

# CRYPTO A.M.

Our series on AI, Blockchain, Cryptoassets, DLT and Tokenisation

PARTNER CONTENT

## CITY A.M.'S CRYPTO INSIDER

JAMES BOWATER

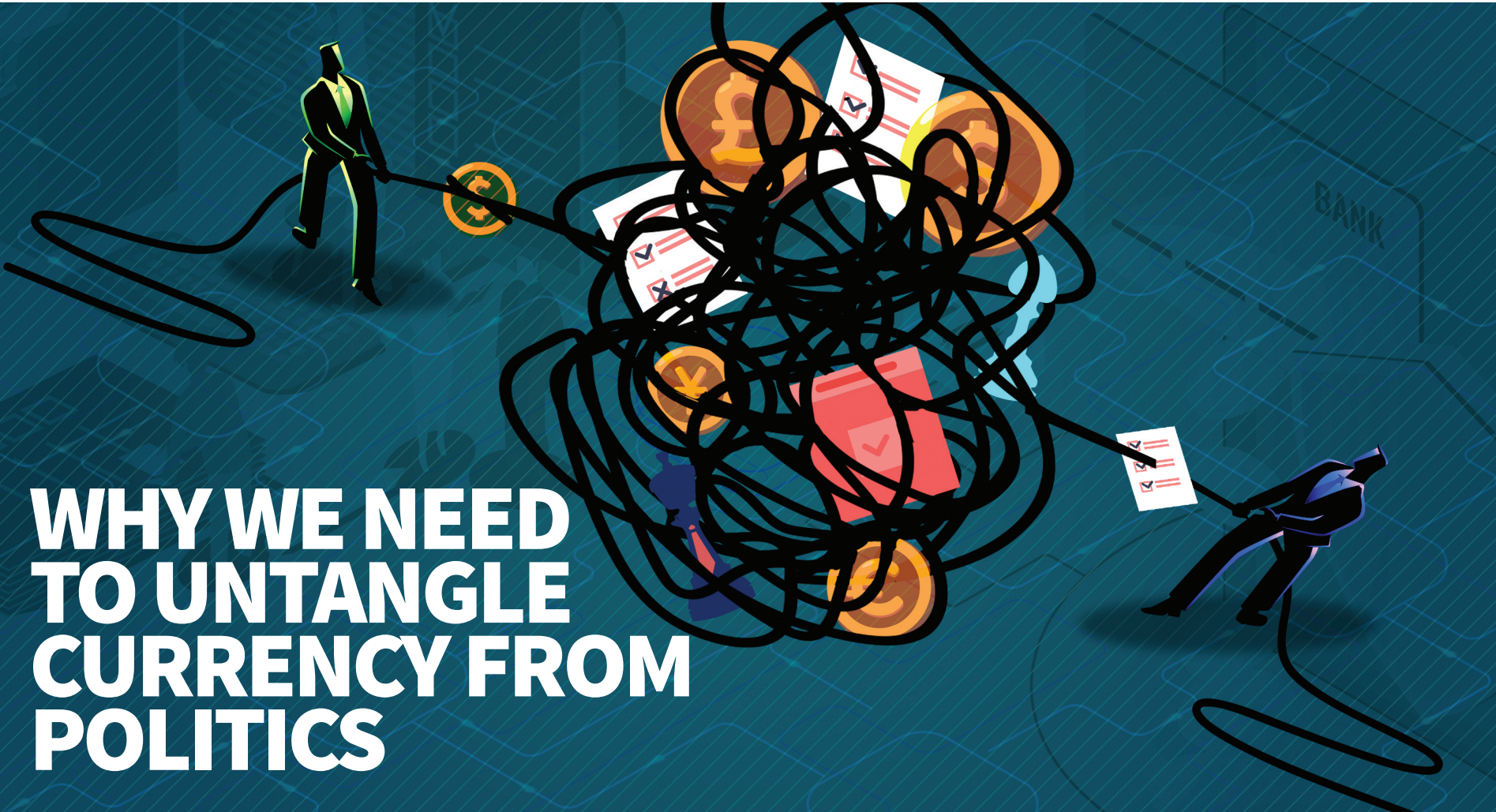
The Ukraine is home to some of the brightest developers in the blockchain, so it is unsurprising that for the last few months the government there has been telegraphing their intent to legislate on the use of cryptocurrency. With a new youthful government, led by President Volodymyr Zelensky, recognising the need to embrace revenue generation from the crypto space and, as reported yesterday by Adrian Barkley of Crypto Daily, members of Ukraine's legislative arm, the Verkhovna Rada, have recently adopted a new bill that integrates the best worldwide AML practices into the crypto regulatory framework of the country. Essentially crypto is now classed as property and can be used as a medium of exchange. There is even discussion about Bitcoin being able to be used in Kyiv as a payment method for travel on the public transport system - if this comes to pass then it will be a big push for mass adoption.

The crypto market was relatively calm since last week's edition with reduced volatility compared to the previous few weeks. Bitcoin (BTC) at the time of writing was trading up from last week at US\$7,446.86 / GB£5,671.67; Ethereum (ETH) is at US\$148.27 / GB£112.50; Ripple (XRP) is at US\$0.2257 / GB£0.1712; Binance (BNB) is at US\$15.44 / GB£11.76 and Cardano (ADA) is at US\$0.03776 / GB£0.02876 Overall Market Cap is at US\$203.30bn / GB£154.52bn (data source: www.CryptoCompare.com)

Maggie Webber, who I affectionately refer to as my Ozzie Mum, has written an e-book entitled 'A Working Mother's Guide to Blockchain and Cryptocurrency' which launched Saturday on Amazon. She explained "I realise 'Working Mothers' is my very niche coaching space, but I do hope this e-book helps to introduce more women to this exciting decentralized space we are all in". The book went to #1 in Australia, #2 in India, #5 in the UK and #7 in the US making it already an Amazon International best seller!

Yesterday I had occasion to meet British filmmaker Ted Byron Baybutt who outlined to me his exciting debut feature film entitled 'Slammer'. It is a British thriller - think Dial M for Murder colliding with the Crypto world. His production company Chasing the Bear Films, in true entrepreneurial style, has offset £1.7m of the £2.0m budget to make it for £300k. With a guaranteed slot at Cannes 2020 he's chasing down the last £55k to complete. This would be great fun for anyone involved in Blockchain and Crypto to support a Hitchcockian thrill ride! Get in touch by email [ted@sweeperstudios.com](mailto:ted@sweeperstudios.com)

I am hosting the London Blockchain Forum Christmas Keynote Supper at Smith & Wollensky is taking place on Monday 16th December kicking off at 18:15 - Crypto AM readers are welcome to attend and you can get your tickets to hear from BEQUANT, CryptoCompare and Cudo - all amazing companies - by applying for a £33 ticket via <https://cpglondon.org/lbf-xmas> or scan the QR Code opposite.



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## WHY WE NEED TO UNTANGLE CURRENCY FROM POLITICS

### ENTER BLOCKCHAIN

Blockchain technology gives us the ability to create a currency that doesn't need to rely on a national or corporate entity for issuance. Instead, money can be issued based on predefined rules and algorithms. Implementing such algorithms on a blockchain can provide in-built trans-

parency and reliability, providing assurance that the crucial functions controlling money supply are carried out as intended. What's more, this system could be accessible to anyone with an internet connection - holding untold potential for millions of citizens globally who are, for a number of reasons, underserved by current monetary structures.

But simply being based on blockchain does not make a global

currency - demonstrated by the fact that blockchain is now 10 years old, and we have yet to see the solution emerge.

It is my view that if we are to build a new global currency, we must look to the achievements of the past while thinking of the future. We must harness the strengths and lessons of the current financial system in order to create a new one. A new system must contain mechanisms to serve as a vi-

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## CRYPTOCOMPARE MARKET VIEW

### Millenials Prefer Bitcoin Over Netflix, Microsoft or Alibaba Stock

Millenials are increasingly choosing to invest in bitcoin over traditional equities. This according to a report from Charles Schwab which found that Grayscale's Bitcoin Trust (GBTC) product ranks highly among the top 10 equity holdings of millennials, only falling behind Facebook, Tesla, Apple, and Amazon. An exciting prospect for crypto enthusiasts, the report suggests that millennials prefer exposure to bitcoin over Berkshire Hathaway Netflix, Microsoft and Alibaba. For other generational brackets, GBTC doesn't even feature in the top 10.

Markets this week were somewhat less volatile than previous weeks. After a minor slump down to the \$7,150 mark on Wednesday, Bitcoin spent most of the week above the \$7300 level - to trade at the time of writing at \$7,501. Altcoins again followed a similar pattern to bitcoin, with Ethereum (ETH) also sliding on Wednesday, before recovering to end the week trading just above \$150.

A lack of serious volatility didn't stop Bitcoin hitting another significant milestone, however, as it recorded the highest hourly transaction volume in its decade-long history. With \$8.9 billion (1.8 million BTC) moved in a series of transactions, the fund transfer is believed to have been conducted by crypto exchange Bittrex while moving its holdings for security purposes. The total cost of the transfer stood at a little over \$12.

The European Central Bank (ECB) is reportedly considering the launch of its own digital currency. According to a report seen by Reuters, if the private sector fails to create an efficient solution for cross-border payments, and cash usage drops, the ECB plans to accelerate the development of its own central bank digital currency (CBDC). While cash itself remains a popular means of payment across Europe, the report notes that "signs of a future decline in cash usage could be a catalyst in accelerating central bank efforts in the area of central bank digital currency."

## CRYPTO A.M. INDUSTRY VOICES

### Does fintech have a problem holding onto talent

work for this cool crypto fintech, but it's chaos! This sentiment is becoming increasingly common as opportunities within Fintech are on the rise, encouraging a continued candidate-driven market. If you're considering a new role right now in fintech, you'd be spoiled for choice, especially if you have a background in software engineering, operations, cyber security or data and analytics. Despite the need for headcount growth, it's not however all good news for business owners in this space. The problem is, start-ups to global tech giants in-the-making hold a particularly poor track record when it comes to hiring, retaining and fostering long lasting company culture; the industry overall has the highest attrition rate at 13.2%.

The ISL Retention Report - Tech Scaleups 2019 surveyed nearly 200 people who had left their post in the previous four months and found that more than 80% cited the working environment as the key reason. Our own data shows hiring leadership for tech companies requires a different approach because fintech's aren't, by nature, designed to follow traditional management models. Most lack formal organisational design-thinking, leading to increased turnover in a market where retaining people is crucial to the disruption they seek to achieve.

Our experience also places fintech companies highest on the list when it comes to changing role profiles during the search process; 81% of executive mandates for which we were retained in 2019 were changed more than twice during the course of the search. These businesses are consistently shifting strategy; therefore, candidate profiles tend to be evolutionary in keeping pace with the business.

Given these circumstances, how can we address retention? Honesty: At the outset, paint a realistic picture of what company life will look like based on the trajectory and goals of the business. It takes a specific kind of person to thrive in an ambiguous and evolving fintech environment, so it's important to decipher early those who can and those who can't. During 2019, 63% of our fintech mandates did not leverage a traditional "job description" to present to candidates;

the requirements and reporting structure were subject to fluidity. This scenario enables employers to quickly determine those who are comfortable progressing unstructured opportunities.

Chemistry: Determining cultural alignment in tech is crucial as it is often the reason for high attrition. Google, Amazon and Facebook have engaged informal "meet-and-greet" events for those under job offer, or immediately after acceptance. Our data reflects this type of pre-onboarding approach contributes to retention success for fintechs.

Addressing cultural alignment, we religiously run informal events for clients as part of the interview process and attribute much of our 92% retention rate two years post-hire to this approach.

For pre-IPO fintechs, cash compensation is not the main motivator; it is the stake in and possible upside in the growth of these firms. 91% of candidates we introduce are critically evaluating the following: the opportunity to build cutting edge, disruptive solutions; professional growth; entrepreneurial experience and equity stakes.

Open-Mindedness: With the evolving role specification, the chances are that candidates introduced for one role, may end up in another. We recently placed a former Google executive into a fintech client, originally introducing them for a chief of staff position. They were ultimately offered and accepted the role as CEO of the AI platform business as the client recognised their skillset was a unique blend. We partnered closely with client and candidate to best position this shift in search strategy.

Those working in this market should acknowledge the environment and cultural aspects of the broader fintech space. The most exciting area for us right now are those fintechs that are Blitzscaling - investing quickly and heavily to dominate market share. In these environments, everyone does what is required, knowing that they are building something great with rewards to be shared. Are you ready for this journey?

Georgina Powley is partner at global search firm, TritonExec [www.tritonexec.com](http://www.tritonexec.com)

## Crypto A.M. shines its Spotlight on CoinPass

In 2017 the blockchain space was on fire. New technologies were being designed, created and deployed across multiple different technologies. The future was bright, and opportunities were everywhere, but there were still major choke points in the Blockchain and Crypto ecosystem which still exist today, Fiat and Banking Gateways to the Blockchain ecosystem.

Since 2017 there have been exchanges and fiat gateways available in many different countries, each with their own set of rules and niches, but not all can be trusted equally. Many offer access to the market but have substantial restrictions on deposits, long wait times, low number of fiat options and high deposit and withdrawal fees. Our goal was to address and eliminate these friction points to the client experience.

Coinpass was originally founded in 2017 by three founders already working in Tech, Cybersecurity and Financial

Services. Jeff Hancock the CEO has a long technology career from Hotels, Casinos, Data Centres and working within hedge funds. Jason Fitzpatrick the COO has over 25 years' experience in Financial Services in compliance, regulation, trading. Paul Tiley the CTO has worked in some of the largest entertainment brands in the world such as Sony & Merlin Entertainment

Coinpass will look to partner with DeFi protocols to give investors access to Decentralized Finance products.



securing and developing their networking and software environments. The management team had a specific goal to become one of the most trusted, premium quality and best service Fiat Gateway in the UK. Coinpass's objective

was to serve both retail & professional investors, across several different products granting access to the crypto market in GBP with a fast, secure, frictionless trusted partner. Even today, many of our competitors

in the UK market are following a foreign regulation regime which doesn't serve or protect the average UK investor. This mismatch of financial regulation, anti-money laundering and know your customer requirements from other countries does nothing but hamper Crypto and Blockchain adoption for UK Investors.

Retail investors looking to work with a local trusted brand with an approachable and helpful support team, with great prices and secure storage can use our coinpass Buy & Sell platform.

Professional traders will have access to our highly secure, offline cold storage, high liquidity trading platform from the end of Q1 2020.

Businesses and OTC dealers looking for larger deals can take advantage of our large liquidity pool and regulated banking partners to execute larger trades with security and peace of mind.

In 2020, coinpass will look to partner with DeFi protocols to give investors access to Decentralized Finance products directly from their local fiat currency in a few clicks without the use of an additional 3rd or 4th party. We believe that DeFi is the next big step for blockchain to become widely adopted by big business and enterprise and can provide investors with a lower risk, easier access and higher return options than many traditional asset classes.



This week I attended the Asian E-Tailing Summit in Hong Kong where I was on a panel discussing blockchain and its role in online retail. Here are the three top takeaway ideas from the discussion.

### PROTECTING BRAND VALUE

Enterprises ranging from cosmetics and apparel to pharmaceuticals are looking for ways to prove the authenticity of their products to protect brand value and improve consumer confidence. To achieve this, all the participants in the supply chain can record information about a product from its raw source materials through to manufacturing and eventual distribution to end consumers. Furthermore, individual companies can record their certifications, including organically grown,

able means of exchange, namely: a solid monetary model to support its value; a practical governance framework for administration; and the capacity to support adoption and acceptance over the long term.

This prerequisite for stability in a new global financial system that dis-qualified bitcoin. While bitcoin's volatility held appeal for many users, it's value has fluctuated hugely: being valued at around \$1,000 in January

2017, skyrocketing to \$20,000 in December of the same year, and now hovering at around \$7,000. Stability for individuals to store value is central to the acceptability and safety of currency - and bitcoin for this reason could not be widely accepted, without posing systemic risk to the global economy.

Stablecoins - digital currencies tethered to the value of nation-state currency - are a safer alternative to

bitcoin when it comes to the store and exchange of value. However, they fall at the same hurdle as fiat currencies - stablecoins tethered to a state-issued currency are still subject to the political agenda of the given currency's issuer.

But there is another way. The International Monetary Fund (IMF) defined and maintains a basket of (currently, five) currencies called 'special drawing rights' (SDR). The SDR is how the IMF holds international currency reserves, with the configuration of these currencies generally balancing out any of the currency's fluctuations in value. Logically speaking - if the IMF hedges against currency volatility through a basket of currencies, a digital currency could do the same.

I believe that the world needs a global currency. And it's no longer a case of what that looks like. A truly global currency must first fulfil the two foundational functions of currency: - storing and exchanging value. Serving these functions stipulates stability, and doing this on a global scale calls for global accessibility - along with independence from any influence of the political agenda of any one nation state.

So, if it's no longer a case of what, it is a case of how. In order to be a truly global proposition, the solution will have to marry technology - with its inherent transparency, in-built accountability and global reach - with stability of value. And for this proposition to have longevity, monetary decisions will have to be accountable and reflect the will of the true stakeholders - those who hold and use the currency.

Ido Sadeh Man, Founder of Saga, in conversation with James Bowater. You can engage with Ido via Twitter: @idosdh

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## BLOCKCHAIN IN ONLINE RETAIL

Troy Norcross, Co-Founder Blockchain Rookies

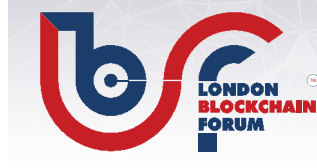
do not have spare capacity.

### DON'T BOTHER WITH CRYPTOCURRENCY

The panel was unanimous in recommending against online retailers accepting cryptocurrency. Whether talking of bitcoin or any of a range of stable coins, the consensus was that there was insufficient demand as well as excessive risk (price volatility) associated with cryptocurrency and that for the majority of today's consumers using credit cards or PayPal was more than sufficient.

With blockchain, online retailers can build trust with their consumers.

Get in touch with us: [info@blockchainrookies.com](mailto:info@blockchainrookies.com) / Twitter @igetblockchain



The London Blockchain Forum Christmas Keynote Supper will take place on Monday, 16th December at a Smith & Wollensky. Keynotes by BEQUANT, CryptoCompare and Cudo. Crypto AM Readers can apply by visiting <https://cpglondon.org/lbf-xmas> or scanning the QR Code. Thanks to sponsorship the £145 cost per head is £33. Goodie bags for everyone attending.

