



Huobi Research

Related Reports

《 Huobi Research Weekly (Vol.49)》 2019-2-19

《 Huobi Market Sentiment Index Report December 2018》 2019-1-23

Authors

Yuming Hubery Yuan
Wenting Chi
Zilu Wang

huobiresearch@huobi.com

Huobi Research Weekly (Vol.50)

2019/02/18-2019/02/24

Abstract

This week, the overall market capitalization for the top 100 cryptocurrencies increased, with 61 projects increased in value to varying degrees. According to coinmarketcap, as of February 25th, 2019, the total market cap of the top 100 cryptocurrencies was 123.90 billion U.S. dollars, increased by 3.48% from last week. 3 cryptocurrency projects entered the top 100 this week. As of February 25th, 2019, Bitcoin was traded at 3810.43 USD, 3.64% higher than its price last week. Ethereum was traded at 135.9 USD, 2.08% higher than its price last week.

Average block size of Bitcoin decreased while average number of transactions per block was the same as last week; Average number of transactions per block and average block size both increased on Ethereum. Average number of unconfirmed transactions in Bitcoin decreased by 21.26%, while that of Ethereum increased from last week. Total transaction fee of Bitcoin and Ethereum both increased this week. The 7-day average of unconfirmed transactions for Bitcoin and Ethereum were 8575 and 30353 respectively. Bitcoin's Hashrate increased by 4.77% and Ethereum's Hashrate increased by 8.01%. The average transaction fees on the Bitcoin network this week was \$0.371, increased 75% from last week. While the average transaction fees on the Ethereum network this week was \$0.133, increased 31.68% from last week. Total number of addresses on the Bitcoin and Ethereum network reached 33.57 million and 56.38 million, respectively.

ELF was the most active project on GitHub this week, with 163 commits submitted in the past week. In terms of community activity, Torn, Bitcoin and Ethereum are the most popular communities on Facebook. On Twitter, the most popular communities are Bitcoin, Ripple and Ethereum.

3 investment activities took place in the blockchain industry this week. CipherTrace, a Blockchain security service provider, received \$15 million in round A financing.

Table of Contents

1. Weekly Market Review	3
1.1 Market overview	3
1.2 Segment Analysis	5
2. Technical Statistics	7
2.1 Cryptocurrency Mining Statistics	7
2.2 Activity Statistics	10
2.3 Community Activity Statistics	16
3. Weekly Blockchain News Review	17
3.1 Industrial Application	17
3.2 International Policies	18
3.3 Technological Breakthrough	20
4. Weekly Investment Activities	20

1. Weekly Market Review

1.1 Market overview

This week, the overall market capitalization for the top 100 cryptocurrencies increased, with 61 projects increased in value to varying degrees. According to coinmarketcap, as of February 25th, 2019, the total market cap of the top 100 cryptocurrencies was 122.90 billion U.S. dollars, increased by 3.48% from last week, among which, VERI had the largest decreased of 19.19% in market cap, bringing its market cap ranking from No.82 to No.99, while S4F had the largest increased of 916.31% in market cap, bringing its market cap ranking from No.273 to No.56. In addition, there were 3 projects that entered TOP100, namely, S4F, QASH(increased 34.77%, now No.90), CENNZ(increased 20.42%, now No.97). As of February 25th, 2019, Bitcoin was traded at 3810.43 USD, 3.64% higher than its price last week. Ethereum was traded at 135.85 USD, 2.08% higher than its price last week.

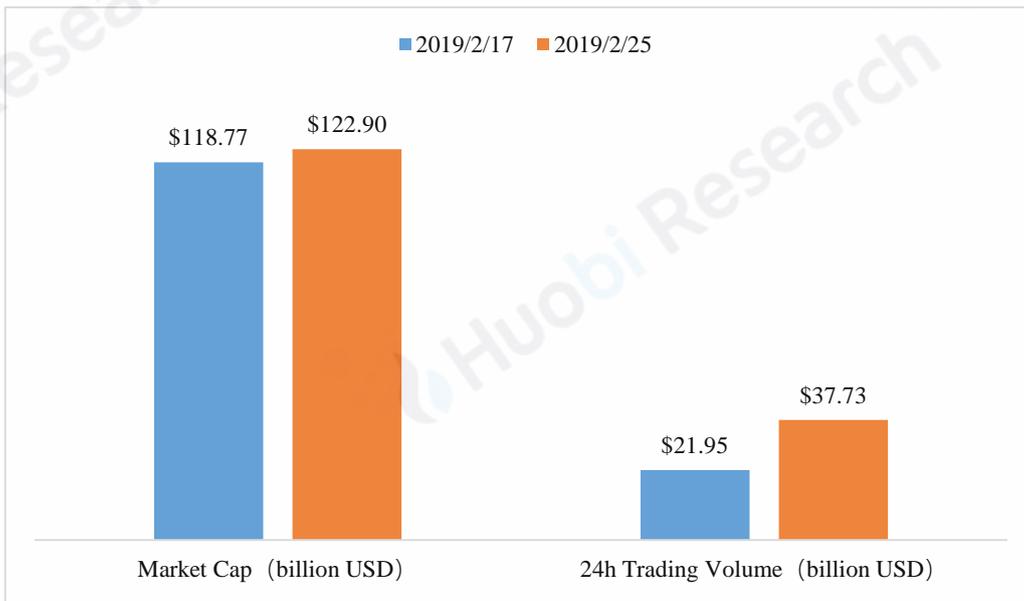
Table 1.1: Top Five Price Increases and Decreases

Symbol	Price decrease	Symbol	Price increase
VERI	-20.09%	S4F	395.99%
R	-14.62%	ONT	55.52%
QNT	-14.35%	QASH	50.07%
PPT	-13.07%	CENNZ	29.04%
LINK	-10.42%	EOS	25.01%

Source: coinmarketcap

The overall 24h trading volume increased this week. Overall, the 24h trading volume increased by 71.9% compared with the same period of last week. In this week, 55 of the top 100 projects increased by more than 20% in 24h trading volume, led by ETP with a weekly increase of 665.4%; there were 18 projects that saw over 20% decrease in their 24h trading volume, led by ARK, with a decreased of 93.74%.

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

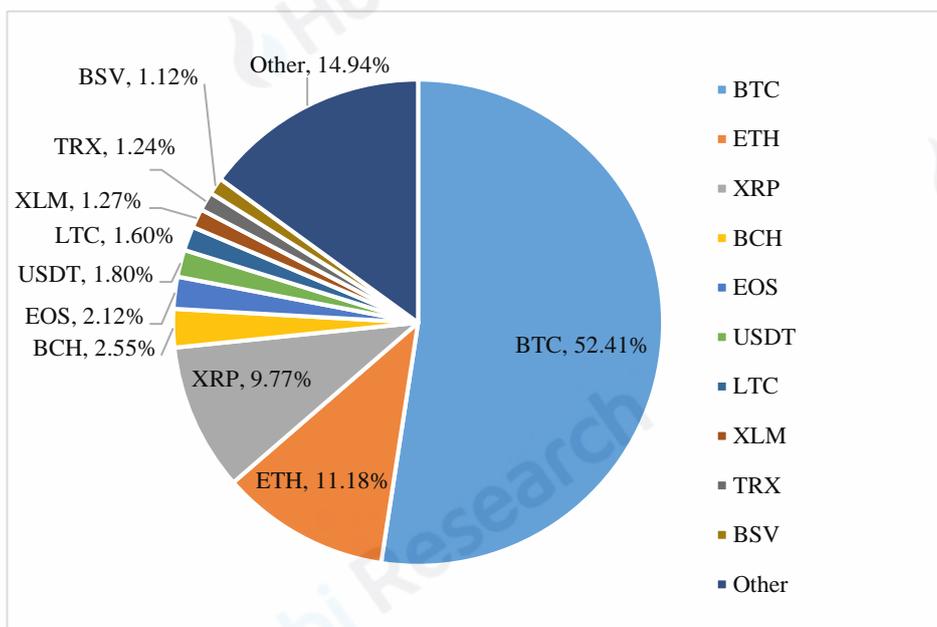


Source: coinmarketcap

The top 10 cryptocurrencies’ market share distribution remained stable.

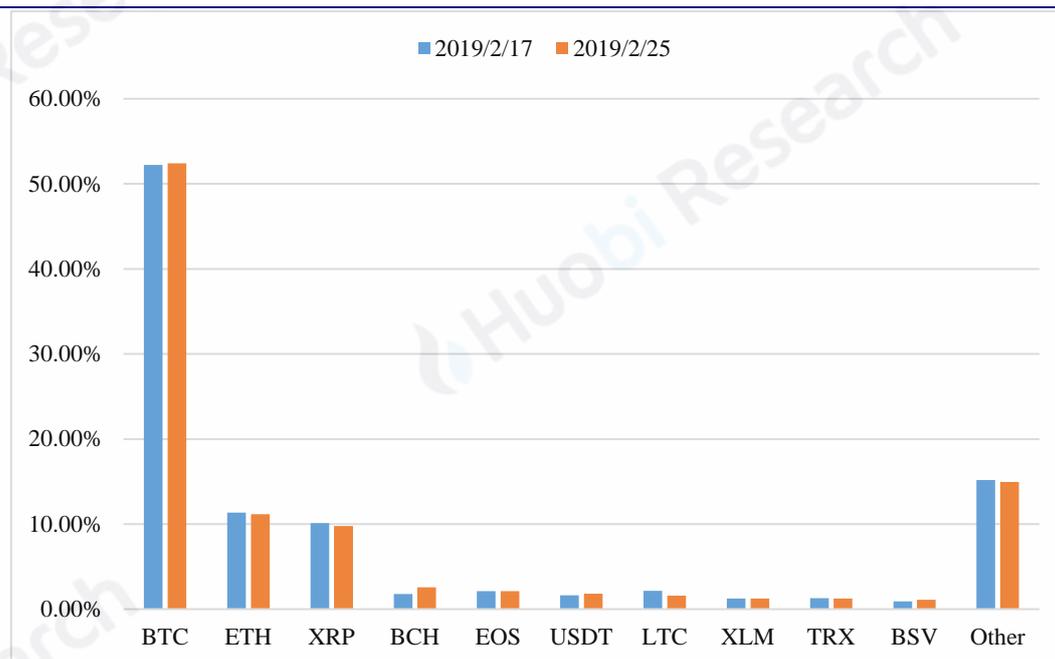
On February 25th, the overall market cap of the top 10 cryptocurrencies was 108.57 billion USD, up by 3.52% from last week, accounting for 85.06% of the total market capitalization of cryptocurrencies, slightly increased from last week. BTC’s dominance was 52.41%, up by 0.20% from last week.

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

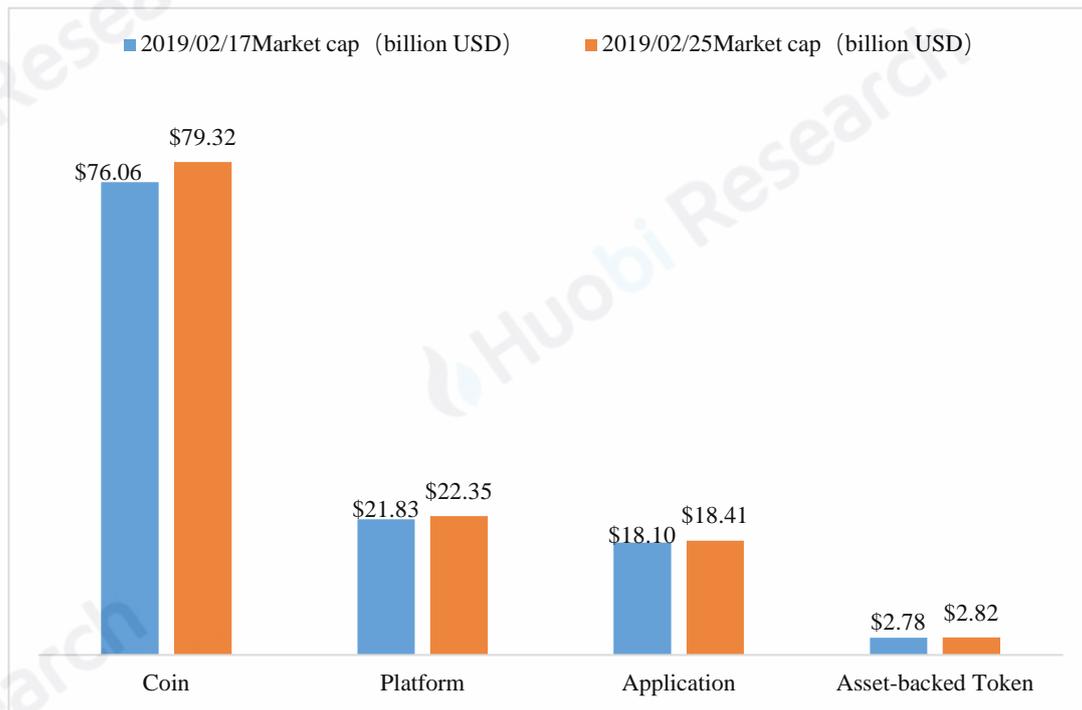


Source: coinmarketcap

1.2 Segment Analysis

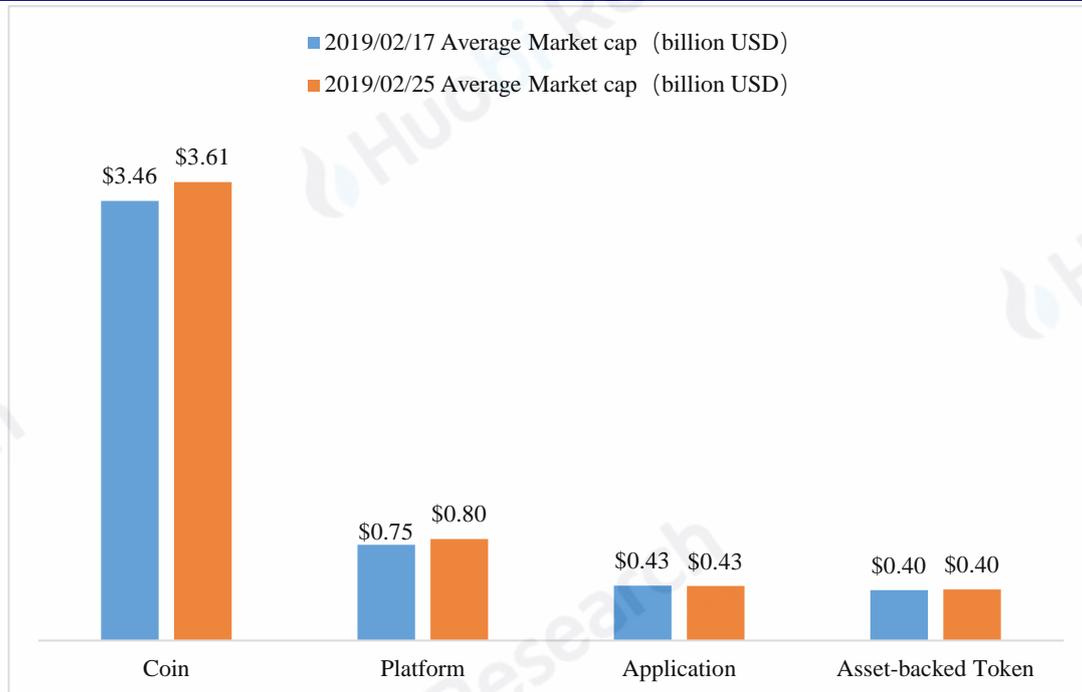
Among all cryptocurrency project segments, the total market cap of coin project received the largest increase, and the average market cap of platform project received the largest increase. As of February 25th, 2019, the total market cap of coin projects reached 79.32 billion USD, increased by 4.29% compared to last week, which was the biggest increase. In addition, average market cap of platform projects was 7.98 billion USD, increased by 6.03% compared to last week, the biggest increase among all project categories this week.

Figure 1.4: TOP100 Cryptocurrencies Market Segment Capitalization



Source: coinmarketcap

Figure 1.5: TOP100 Cryptocurrencies Segment Average Market Cap

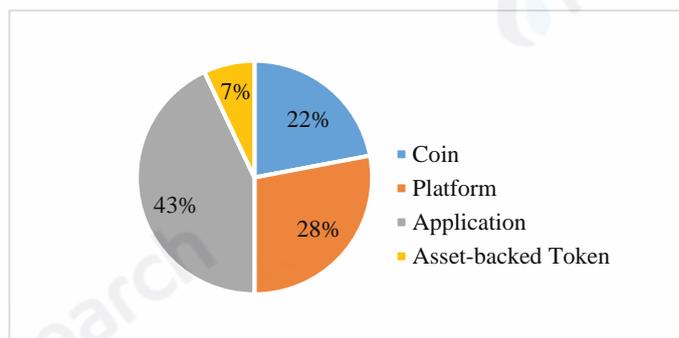


Source: coinmarketcap

The market segment distribution of the top 100 cryptocurrencies

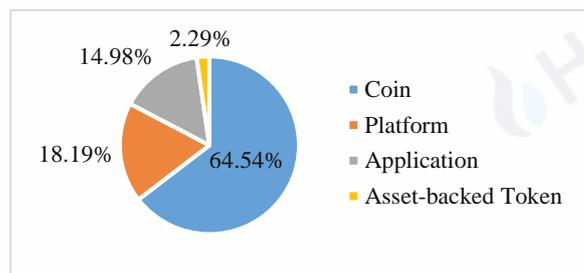
remained stable. As of February 24th, 2019, the proportion of the market segments has remained stable among the top 100 projects compared to last week. The largest overall market cap by segment was still coin projects, accounting for 64.54% of the total market cap of top 100 projects, slightly increased 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 Academy of Blockchain Application will divide them into four categories: Coin, Application Class, Platform Class and Asset-backed Token.

Coin Project: Refers to a type of asset developed based on blockchain technology that does not correspond to a specific use scenario and whose main function is only the transaction target. Its asset value is mainly reflected by liquidity.

Platform Class Project: A type of asset that is associated with the development of the underlying technology of the blockchain and is supported by the right to use or participate in the platform.

Application Class Project: Refers to a type of asset that is associated with a specific application scenario and is supported by a certain right of use, participation, or dividend.

Asset-backed Project: Refers to a class of assets that is linked to actual assets such as gold and US dollars and supported by the value of physical assets.

2. Technical Statistics

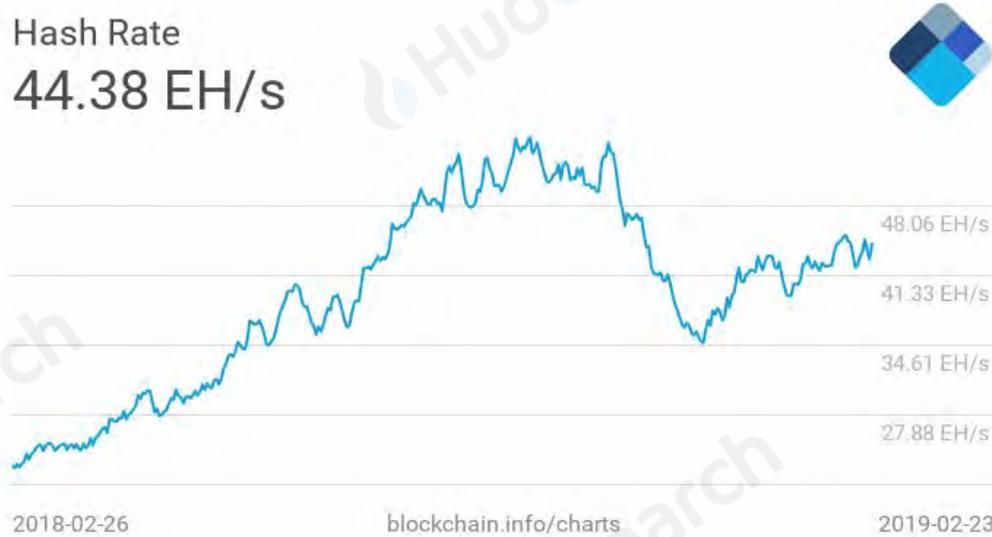
2.1 Cryptocurrency Mining Statistics

Hashrate of Bitcoin and Ethereum both increased this week. From February 18th, 2019- February 24th ,2019, the average bitcoin Hashrate for

the entire network reached 44.38 EH/s, increased by 4.77% from the previous week.

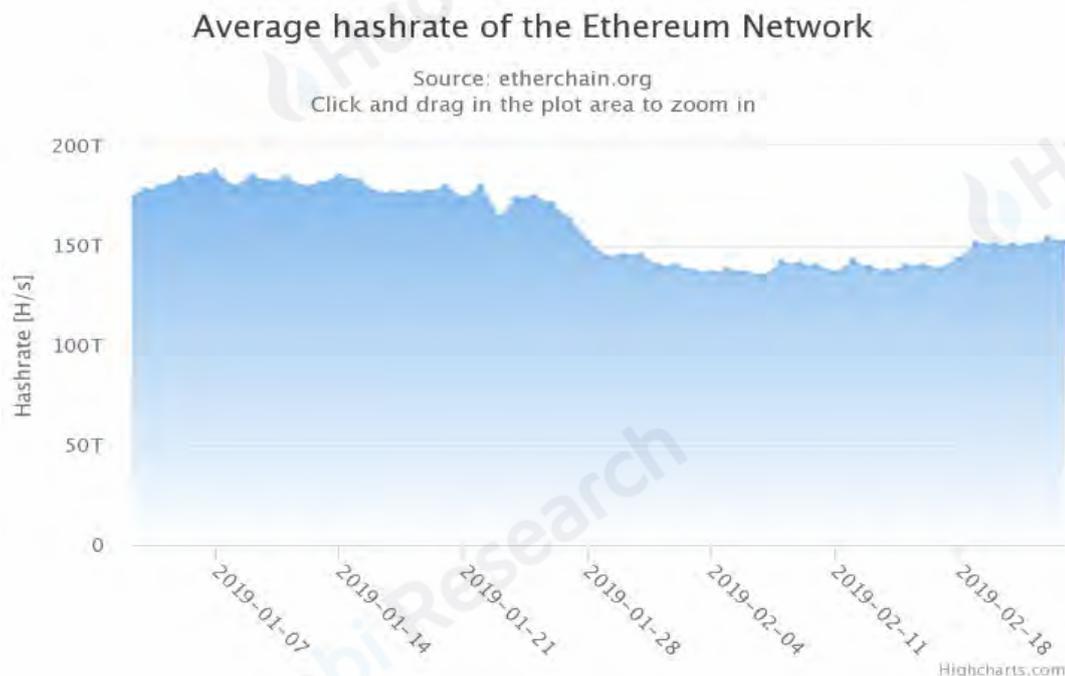
Average Hashrate for the entire Ethereum network was 149.85 TH/s this week, increased 8.01% from last week.

Figure 2.1: Bitcoin Hashrate Changes



Source: blockchain.info

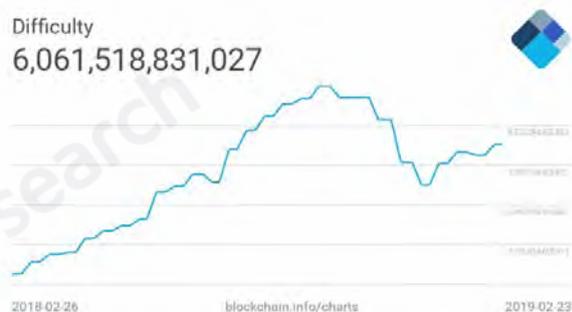
Figure 2.2: Ethereum Hashrate Changes



Source: etherchain

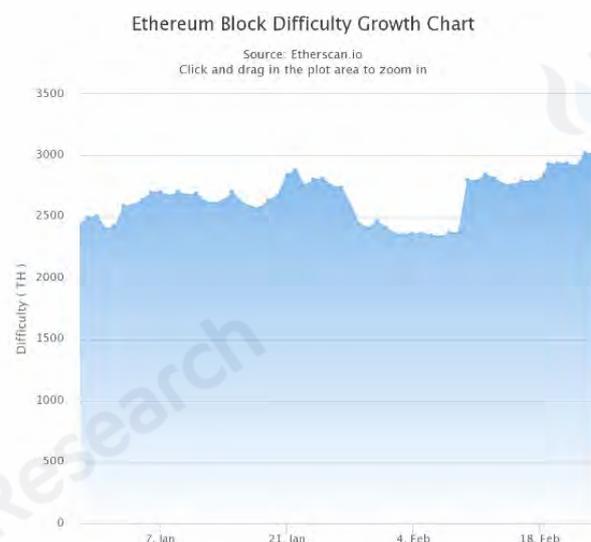
This week, the difficulty of mining Bitcoin and Ethereum both increased. As of February 24th, 2019, average difficulty for mining Bitcoin this week was 6.062T, increased by 0.39% from that of previous week. The average difficulty of mining Ethereum this week was 2935TH, increased by 5.12% from that of previous week.

Figure 2.3: The Difficulty of Mining in Bitcoin



Source: blockchain.info

Figure 2.4: The Difficulty of Mining in Ethereum



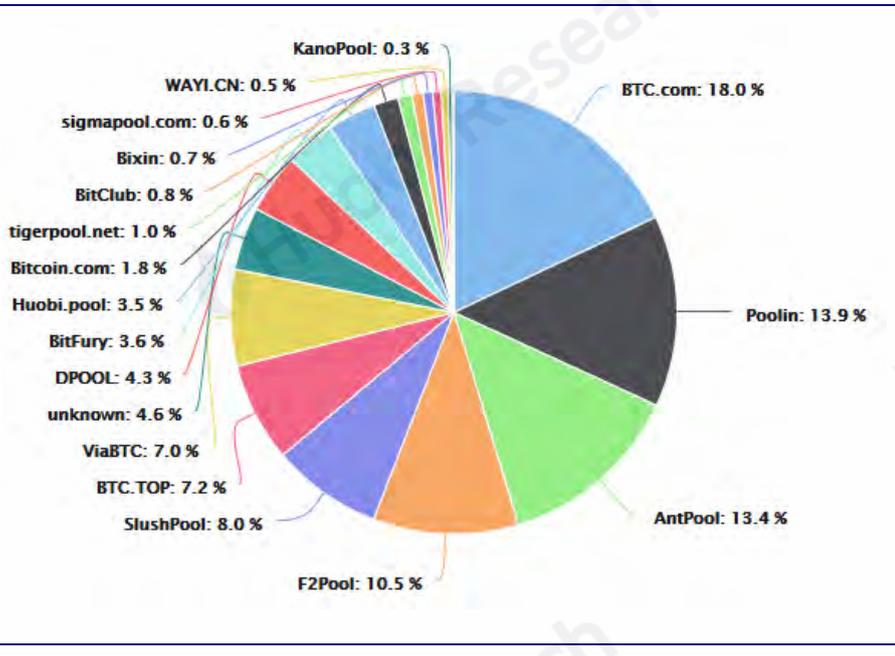
Source: etherchain

The percentage of BTC.com in the overall mining pool market decreased, and SlushPool ranking increased. The overall distribution of the Ethereum mining pools remained stable, the number of blocks began to increase. In the past week, Bitcoin mined 997 blocks, decreased 0.50% from the previous week. Among the top five pools were BTC.com, Poolin, AntPool, F2Pool and SlushPool, these 5 pools mined 179, 139, 134, 105 and 80 blocks respectively, accounting for 17.95%, 13.94%, 13.44%, 10.53% and 8.02% of all Bitcoins mined this week. The Hashrate was 7.74EH/s, 6.01EH/s, 5.79EH/s, 4.54EH/s and 3.46EH/s respectively.

In the past week, Ethereum's entire network mined 29849 blocks, increased 1.70% from the previous week. The top five pools were Ethermine, SparkPool, Nanopool, F2pool_2 and Miningpoolhub_1, each mined 8470, 5989, 3974, 3626 and 1730 blocks respectively, accounting for 28.38%, 20.06%, 13.31%,

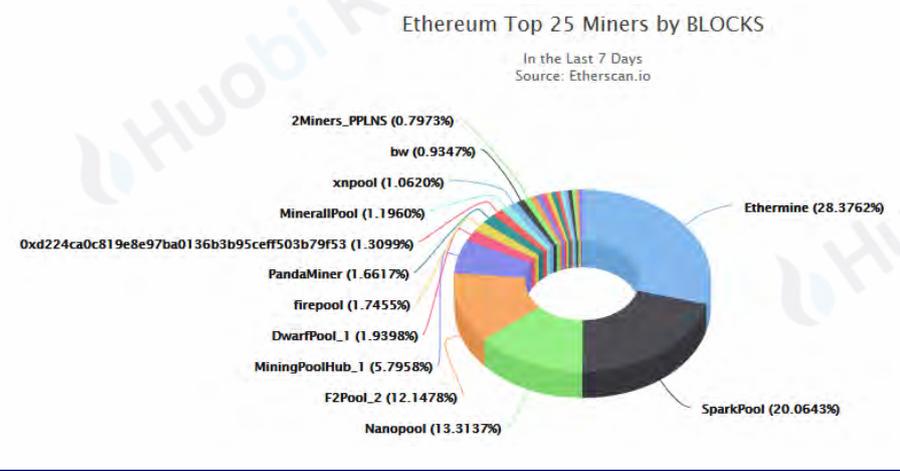
12.15% and 5.80% of all Ethereum mined this week, respectively.

Figure 2.5: Distribution of Bitcoin Mine Pool



Source: BTC.com

Figure 2.6: Distribution of Ethereum Mine Pool



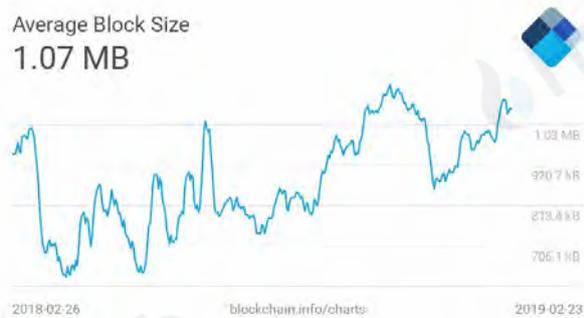
Source: etherscan.io

2.2 Activity Statistics

Bitcoin’s block size decreased this week while the average number of transactions per block was similar to last week. The average block size and average number of transactions per block of Ethereum both increased. According to blockchain.info, from February 18th, 2019-

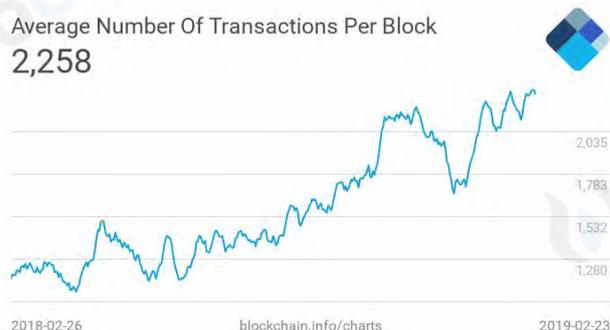
February 24th, 2019, the average size of each block was 1.07 Mb, decreased by 2.73% from last week; there were on average 2258 transactions recorded in each block, similar to last week.

Figure 2.7: Block Size of Bitcoin



Source: blockchain.info

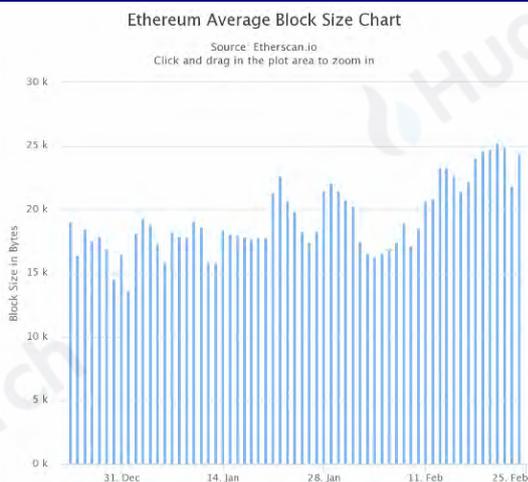
Figure 2.8: The Average Transactions of Per Block in Bitcoin



Source: blockchain.info

According to etherchain, the average number of transactions per block in Ethereum this week was 123.05, increased by 12.94%. The average size of each block was 24267 bytes, increased by 9.84% compared to last week.

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



Source: etherchain

Figure 2.10: The number of transactions per day

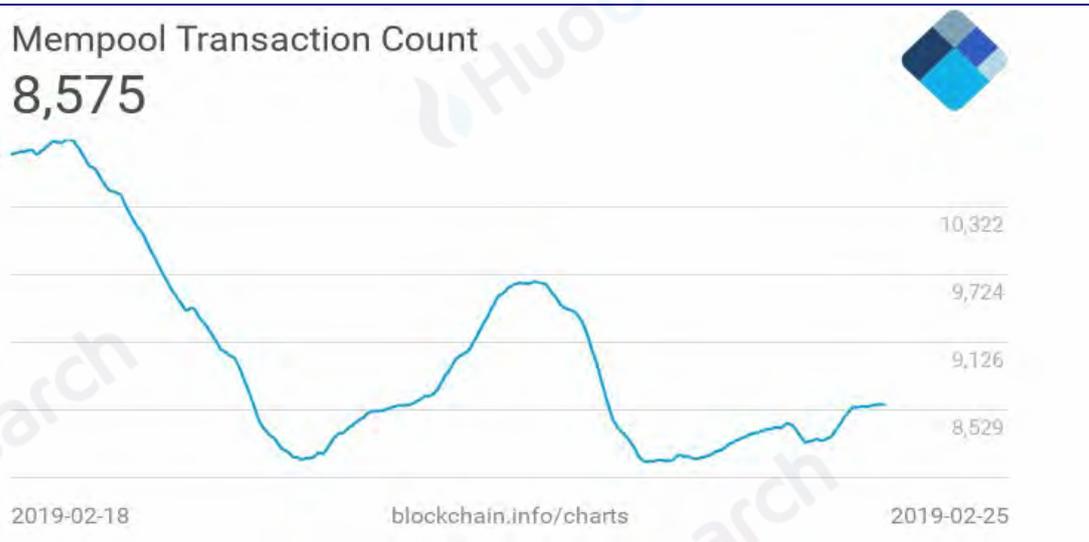


Source: etherscan.io

Number of unconfirmed transactions in Bitcoin decreased by 21.26%, while that in Ethereum increased from the previous week. As of February 24th, 2019, the number of 7-day average unconfirmed transactions in Bitcoin

network was 8575, decreased by 21.26% from last week. There were 30353 unconfirmed transactions in the Ethereum network, with the lowest amount of unconfirmed transactions in the week being 10127 and the highest amount being 37890.

Figure 2.11: Unconfirmed Transaction in Bitcoin



Source: blockchain.info

Figure 2.12: Unconfirmed Transaction in Ethereum



Source: etherscan.io

Total transaction fees of Bitcoin and Ethereum both increased this week.

As of February 24th, 2019, average transaction fees of Bitcoin this week was \$0.371, increased by 75% from last week. Average transaction fees of Ethereum this week was \$0.133, increased by 31.68%.

Figure 2.13: Bitcoin, Ethereum Average Transaction Fees



Source: bitinfocharts

The average number of distinct miners per day in Ethereum decreased slightly. From February 18th, 2019-February 24th, 2019, the average number of distinct miners per day in Ethereum this week was 56.14, decreased by 1.68% from last week's 57.1.

Figure 2.14: Number of Distinct Miners Per Day



Source: etherchain

The number of nodes of Bitcoin and Ethereum both increased this week.

As of February 24th, 2019, there were 10556 Bitcoin nodes, increased by 3.59% compared to last week, of which 2637 nodes were in the U.S, 2015 nodes were in Germany, and 402 nodes were in China, each accounting for 24.98%, 19.09% and 3.81% of the total number of Bitcoin nodes, respectively.

As of February 24th, 2019, there were 8716 Ethereum nodes, decreased by 1.94% from the previous week. Specifically, there were 3585 nodes in the U.S, 1356 nodes in China, and 614 nodes in Canada, each accounting for 41.13%, 15.56%, 7.04% of total number of nodes, respectively.

Figure 2.15: Bitcoin nodes ranking

RANK	COUNTRY	NODES
1	United States	2637 (24.98%)
2	Germany	2015 (19.09%)
3	France	698 (6.61%)
4	Netherlands	530 (5.02%)
5	Canada	403 (3.82%)
6	China	402 (3.81%)
7	United Kingdom	359 (3.40%)
8	Singapore	317 (3.00%)
9	Russian Federation	270 (2.56%)
10	n/a	247 (2.34%)

Source: bitnodes

Figure 2.16: Ethereum nodes ranking

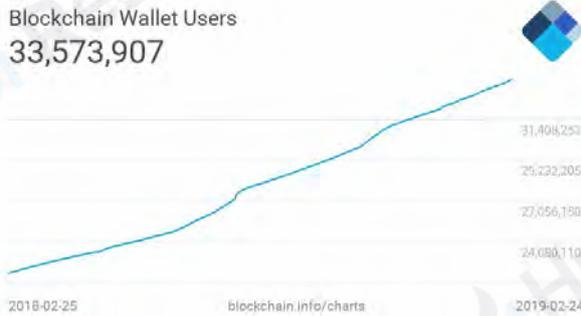
Total	8716 (100%)
United States	3585 (41.13%)
China	1356 (15.56%)
Canada	614 (7.04%)
Germany	376 (4.31%)
United Kingdom	274 (3.14%)
Russian Federation	258 (2.96%)
Korea, Republic of	198 (2.27%)
Netherlands	193 (2.21%)
Ukraine	178 (2.04%)
Japan	139 (1.59%)

Source: Ethernodes

This week, the growth rate for new addresses increased for both Bitcoin and Ethereum. According to the data on blockchain.info, as of February 24th, 2019, the total number of Blockchain accounts reached 33573907, increased by 256314 this week.

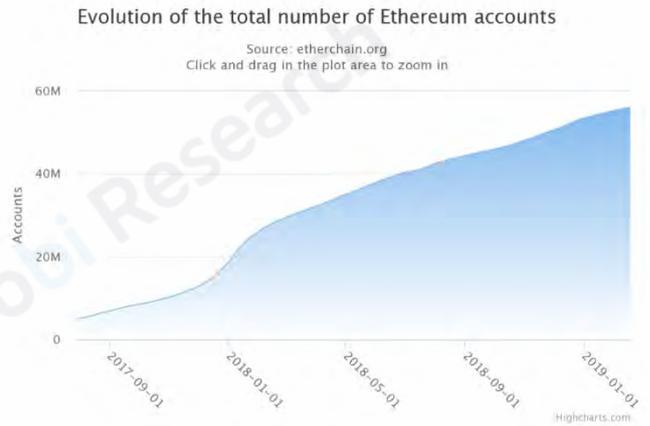
According to the data on etherchain, as of February 24th, 2019, the total number of Ethereum addresses was 56376733 increased by 324238 this week.

Figure 2.17: Bitcoin Wallet Users



Source: Blockchain.info

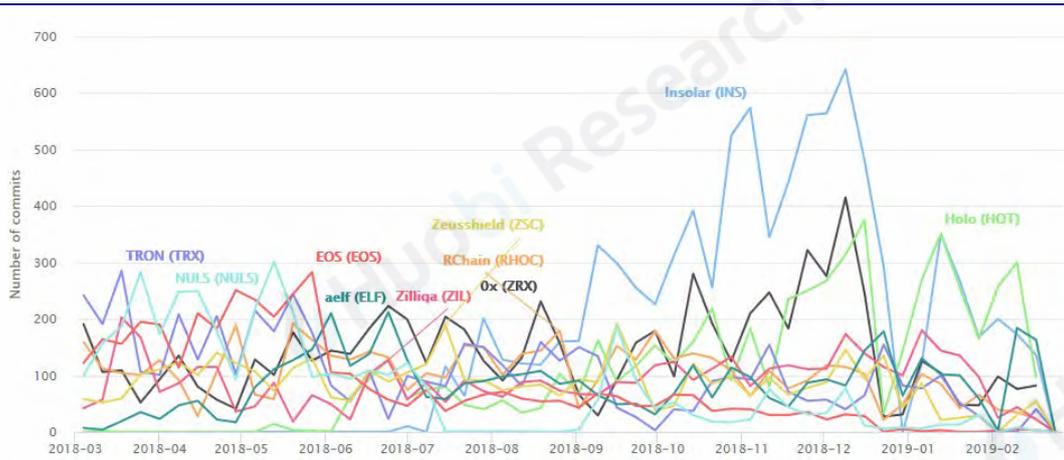
Figure 2.18: Total Address of Ethereum



Source: Etherscan

ELF was the most active project in GitHub last week. From February 18th, 2019- February 24th, 2019, ELF was the active project repository on GitHub with a total of 163 commits.

Figure 2.19: GitHub Code Activity



Source: cryptomiso

2.3 Community Activity Statistics

The top three most popular cryptocurrencies on Facebook were Tron, Bitcoin and Ethereum in descending order, with 999k, 435k and 152k fans respectively. The top three most popular cryptocurrencies on Twitter were Bitcoin, Ripple and Ethereum, with 928k, 912k, and 440k followers, respectively.

Table 2.1: Facebook Cryptocurrency Fans Ranking

RANK	Cryptocurrency	Fans(Ten thousands)
1	TRON	99.9
2	Bitcoin	43.5
3	Ethereum	15.2
4	Ripple (XRP)	14.2
5	Litecoin	9.83
6	Cardano	2.5
7	Stellar	2.3
8	BitcoinCash	2.1
9	EOS	1.6
10	BSV	0.01

Source: facebook

Table 2.2: Twitter Cryptocurrency Fans Ranking

RANK	Cryptocurrency	Fans (Ten thousands)
1	Bitcoin	92.8
2	Ripple	91.2
3	Ethereum	44.0
4	Litecoin	43.8
5	TRON	38.9
6	Stellar	26.3
7	EOS	19.2
8	Cardano	13.0
9	BSV	10.7
10	BitcoinCash	0.05

Source: twitter

3. Weekly Blockchain News Review

3.1 Industrial Application

1. Hands-On Preview of Samsung's Galaxy S10 Phone Reveals New Crypto Details

A hands-on preview of Samsung's just unveiled flagship phone, the Galaxy S10, reveals new details of the device's upcoming crypto features. It broadly allows three features: payments to merchants, digital signatures and crypto storage and transfers. The phone's full list of possible uses reads: secure distribution of data, insurance and contract verification, content copyright management, direct sharing of content, in-game goods ownership, digital asset management and transactions. According to the app's terms and conditions, the Blockchain Keystore generates and stores a private key based on blockchain technology in a secure enclave built into the device. It can securely sign and store cryptocurrency transactions using blockchain.

<https://www.coindesk.com/hands-on-preview-of-samsungs-galaxy-s10-phone-reveals-new-crypto-details>

2. Tmall international may launch a full link traceability system in March

The "full link traceability system" of Tmall international imported commodities has entered the trial operation stage. This system will issue "visa" for imported goods, and through the use of block chain, dynamic laser, dynamic image recognition and other technologies, to achieve full link traceability of goods procurement, logistics and other information, thus further strengthening the genuine protection of imported goods. According to Tmall international, this traceability system is expected to be put into operation at the end of march this year, and it is mainly aimed at the luxury goods and other fashion industries in the early stage, and then it will be gradually implemented to various imported goods industries.

<https://36kr.com/newsflashes/156945#0-tsina-1-77107-397232819ff9a47a7b7e80a40613cfe1>

3.2 International Policies

1. South Korean government agency: The international anti-money laundering organization will issue the "virtual currency disposal implementation plan" in the first half of this year

The financial information analysis institute (FIU), a department under the financial services commission (FSC) said that FATF, an international organization's anti-money laundering financial action task force, held a meeting in Paris, to discuss issues such as international standards for virtual currency dealers. FATF defines virtual currency as "virtual assets" and virtual currency handling sites as "virtual assets service providers", and decides to apply international standards related to money laundering to relevant enterprises. Specific implementation plans will be formulated by June this year.

<https://www.yna.co.kr/>

2. Thailand Green Lights Issuance and Trading of Blockchain Securities

According to a report from Bangkok Post on February 22, 2019, Thailand's National Legislative Assembly has approved an amendment to the Securities and Exchange Act legalizing the issuance of tokenized securities such as stocks and bonds. The nation's Securities and Exchange Commission (SEC), has amended the act – a change that will come into effect later this year. The

SEC will reportedly issue detailed guidelines and rules for tokenized and electronic securities in the coming months. The amendment will also allow businesses to be licensed to operate as depositories of securities and digital tokens. Previously this was business restricted to Thailand Securities Depository Co Ltd, a subsidiary of the Stock Exchange of Thailand (SET), the Bangkok Post said.

<https://www.coindesk.com/thailand-green-lights-issuance-and-trading-of-blockchain-securities>

3. Bahrain sought regulation by allowing cryptocurrency companies to operate

Bahrain is trying to gain stability by allowing cryptocurrency companies to operate, and is considering how to regulate them. Dalal Buhejji, business manager at Bahrain's economic development agency, said she was confident the central bank would issue regulations, but she did not specify a timetable. Bahrain's central bank allows companies to test their solutions on a limited number of users and transactions. The plan is to let companies find ways to quickly enter the market. SprinkleXchange, which USES blockchain-based initial public offerings, is one of 28 companies allowed to work under the central bank's so-called regulatory sandbox for a nine-month trial.

<https://www.bloomberg.com/news/articles/2019-02-20/bahrain-offers-incubator-style-regulatory-program-for-crypto>

4. Wyoming Lawmakers Pass Three Bills in Boost for State's Crypto Industry

Wyoming House of Representatives also passed two other major bills on cryptocurrency regulation on February 20 – House Bill (HB) 0074 and HB0185. The U.S. state of Wyoming has passed several bills aimed to make the state a top destination for cryptocurrency and blockchain businesses. The Wyoming House of Representatives approved bill SF0125 last week, which recognizes digital assets as property and clears the way for banks to act as crypto custodians.

<https://www.coindesk.com/wyoming-lawmakers-pass-three-bills-in-boost-for-states-crypto-industry>

5. The Bank of Japan Released Working Papers on the Central Bank's Digital Currency

On February 19, the bank of Japan released the working paper on digital currency of the central bank, information technology innovation o data revolution and digital currency of the central bank. The report also covers virtual currencies and Bitcoin. The bank of Japan reiterated that many major central Banks are not currently considering issuing bank notes in digital currencies. However, the issuance of digital currency by the central bank needs to take into account the efficiency of payment and settlement, capital intermediary, liquidity crisis, etc., and may affect the effect of financial policies. Reconsider the central bank's digital currency proposal in terms of its function and future prospects. The bank of Japan believes digital information technology will expand the possibilities for the future of cryptocurrencies, although there is no discussion of an issue at this time

http://www.boj.or.jp/research/wps_rev/wps_2019/data/wp19j01.pdf

3.3 Technological Breakthrough

1. LG Electronics has Filed 46 Patents for the Blockchain Basic Business Model

On Feb. 19, LG electronics filed 46 patents for the blockchain-based business model of a large chain, and is stepping up its exploration of digital finance..

<https://www.yna.co.kr/>

4. Weekly Investment Activities

3 investment activities took place in the blockchain industry this week. CipherTrace, a Blockchain security service provider, received \$15 million in round A financing.

Table 4.1 Investment and Financing Projects for the Week

Name	Round	Amount	Investors	Category
RRL	A Round	30 million RMB	ND	Blockchain Digital Product Trading Platform
CipherTrace	A Round	15 million RMB	Aspect Ventures Galaxy Digital WestWave Capital	Blockchain Security Service Provider
Band Protocol	Angel Round	\$3 million	Sequoia Capital Dunamu & Partners SeaX	Blockchain- driven Community Tool Developers

Data 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.

Contact Us:

E-mail: huobiresearch@huobi.com

Jianshu: 火币区块链

Twitter: Huobi_Research
https://twitter.com/Huobi_Research

Medium: Huobi Research
<https://medium.com/@huobiresearch>

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

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

Disclaimer:

1. Huobi Research does not have any form of association with Blockchain projects or other third-parties mentioned in this report that could jeopardize the objectivity, independence and fairness of this report.
2. All outside information, data referenced in this report is from compliant and legitimate sources that we deem as reliable, and Huobi Research have conducted the due diligence concerning its authenticity, accuracy and completeness, but such due diligence does not provide any guarantee.
3. This report is only for reference purposes. Conclusions and viewpoints in the report do not constitute any form of investment advice on crypto assets. Huobi Research is not responsible for any losses resulting from the use of this report, unless stipulated by law. Under no circumstances should the readers give up their own investment analysis and judgements.
4. This report only reflects the opinions from Huobi Research on the day it was finalized. Future market condition changes may lead to updates of such judgements.
5. The report is copyrighted by Huobi Research, please cite the source when quote, and get approval from us when large amount of contents is referenced. Under no circumstances is reference, abridgment and modification contrary to original intention permitted.