

CRYPTO A.M.

Our series on AI, Blockchain, Cryptoassets and Tokenisation

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PARTNER CONTENT

CITY A.M.'S CRYPTO INSIDER

JAMES BOWATER



Warren Buffet famously once said "We simply attempt to be fearful when others are greedy and to be greedy only when others are fearful." With the seemingly relentless bloodbath in the Crypto market continuing, keen followers are wondering when to get greedy. Bitcoin (BTC) is the most liquid of all the cryptocurrencies and according to data provided by CryptoCompare accounts for 54 per cent of the \$129bn Global Crypto Market.

As I have often repeated in my column, the path that will unleash true growth in this market will be paved by evidence of institutional adoption. Let me be clear, this can only truly happen when well scoped defined regulatory frameworks are established.

One of the true beacons of this mantra is Mike Novogratz, founder of Galaxy Digital; he has remained strangely quiet until, ironically, I picked up my pen to write the skeleton of this column. The Financial Times reported that Novogratz is predicting that financial institutions will transition from "investing in cryptocurrency funds to investing in cryptocurrencies proper in the first quarter of next year."

Other experienced observers of the market I know, such as Rob Paone (aka Crypto Bobby), believe this to be true. He tweeted that "institutional investors are coming and they are coming in waves!"

Likewise Anthony Pompliano of Morgan Creek Capital who, under the moniker 'Pomp', has a highly followed podcast 'Off the Chain'. He explained to me "Smart money likes to enter markets at opportune times. Usually the return on an investment is determined by the entry price, and the current market and recent price movements make this a unique entry opportunity."

In the absence of the SEC's Bitcoin ETF decisions, it is focusing its attention on fraudulent and/or misrepresented ICOs, which whilst somewhat negative from a news headline perspective, is actually paving the way for clearer regulation for the remaining good actors as well as new entrants such as Fidelity Digital Assets and Bakkt. However, the SEC probably will not now opine on the Bitcoin ETFs until January and Bakkt, who publicly endorse BTC, have pushed back their launch from 12th December to 24th January which means that there will be little to no support for the tumbling BTC price. So hold on to your hats as many now believe that \$2,500 - \$3,000 is a likely bottom range - which is when it might be sensible to get greedy!

I shall be attending two conferences this week to gain further insights. Firstly, Coingeek where Calvin Ayre and Craig Wright, the backers of Bitcoin SV, will be speaking at the Mermaid Theatre and then MJAC Crypto Compare 2018 which is being held at Old Billingsgate. See you there?

SINCE its first competitive race in the early 19th century, motorsport has become one of the most popular sports in the world; attracting millions of fans from more than 194 countries all looking to benefit from the exhilarating, emotional experience of the track. However, despite its popularity and the advancement of different technologies impacting various sports, motor racing has essentially remained unchanged in the way it is experienced and commercialized.

Whilst the majority of sports have embraced various technologies that make competing fairer and more accurate - such as video assistant referee (VAR) and Hawk-Eye technology - more are now looking at ways they can utilize technology to transform the way fans engage and interact with the activity.

It could be argued that betting apps were one of the first iterations of this transformation; making it more accessible for fans to place bets on their favourite teams. Now, these sports are looking at the next phase of this transformation.

Past times such as football, basketball and even F1 have benefited from a technological facelift in the form of e-sports; changing the way fans interact with the sport and allowing them to experience the adrenaline of competition. What's more, rather than the technology being shunned or remaining disconnected from traditional governing bodies that oversee the sport, the Premier League has embraced this change with the upcoming launch of its ePremier League in January 2019.

In addition, technologies such as augmented reality (AR) and virtual reality (VR) have been revolutionizing the way audiences view and engage with sports. Allowing fans fully-immersive experiences, these technologies have already established themselves over the past few years.

Yet, in terms of a technological revolution, it seems motor racing is still lagging behind with an apparent lack of a unified platform for the racing community allowing fans to connect. This, combined with often expensive technology



Designed by Phill Snelling, Bowater Media

BLOCKCHAIN AND THE UNCHANGING FACE OF MOTORSPORT

that smaller teams aren't able to afford and limited exposure for those teams, has left a glaring disconnect in the modern motorsport industry that is becoming increasingly isolated to the general community. However, there is an opportunity for blockchain technology to transform the industry and address some of the industry's pain points.

What was once a buzzword, blockchain has established itself as a game changer for a number of industries including finance, supply chain and healthcare. Therefore, could it be the technological revolution the motor racing industry

has been in need of?

Blockchain technology heavily revolves around data; specifically how that data is stored, shared and secured using the latest cryptography technologies. So once the information is written it's virtually impossible to alter it. It is what can be done with this that could bring forward a new era of motor racing.

Firstly, using the blockchain presents an opportunity to build a global community of hobby racers and fans that doesn't currently exist within the sector. Similar to the Premier League app

that connects football fans and enables them to create their own fantasy league to compete against their friends, motor racing has the opportunity to connect the global racing community using blockchain technology.

It's no secret that motor racing is not an inexpensive hobby. Not only can it be costly for fans to attend races, but also for hobby racers, who are often burdened with the expense of licenses, event entries and vehicle maintenance. Therefore, the blockchain could be used as a way to provide multiple pathways to generate financial support.

Blockchain technology is still heavily associated with finance and can be used as a way to source funding or even corporate sponsorships.

In addition, motor racing is bound by geographical restrictions, unlike many other sports. For example, there are over 130 football stadiums in the UK alone. If we compare this to the number of racetracks, which is around 70, not all of which can accommodate all forms of motor racing, the restrictions for fans and hobby drivers become apparent.

Currently, if drivers wish to race each other, they need to be in the same lo-

cation at the same time. However, by combining motorsport with blockchain technology, the industry has the opportunity to deliver 'phantom racing' whereby two or more drivers can race each other regardless of location or time zone. By installing sensors on racetracks and in cars, data can be collected as racers drive around the track analyzing various aspects including time, track conditions and weather. Once this data has been collected it can then be compared to a driver in another location to race against the set time using similar parameters.

The global motor racing market is currently worth \$5B+ with a compound annual growth rate (CAGR) of 8% for the next 3 years. However, for an industry that carries so much monetary worth, as a whole it is struggling to keep up with those that have so readily embraced new technologies to provide fans with new ways to inter-



Blockchain presents an opportunity to build a global community of hobby racers and fans

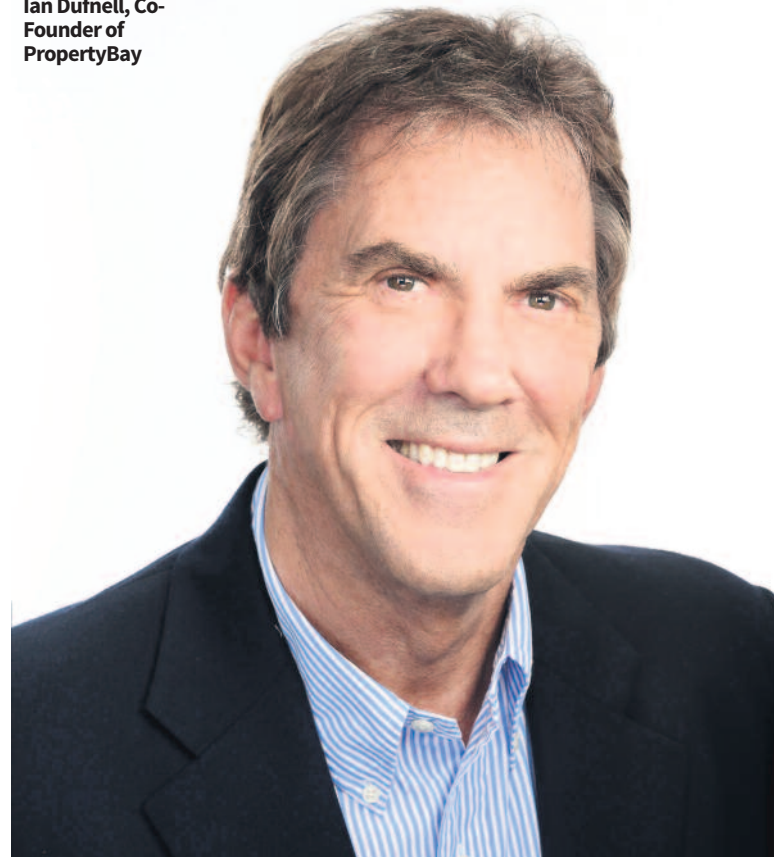
act and experience their favorite past times. Blockchain technology could be the way to deliver a whole new experience for racing enthusiasts and drivers.

By failing to embrace new technologies, motor racing could also be unwittingly closing the door to additional commercial opportunities and, with more racetracks being abandoned, it's not in a position to turn its back on these opportunities.

Article by Joachim C. Baron von Behr-Baerwald, CEO of RaceCoin

Crypto A.M. shines its Spotlight on PropertyBay

Ian Duffell, Co-Founder of PropertyBay



PropertyBay is an integrated property development and investment company that creates and manages unique, luxurious and ground-breaking projects from inception to completion.

Dunk Island, its first project, is an exotic investment offer with the vision to create a world-class resort where eco-tourism and technology meet holistically with a tokenized foundation. A venture that will imagine one of the most stunning tropical islands in one of the greatest wonders of the world, Australia's Great Barrier Reef - boasting exclusive virgin rainforests, sweeping arcs of golden sands, thriving tropical gardens and surrounded by stunning coral reefs and turquoise seas.

The project begins with an initial US\$110 million capital raise, open to BTC and ETH holders, to support the development of phase one, which includes a 5-star hotel and luxury beachfront eco-villas. Construction will commence in early 2019, with 'open-for-business' projected for 2021. Investment will provide indirect ownership of the freehold of the island and regular dividends from an iconic smart resort that has

been projected as a \$500million development.

"We're bringing a unique real-world asset to an investor community and very keen to attract crypto buyers into our fund as a first step towards the regulated tokenisation of global land assets", said Ian Duffell project co-founder "other tokenised real-estate projects exist internationally but not of this scale or uniqueness! It's a pacific island on the Great Barrier Reef where early adopters with over 100 BTC or 3000 ETH will be rewarded with significant extra benefits."

PropertyBay are launching the project from Australia, a highly regulated environ-



Dunk Island plays an important role in Great Barrier Reef ecosystem

ment where the tokenisation of assets currently does not exist. The team is therefore working with regulators in Australia to offer a Managed Investment Scheme for investors, with the aspiration to tokenize the project once a regulated platform has been approved.

As part of PropertyBay's redevelopment efforts, the vision is for Dunk Island to be one of the most sustainably and eco-friendly advanced resorts in the Great Barrier Reef and a global benchmark with smart technology as another primary driver.

"We are committed to our vision of rejuvenation, to be environmentally compassionate, sustainable and culturally rich, while also preserving and protecting the amazing biodiversity of the island and its surrounds", said Ian Duffell, "Dunk Island plays an important role in the Great Barrier Reef ecosystem and we are passionate about its preservation and conditioning for the future."

The island is four kilometres off Mission Beach on the coast of Tropical North Queensland. The Mission Beach region will hugely benefit from the re-development and it is expected to create over 400 jobs during construction and over \$100M per year in regional benefit. The local community including key stakeholders like the Mayor is in full support of the project.

More information:
Dunk Island: <https://dunkisland.io>
PropertyBay: <https://propertybay.io>

CONTEXT AND INFRASTRUCTURE ESSENTIAL FOR CRYPTO'S COMING OF AGE



Hugh Hughes, CEO of Koine Finance Limited

Just like psychologists know that human behaviours are a blend of nature and nurture, institutional participants need to see the right infrastructure and context to participate in crypto at scale.

The context is improving rapidly. Clear and stable regulation is the bedrock for institutional engagement. Rightly so as we all want to understand the rules of the game we are playing. While we all still await the tier 1 jurisdictions to publish black and white legislation, the signs are good.

To complement the ongoing roll-out of legislation in a number of tier

2 markets, there are increasingly positive noises emanating from regulators in Hong Kong, Korea and the UK. I think it is fair to say that the latter sees crypto as an opportunity to win big.

Nearly as importantly, we are seeing institutional endorsement with the launch of services from companies of global renown: Fidelity, Nomura and Standard Chartered.

And finally, the right kind of volatility. While traders need movement, larger funds generally seek less extreme fluctuation. So, the fact that Bitcoin has been less volatile than US equities over the last quarter

is significant.

But funds also need verifiable trustworthy infrastructure. At Koine, we have focused on addressing their three primary concerns around the legitimate separation of responsibility on market participants. Trusted trading counter-parties; the avoidance of pure bearer assets or instruments; and scalable custody are essential.

While I'm not going to predict what the markets will do, I feel increasingly confident to predict that we are going to see the establishment of a scalable crypto market in 2019.



MJAC & CRYPTO COMPARE LONDON

Showcasing leaders of the blockchain industry

MJAC on November 30th will see a host of key industry players discussing and debating the hot topics within the blockchain and cryptocurrency spheres. Obi Nwosu, Coinfloor's CEO, and Nick Chong of Liquid by Quoine will deliver the two keynote speeches.

Claire Wells and Marieke Flament from Circle will discuss Opportunities and Threats for the Tokenisation of Everything. eToro's Iqbal V. Gandham will ask: Will STOs replace IPOs? Steve Swain, CEO of Lendingblock, will discuss how securities lending will lead to the institutional adoption of cryptocurrencies. David Fauchier, CEO/CIO at Cambrial, will discuss The state of crypto funds: challenges, opportunities, what next? Saar Levi,

CEDEX CEO will discuss How digitizing diamonds is revolutionizing the financial investment markets, and what's next for CEDEX.

Attendees will have a front row ticket to ICO presentations and panel discussions including: Crypto and how it has evolved as an asset class over 2018, the Regulatory Panel Discussion and the Institutional Trading in the Crypto Market panel.

Delegates can enter the PowerSnooker prize draw for the chance to play against snooker legend Tony Knowles and boxing superstar Johnny Nelson on a full-sized professional snooker table.

For a 30% ticket discount use code - CRYPTOAM For event details and tickets: <http://www.mjac.io>



Do You Speak Blockchain (or DLT)?

If you caught last week's Crypto Insider you'll know about the petition to parliament for a UK Blockchain and Tokens enabling bill - to bring the same force of law to secure digital signatures and materials that we currently have for 'wet signatures' on dried sheets of woodpulp.

Thank you for signing, if you did. The last couple of days since publication (to time of this writing) have seen a massive 43% leap in petitioners! Thank you - and if you've not signed yet please search for and sign Parliamentary petition 230869 now!

You'll also know that the formation of the British Blockchain Industry Association (BBIA) was announced at about the same time. You'll have to wait for the formal launch in the new year for full details of all the exciting plans I'm afraid but you can be sure that they'll be new, different, and fully focussed on the industry globally working with society for the maximum positive impact on exclusion, inequality and for prosperity for us all - at this pivotal moment in history.

The very moment when the IMF is calling for central banks globally to create their own cryptocurrencies, and quickly. The moment when it's now widely understood - in government and elsewhere - that blockchain itself, the technology behind all this, is just as important. Most probably even more so, because it has the capacity to transform the internet and the web: In short from insecure islands that each require a defended perimeter, to

connected infrastructure that, potentially, we can all own and use. We are about to are remake, again, not just our entire environment but also money itself - and so society.

So we'll be firing up debates, hackathons, alliances and creating new opportunities helping to explore and open up this new frontier.

But this is not just for the crypto cranks and the chips off the old blockchain - it really is for everyone. So whether you call post-Satoshi technology 'blockchain' or DLT, or whether you wince inwardly when they're mentioned, wondering what it's really all about. Whether or not you already 'speak Blockchain', this really is for you.

Because the agenda is wide open, too, and the BBIA want to hear from you - whether you currently 'speak Blockchain' or not. Blockchain has the ability to replace the private pipe-work, friction heavy toll roads, with fast, reliable and secure public infrastructure. But what role should government play in that - if any? Who knows, since none of us had travelled this road before? What about civil society?

This touches us all now and will touch us all, every day, going forwards. So this is your best opportunity to register - along with your thoughts and needs - or just start to learn the language at www.BritishBlockchainIA.org.

Email Barry.James@TokenIntelligence.io questions or listen to the latest at ICORadio.