

Facebook Coin – What We Know so Far

WEEKLY RECAP

- Total market cap. increased 7.3% to \$184bn, and 7 day trading volume increased 4.8% for top 100 crypto.

THOUGHTS OF THE WEEK

Having noticed a significant dissonance between the general media hype for Facebook Coin (FBC), and our own take on the project, we thought it might be worthwhile to round up everything we know about Facebook Coin thus far.

Use case: Rumors indicate that Facebook Coin would be launched by Facebook to allow people on the Facebook platforms (starting with WhatsApp) to easily send funds between each other. Founder Mark Zuckerberg has previously stated that he would like it to be as easy to send funds between Facebook users, as it is to upload a photo. Leaks have indicated that the Indian remittance market might be an initial target via WhatsApp, and what Facebook likely sees is an opportunity to recreate the vast success of 3rd party mobile payments in China (see chart of the week).

Form: Facebook is reportedly planning to raise funds that will act as collateral for FBC. FBC would be tied to these funds in order to avoid price instability. New York Times journalist Nathaniel Popper has revealed that Facebook is seeking \$1 billion in venture capital to back the FBC and achieve this tethering.

Technology: The coverage of FBC by crypto media is likely in large part down to the inclusion of the word "Coin" in the name. So far, we do not know if FBC will be launched on a blockchain. Bloomberg previously reported the following statement from Facebook: "Like many other companies, Facebook is exploring ways to leverage the power of blockchain technology. This new small team is exploring many different applications. We don't have anything further to share." However, Mark Zuckerberg's more recent statements on the topic have been completely devoid of any mention of blockchain technology. Barclay's analyst Ross Sandler reportedly stated in a note that "Based on our checks, the first version of Facebook Coin may be a single purpose coin for micro-payments and domestic p2p money transfer (in-country), very similar to the original credits from 2010 and Venmo today."

Conclusion: In other words, we do not yet know if FBC will run on a blockchain. FBC would be akin to an intranet, completely separate from the internet-like world of public blockchains. Even if FBC runs on a blockchain, in the words of Standard Kepler CEO David Tang, "JP Morgan coin and FBC are not even close to the Bitcoin and Ethereum types of cryptocurrency. Rather, these coins are existing settlement systems employing some blockchain features. From a user's point of view, there is no difference in using these systems from using Swift or WeChat Pay."

TOP CRYPTO PERFORMANCE SUMMARY

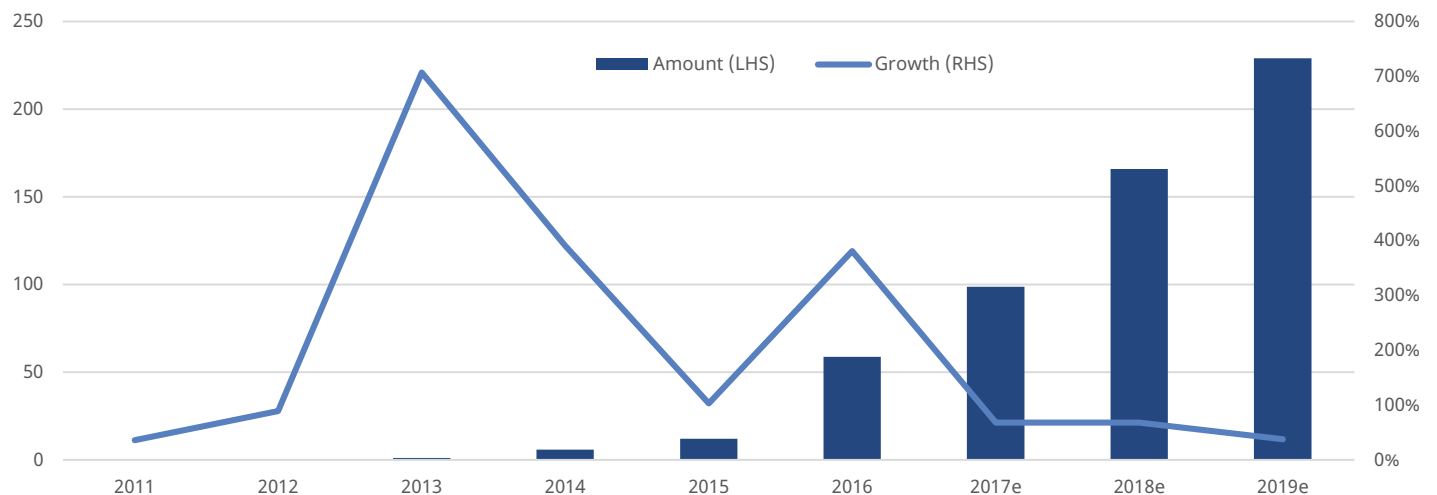
Name	Price	7D%	Vol.	7D%	Mkt Cap.	% Total Mkt
BTC	\$5,795.71	9.60%	93.80bn	5.17%	102.49bn	55.84%
ETH	\$163.45	3.72%	37.78bn	-3.47%	17.32bn	9.43%
XRP	\$0.30	1.61%	6.19bn	-2.83%	12.72bn	6.93%
BCH	\$293.95	15.56%	12.02bn	65.01%	5.22bn	2.85%
LTC	\$75.98	9.05%	18.87bn	15.40%	4.68bn	2.55%
EOS	\$4.90	3.78%	11.73bn	-5.45%	4.62bn	2.52%
BNB	\$23.02	1.07%	1.19bn	-16.76%	3.25bn	1.77%
USDT	\$1.00	0.72%	81.64bn	5.13%	2.79bn	1.52%
XLM	\$0.10	0.19%	1.30bn	-7.81%	1.89bn	1.03%
ADA	\$0.07	-3.36%	0.38bn	-14.82%	1.71bn	0.93%

NETWORK FUNDAMENTALS

	BTC	ETH
Hashrate 7D Av.	48,352,926 TH/s (6.4%)	151,127 GH/s (2.4%)
Hashrate 30D Av.	46,155,329 (1.5%)	148,027 GH/s (1.8%)
Wallet Users 7D Av.	36,735,675 (+1.8%)	63,032,685 (+1.0%)
Wallet Users 30D Av.	35,844,147 (+1.3%)	61,963,623 (+1.0%)
Top 4 Mining Pools	BTC.com (17%) AntPool (12%) F2Pool (10%) SlushPool (10%)	Sparkpool (25%) Ethermine (24%) F2Pool (13%) Nanopool (11%)

CHART OF THE WEEK

2011-2019 China 3rd Party Mobile Payment Transaction Volume (Left-Hand Side In Trillion RMB)



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WEEKLY SUMMARY | 29 APRIL – 5 MAY

DISCLAIMER

Abbreviations: ADA: Cardano; BCH: Bitcoin ABC; BSV: Bitcoin Satoshi Vision; bn: billion; BTC: Bitcoin; Central Bank Digital Currency: CBDC; crypto: cryptocurrencies; ETH: Ethereum; ICO: Initial Coin Offerings; Market Cap: Market Capitalization; mn: million; RPS: Retail Payment System; Trading Vol.: Trading Volume; tx: transaction(s); US\$: United States Dollars; USDT: USD Tether; WPS: Wholesale Payment System; XLM: Stellar Lumens; XMR: Monero; XRP: Ripple

Chart of The Week: Sources: iResearch, Standard Kepler Research

Network Fundamentals: Sources: Blockchain.com, Blocktrail, Etherchain.org, Etherscan.io, Standard Kepler Research

Thought of The Week: Sources: Bloomberg, Barclays Research, News BTC, Standard Kepler Research

Top Crypto Performance Summary: Sources: Coinmarketcap, Standard Kepler Research

Weekly Recap: Sources: Coinmarketcap, Standard Kepler Research

Past performance does not guarantee future results.

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The price of Bitcoin and other cryptocurrencies are highly volatile in nature. It is suggested that clients should perform their own due diligence and consult a fully qualified independent professional financial adviser before making any investments in cryptocurrencies.

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Unless otherwise stated, all data is as of May 2019 or as of most recently available.

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