



Huobi Research Weekly (Vol.31)

2018/10/8-2018/10/14

Related Reports

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《Huobi Research Weekly (Vol.31)》 2018-10-9

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Abstract

Market cap and transaction volume of cryptocurrencies decreased this week, with the price of 77 of the top 100 cryptocurrencies decreased to varying degrees. On October 14th, the total market cap of the top 100 cryptocurrencies reached 195.28 billion dollars, a 6.60% decrease from last week. 2 cryptocurrency projects entered the top 100 this week. On October 14th, Bitcoin's price was at \$6316.77, down 4.12% from last week, and Ethereum price was at \$200.45, down by 10.83%.

Both average number of transactions per block and average block size increased on Bitcoin; average number of transactions increased while average block size decreased on Ethereum. Average number of unconfirmed transactions in Ethereum and Bitcoin decreased by 15.7% and by 13%, respectively. Bitcoin's total transaction fee increased while Ethereum's total transaction fee decreased. The 7-day average of unconfirmed transactions for Bitcoin and Ethereum are 3545 and 64562, respectively. Bitcoin's Hashrate decreased by 3.73% and Ethereum's increased by 2.78%. The average transaction fees on the Bitcoin and Ethereum network this week were \$0.408 and \$0.126, increased 4.08% and decreased 10.64% respectively. Total number of addresses on the Bitcoin and Ethereum network reached 29.24 million and 46.68 million, respectively.

RHOC was the most active project on GitHub this week, with 104 commits submitted in the past week. Swachhcoin was the most popular group on Telegram. In terms of community activity, Bitcoin, Ethereum, and Ripple remained as the most popular communities on Facebook and Twitter. Tolar Labs attracted the most fans on Telegram in the last 24 hours. **According to <Huobi Blockchain Big Data Weekly Insights>**, there were overall 3.56 million active addresses on Bitcoin last week, increased by 1.9% compared to last week and reaching a two-month high. Number of active addresses on Ethereum increased by 21.3%; number of transactions on Ethereum increased by 14.6%; total transaction volume on Ethereum decreased by 2.6%. EOS China, TRON English, and VeChain English were the most active Telegram groups last week. 2 investment activities took place in the Blockchain industry this week, with Blockfolio receiving 11.5 million USD in round-A, the largest amount raised in the week.

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1. Weekly Market Review

1.1 Market overview

This week, the overall market capitalization for the top 100 cryptocurrencies decreased, with 77 projects decreased in value to varying degrees. According to coinmarketcap, as of October 14th, 2018, the total market cap of the top 100 cryptocurrencies was 195.28 billion U.S. dollars, decreased by 6.60% from last week, among which, BCN had the largest decrease of 39.58%, while DGTX had the largest increase of 74.85%, and its market cap ranking clinched to No.61. In addition, there were 2 projects that entered TOP100, namely, NEXO (decreased 0.62%, now no.98) and POLY (increased 5.89%, now no.99). As of October 14th, 2018, Bitcoin was traded at 6316.77 USD, 4.12% lower than its price last week. Ethereum was traded at 200.45 USD, 10.83% lower than its price last week. ☒

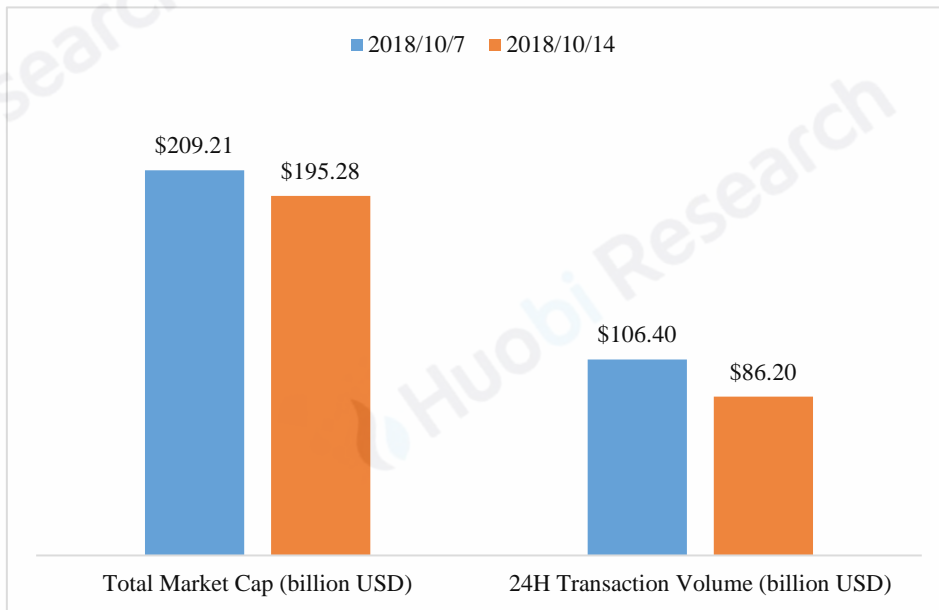
Table 1.1: Top Five Price Increases and Decreases

Symbol	Price decrease	Symbol	Price increase
BCN	-39.58%	DGTX	74.85%
MOAC	-24.57%	LOOM	14.26%
AOA	-20.48%	GXS	14.03%
DROP	-20.47%	ZRX	14.01%
BCN	-39.58%	DGTX	74.85%

Source: coinmarketcap

The overall 24h trading volume decreased this week. Overall, the 24h trading volume decreased by 18.99% compared with the same period of last week. In this week, 41 of the top 100 projects increased by more than 100% in 24h trading volume, of which the highest was GXS, with an increase of 899.01%; there were 12 projects declined more than 50%, of which the highest was MKR, decreased by 91.23%.

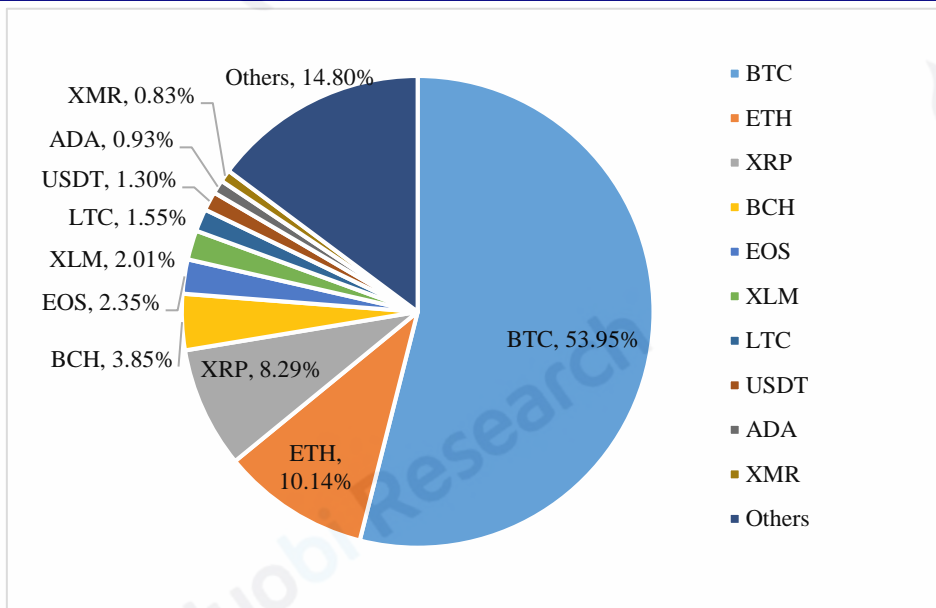
Figure 1.1: The Market cap and 24-hour Trading Volume for TOP100 cryptocurrencies



Source: coinmarketcap

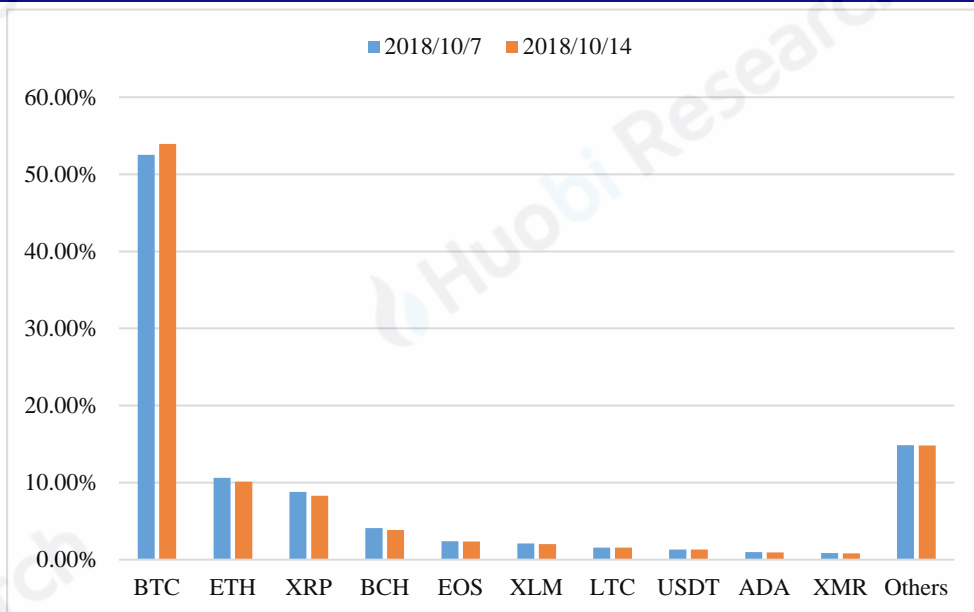
The top 10 cryptocurrencies’ market share distribution remained stable, with the market cap of 10 out of 10 projects received decrease to varying degrees. On October 14th, the overall market cap of the top 10 cryptocurrencies was 172.78 billion USD, decreased by 6.56% from last week, accounting for 85.20% of the total market capitalization of cryptocurrencies, similar to last week. 10 projects among Top 10 projects saw decrease in their respective prices, led by BCH which had a decrease of 12.10%. BTC’s dominance was 53.95%, slightly increased compared to last week.

Figure 1.2: TOP10 Cryptocurrencies’ Market Share of Total Cryptocurrencies Market



Source: coinmarketcap

Figure 1.3: TOP10 Cryptocurrencies' Market Share of Total Cryptocurrencies Market Changes

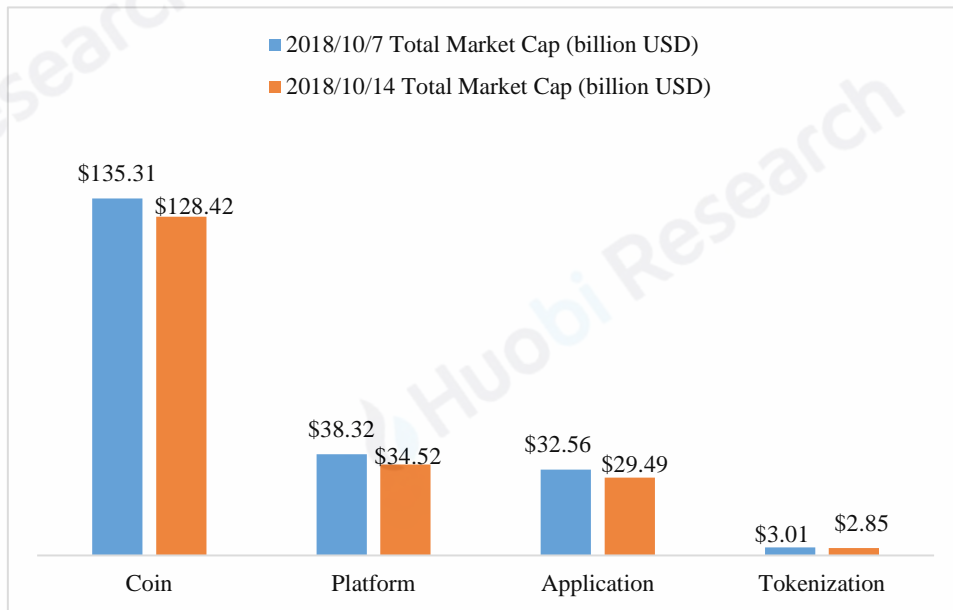


Source: coinmarketcap

1.2 Segment Analysis

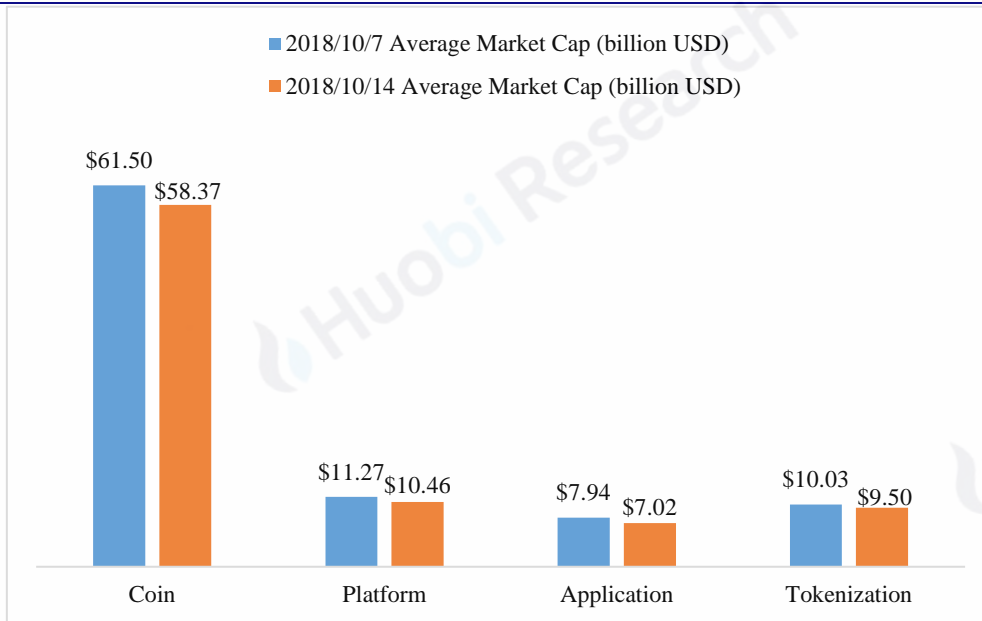
Among all cryptocurrency project segments, the average market cap of application projects received the largest decrease, while the total market cap of platform projects received the largest decrease. As of October 14th, 2018, the total market cap of platform projects reached 34.53 billion USD, decreased by 9.91% compared to last week, which is the biggest decrease among all project categories. In addition, average market cap of coin projects was 7.02 Billion USD, down by 11.61% compared to last week.

Figure 1.4: TOP100 Cryptocurrencies Market Segment Capitalization



Source: coinmarketcap

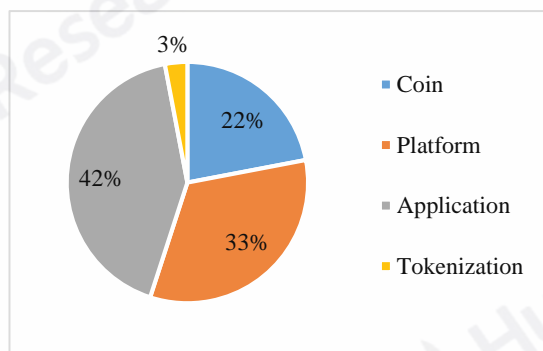
Figure 1.5: TOP100 Cryptocurrencies Segment Average Market Cap



Source: coinmarketcap

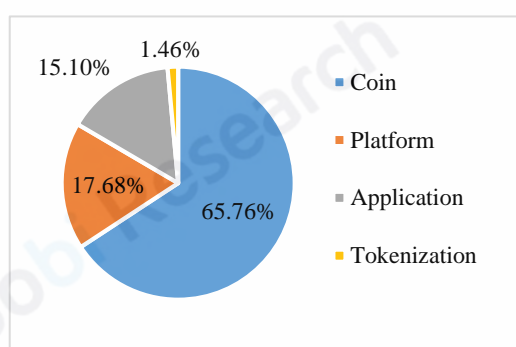
The market segment distribution of the top 100 cryptocurrencies remained stable. As of October 14th, 2018, the proportion of the market segments has remained stable among the top 100 compared to last week. The largest overall market cap by segment was still coin projects, accounting for 65.76%, slightly increased from last week.

Figure 1.6: TOP100 Cryptocurrencies Segment Ratio



Source: coinmarketcap

Figure 1.7: TOP100 Cryptocurrencies Segment Market Share



Source: coinmarketcap

Note: According to the different attributes of cryptocurrencies, Huobi Research will divide them into four categories: Coin, Application, Platform and Tokenization.

Coin: The coin category refers to cryptocurrencies that aim to solve the problems of modern day fiat currencies, providing benefits like decentralization, improved safety, lower transaction fees, and faster confirmation speeds. The most popular coin cryptocurrency is Bitcoin. The value of coin cryptocurrencies lies in its ability to act as a medium of exchange.

Blockchain Platform: The Blockchain platform category refers to Blockchain projects that provide a platform upon which developers can create applications using the underlying Blockchain. Applications can utilize the platform’s Blockchain without needing to create one themselves. Blockchain platform assets grant the right to use and participate in the platform.

Blockchain Application: The Blockchain application category refers to Blockchain projects that have specific use cases. These could either utilize their own Blockchain, or exist on a Blockchain platform as a “dApp”. Blockchain application assets grant the right to use and participate in its use cases, and its value lies in the application’s ability to perform its function.

Tokenization: The tokenization category refers to Blockchain projects that is linked to actual assets like gold or USD. The most popular tokenization project is Tether. The value of a tokenization asset lies in the value of the underlying physical assets.

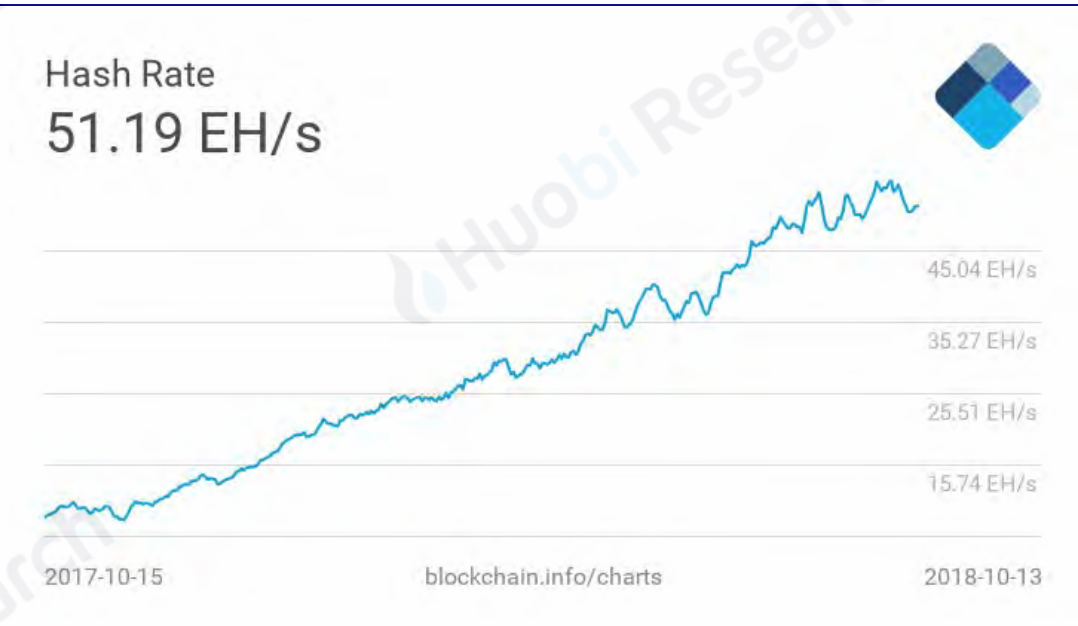
2. Technical Statistics

2.1 Cryptocurrency Mining Statistics

Hashrate of Bitcoin increased while that of Ethereum decreased this week. On October 14th, 2018, the average bitcoin Hashrate for the entire network reached 51.19 EH/s, decreased by 3.73% from the previous week.

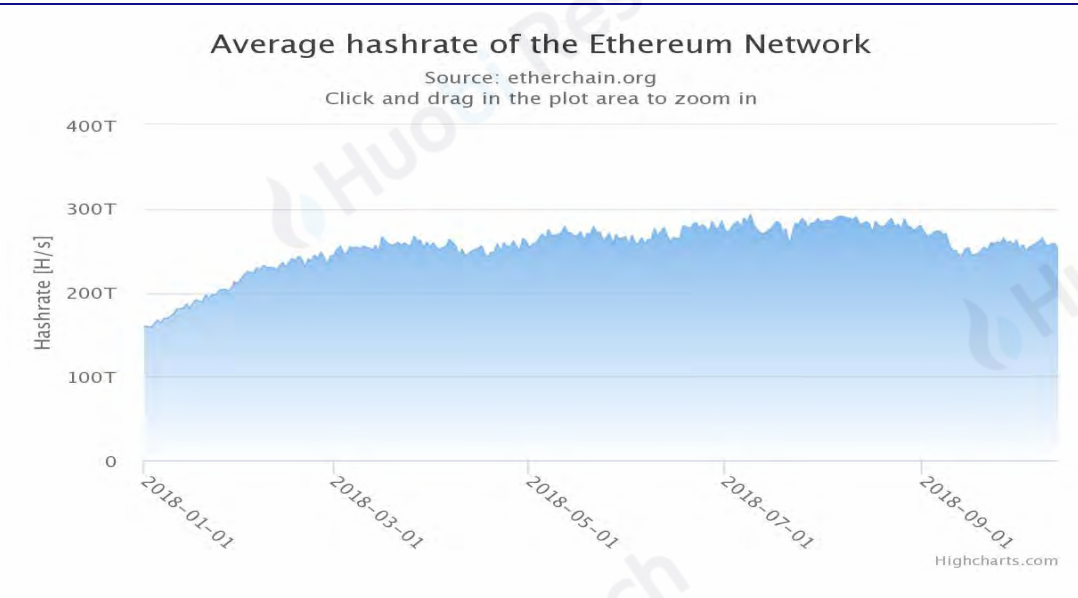
Average Hashrate for the entire Ethereum network was 257.225 TH/s this week, increased by 2.78% from the previous week.

Figure 2.1: Bitcoin Hashrate Changes



Source: blockchain.info

Figure 2.2: Ethereum Hashrate Changes

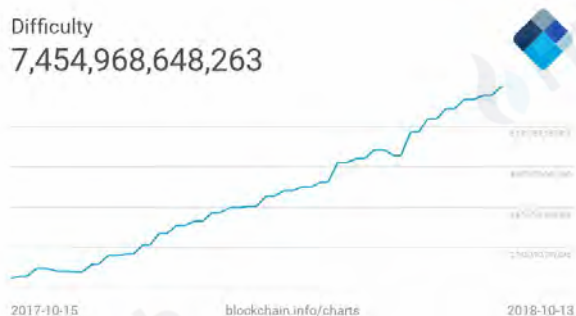


Source: etherchain

This week, the difficulty of mining increased for Bitcoin while decreased for Ethereum. On October 14th, 2018, average difficulty for mining Bitcoin

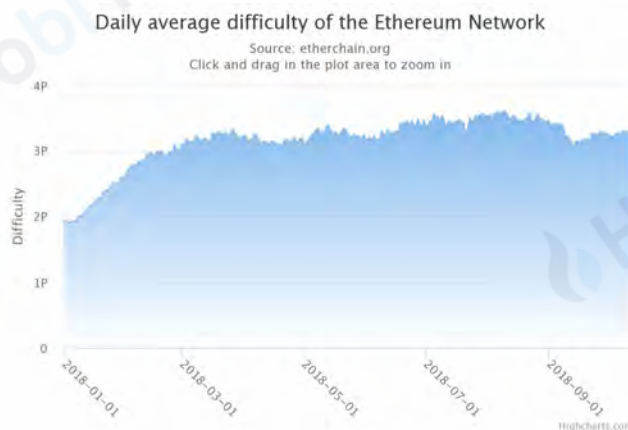
this week was 7.454T, increased by 3.16% compared with the previous week. The average difficulty of mining Ethereum this week was 3.258P, increased by 0.31% compared to the previous week.

Figure 2.3: The Difficulty of Mining in Bitcoin



Source: blockchain.info

Figure 2.4: The Difficulty of Mining in Ethereum

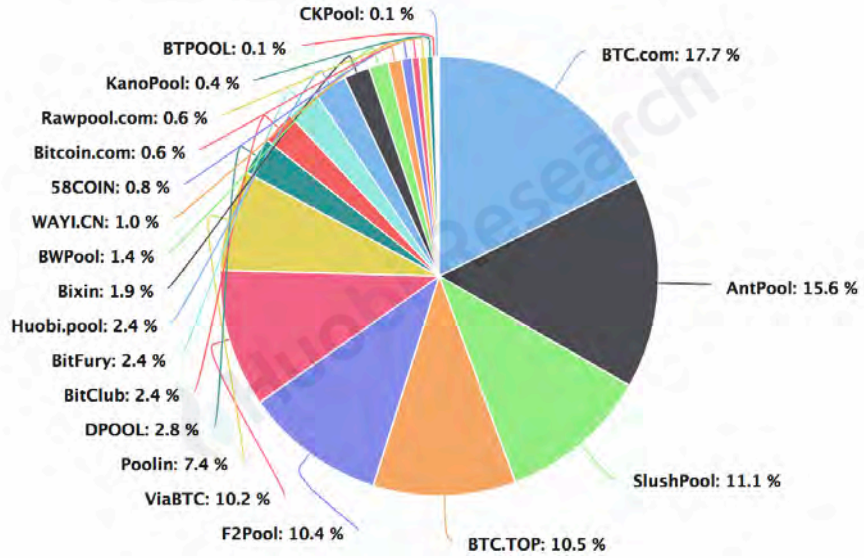


Source: etherchain

The percentage of BTC.com in the overall mining pool market slightly increased, and the ViaBTC re-emerged as the top five pools. The overall distribution of the Ethereum mining pools remained stable. In the past week, Bitcoin mined 947 blocks, decreased by 5.96% from the previous week. Among the top five pools were BTC.com, AntPool, ViaBTC, SlushPool and F2Pool; these 5 pools mined 156, 134, 111, 104 and 90 blocks respectively, accounting for 16.47%, 14.15%, 11.72%, 10.98%, 9.5% of all Bitcoins mined this week. The Hashrate was 8.39EH/s, 7.21EH/s, 5.97EH/s, 5.6EH/s and 4.84EH/s respectively.

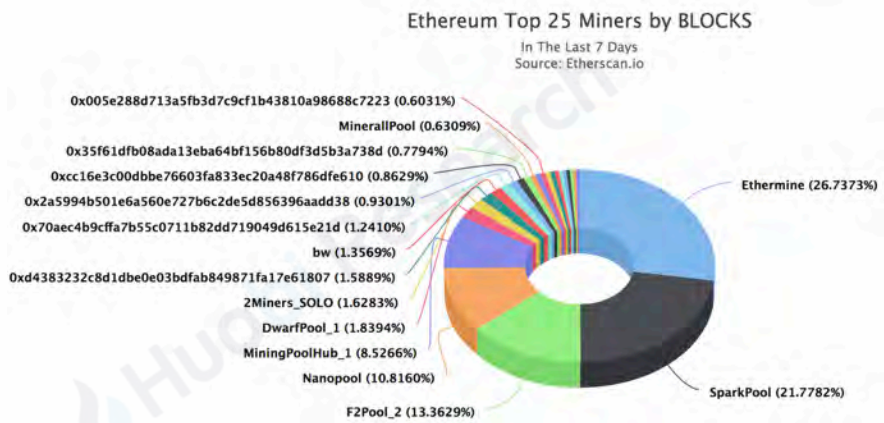
In the past week, Ethereum's entire network mined 43196 blocks, increased by 0.195% from the previous week. The top five pools are Ethermine, SparkPool, f2pool_2, Nanopool, and miningpoolhub_1, which mined 11428, 9672, 5697, 4559 and 3742 blocks respectively, accounting for 26.45%, 22.39%, 13.19%, 10.55%, 8.66% of all Ethereum mined this week, respectively.

Figure 2.5: Distribution of Bitcoin Mine Pool



Source: BTC.com

Figure 2.6: Distribution of Ethereum Mine Pool



Source: etherscan.io

2.2 Activity Statistics

Bitcoin’s block size and the average number of transactions per block both increased; for Ethereum, average number of transactions per block increased while average block size decreased. According to blockchain.info, from October 8-14, 2018, the average size of each block was 947.4 Kbs, increased by 14.49% from last week; there was on average 1730 transactions recorded in each block, increased by 8% from last week.

Figure 2.7: Block Size of Bitcoin

Figure 2.8: The Average Transactions of Per Block in Bitcoin



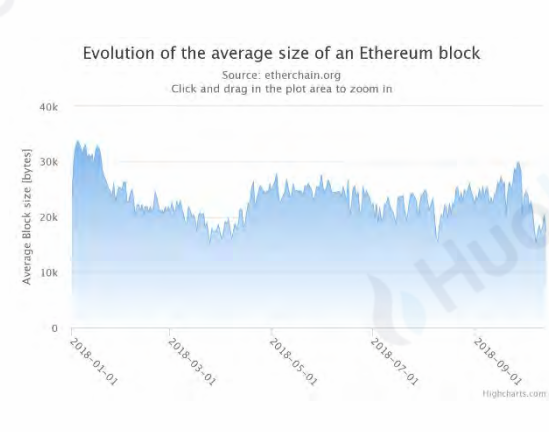
Source: blockchain.info

Source: blockchain.info

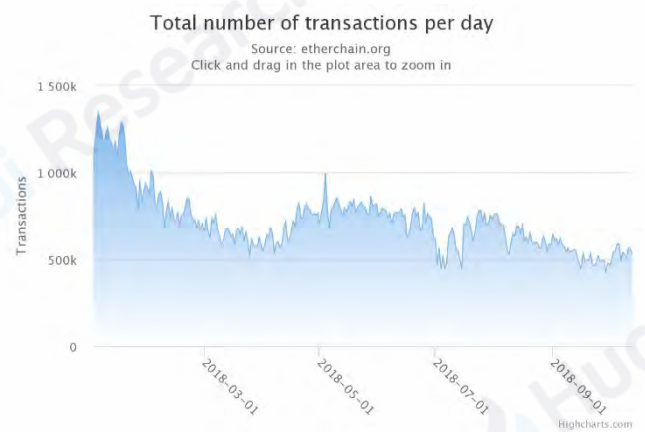
According to etherchain, the average number of transactions per block in Ethereum this week was 88.44, increased by 0.87% compared with the previous week. The average size of each block was 18043 bytes, decreased by 14.15% compared to last week.

Figure 2.9: Evolution of the average size of an Ethereum block

Figure 2.10: The number of transactions per day



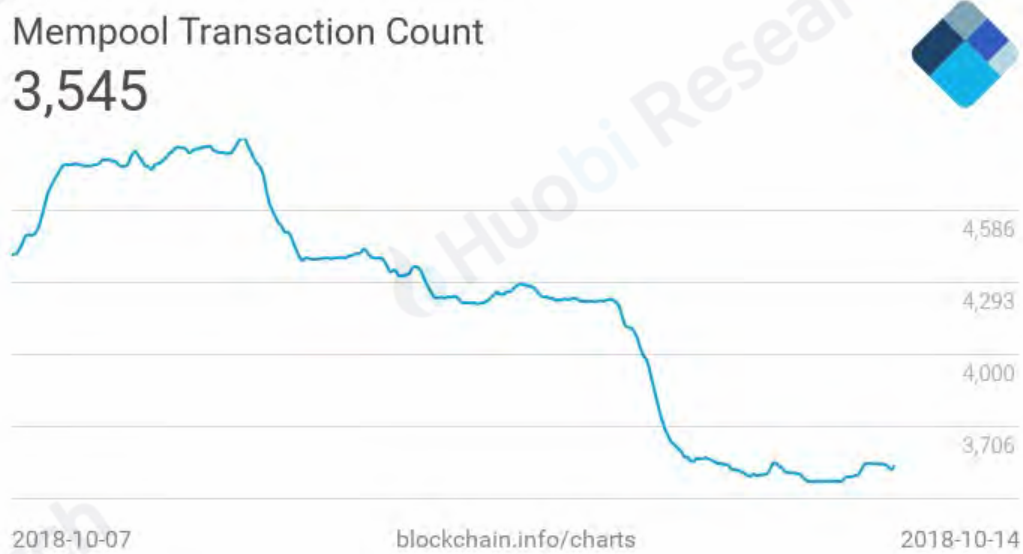
Source: etherchain



Source: etherscan.io

Number of unconfirmed transactions in Bitcoin and Ethereum decreased by 25.7% and by 13% respectively comparing to last week. As of October 14th, 2018, the number of 7-day average unconfirmed transactions in Bitcoin network was 3545, decreased by 25.7% from last week. The number of unconfirmed transactions in Ethereum network this week was 64562, decreased by 13% from last week. The lowest amount of unconfirmed transactions this week was 23673 and the highest amount reached 64562.

Figure 2.11: Unconfirmed Transaction in Bitcoin



Source: blockchain.info

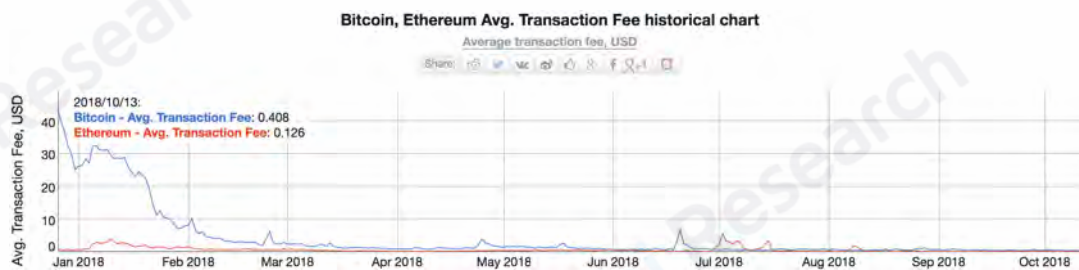
Figure 2.12: Unconfirmed Transaction in Ethereum



Source: etherscan.io

Transaction fee for Bitcoin and Ethereum both decreased this week. As of October 14th, 2018, average transaction fees of Bitcoin this week was \$0.408, increased by 4.08% from last week. Average transaction fees of Ethereum this week was \$0.126, decreased by 10.64% from last week.

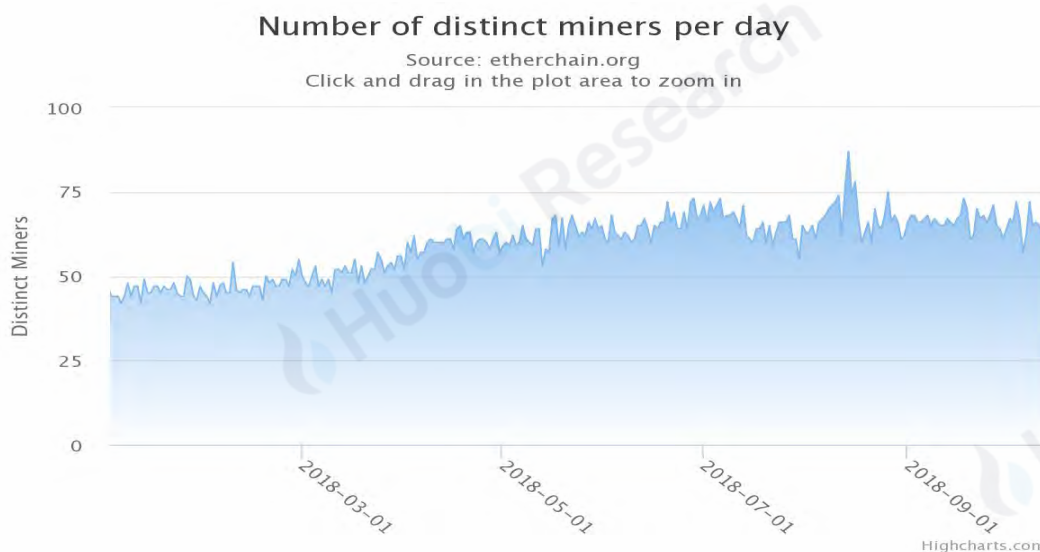
Figure 2.13: Bitcoin, Ethereum Average Transaction Fees



Source: bitinfocharts

The average number of distinct miners per day in Ethereum decreased slightly. From October 8-14, 2018, the average number of distinct miners per day in Ethereum this week was 66.5, decreased by 2.3% from last week’s 66.5.

Figure 2.14: Number of Distinct Miners Per Day



Source: etherchain

The number of nodes decreased slightly for both Bitcoin and Ethereum. As of October 14th, 2018, Bitcoin nodes reached 10089, increased by 1.49% from last week, of which 2378 nodes were in the U.S, 1937 nodes were in Germany, and 678 nodes were in China, accounting for 23.57%, 19.20% and 6.72% of the total number of Bitcoin nodes, respectively.

As of October 14th, 2018, Ethereum nodes reached 12745, decreased by 2.57% from the previous week. Specifically, there were 5447 nodes in the U.S, 1656

nodes in China, and 982 nodes in Canada, accounting for 42.74%, 12.99%, 7.7% of the total number of nodes respectively.

Figure 2.15: Bitcoin nodes ranking

RANK	COUNTRY	NODES
1	United States	2378 (23.57%)
2	Germany	1937 (19.20%)
3	China	678 (6.72%)
4	France	674 (6.68%)
5	Netherlands	486 (4.82%)
6	n/a	460 (4.56%)
7	Canada	360 (3.57%)
8	United Kingdom	309 (3.06%)
9	Russian Federation	304 (3.01%)
10	Singapore	250 (2.48%)

Source: bitnodes

Figure 2.16: Ethereum nodes ranking

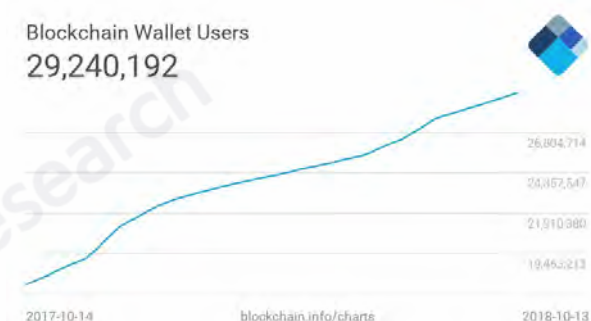
Total	12745 (100%)
United States	5447 (42.74%)
China	1656 (12.99%)
Canada	982 (7.70%)
Germany	516 (4.05%)
Russian Federation	419 (3.29%)
United Kingdom	410 (3.22%)
Netherlands	289 (2.27%)
France	246 (1.93%)
Korea, Republic of	238 (1.87%)
Greece	229 (1.80%)

Source: Ethernodes

This week, the growth rate for new addresses decreased for both Bitcoin and Ethereum. According to the data on blockchain.info, as of October 14th, 2018, the total number of Blockchain accounts reached 29240192, increased by 159559 this week.

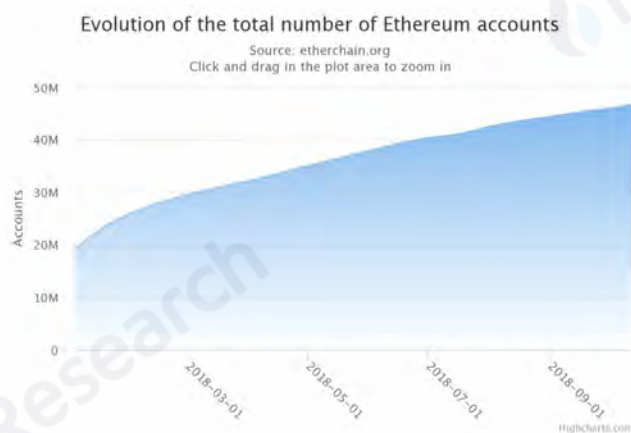
According to the data on etherchain, as of October 14th, 2018, the total number of Ethereum addresses was 46684781, increased by 325443 this week.

Figure 2.17: Bitcoin Wallet Users



Source: Blockchain.info

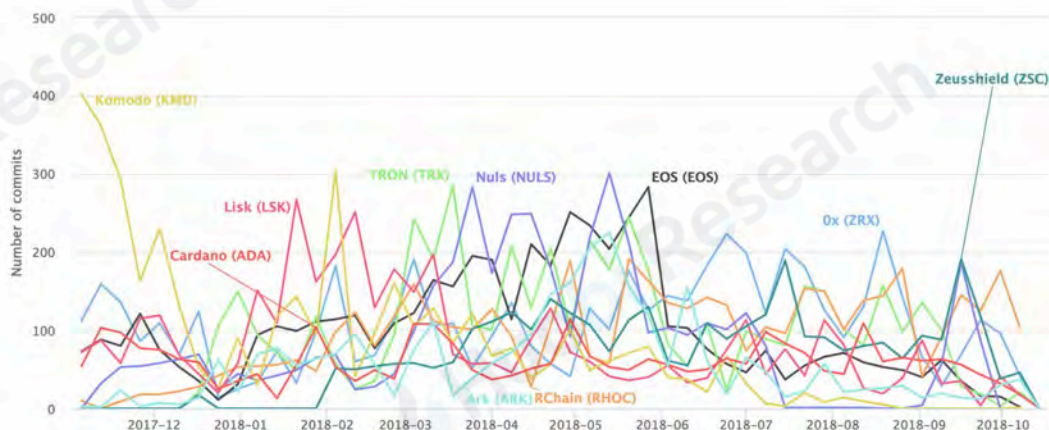
Figure 2.18: Total Address of Ethereum



Source: Etherscan

RHOC was the most active project in GitHub last week. From October 8-14 2018, RHOC activity in the GitHub code was the most active, reaching 104 commits, increased by 17.81% from the previous week. ZSC ranked second at 46 commits.

Figure 2.19: GitHub Code Activity



Source: cryptomiso

2.3 Community Activity Statistics

The top three most popular cryptocurrencies on Facebook were Bitcoin, Ethereum, and Ripple in descending order, with 620K, 220K and 196K fans respectively. The top three most popular cryptocurrencies on Twitter were Ripple, Bitcoin and Ethereum in descending order. The number of fans on Twitter of Ripple (XRP), Bitcoin and Ethereum which has 996K, 980K, and 556K fans respectively.

As of September 30th, Swacchcoin received the most attention on Telegram, seeing an increase of over 100k fans.

Table 2.1: Facebook Cryptocurrency Fans Ranking

RANK	Cryptocurrency	Fans (thousands)
1	Bitcoin	62
2	Ethereum	22
3	Ripple (XRP)	19.6
4	Litecoin	15.8
5	IOTA	10
6	Dash	9.2
7	XVG	7.2
8	Monero	6.8
9	NEO	6.4
10	LISK	5.6

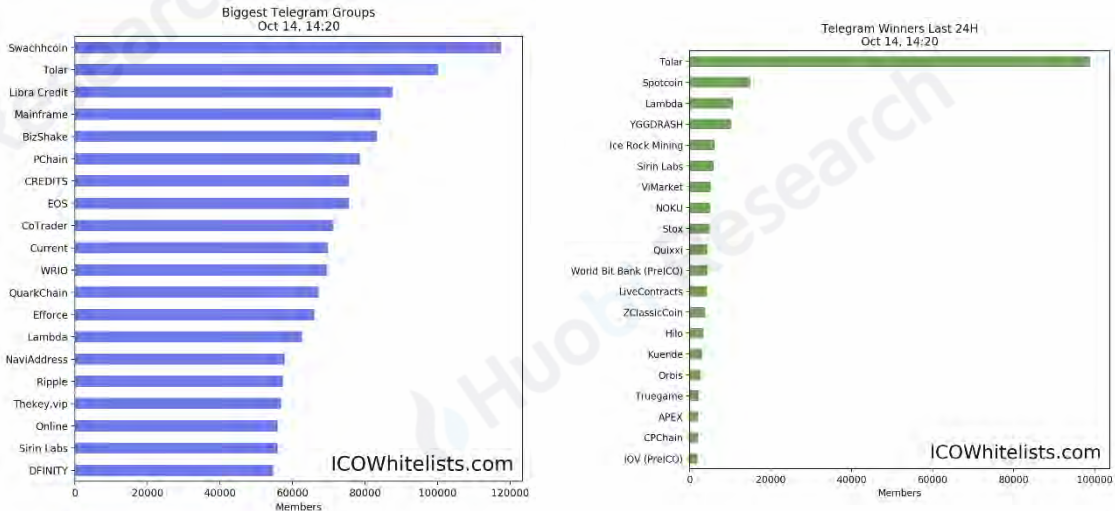
Source: facebook

Table 2.2: Twitter Cryptocurrency Fans Ranking

RANK	Cryptocurrency	Fans (thousands)
1	Ripple (XRP)	99.6
2	Bitcoin	98
3	Ethereum	55.6
4	Dash	45
5	Verge	41.3
6	Monero	40
7	TRON	36.9
8	OmiseGO	35.1
9	Stellar	31.9
10	Litecoin	24.8

Source: twitter

Figure 2.20: Telegram Cryptocurrency Fan Ranking

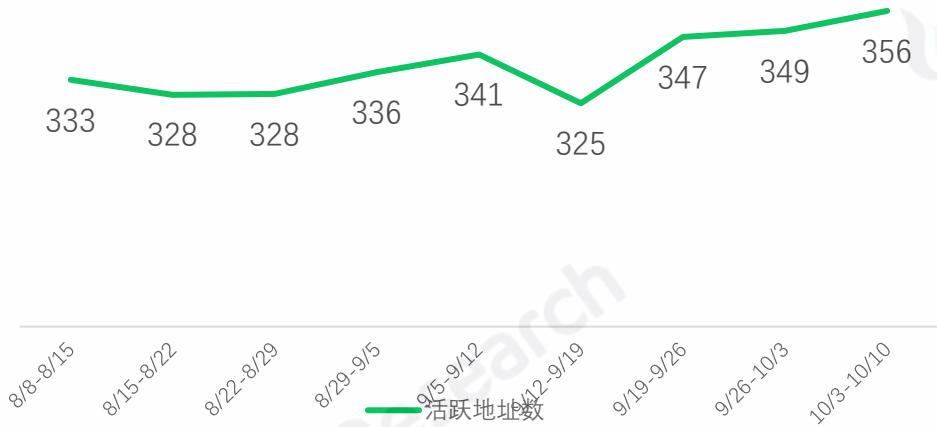


Source: icowhitelists

2.4 Huobi Blockchain Big Data Weekly Insights

According to <Huobi Blockchain Big Data Weekly Insights>, there were overall 3.56 million active addresses on Bitcoin last week, increased by 1.9% compared to last week and reaching a two-month high. Number of active addresses on Ethereum increased by 21.3%; number of transactions on Ethereum increased by 14.6%; total transaction volume on Ethereum decreased by 2.6%. EOS China, TRON English, and VeChain English were the most active Telegram groups last week.

Figure 2.21: Active Bitcoin Address (in 10,000)

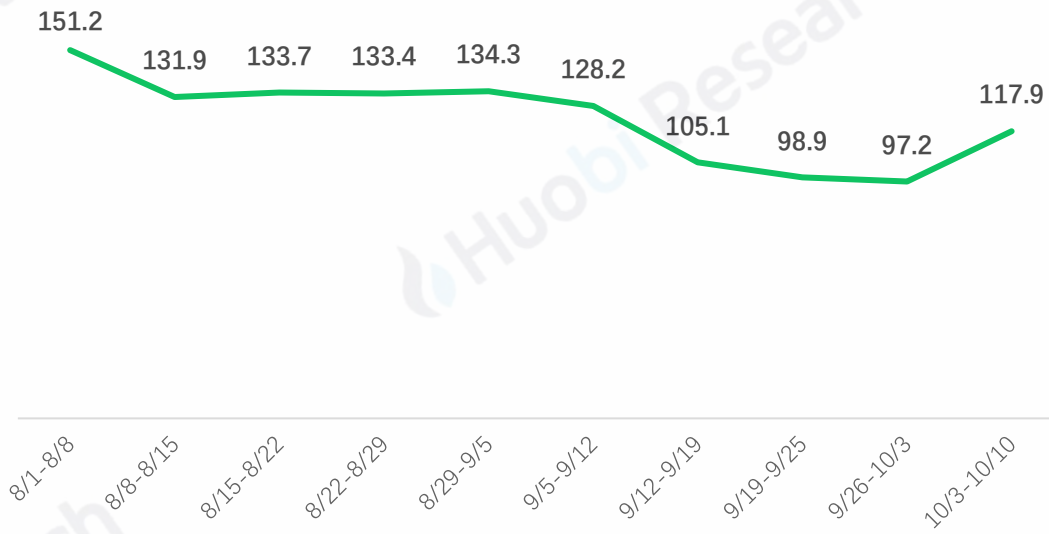


Data Source: Huobi Research, GitHub

Number of active addresses on Ethereum received an increase from 0.97

to 1.18 million, increased by 21.3% and ended a four-week losing streak.

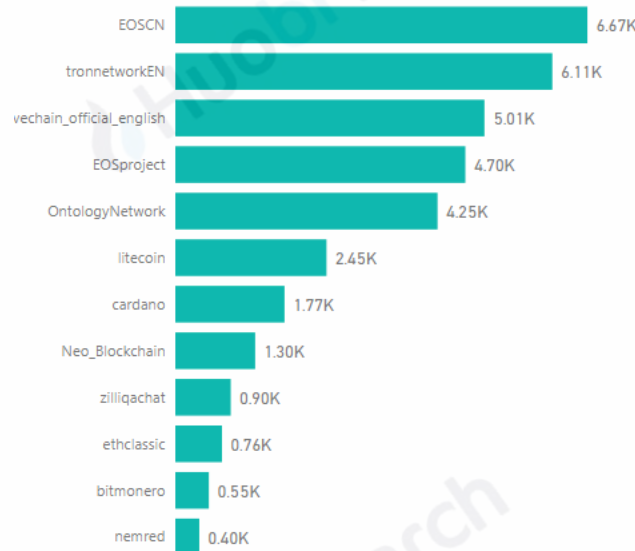
Figure 2.22: Number of active addresses on Ethereum (*10,000)



Data Source: Huobi Research

EOS China, TRON English, and VeChain English were the most active Telegram groups last week.

Figure 2.23: Telegram Group Vitality



Data Source: Huobi Research

Note: The content of this section comes from Huobi Big Data Weekly Insights Vol. 18, with all data captured and analyzed by Huobi Research.

3. Weekly Blockchain News Review

3.1 Industrial Application

1. Nevada's Utilities Agency Eyes Blockchain for Energy Credit System

The Public Utilities Commission of Nevada, a government agency charged with supervising and regulating power utility services in the state, is looking to implement blockchain for its energy credit tracking system. The commission last month investigated whether a blockchain-based solution would help track and certify Portfolio Energy Credits (PECs) in a better way for meeting the state's Renewable Portfolio Standard.

<https://www.coindesk.com/nevadas-utilities-agency-eyes-blockchain-for-energy-credit-system/>

2. Forbes Becomes First Major Media Brand to Experiment with Publishing on Civil Platform

Forbes, in partnership with Civil, a blockchain journalism network, today announced it will become the first major media brand to begin experimenting with publishing content to the Civil platform. The arrangement with Civil allows Forbes to experiment with and better understand how publishing content on the blockchain can increase trust with audiences. It also allows Forbes to assess emerging opportunities that can potentially unlock new forms of audience engagement and drive additional revenue streams.

<https://www.forbes.com/sites/forbespr/2018/10/09/forbes-becomes-first-major-media-brand-to-experiment-with-publishing-on-civil-platform/#2c8a9c5f77c1>

3. The Results of the "Top Ten Chinese Cases Of Trusted Blockchain" Were Announced

The 2018 Trusted Block Chain Summit was held in Beijing from October 9th to 10th. The China Information and Communication Research Institute organized the evaluation of "Top Ten Chinese Cases of Trusted Blockchains", and received 66 candidates for the election. Ten final cases were selected. The case involves blockchain electronic invoices, copyright services, shipping management, etc.

http://www.cnii.com.cn/2018-10/09/content_2108991.htm

3.2 International Policies

1. Nasdaq Considering Regulated Cryptocurrency Tokens Platform Launch

Nasdaq the second-largest stock exchange in the world, by total capitalization, is exploring a possible security token platform to support regulated initial coin offerings (ICOs), according to a report published Saturday. The stock exchange is interested in developing a platform for companies to offer security token offerings (STOs) to issue tokens and raise funding, the Block reported citing an unknown source. The report said Nasdaq was speaking with a number of firms, including blockchain startup Symbiont, to launch the STO platform which would issue tokenized securities as well as allow their trade.

<https://www.ibtimes.com/nasdaq-considering-regulated-cryptocurrency-tokens-platform-launch-2724738>

2. Brazil Banks Can Close Crypto Accounts

On Tuesday, October 9th judges on the third panel of the Superior Court of Justice, Brazil's second-highest court, took just 30 minutes to find in favour of Itaú Unibanco in a complaint from cryptocurrency exchange Mercado Bitcoin (Bitcoin Market). The court ruled by a majority vote that banks closing the current accounts of cryptocurrency exchanges does not violate the law, nor does it constitute a rights abuse under the country's consumer protection code.

<https://cryptonewsreview.com/brazil-mercado-bitcoin-loses-landmark-case-and-banks-can-close-crypto-accounts/>

3. Chinese Internet Finance Institutions Anti-Money Laundering and Anti-Terrorism Financing Management Measures Were Released

On October 10, the People's Bank of China, the Banking Regulatory Commission, and the China Securities Regulatory Commission jointly issued the "Administrative Measures on Anti-Money Laundering and Anti-Terrorism Financing of Internet Financial Institutions (Trial)". The measures will be implemented as of January 1, 2019. These Measures shall apply to institutions that have been approved or filed by the competent authorities within the territory of the People's Republic of China and that operate Internet financial services in accordance with the law. The People's Bank of China shall be responsible for the interpretation of the relevant financial supervision and

administration institutions of the State Council.

www.chinanews.com/fortune/2018/10-10/8646476.shtml

3.3 Technological Breakthrough

1. Mastercard Awarded Patent for Partitioned, Multi-Currency Blockchain

Mastercard has been awarded a patent for a method to partition a blockchain, making it capable of storing multiple transaction types and formats. The patent filing was published by the U.S. Patent and Trademark Office (USPTO) on Oct. 9. The document explains that in current blockchain systems, the transaction records stored in the different blocks that comprise a blockchain are “often required to be of the same format and include the same types, and sometimes even sizes, of data.”

<https://cointelegraph.com/news/mastercard-awarded-patent-for-partitioned-multi-currency-blockchain>

2. In the First Three Quarters of 2018, the Number of Patents in China's Blockchain Was More than 1,400, Accounting for 77% Of The World

According to the statistics of the State Intellectual Property Office of China, as of September 30, 2018, the number of blockchain patents in the world's major countries was more than 1,400 in the first three quarters of 2018, and the number of blockchain patents owned by China has reached 650.. China's blockchain patents account for approximately 77% of the world's major country blockchain patents, ranking first in the world.

http://www.sohu.com/a/258701302_100176079?spm=smtt.mt-business.fid.28.1539129600023WRI5Apr

4. Weekly Investment Activities

2 investment activities took place in the blockchain industry this week, including Blockfolio which raised \$11.5 million from investors in round-A, the largest amount raised this week.

Name	Round	Amount	Investors	Category
Blockfolio	A	\$11.5 million	Mayfield Fund DCM Overseas Panteral Capital	Cryptocurrency Investment

			Huobi Global Ecosystem Fund BitMEX	
NULS	Strategic	N/A	Ulysses Capital	Blockchain technology
Source: IT Juzi				

Huobi Research

About Us:

Huobi Research was founded in April 2016 and started research and explorations in various aspects in Blockchain area since March 2018. We cover various fields such as Blockchain technology research, industry analysis, application innovation and economic model explorations. We aim to establish a research platform and to offer theoretical foundations as well as judgements of trends in Blockchain to the public, ultimately promoting the development of the Blockchain industry.

Huobi Research Weekly aims to provide participators of the cryptocurrency market with the most up-to-date and comprehensive database to help them facilitate decision-making process.

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Facebook: Huobi Research
<https://www.facebook.com/Huobi-Research-655657764773922>

Website: <http://research.huobi.com/>

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