany Construction PMI	May	--	--	46.0	--
06/07 10:00	IT				Istat Releases Economic Forecast					
06/07 10:30	UK				Official Reserves Changes	May	--	--	-$3101m	--
06/07 10:30	EC				Sentix Investor Confidence	Jun	--	--	-22.6	--
06/07 10:30	UK				S&P Global/CIPS UK Services PMI	May F	--	--	51.8	--
06/07 10:30	UK				S&P Global/CIPS UK Composite PMI	May F	--	--	51.8	--
06/07 14:30	US				Trade Balance	Apr	-$93.0b	--	-$109.8b	--
06/07 14:30	CA				Int'l Merchandise Trade	Apr	--	--	2.49b	--
06/07 14:30	US				Revisions: Trade Balance					
06/07 15:00	RU				Official Reserve Assets	May	--	--	593.1b	--
06/07 16:00	CA				Ivey Purchasing Managers Index SA	May	--	--	66.3	--
06/07 21:00	US				Consumer Credit	Apr	$30.000b	--	$52.435b	--
06/08 01:50	JN				GDP SA QoQ	1Q F	--	--	-0.2%	--
06/08 01:50	JN				GDP Annualized SA QoQ	1Q F	--	--	-1.0%	--
06/08 01:50	JN				GDP Nominal SA QoQ	1Q F	--	--	0.1%	--

Source: Refinitiv

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06/08 01:50	JN				GDP Deflator YoY	1Q F	--	--	-0.4%	--
06/08 01:50	JN				GDP Private Consumption QoQ	1Q F	--	--	0.0%	--
06/08 01:50	JN				GDP Business Spending QoQ	1Q F	--	--	0.5%	--
06/08 01:50	JN				Net Exports Contribution % GDP	1Q F	--	--	-0.4%	--
06/08 01:50	JN				Inventory Contribution % GDP	1Q F	--	--	0.2%	--
06/08 01:50	JN				BoP Current Account Balance	Apr	--	--	¥2549.3b	--
06/08 01:50	JN				BoP Current Account Adjusted	Apr	--	--	¥1555.9b	--
06/08 01:50	JN				Trade Balance BoP Basis	Apr	--	--	-¥166.1b	--
06/08 01:50	JN				Bank Lending Incl Trusts YoY	May	--	--	0.9%	--
06/08 01:50	JN				Bank Lending Ex-Trusts YoY	May	--	--	1.1%	--
06/08 06:30	JN				Bankruptcies YoY	May	--	--	1.88%	--
06/08 07:00	JN				Eco Watchers Survey Current SA	May	--	--	50.4	--
06/08 07:00	JN				Eco Watchers Survey Outlook SA	May	--	--	50.3	--
06/08 08:00	GE				Industrial Production SA MoM	Apr	--	--	-3.9%	--
06/08 08:00	GE				Industrial Production WDA YoY	Apr	--	--	-3.5%	--
06/08 08:45	FR				Trade Balance	Apr	--	--	-12374m	--
06/08 08:45	FR				Current Account Balance	Apr	--	--	-3.2b	--
06/08 10:00	IT				Retail Sales MoM	Apr	--	--	-0.5%	--
06/08 10:00	IT				Retail Sales YoY	Apr	--	--	5.6%	--
06/08 10:30	UK				S&P Global/CIPS UK Construction PMI	May	--	--	58.2	--
06/08 11:00	EC				OECD Publishes Economic Outlook					
06/08 11:00	EC				Gross Fix Cap QoQ	1Q	--	--	3.5%	3.4%
06/08 11:00	EC				Household Cons QoQ	1Q	--	--	-0.6%	-0.3%
06/08 11:00	EC				Employment QoQ	1Q F	--	--	0.5%	--
06/08 11:00	EC				Employment YoY	1Q F	--	--	2.6%	--
06/08 11:00	EC				GDP SA QoQ	1Q F	--	--	0.3%	--
06/08 11:00	EC				GDP SA YoY	1Q F	--	--	5.1%	--

Source: Refinitiv

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06/08 11:00	EC				Govt Expend QoQ	1Q	--	--	0.5%	--
06/08 13:00	US				MBA Mortgage Applications	Jun 3	--	--	--	--
06/08 16:00	US				Wholesale Trade Sales MoM	Apr	--	--	1.7%	--
06/08 16:00	US				Wholesale Inventories MoM	Apr F	--	--	2.1%	--
06/08 18:00	RU				CPI MoM	May	--	--	1.56%	--
06/08 18:00	RU				CPI YoY	May	--	--	17.83%	--
06/08 18:00	RU				CPI Core YoY	May	--	--	20.37%	--
06/08 18:00	RU				CPI Core MoM	May	--	--	2.01%	--
06/08 18:00	RU				CPI WoW	Jun 3	--	--	--	--
06/08 18:00	RU				CPI Weekly YTD	Jun 3	--	--	--	--
06/08	IT				Bank of Italy Report on Balance-Sheet Aggregates					
06/08-06/13	JN				Tokyo Avg Office Vacancies	May	--	--	6.38	--
06/09 01:01	UK				RICS House Price Balance	May	--	--	80%	--
06/09 01:50	JN				Money Stock M2 YoY	May	--	--	3.6%	--
06/09 01:50	JN				Money Stock M3 YoY	May	--	--	3.2%	--
06/09 01:50	JN				Foreign Buying Japan Stocks	Jun 3	--	--	--	--
06/09 01:50	JN				Foreign Buying Japan Bonds	Jun 3	--	--	--	--
06/09 01:50	JN				Japan Buying Foreign Stocks	Jun 3	--	--	--	--
06/09 01:50	JN				Japan Buying Foreign Bonds	Jun 3	--	--	--	--
06/09 07:30	FR				Private Sector Payrolls QoQ	1Q F	--	--	0.3%	--
06/09 07:30	FR				Total Payrolls	1Q	--	--	0.4%	--
06/09 08:00	JN				Machine Tool Orders YoY	May P	--	--	25.0%	--
06/09 13:45	EC				ECB Main Refinancing Rate	Jun 9	--	--	0.000%	--
06/09 13:45	EC				ECB Marginal Lending Facility	Jun 9	--	--	0.250%	--
06/09 13:45	EC				ECB Deposit Facility Rate	Jun 9	--	--	-0.500%	--
06/09 14:30	US				Initial Jobless Claims	Jun 4	--	--	--	--
06/09 14:30	US				Continuing Claims	May 28	--	--	--	--

Source: Refinitiv

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Your Weekend Wire

The week ahead

ECO Economic Calendars

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Economic Releases | All Economic Releases | View: Agenda / Weekly

Date Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
06/03-06/10	RU				Wellbeing Fund	May	--	--	$155.0b	--
06/08-06/13	JN				Tokyo Avg Office Vacancies	May	--	--	6.38	--
06/09-06/14	RU				Budget Balance YTD	May	--	--	1041.2b	--
06/10 01:50	JN				PPI YoY	May	--	--	10.0%	--
06/10 01:50	JN				PPI MoM	May	--	--	1.2%	--
06/10 10:00	RU				Money Supply Narrow Def	Jun 3	--	--	--	--
06/10 10:00	IT				Industrial Production MoM	Apr	--	--	0.0%	--
06/10 10:00	IT				Industrial Production WDA YoY	Apr	--	--	3.0%	--
06/10 10:00	IT				Industrial Production NSA YoY	Apr	--	--	3.8%	--
06/10 10:30	IT				Bank of Italy Releases Banks and Money Monthly Statistics					
06/10 10:30	UK				BoE/Ipsos Inflation Next 12 Mths	Jun	--	--	4.3%	--
06/10 12:30	RU				Key Rate	Jun 10	--	--	11.00%	--
06/10 14:30	CA				Net Change in Employment	May	--	--	15.3k	--
06/10 14:30	CA				Full Time Employment Change	May	--	--	-31.6k	--
06/10 14:30	CA				Part Time Employment Change	May	--	--	47.1k	--
06/10 14:30	US				CPI MoM	May	0.7%	--	0.3%	--
06/10 14:30	US				CPI Ex Food and Energy MoM	May	0.5%	--	0.6%	--
06/10 14:30	CA				Unemployment Rate	May	--	--	5.2%	--
06/10 14:30	US				CPI YoY	May	8.2%	--	8.3%	--
06/10 14:30	CA				Hourly Wage Rate Permanent Employees Y...	May	--	--	3.4%	--
06/10 14:30	US				CPI Ex Food and Energy YoY	May	5.9%	--	6.2%	--
06/10 14:30	CA				Participation Rate	May	--	--	65.3%	--
06/10 14:30	US				CPI Index NSA	May	--	--	289.109	--
06/10 14:30	US				CPI Core Index SA	May	--	--	290.455	--
06/10 14:30	US				Real Avg Hourly Earning YoY	May	--	--	-2.6%	--
06/10 14:30	CA				Capacity Utilization Rate	1Q	--	--	82.9%	--
06/10 14:30	US				Real Avg Weekly Earnings YoY	May	--	--	-3.4%	--

Source: Refinitiv

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World Currencies/PM & World Bonds

World Currencies	Last	5D Change	YTD Change
EURUSD	1,0747	0,11%	-5,48%
EURCHF	1,0321	-0,42%	0,53%
EURGBP	0,8549	-0,61%	-1,59%
EURJPY	0,9603	-0,36%	-4,94%
USDCHF	130,50	-2,60%	-11,82%
USDJPY	1,2554	1,35%	0,66%
USDCAD	16,5296	-1,86%	-19,51%
USDTRY	1,2570	-0,48%	-7,11%
GBPUSD	0,7244	1,14%	-0,26%
AUDUSD	0,6537	0,08%	-4,23%
NZDUSD	0,6537	0,08%	-4,23%

Precious Metals	Last	5D Change	YTD Change
Gold	1 863,83	0,55%	1,89%
Silver	22,28	0,76%	-4,41%
Platinium	1 032,64	7,78%	6,60%
Palladium	2 023,81	-2,11%	6,25%

World Bonds	Last	5D Change	YTD Change
US 10Y	2,95	7,87%	95,58%
EUR 10Y	1,28	32,61%	821,47%
Swiss 10Y	1,03	39,46%	864,44%
UK 10Y	2,16	12,83%	121,94%

Indices & Commodities

World Indices	Last	5D Change	YTD Change
Dow Jones	33 079,10	-0,51%	-8,97%
S&P 500	4 132,51	-1,06%	-13,30%
Nasdaq	12 109,38	-1,68%	-22,60%
Eurostoxx 50	3 787,68	-0,20%	-11,88%
FTSE 100	7 532,95	-0,98%	2,01%
CAC 40	6 490,70	-0,15%	-9,26%
DAX	14 477,03	-0,06%	-8,86%
SMI	11 560,09	0,09%	-10,22%
Nikkei	27 761,57	1,27%	-3,58%
Hang Seng	21 082,13	-1,00%	-9,90%
CSI 300	4 089,57	0,16%	-17,22%
VIX Index	25,03	-8,98%	45,35%

Wolrd Commodities	Last	5D Change	YTD Change
WTI Crude	117,42	0,47%	2,92%
Brent Crude	118,07	0,39%	-1,14%
Nat Gas (HH)	8,432	-0,62%	-5,34%
Nickel	28071,5	4,94%	34,48%
Copper	450,30	-1,09%	5,83%
Corn	731,25	0,14%	4,94%
Wheat	1047,5	-1,02%	-4,41%
Soybean	1712	-1,00%	-8,38%
Coffee	237,15	-0,46%	-0,84%
Cotton	139,43	0,23%	4,66%
Sugar	19,28	-0,36%	-0,84%

Sources: Bloomberg

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Crypto Market Cap: $1,256,416,254,522

Dominance*: BTC: 46,3% ETH: 17,6%

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

News Flow

➢ **Some investors got rich before a popular stablecoin imploded, erasing $60 billion in value.**

In May, the collapse of one of the most popular U.S. dollar-pegged stablecoin projects cost investors tens of billions of dollars as they pulled out in a panic that some have compared to a bank run. But before that, the stablecoin known as terraUSD (or UST, for short) and its sister token Luna, had experienced a pretty spectacular run-up — and some investors made a killing before it all collapsed.

Venture capital firm Pantera Capital tells CNBC it earned a 100-fold return on its $1.7 million investment in Luna. Hack VC and the Winklevoss-backed CMCC Global didn't share their exact gains, but CMCC told CNBC that it closed its Luna position in March, while Hack reportedly got out in December.

The scheme relied largely on faith and the promise of future returns, plus a complex set of code, with very little hard cash to back up the whole arrangement.

Unlike USDC (another popular dollar-pegged stablecoin), which has fiat assets in reserve as a way to back their tokens, UST was an algorithmic stablecoin created and administered by Singapore-based Terraform Labs. It depended on computer code to self-stabilize its value by creating and destroying UST and Luna in a sort of supply-and-demand seesaw effect.

For a while, it worked.

UST held its dollar peg and the Luna token soared. The Luna token rose to more than $116 in April, up more than 135% in less than two months. Traders were able to arbitrage the system and profit from deviations in the price of the two tokens. But perhaps the greatest incentive of the entire scheme was an accompanying lending platform, called Anchor, which promised investors a 20% annual percentage yield on their UST holdings — a rate many analysts said was unsustainable.

Widespread buy-in — and public PSAs — from respected financial institutions lent credibility to the project, further driving the narrative that the whole thing was legit.

Most everyone was happy until it all came crashing down in early May.

Although the project had amassed about $3 billion worth of bitcoin in its reserves as a backstop for UST, when the price of luna became unstable, investors rushed out of both tokens, sending prices off a cliff. The Luna Foundation Guard tried to restore UST's $1 peg by spending almost all of the bitcoin in its reserve. It didn't work.

At their height, Luna and UST had a combined market value of almost $60 billion. Now, they're essentially worthless.

The entire episode has laid bare the advantages of experienced large-scale investors over retail investors gambling on hope.

One person posted on Reddit that they didn't think they would have enough money to pay for their next semester at school after losing money on Luna and UST. Another investor affected by the crash tweeted that she and her husband sold their house and bet it all on luna, noting that she was still trying to digest whether it was actually happening or just a nightmare.

Others are contemplating suicide after losing all they've got.

"I'm lost, about to commit suicide in a chair," one commenter posted to Reddit. "I lost my life savings in the investments of (LUNA UST) the worst thing is that 3 weeks ago I proposed to my girlfriend. She doesn't know anything, I lost 62 thousand dollars. I'm here I don't know what to do."

Among the winners of the UST flash crash are Pantera Capital, a hedge fund that saw a 100x return on its investment.

Joey Krug, the fund's co-chief investment officer, told CNBC that in the primary fund where they held and traded Luna, they sold about 87% of their position from Jan. 2021 through Apr. 2022. Pantera then sold another 8% in May once it was clear the UST peg had broken. At the end of it all, Krug says that Pantera "got stuck" with about 5% of their position.

All that liquidation translated to a return of $171 million on a $1.7 million initial investment, assuming the remaining Luna they own continue to be worth nothing.

Even as the fund was selling, Pantera Capital CEO Dan Morehead joined CNBC in Dec. 2021 to talk about his top altcoin picks, which included the Terra blockchain's Luna token. At the time, Luna was up more than 15,800% in 2021.

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"We think it's one of the most promising coins for the coming year," Morehead said of Luna. "So many people are just discovering it and just starting to trade it."
But Krug says the firm's initial decision to liquidate came down to risk management and rebalancing the fund.
"For the large portion which we sold over 2021 and part of 2022, it was a really simple risk management reason," said Krug. "It kept becoming a larger and larger part of the fund and so we had to de-risk it since you can't really run a liquid hedge fund with one position being a super large portion of the fund."
When Pantera noticed the UST $1 peg breaking in May, it sold again.
"It was really just seeing the peg break by a few cents and pattern matching it to historical currency pegs," continued Krug, who noted that generally when a currency breaks peg, it gets hammered. Even though the firm owned a bunch of Luna as opposed to UST, when UST trades under its peg, the dynamic is such that more Luna is minted, lowering the value of each coin overall.
"So basically, you want to sell it so you don't end up getting diluted," explained Krug.
Hong Kong-based venture firm CMCC Global was one of Terraform's first seed investors back in early 2018.
CMCC Founder Martin Baumann tells CNBC it divested its stake in March because of concerns resulting from ongoing due diligence. The decision to sell was partly to do with the tech behind UST, but his chief concern had more to do with regulation.
"As opposed to asset backed stablecoins, which are derivatives of existing USD in circulation, UST was effectively increasing the money supply of USD in existence," a job that Baumann notes is reserved for the Federal Reserve.
"We figured, while an interesting concept, regulators would not tolerate tampering with money supply of the USD," continued Baumann.
The rapid growth of UST accelerated CMCC's concerns.
When CMCC sold, the Luna token was trading at about $100. When asked about the profit on that sale, Baumann said the firm does not comment on returns or performance of individual investments.
Crypto-centric venture fund Hack VC reportedly exited its Luna stake in December.
CNBC reached out to Hack VC partner Rodney Yesep, but he didn't respond to our request for comment on the profitability of that sale. Yesep did say in a recent interview on the DeFi Decoded Podcast that they were seed investors in Terra from "back in the day" when it was "like a different entity."
"It sucks to see a bunch of people get impacted by this sort of stuff," Yesep said in the podcast. "We were no longer holding a position by the time the downturn happened, but a lot of people were, and a lot of people were pretty impacted."
Then there's Galaxy Digital, the crypto merchant bank founded by billionaire investor Mike Novogratz.
In a public letter addressed to "shareholders, friends, partners, and the crypto community," Novogratz — who got a Luna tattoo on his arm to memorialize his status as an official 'Lunatic' — opined on where the project went wrong, but also noted that Galaxy took profits along the way.
In its Q1 earnings filing, Galaxy noted that the largest contributor to its net realized gain on digital assets of $355 million was sales of Luna.
Other major backers of Terraform Labs included some of the biggest names in venture capital, including Lightspeed Venture Partners and Coinbase Ventures. Three Arrows Capital and Jump Crypto bought into the Luna token. CNBC has not learned how these firms fared.

Terra's backers have voted to revive the failed venture. The proposed re-build involves a new Terra blockchain and getting rid of the beleaguered stablecoin that helped trigger the meltdown of the original project. It could also mean redemption for the institutional and retail investors who got wiped out.
For those who saw a big loss, the re-launch could potentially translate into an opportunity to recoup losses on initial investments.
Delphi Digital, for example, has disclosed that it is "currently sitting on a large unrealized loss" after miscalculating the risk of a death spiral event coming to fruition, and Coindesk reporting shows that Seoul-based Hashed Ventures has lost over $3.5 billion.
The terra 2.0 proposal includes a plan to distribute tokens to holders of the old Luna (soon to be renamed "Luna classic") and UST tokens. If the rebranded coins take off, that could be a form of redemption for investors who suffered a loss.
But for those who got out before things went south for UST, they are steering clear.
"With the new chain, it looks like a good chunk of the airdropped tokens will be vested over a number of years," Pantera Capital's Krug told CNBC. "We have projects in our portfolio which have integrations with Terra. I'd love to see something community driven succeed here, but we're a fairly chain-agnostic fund."

News Flow

CMCC Global's Baumann said the fund has decided not to make new investments into the revived terra ecosystem at this time.
Days before the UST collapse, Terraform Labs founder Do Kwon — who has bragged that he doesn't "debate the poor" — said in an interview that 95% of coins would "die" but there is "entertainment in watching companies die, too."

➢ Top crypto firms go on the hunt for acquisition targets as market crashes.

Two top cryptocurrency companies, Ripple and FTX, told CNBC that they're on the lookout for acquisitions as the industry hopes to drive growth through buying other firms.
It is a sign that some crypto firms feel that they're large enough and well capitalized to splash the cash on acquisitions.
Brett Harrison, president of cryptocurrency exchange FTX U.S., said in an interview last week that the company is in "a very good spot in terms of our capital and cash" and will "look around the market for potential merger and acquisition opportunities."
Harrison said that FTX U.S. will look for companies which will help them acquire more users or regulatory licenses. In 2020, FTX acquired trading platform Blockfolio which helped it get more users. Earlier this month, CNBC reported that FTX is looking for brokerage start-ups to acquire to push further into stock trading.
Last year, FTX U.S. bought LedgerX, a futures exchange that had several licenses from regulators in the U.S.
"We're doing that globally, in places like in Japan, Australia, in Dubai, different places where we've been able to either partner with local companies or sometimes do acquisitions to be able to get licenses that we need," Harrison said.
Meanwhile, Brad Garlinghouse, CEO of cross-border payments company Ripple, said the company has "a very strong balance sheet," predicting a rise in mergers and acquisitions in the crypto industry.
"I think there'll be an uptick in M&A in the blockchain and crypto space. We haven't seen that yet. But I think that's likely in the future. And I certainly think as that unfolds, we would consider things like that," Garlinghouse told CNBC in an interview last week at the World Economic Forum in Davos, Switzerland.
"We're now at a stage of growth where I think we're more likely to be the buyer versus the ... seller," he added.
Mergers and acquisition activity in crypto boomed in 2021 with the global value of such transactions totaling more than $55 billion, versus $1.1 billion in 2020, according to PWC. That coincided with a boom in cryptocurrency prices that took bitcoin to an all-time high in November last year.
But since then, prices have come crashing down. Bitcoin is about 55% off of its record high of $68,990.90, according to CoinDesk data.
A drop in cryptocurrency prices, and potentially valuations of companies in the industry, could make certain acquisitions attractive to larger players.

➢ Crypto deals help fuel NBA sponsorships to $1.6 billion in 2021-22 season.

Cryptocurrency companies helped fuel the NBA's sponsorship revenue to a record $1.6 billion in the 2021-22 season, according to estimates by IEG, a sports partnerships consultancy.
That's up 13% from the $1.4 billion in the 2020-21 season. In the 2018-19 season, the National Basketball Association raked in $1.2 billion in sponsorship money. Sponsorship agreements can include deals for arena-naming rights and for companies to put their names or logos on players' jerseys.
"The cryptocurrency category's sponsorship sending spree is like nothing we have ever seen before," said Peter Laatz, IEG's global managing director.
Crypto partnerships are now the second most lucrative sponsorship category for the NBA, behind only the technology category. Among the NBA's crypto deals this season was a league agreement with crypto trading platform Coinbase. CNBC reported that the deal is worth $192 million over four years.
Other categories estimated to pay the NBA over $100 million annually include banks, telecom and merchandise, according to IEG. Companies spending at least $50 million include Anheuser-Busch, Pepsi, and AT&T.
Among the big four sports leagues, the NBA ranks third in sponsorship revenue. The NFL is No. 1 with nearly $2 billion in sponsorship deals for its 2021 season, according to IEG. And in March, CNBC reported MLB made $1.7 billion in sponsorships last season. The NHL secured $676 million in sponsorship money for the 2020-21 season.

News Flow

IEG's projections come as the NBA Finals are set to begin on Thursday, when the Golden State Warriors will host the Boston Celtics in Game 1 at Chase Center.
On the team front, the Los Angeles Lakers agreed to a 20-year arena-naming rights contract worth $700 million with platform Crypto.com. And the Warriors signed a $10 million global rights agreement with FTX, a crypto derivatives exchange. The company also secured arena naming rights for the Miami Heat.

Another category helping the NBA's bottom line: ads on players' jerseys.

The NBA is expected to bring in more than $200 million this season from jersey patch deals. They include the Brooklyn Nets securing $30 million a season from brokerage trading platform Webull in September 2021. The deal led the NBA at the time, but the Warriors overtook the top spot earlier this month when it renewed its deal with Japanese e-commerce company Rakuten.
The terms of that deal weren't publicly undisclosed. But league sources told CNBC Rakuten will pay the Warriors north of $40 million annually. That's up from $20 million for the previous deal.
The people spoke to CNBC on the condition of remaining anonymous because they're restricted from publicly discussing team agreements.
Jersey sponsorships have expanded in pro leagues over the last year. The NHL, for example, added patches on uniforms and helmets during the pandemic. And the MLB approved team uniform patches in its new labor agreement with players in March of this year. The NFL doesn't allow patches on uniforms.
Growing revenue from ads on uniforms and other sponsorship deals could help the NBA reach its projected $10 billion in total revenue this season. NBA Commissioner Adam Silver has said total revenue in the 2020-21 season was down about 35% from the previous year after the pandemic trimmed the season to just 72 games. Revenue in the 2019-20 season, which was also partially impacted by the pandemic, was $8.3 billion, down from $8.8 billion in 2018-19.
The league's sponsorship revenue is expected is poised to keep growing.
The league's data rights deal with Switzerland-based Sportradar — reportedly worth $1 billion — starts in the 2023-24 season. The NBA's TV deal also expires after the 2024-25 season and sports executives expect that'll eclipse its current $24 billion value, or roughly $2 billion per season. The NBA also has a merchandise deal with e-commerce powerhouse Fanatics and a deal with Dapper Labs, the creator of NBA Top Shot NFTs.
In league deals, companies also commit to buying advertisements for national NBA games.
For 2021-22 regular-season games, national ad spend on NBA games reached $470.7 million, according to media tracking company iSpot.

➢ Binance raises $500 million fund to invest in 'Web3' as crypto slides into bear market.

Binance, the world's largest cryptocurrency exchange, is launching its own venture capital fund.
The company's venture arm, Binance Labs, said Wednesday it has raised $500 million for its debut start-up fund, securing backing from venture capital firms DST Global and Breyer Capital as well as unnamed family offices and corporations.
Binance Labs plans to use the capital to invest in companies building "Web3." Though still an ill-defined term, Web3 loosely refers to a hypothetical future iteration of the internet that's more decentralized than online platforms today and incorporates blockchain, the shared digital ledgers behind most major cryptocurrencies.
The launch of Binance's new fund arrives at a time when bitcoin and other digital currencies are down sharply. Bitcoin has plunged more than 50% since reaching an all-time high of nearly $69,000 in November. That's taken a toll on publicly-listed crypto companies like Coinbase, whose shares have plunged 69% since the start of 2022. Investors fear the slump will feed through to privately-held crypto start-ups.
While start-up valuations of $1 billion or more are "slowing down a bit," there's "no current impact in early-stage private markets," Ken Li, Binance Labs' executive director of investments and M&A, told CNBC.
Binance Labs is hoping to capitalize on the recent plunge in digital assets to find founders building what it sees as the next big thing in tech. Its bets will be split into pre-seed, early-stage and growth equity, and the fund will invest in tokens as well as shares.

"We are looking for projects with the potential to drive the growth of the Web3 ecosystem," Li said. Such projects may include infrastructure, nonfungible tokens, and decentralized autonomous organizations. Binance estimates there are currently around 300,000 to 500,000 active Web3 developers, a number it hopes to grow "substantially."
Binance has made a series of high-profile equity investments in the past year. This is the first time the company has formally raised a VC fund with financing from external investors.
Binance Labs' investment portfolio includes business news magazine Forbes and Sky Mavis, the company behind popular nonfungible token game Axie Infinity. It was also an investor in Terraform Labs, the embattled Singapore-based start-up behind failed stablecoin project Terra.

Binance Labs "always does its due diligence and has strong conviction in its investment strategy," Li said. "We know that investing in early stages involves risks," he added. "The industry is still young and was younger back then."
Binance is also planning to take a $500 million stake in Twitter to support Elon Musk's bid to acquire the social media service, a move the firm hopes will boost its aim of "bringing social media and Web3 together."
Founded in 2017 by Chinese-Canadian entrepreneur Changpeng Zhao, Binance is the world's biggest digital currency exchange. The firm handled $490 billion of spot trading volumes in March, according to CryptoCompare data.
In an interview with CNBC earlier this year, Zhao said Binance had "billions ready to invest" in Web3. The trend has been met with skepticism from some notable figures in tech, including Musk and Twitter co-founder Jack Dorsey. Zhao said he's a believer in the concept, but that it will take time to make it a reality.
"Exactly how it's going to shape up, what exactly Web3 looks like, which company, which projects — nobody knows," he said.
"Before Facebook started, nobody could predict that," Zhao added. "We'll just have to see what turns out."

➢ Solana suffered its second outage in a month, sending price plunging.

Solana, one of the largest cryptocurrencies after bitcoin and ether, fell more than 12% on Wednesday as its blockchain suffered its second outage in the last month.
Validators in the network were not processing new blocks for several hours. Applications built on Solana's blockchain were taken offline as a result.
The Twitter account Solana Status flagged the incident at about 1 P.M. eastern. To fix this latest outage, validators had to restart, following instructions linked to from this same Twitter account, which later said the outage lasted four and a half hours.
In recent years, Solana has been gaining traction in the NFT and DeFi ecosystems because it's cheaper and faster to use than Ethereum. Its blockchain processes 50,000 transactions per second, and its average cost per transaction is $0.00025, according to its website. Ethereum can only handle roughly 13 transactions per second and transaction fees are substantially more expensive than on Solana.
Investors who had been focused largely on Ethereum began diversifying into Solana and other alternative blockchains during last year's crypto run-up, and Solana closed a $314 million private token sale led by Andreessen Horowitz and Polychain Capital in June 2021.
But the last year and a half has laid bare the trade-off as the blockchain network has suffered multiple outages. Most recently, on May 1, Solana locked up for several hours before it was similarly brought back online following a restart of its validator network.

➢ Coinbase extends hiring pause for 'foreseeable future' and plans to rescind some offers.

Two weeks after announcing plans to slow hiring, crypto exchange Coinbase now says the freeze will extend into the "foreseeable future." The company will also be pulling some accepted job offers.
Coinbase said it was informing prospects of the rescinded offers by email on Thursday. The company also said it was extending its severance policy to those individuals and will help them with job placement and resume review.
"After assessing our business priorities, current headcount, and open roles, we have decided to pause hiring for as long as this macro environment requires," L.J. Brock, Coinbase's chief people officer, wrote in a blog post on Thursday. "The extended hiring pause will include backfills, except for roles that are necessary to meet the high standards we set for security and compliance, or to support other mission-critical work."

Source: Click on the link on each article title to be redirected to the original website.

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News Flow

Coinbase has lost more than 70% of its value this year as the selloff in cryptocurrencies coupled with economic turmoil has spurred a decline in users and shrinking revenue. The pain is being felt across much of the tech sector, with Uber and Facebook parent Meta taking similar steps, and Robinhood cutting headcount by about 9%.
Prior to the 2022 downturn, Coinbase had been among the highest flyers in the tech industry. The company tripled the size of its staff last year to 3,730 employees. Following its Nasdaq debut in April 2021, Coinbase reported a 12-fold increase in second-quarter sales to $2.28 billion, while profit climbed 4,900% to $1.6 billion.
But the tech companies with the highest growth rates last year have been hit the hardest this year as investors rotate into assets deemed safer in a world of rising interest rates and soaring inflation. With bitcoin down by more than one-third this year and Ethereum off by 50%, fewer people are racing to Coinbase to open accounts and make transactions.
Coinbase said last month that revenue in the latest quarter fell 27% from a year earlier, while total trading volume declined from $547 billion in the fourth quarter to $309 billion in the first three months of 2022.
"We always knew crypto would be volatile, but that volatility alongside larger economic factors may test the company, and us personally, in new ways," Brock wrote in Thursday's post. "If we're flexible and resilient, and remain focused on the long term, Coinbase will come out stronger on the other side."

➢ New York just passed a bitcoin mining ban — here's everything that's in it.

Following an early morning vote in Albany on Friday, lawmakers in New York passed a bill to ban new bitcoin mining operations. The measure now heads to the desk of Governor Kathy Hochul, who could sign it into law or veto it.
If Hochul signs the bill, it would make New York the first state in the country to ban blockchain technology infrastructure, according to Perianne Boring, founder and president of the Chamber of Digital Commerce. Industry insiders also tell CNBC it could have a domino effect across the U.S., which is currently at the forefront of the global bitcoin mining industry, accounting for 38% of the world's miners.
The New York bill, which previously passed the State Assembly in late April before heading to the State Senate, calls for a two-year moratorium on certain cryptocurrency mining operations which use proof-of-work authentication methods to validate blockchain transactions. Proof-of-work mining, which requires sophisticated gear and a whole lot of electricity, is used to create bitcoin. Ethereum is switching to a less energy-intensive process, but will still use this method for at least for another few months.
The push for an eleventh-hour vote came as leadership in the state capitol managed to flip some of the senators who were previously undecided.
Lawmakers backing the legislation say they are looking to curb the state's carbon footprint by cracking down on mines that use electricity from power plants that burn fossil fuels. If it passes — for two years, unless a proof-of-work mining company uses 100% renewable energy, it would not be allowed to expand or renew permits, and new entrants would not be allowed to come online.
The net effect of this, according to Boring, would be to weaken New York's economy by forcing businesses to take jobs elsewhere.
"This is a significant setback for the state and will stifle its future as a leader in technology and global financial services. More importantly, this decision will eliminate critical union jobs and further disenfranchise financial access to the many underbanked populations living in the Empire State," Boring tells CNBC.
It is a sentiment echoed by Galaxy Digital's Amando Fabiano, who says that "New York is setting a bad precedent that other states could follow."

As for timing, the law would go into effect as soon as the governor signs off.

One section of the bill involves conducting a statewide study of the environmental impact of proof-of-work mining operations on New York's ability to reach aggressive climate goals set under the Climate Leadership and Community Protection Act, which requires New York's greenhouse gas emissions be cut by 85% by 2050.
Boring tells CNBC the recent swell of support in favor of this year's proposed ban has a whole lot to do with this mandate to transition to sustainable energy.

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"Proof-of-work mining has the potential to lead the global transition to more sustainable energy," Boring told CNBC's Crypto World, pointing to the irony of the moratorium. "The bitcoin mining industry is actually leading in terms of compliance with that Act."
The sustainable energy mix of the global bitcoin mining industry today is estimated to be just under 60%, and the Chamber of Digital Commerce has found that the sustainable electricity mix is closer to 80% for its members mining in the state of New York.
"The regulatory environment in New York will not only halt their target – carbon-based fuel proof of work mining – but will also likely discourage new, renewable-based miners from doing business with the state due to the possibility of more regulatory creep," said John Warren, CEO of institutional-grade bitcoin mining company GEM Mining.
A third of New York's in-state generation comes from renewables, according to the latest available data from the U.S. Energy Information Administration. New York counts its nuclear power plants toward its 100% carbon free electricity goal, and the state produces more hydroelectric power than any other state east of the Rocky Mountains.
The state also has a chilly climate, which means less energy is needed to cool down the banks of computers used in crypto mining, as well as a lot of abandoned industrial infrastructure that's ripe for repurposing.
In a conversation at the Bitcoin 2022 conference in Miami in April, former presidential candidate and New Yorker Andrew Yang told CNBC that when he speaks to folks in the industry, he has found mining operations can help develop demand for a renewable source of energy.
"In my mind, a lot of this stuff is going to end up pushing activity to other places that might not achieve the goal of the policymakers," said Yang.
Some in the industry aren't waiting for the state to make a ban official before taking action.
Data from digital currency company Foundry shows that New York's share of the bitcoin mining network dropped from 20% to 10% in a matter of months, as miners began migrating to more crypto-friendly jurisdictions in other parts of the country.
"Our customers are being scared off from investing in New York state," said Kevin Zhang of Foundry.
"Even from Foundry's deployments of $500 million in capital towards mining equipment, less than 5% has gone to New York because of the unfriendly political landscape," continued Zhang.

If the crypto mining moratorium is signed into law by the governor, it could have a number of follow-on effects.
Beyond potentially stifling investment in more sustainable energy sources, industry advocates tell CNBC that each of these facilities drives significant economic impact with many local vendors consisting of electricians, engineers, and construction workers. An exodus of crypto miners, according to experts, could translate to jobs and tax dollars moving out of state.
"There are many labor unions who are against this bill because it could have dire economic consequences," said Boring. "Bitcoin mining operations are providing high-paying and high-grade, great jobs for local communities. One of our members, their average pay is $80,000 a year."
As Boring points out, New York is a leader when it comes to state legislation, so there is also the potential for a copycat phenomenon rippling across the country.
"Other blue states often follow the lead of New York state and this would be giving them an easy template to replicate," said Zhang, Foundry's SVP of Mining Strategy.
"Sure, the network will be fine — it survived a nation-state attack from China last summer — but the implications for where the technology will scale and develop in the future are massive," continued Zhang.
However, many others in the industry think concerns over the fallout of a mining moratorium in New York are overblown.
Veteran bitcoin miners like Core Scientific co-founder Darin Feinstein say the industry already knows New York is generally hostile to the crypto mining business.
"There's no reason to go into a region that doesn't want you," said Feinstein. "Bitcoin miners are really a data center business, and the data center needs to locate in jurisdictions that want to have data centers within their borders...If you're going to ignore that, then you have to deal with the consequences of conducting business in a region that doesn't want your business."
Feinstein and other miners point out that there are plenty of friendlier jurisdictions: Georgia, North Carolina, North Dakota, Texas and Wyoming have all become major mining destinations.

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Texas, for example, has crypto-friendly lawmakers, a deregulated power grid with real-time spot pricing, and access to significant excess renewable energy, as well as stranded or flared natural gas. The state's regulatory friendliness toward miners also makes the industry very predictable, according to Alex Brammer of Luxor Mining, a cryptocurrency pool built for advanced miners.
"It is a very attractive environment for miners to deploy large amounts of capital in," he said. "The sheer number of land deals and power purchase agreements that are in various stages of negotiation is enormous."

Meanwhile, the Biden Administration is formulating its own policy targeting bitcoin mining — with an aim to mitigate energy consumption and emissions.
The White House Office of Science and Technology Policy is examining the connections between distributed ledger technology and energy transitions, the potential for these technologies to impede or advance efforts to tackle climate change at home and abroad, and the impacts these technologies have on the environment, according to Dr. Costa Samaras, who is the principal assistant director for energy.
The effort is one of the deliverables spelled out in the president's executive order that was issued in March.
Samaras tells CNBC that the White House is specifically examining the role these technologies might play in accounting for greenhouse gas emissions, as well as potentially supporting the buildout of a clean electricity grid.
They're also "taking a look at the implications for energy policy, including how cryptocurrencies can affect grid management and reliability."
It is unclear whether these recommendations, which are due in September, will culminate in federal law on proof-of-work mining. For now, states are calling the shots.

- **Crypto firms say thousands of digital currencies will collapse, compare market to early dotcom days.**

Several cryptocurrency industry players have told CNBC that thousands of digital tokens are likely to collapse while the number of blockchains in existence will also fall over the coming years.
There are more than 19,000 cryptocurrencies in existence and dozens of blockchain platforms that exist. A blockchain platform, such as Ethereum, is the underlying technology that many of these different cryptocurrencies are built upon.
The recent collapse of so-called algorithmic stablecoin terraUSD and its associated digital token Luna, which sent shockwaves through the market, has thrust a spotlight on the thousands of cryptocurrencies in existence and whether they will all survive.
"One of the effects of what we've seen last week with the Terra issue is we're at the stage where basically there are far too many blockchains out there, too many tokens. And that's confusing users. And that's also bringing some risks for the users," Bertrand Perez, CEO of the Web3 Foundation, told CNBC at the World Economic Forum in Davos, Switzerland, last week.
"Like at the beginning of the internet, you were having lots of dotcom companies and lots of them were scams, and were not bringing any value and all that got cleared. And now we have very useful and legit companies."
Brad Garlinghouse, CEO of cross-border blockchain payments company Ripple, said there is likely to be "scores" of cryptocurrencies that remain in the future.
"I think there's a question about whether or not we need 19,000 new currencies today. In the fiat world, there's maybe 180 currencies," Garlinghouse said.
Guggenheim Chief Investment Officer Scott Minerd added further pessimism last week when he said that most crypto is "junk" but that bitcoin and Ethereum would survive.
The comments from the industry come as the cryptocurrency market continues to feel pressure. Bitcoin is off more than 50% from its record high it hit in November, with many other digital tokens sharply lower from their all-time highs.
Many different blockchain platforms from Ethereum to Solana are vying for a leadership position in the industry. But Brett Harrison, CEO of cryptocurrency exchange FTX U.S., said the hundreds currently in existence will not all survive.
"When you think about the blockchains ... there probably won't be hundreds of different blockchains in 10 years, I think there'll be a couple of clear winners for different kinds of applications," Harrison said.
"And we'll see the market ... sort that out over time," he added.

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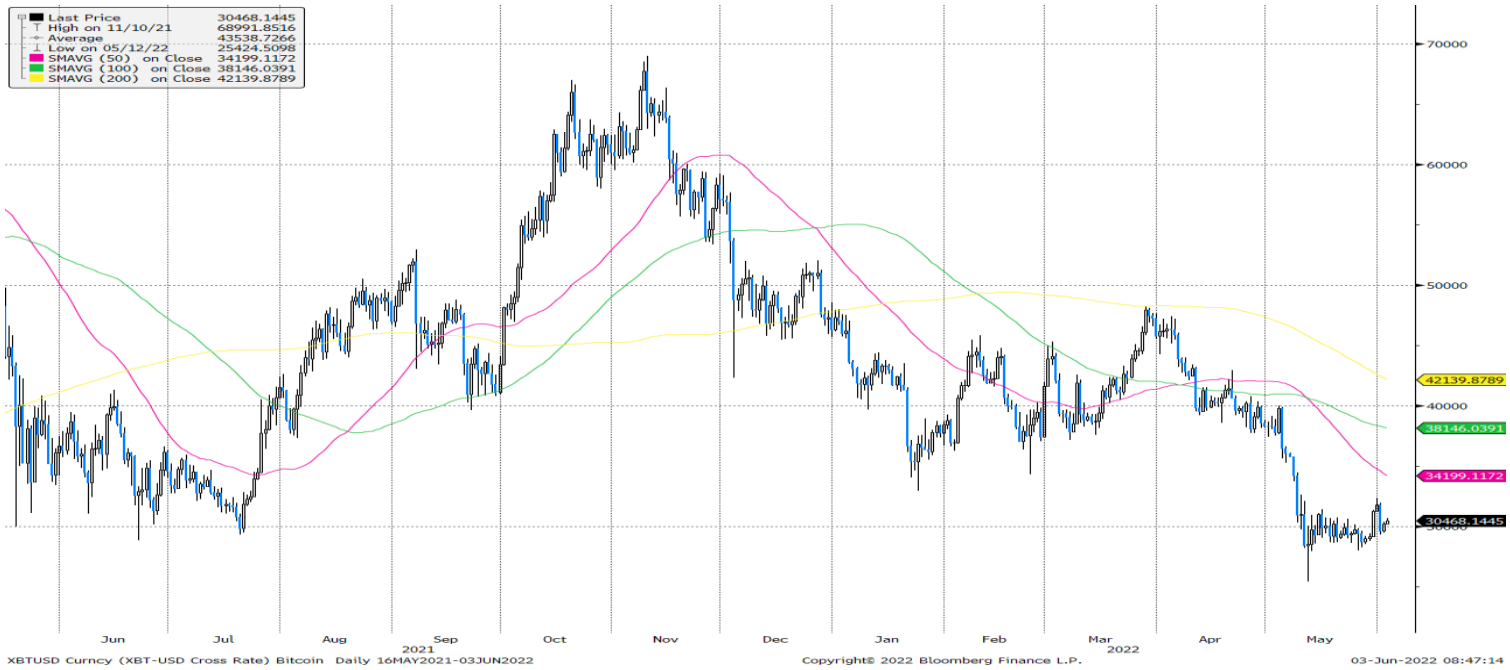
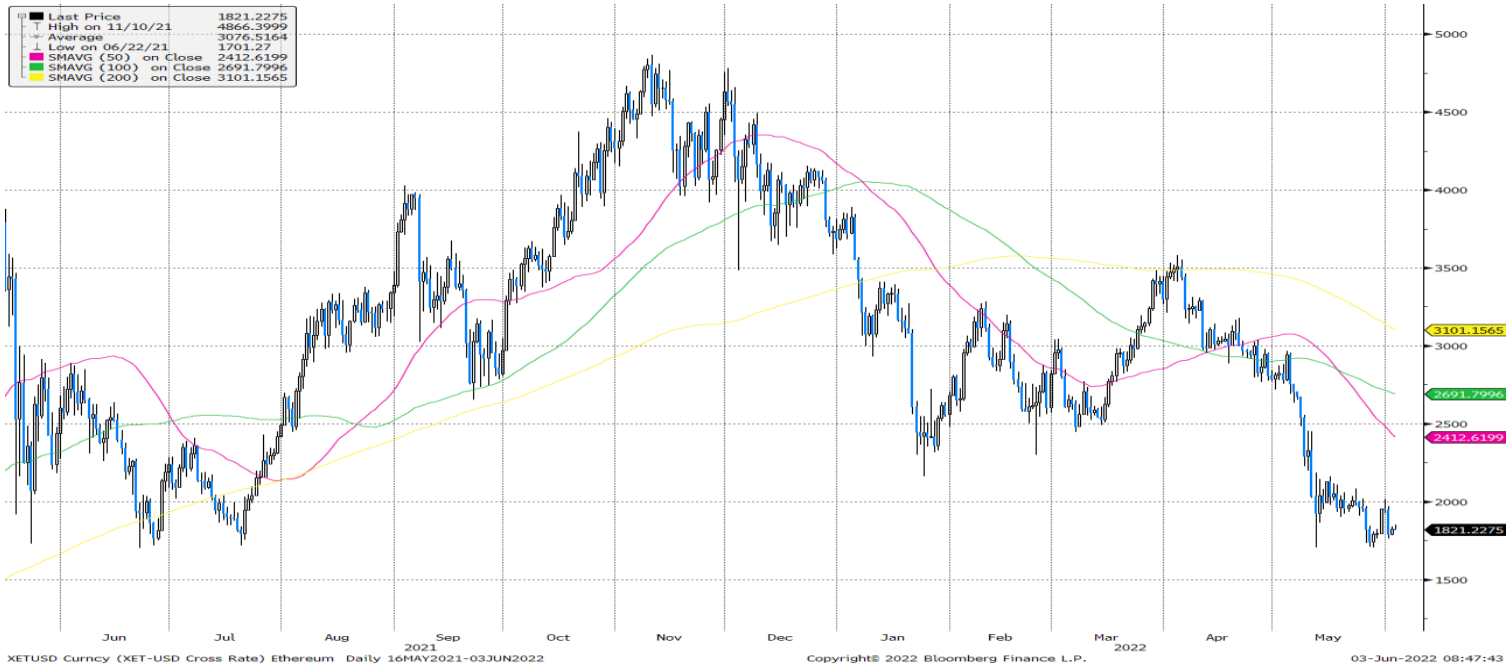
Figures and Charts



Crypto	Last	5D Change	YTD Change
Bitcoin	30 480,17	0,84%	4,53%
Ethereum	1 822,33	-0,03%	1,51%



Sources: Bloomberg / Trading View

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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.

Sources: blockspot.io/crypto-dictionary

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- **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.

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- **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) is 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.

Sources: blockspot.io/crypto-dictionary

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I

- **ICO:** An 'initial coin offering' (ICO) can be compared a bit with an IPO. Investors get an opportunity to invest in a certain coin for the first time. The difference with the stock market however is that a company must meet all kinds of requirements before the IPO can take place. The market of ICO's is much less regulated. Therefore, it happens more often that an ICO is fraudulent.

- **Interoperability:** The term interoperability in crypto refers to blockchain interoperability. In short, this means the ability to share information between different blockchains. Since the launch of Bitcoin, a lot of new blockchains have emerged of which the most well known Ethereum. All these new blockchains are in a way competing to get adoption by developers and users and results in a lot of silos. Since each blockchain usually has its own speciality, it would make sense for developers to utilize more than one blockchain. For this to work there is a need for the interoperability and several projects are working on this.

K

- **Key Pairs:** A key pair is the combination of a public and private key together. During the process of creating a wallet, a pair of keys is generated. The private key is the most important one and should be backed up safely and not shared with anyone.

- **KYC:** KYC is an abbreviation for 'Know Your Customer' and was created to combat money laundering via cryptocurrencies. At almost every ICO it is mandatory to prove that you are who you say you are. This is also regularly requested at crypto exchanges.

M

- **Masternode:** A masternode is a server, ran from home or in a data center, that has an essential role in a decentralized network. It usually performs specific tasks, like storing files or data and keeping it accessible in the network. It could also function to validate the transaction or for consensus purposes like voting on proposals. The technical (memory, CPU, etc.) and financial criteria (number of coins needed) are different for each coin. If the masternode you set up does not perform well it's possible to lose your coins if those are meant as collateral. The rewards could also just stop and then you can just start over again. A masternode usually gives a high reward that's paid out in the coin itself.

- **Maximum Supply:** This is the maximum number of coins that will exist for a token or cryptocurrency. If there is a max supply defined, no more coins can be created. 'Burned' coins are part of this supply, so therefore it is always larger than or equal to the total supply.
  For Bitcoin, the maximum is set to 21 million.

- **Mining:** Mining is also known as 'Cryptocurrency mining' or 'Cryptomining'. It is a process where blocks are added to a blockchain by solving a mathematical puzzle. The block can also contain transactions on that blockchain and will then become verified and immutable. Depending on the blockchain, mining can be done with a CPU, GPU, specialized hardware or a combination of all.

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N

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

O

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

P

- **Paper Wallet:** A paper wallet is an alternative to a hardware or software wallet. It is a piece of paper or a PDF containing the information to access the cryptocurrency in that wallet. It normally consists of a 'public key' and a 'private key'.

- **Permissioned Blockchain/ledger:** Anyone can mine Bitcoins because it is a public blockchain. This is not the case with a permissioned blockchain. There is a layer above it that determines which entity can write transactions in a block. The XRP coin from the company Ripple Labs is an example of such a blockchain and has CGI, MIT and Microsoft as approved entities for example. These are called "transaction validators".

- **PoA (Proof of Authority):** PoA stands for 'Proof of Authority'. This is a validation method to process transactions and blocks in a blockchain only by approved accounts. These are known as 'validators' and run specific software to store the transactions in blocks. Since the identity is linked to the system, it can contribute to more trust.

- **Private Key:** A private key in the crypto space can be defined as the combination of letters and numbers that corresponds to a specific public key. The private key can be used to gain access to the assets on that public key, also known as the wallet address. Once you share your private key with somebody, store it on your computer in plain text or type it in a website or app, you risk losing all your funds stored on its a corresponding public address.

- **Public Key:** A public key in the crypto space can be defined as a combination of letters and numbers and forms the address to which the cryptocurrencies or tokens can be sent to. Everybody who knows the public key of somebody can see the assets stored on that address. Only the owner of the corresponding private key can send those assets out.

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Q

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

S

- **Satoshi Nakamoto:** Satoshi Nakamoto is the alias of the creator of Bitcoin, who wants to remain anonymous. Nobody knows who it is. It could be a person, a group, a company or even a government. It is quite likely that it is a person because there are people who have communicated with him or her via e-mail.

- **SEC:** SEC is the abbreviation of 'Securities and Exchange Commission'. This is an independent government organization of the United States of America. The SEC holds the primary responsibility regarding the financial markets. They enforce the federal securities laws, propose new rules and regulate the US financial markets.

- **Stablecoin:** Stablecoins are tokens or cryptocurrencies attempting to have a minimized volatility of its price. It usually tries to keep a stable price of a related asset like USD for example. It can be backed by the related asset or replicated using smart contracts. Stablecoins are usually pegged to fiat money, but it's also possible to be pegged to precious metals like gold or silver, or even other assets. It enables an easily accessible way to store crypto wealth, temporarily, in a more stable asset during market volatility instead of using the traditional financial ecosystem. Fiat withdrawals can take a few days and could be costly as well.

T

- **Tether:** The Tether is often abbreviated as USDT on exchanges. This is a non-government regulated 'stablecoin' with a value of around 1 US dollar. The company behind this coin claims that every Tether in circulation is covered with real dollars on their bank account.

- **Total Supply:** The 'total supply' indicates the number of coins already in circulation, supplemented with the coins that are not tradable yet. So, it only applies to coins already in existence. This is different from the 'max supply', in which future coins are included. The total supply is greater than or equal to the 'circulating' supply'. It can consist of tradable and non-tradable coins, such as reserved or not yet released coins for the team or investors.

- **Transaction Fee:** The 'transaction fee' is the amount that must be paid to execute transactions on the Blockchain. This fee is usually paid to the 'Miners', but sometimes they are burned. There are also several cryptocurrencies, where you don't have to pay a fee.

Sources: blockspot.io/crypto-dictionary

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W

- **Wallet:** A 'wallet' is a place to store cryptocurrencies encrypted. There are several variants, such as a paper wallet, hardware wallet or software wallet. Each coin has one or more supported wallets.

- **Whale:** A 'whale' is someone with a very large position in a coin.

- **Whitepaper:** A 'whitepaper' is a document that is almost always written for the launch of a new coin through an ICO. All aspects of a coin should be explained here: how it is used, for what and sometimes also the price expectation. After the ICO new versions can be released if the situation changes.

Y

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

Sources: blockspot.io/crypto-dictionary

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