

CRYPTO WEEKLY

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HUOBI WEEKLY REPORT

Aptos – A new layer 1 blockchain with excellent performance, team, and investors

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Abstract

This week, we focus on the following events: 1) Facebook parent Meta loses US\$2.8 billion on Metaverse division in Q2; 2) Cybersecurity protocol Naoris Raises US\$11.5M to build decentralized Proof-of-Security consensus mechanism; 3) UK Law Commission sees crypto as a new type of property;

Project Analysis: Aptos has attracted a lot of attention thanks to its massive funding round and star investor lineup. Although the mainnet has yet to be launched, Aptos has attracted many developers. We analyze the performance of Aptos, the programming language Move, and do performance comparison with other public chains. Finally, we also analyze some projects currently under development on the Aptos devnet.

1. Industry overview

I. Overall market trend

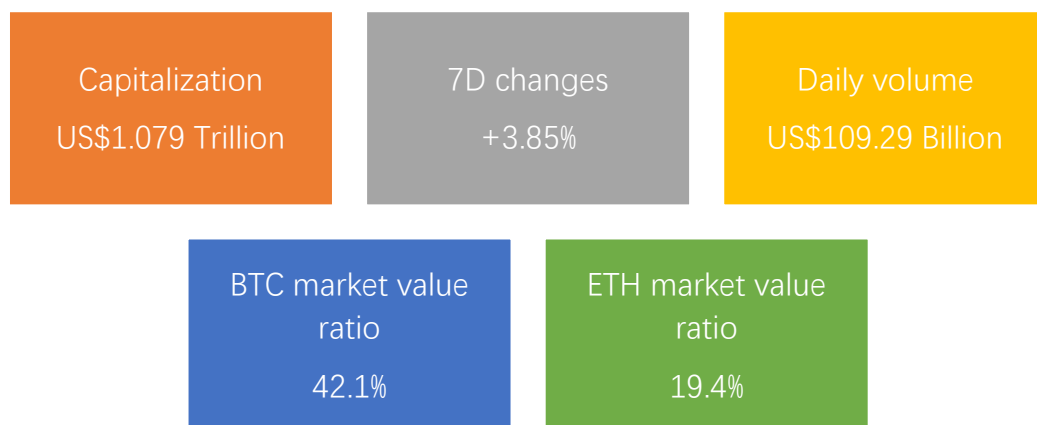


Figure 1. Overall market data

Source: CoinMarketCap

The global cryptocurrency market cap is currently standing at around US\$1.079 trillion. Bitcoin (BTC), while remaining steady at around 41% of market share, has risen above US\$23,000 over the week.

While most of tokens this week took a hit from the interest rate rise from the Fed, market expectations allowed the market to rebound quickly. Meanwhile, Ethereum (ETH), the second largest cryptocurrency, has also risen with BTC and is currently trading at US\$1,723. Terra Classic (LUNC) and Green Satoshi Token (GST, the one on SOL chain) are currently priced at U\$0.0001004 and US\$0.05807 respectively.

Rank	Name	7d
1	Bitcoin	4.04%
2	Terra Classic	-0.47%
3	Fantom	3.69%
4	Green Satoshi Token	8.32%
5	Polygon	4.84%
6	PancakeSwap	7.07%
7	Ethereum	11.84%
8	Shiba Inu	-1.04%
9	Solana	-2.18%
10	Meta Ruffy	-19.45%

Table 1. Last week's hot currencies

Source: CoinMarketCap

Within three days of the Fed announcing the raise in interest rates, the market has rebounded back to its original position, with even a small-scale increase. This outstanding crypto market performance has revealed the market's full expectation of the Fed's behavior; so the rise of interest rate reinforced confidence in crypto as a safe haven asset.

II.NFT

Rank	Name	Volume 7d	Est. Market Cap
1	Otherdeed for Otherside	3,137.57 ETH	461,406.8 ETH
2	Bored Ape Yacht Club	2,824.29 ETH	911,059.79 ETH
3	Mutant Ape Yacht Club	2,470.74 ETH	352,879.85 ETH
4	CryptoPunks	1,596.69 ETH	456,151.52 ETH
5	Moonbirds	1,458.38 ETH	220,966.67 ETH
6	CLONE X	1,301.77 ETH	198,381.85 ETH
7	Moonbirds Oddities	1,274.88 ETH	17,805.6 ETH
8	goblintown.wtf	830.15 ETH	26,950.34 ETH
9	Azuki	803.75 ETH	96,836.94 ETH
10	Doodles	704.17 ETH	106,692.35 ETH

Table 2. NFT Collections Listed By Sales Volume (7d)

Source: CoinMarketCap

From the data perspective, the NFT market last week was monotonous. With very few of the top collections changing more than 10% in price, most of the top collections experienced little change below 1% in floor price and below 10% in market cap. Most collections experienced a small rise; while some of the brands that are still new to outsiders like Proof Collective enjoyed a rise of more than 10%. Overall, the NFT market this week was still dominated by old-money-ish brands and we witnessed few changes.

Rank	Platform	Chain	Floor Price(ETH)	Weekly volume	Whale sales
1	More Loot	Ethereum	0.0039	80.52 M	64
2	Meebits	Ethereum	4.3	44.46 M	364
3	Dreadfulz	Ethereum	0.019	26.18 M	3
4	The Potatoz	Ethereum	0.769	8.10 M	18
5	Bored Ape Yacht Club	Ethereum	85.66	7.89 M	535
6	Otherdeed	Ethereum	2.18	6.29 M	631
7	Mutant Ape Yacht Club	Ethereum	15	5.40 M	450
8	[Ledger] Market Pass - Genesis Edition	Ethereum	0.444	4.35 M	28
9	Isekai Meta	Ethereum	0.31	4.00 M	17
10	Moonbirds	Ethereum	20.5	3.90 M	213

Table 3. Top trending collections on NFTGO (by daily volume)

Source: NFTGO

III. DeFi

Rank	DeFi	TVL in billions US\$
1	MakerDAO (MKR)	\$8.68b
2	Lido (LDO)	\$7.6b
3	AAVE	\$6.68b
4	Uniswap (UNI)	\$6.5b
5	Curve (CRV)	\$6.32b
6	Convex Finance (CVX)	\$4.38b
7	JustLend (JST)	\$3.4b
8	PancakeSwap (CAKE)	\$3.1b
9	Compound (COMP)	\$3b
10	Instadapp (INST)	\$2.17b

Table 4. DeFi market TVL ranking

Source: DefiLlama

IV.Layer 2

1. Rank	Layer2	TVL in million US\$	Market Share
1	Arbitrum	\$2.48 B	53.05%
2	Optimism	\$1.04 B	22.29%
3	dYdX	\$565 M	12.04%
4	Loopring	\$188 M	4.03%
5	Metis	\$131 M	2.79%
6	zkSync	\$66.63 M	1.42%
7	Immutable	\$46.54 M	0.99%
8	ZKSpace	\$46.46 M	0.99%
9	Boba	\$44.56 M	0.95%
10	Sorare	\$26.79 M	0.57%

Table 5. Layer2 protocols ranking and market share

Source: l2beat

2. Market news

I. Industry news

Facebook Parent Meta Loses US\$2.8B on Metaverse Division in Q2

According to Meta's earnings report released Wednesday, Meta posted a second-quarter loss of US\$2.81 billion in its Facebook Reality Labs (FRL) division, which comprises its augmented and virtual reality operators. In 2021, Meta reported a loss of US\$10.2 billion on revenue of US\$2.3 billion for FRL. However, Mark Zuckerberg says Meta is more focused on its long-term metaverse and reels

growth and believes that developing such metaverse platforms could unlock hundreds of billions or even trillions in revenue over time.

Ethereum's Mainnet Tenth 'Shadow Fork' Goes Live Ahead of September Merge

On July 26, Ethereum successfully completed its tenth "shadow fork", 26 hours earlier than expected as the network continues to run tests ahead of the much anticipated shift from the energy-intensive Proof of Work (PoW) to the more sustainable Proof of Stake (PoS). This shadow fork brings the project one step closer to the Ethereum's mainnet upgrade in September. The third and final testnet merge, Goerli, is expected to happen on August 10.

Harmony Proposes Issuing ONE Tokens to Reimburse Victims of US\$100M Hack

The horizon bridge incident that occurred in June resulted in the loss of US\$99,340,030 worth of digital assets across approximately 65,000 wallets and 14 different asset types. As such, developers behind Harmony are proposing to issue ONE tokens to cover losses. The stolen tokens caused contagion damage in the form of uncollectible loans across a handful of DeFi lending protocols and developers are fearful that these DeFi lending protocols will choose to drop support for Harmony. Thus, the proposal to mint 86 million ONE tokens as part of the reimbursement plan to affected DeFi protocols was born. Users are concerned that the increased token supply will negatively affect ONE's price.

II. Investment and Financing

Cybersecurity Protocol Naoris Raises US\$11.5M to Build Decentralized Proof-of-Security Consensus Mechanism

Naoris raised US\$11.5 million in an equity and token sale with investors from Tim Drapers's Draper Associates, Holt Xchange and others. According to the CEO and founder David Carvalho, the funds raised will be used to expand and scale its operations, creating a decentralized proof-of-security consensus mechanism by the end of 2022. Carvalho, who has worked in cybersecurity for the past

two decades, is building a multichain layer 2 and layer 3 protocol, building on security and decentralization. His team is addressing the “points of failure” for Web2 and Web3, helping cybersecurity pivot to blockchain technology.

Alameda Research Leads \$3.25M Seed Round for Trustless Media

Trustless Media is a Web3 media company that has recently raised US\$3.25 million in a seed round funding that was led by Sam Bankman-Fried’s Alameda Research. Trustless works with different content creators and organizations to help tokenize their content using NFTs. They can use the NFT model to crowdfund productions with holders who receive access to watch the token-gated content and who can participate in productions with on-chain voting. Although some celebrities and companies have begun testing this new business model, the NFT television landscape is still in its infancy.

Unstoppable Domains Hits Unicorn Status With US\$65M Series A

Unstoppable Domains is a Web3 digital identity service provider that has recently raised US\$65 million in its Series A funding round led by Pantera Capital. Some other investors include CoinGecko, Polygon and CoinDCX. This fundraising has given the firm “unicorn” status and it plans to use the funds to grow its partnerships with Web3 applications and improve its product. The firm provides domains in the form of NFTs in order to give users a digital identity compatible with 150 different Web3 applications. There are currently already 2.5 million domains registered.

III. Supervision

UK Law Commisions Sees Crypto As a New type of Property

The U.K. Law Commision is a statutory independent body tasked with reviewing and updating the law. It wants to extend the country’s property laws to cover crypto as well as NFTs according to a consultation paper published on Thursday. The commission said that this proposal is aimed at helping the government achieve its goal of turning the country into a global crypto hub and that the proposed reforms could make it easier for crypto investors to claim losses in hacks or scams. The paper also mentions that the existing property laws are insufficient to accommodate digital assets due to the

many different features and unique qualities. Hence, the law commission is proposing to create a new category called 'data objects' that would include anything composed of data in an electronic format.

Stablecoin Issuers May Have to Deal With The Federal Reserve As the Chief Oversight Agency according to a Bill Being Developed in the U.S. House of Representatives

While the industry is desperate for rules and supervision to settle the uncertainties that keep most investors on the sidelines, stablecoin firms would be policed by an agency that devotes much of its time trying to keep Wall Street banks on a short leash. Lawmakers in the House Financial Services Committee have found common ground on a bipartisan effort to establish stablecoin oversight in the U.S. It could mark a first step toward crypto regulation, though a few points remain to be hashed out. Committee leaders initially thought they'd be set to put out the bill this week, but a last-minute intervention from Treasury Secretary Janet Yellen may have delayed it until after the August congressional recess.

3. Trending project analysis ---- Aptos

What is Aptos?

Aptos, based in Palo Alto, California, is a public blockchain that aims to solve reliability, scalability, and usability issues that have plagued existing Layer 1s, while possessing security features lacking in EVM-based blockchains. Aptos uses Move, a Rust-based programming language created for Diem, a now abandoned blockchain project by Meta.

The Aptos network can achieve over 130,000 transactions per second thanks to its parallel execution engine (Block-STM). This high throughput naturally results in low transaction costs for users on the network.

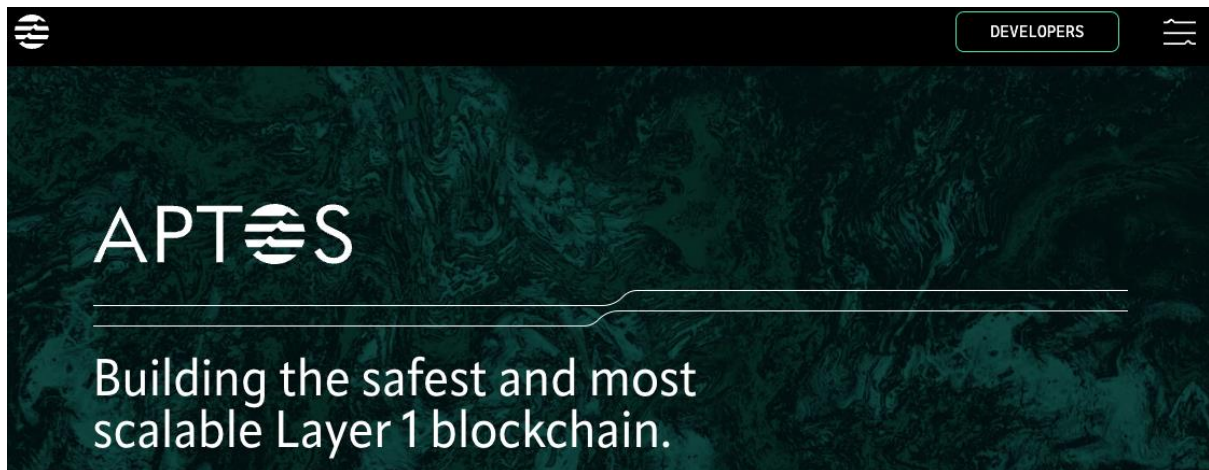


Figure 2: Aptos labs official website

Source: <https://aptoslabs.com/>

MOVE

Move is based on the Rust programming language, which is a well-known and supported programming language. Move was designed for the Diem blockchain by Facebook, which serves the function of implementing smart contracts and custom transactions. The origins of Move largely arise from known problems in the existing blockchain programming languages such as Solidity, which has security and verifiability issues. Any asset in Move can be represented by or stored within resources while scarcity is enforced by default since structs cannot be duplicated.

Comparison to other VMs

	Aptos / Move	Solana / SeaLevel	EVM
Data storage	Stored within the owner's account	Stored within the owner's account associated with a program	Stored within the account associated with a smart contract
Parallelization	Capable of inferring parallelization at runtime within Aptos	Requires specifying within the transaction all accounts and programs accessed	Currently serial nothing in production
Transaction safety	Sequence number	Transaction uniqueness + remembering transactions	nonces, similar to sequence numbers
Type safety	Module structs and generics	Program structs	Contract types
Function calling	Static dispatch not on generics	Static dispatch	Dynamic dispatch

Table 6: Comparison to other VMs

Source: <https://aptos.dev/guides/move-guides/move-on-aptos>

Team

Aptos is founded by Aptos Labs and co-founded by Mo Shaikh and Avery Ching. Mo Shaikh, Avery Ching, and a few other team members worked together at Meta on the Diem blockchain project previously. They founded Aptos Labs together to continue building on the technology they had originally developed for Diem. Austin(@austinvirts), the former head of marketing at Solana, is currently working as director of the ecosystem at Aptos Labs. The Aptos Team also has many experienced designers, analysts, engineers, and so on. This professional team has the ability to spearhead Aptos's development.

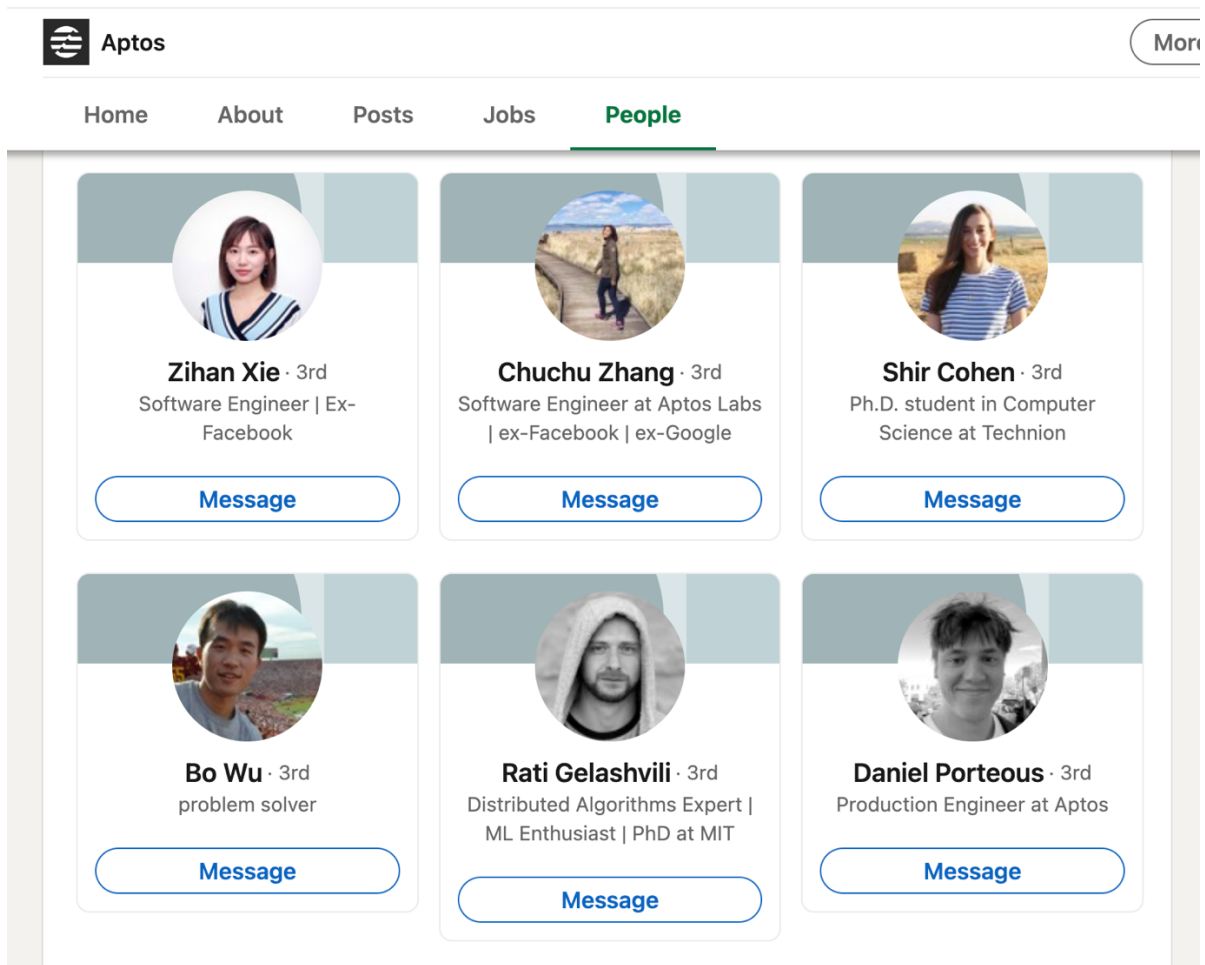


Figure 3: Part of the members shown on LinkedIn

Source: <https://www.linkedin.com/company/aptoslabs/people/>

Aptos Investors & Founding Round

Seed Round

Announced Date: Mar 15, 2022

Money Raised: \$200M

Pre-Money Valuation: \$800M

Lead Investor: a16z

Famous Investors: Multicion capital, Kathryn Haun, Three Arrows Capital, ParaFi Capital, IRONGREY, #Hashed, Variant, Tiger Global, BlockTower Capital, FTX Ventures, Paxos Global, and Coinbase Ventures.

Series A

Announced Date: Jul 25, 2022

Money Raised: \$150M

Pre-Money Valuation: \$1.9B

Lead Investors: FTX Ventures & Jump Crypto

Famous Investors: Apollo, Griffin Gaming Partners, Franklin Templeton, Circle Ventures, Superscript founded by Temasek, and continued support from a16z crypto and Multicoïn.



Figure 5: List of investors

Source: Huobi research

Aptos speed

How does one define the speed of a blockchain? It depends on two aspects: transactions per second (TPS) and time to finality (TTF). For blockchains, transactions per second (TPS) refers to the number of transactions that a network is capable of processing each second.

Here is the equation of TPS:

$$\text{TPS} = (\text{number of tx in a block}) / (\text{block time in seconds})$$

Finality is the assurance or guarantees that cryptocurrency transactions cannot be altered, reversed, or canceled after they are completed. The latency level of a blockchain will ultimately affect the chain's

finality rate. For users, the definition of a blockchain's speed is time to finality (TTF), the amount of time needed to fully confirm a transaction.

Let's compare the TPS and TTF between some blockchains:

Blockchain	Ticker	Time to finality	Max TPS	Current TPS
Solana	SOL	2.34s - 46s (different tests)	120.000 (710.000 on a 1 GB network)	2.000
Aptos	N/A	less than 1s	160.000	2 (mainnet not live yet)
Avalanche	AVAX	0.15 (record) 1.3-3.4s	4.500 per subnet	4.4
Internet Computer	ICP	1-2s	11.500	3.000
Fantom	FTM	1s	4.500	7.3
Ethereum	ETH	78s (6 confirmations)	45	12.9
Terra	LUNA	6s	10.000	11.5
Bitcoin	BTC	60m (6 confirmations)	7	3
BSC	BNB	75s	160	50

Figure 5: pontem.network

Source: <https://pontem.network/posts/which-blockchain-is-the-fastest>

From these blockchains, Aptos has the shortest time to finality and a very high TPS. The TPS for Aptos can reach at least 130,00, because of the highly efficient, multi-threaded, in-memory parallel execution engine. Aptos blockchain has sub-second finality, which means that a transaction will take less than 1 second to be fully confirmed. Such a fast speed can give users a better experience than other famous blockchains.

Ecosystem Projects

Although the mainnet of Aptos has not been launched, there are many projects have joined the Aptos.

Who is already building in Devnet?

We have some amazing companies and projects who are building on Aptos. Come join them!



Figure 6: Eiconia official website

Source: <https://aptoslabs.com/developers/>

1. Eiconia

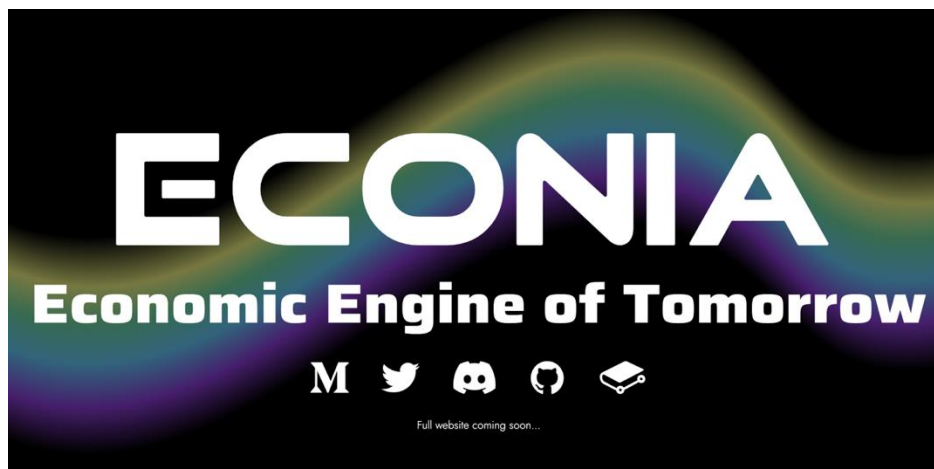


Figure 7: Eiconia official website

Source: <https://www.eiconialabs.com/>

The Eiconia is a protocol that lets anyone in the world trade a digital asset with anyone else in the world, at whichever price they want. More specifically, Eiconia is a central limit order book (CLOB), a fundamental financial tool utilized by financial institutions like stock markets, except unlike the New York Stock Exchange or the NASDAQ, Eiconia is open-source and decentralized.

This version 1 minimum viable prototype (v1 MVP) introduces a key innovation for on-chain trading, Eiconia's atomic matching engine, which settles market orders with finality during the transaction in which they were placed.

2. Martian Wallet

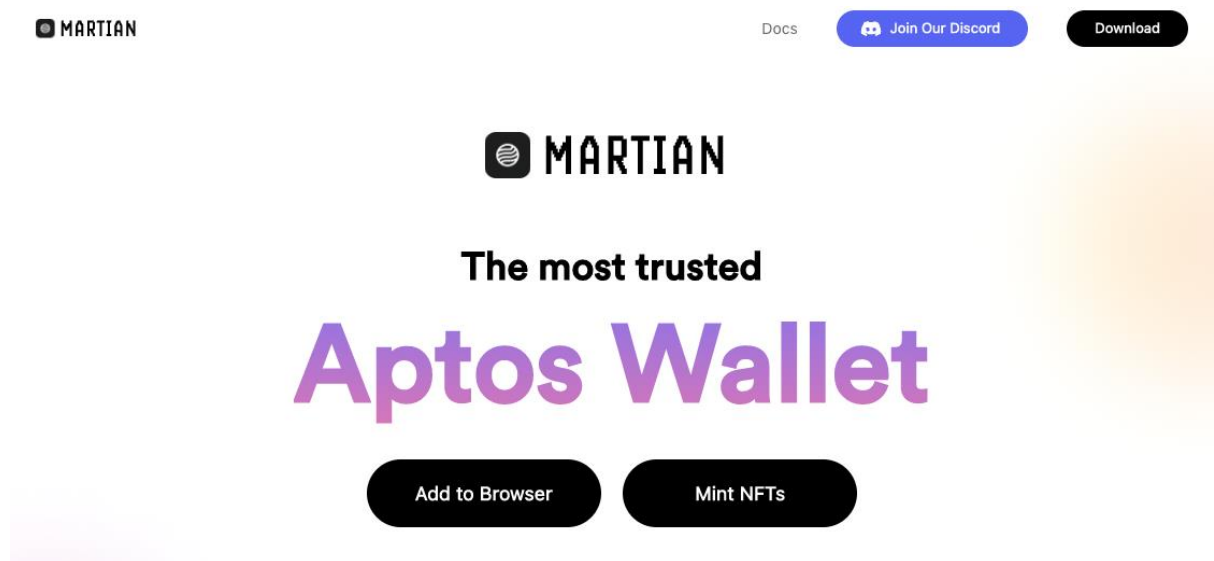


Figure 8: Martian Wallet Website

Source: <https://martianwallet.xyz/>

The Martian wallet is a crypto wallet that can be used to manage digital assets and access decentralized applications on the Aptos blockchain. Martian wallet is currently available as a Chrome extension and soon will be available as an iOS app.

At its core, Martian wallet works by creating and managing private keys on behalf of its users. These keys can then be used within Martian wallet to store funds and sign transactions. To interact with web applications, the Martian wallet extension injects an Aptos object into the JavaScript context of every site the user visits. A given web app may then interact with Martian wallet, and ask for the user's permission to perform transactions, through this injected object.

3. Liquidswap Dex

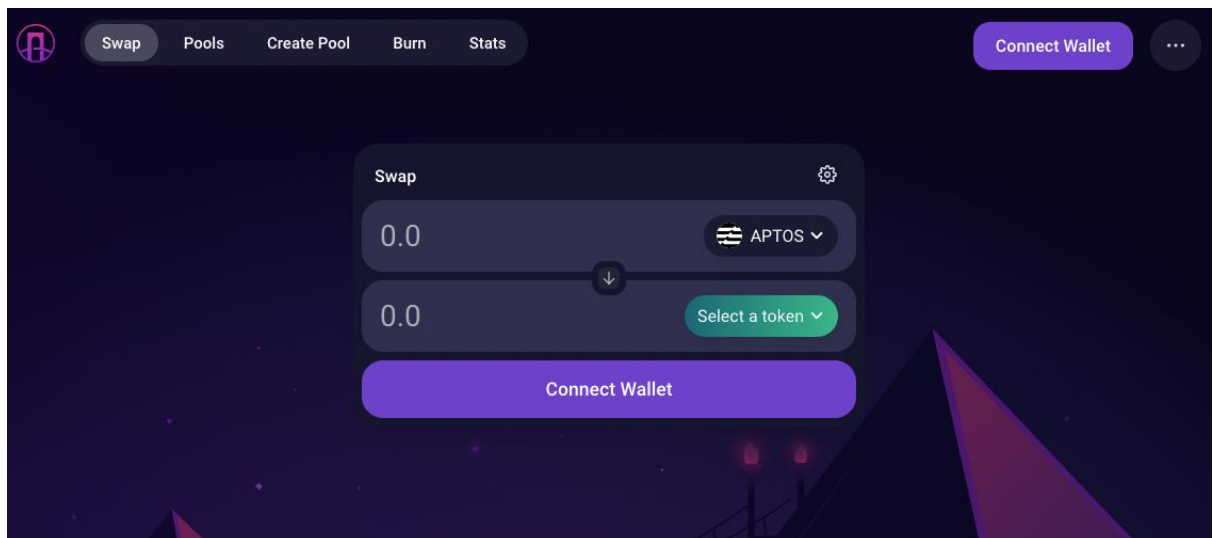


Figure 9: Liquidswap Dapp page

Source: <https://liquidswap.com/#/>

Liquidswap is the first AMM for Aptos - the most performant & reliable L1 built with Move VM. Liquidswap is a product developed by Pontem, which is a studio working toward global financial inclusion powered by blockchains. Pontem team is going to first build the next generation of Dapps with streamlined experiences enabled by Aptos and Move. Starting with the key foundational protocol of an AMM for correlated and uncorrelated pairs. This will enable liquidity and discoverability for protocol tokens in the Aptos ecosystem. Liquidswap is the uniswap on Aptos.

4. Aptos Name Service

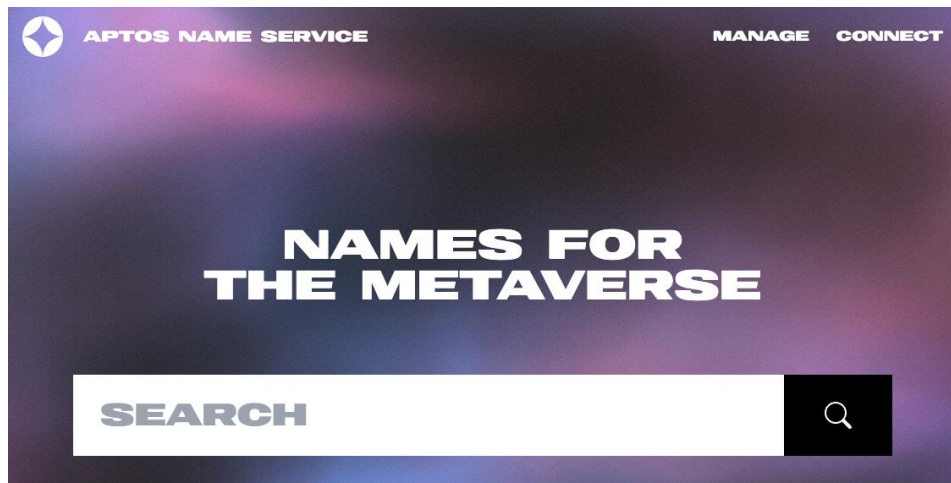


Figure 10: Aptos Name Service official Website

Source: <https://www.aptosnames.com/>

The Aptos Name Service is a smart contract that maps a name to an Aptos address. Claiming a name mints you a special NFT Token that gives you the sole power to edit the address of that name. That Token is composable and can be bought, sold, and traded as you see fit. It is a decentralized, composable identity layer of Aptos. ANS is the ENS on Aptos.

5. Topaz

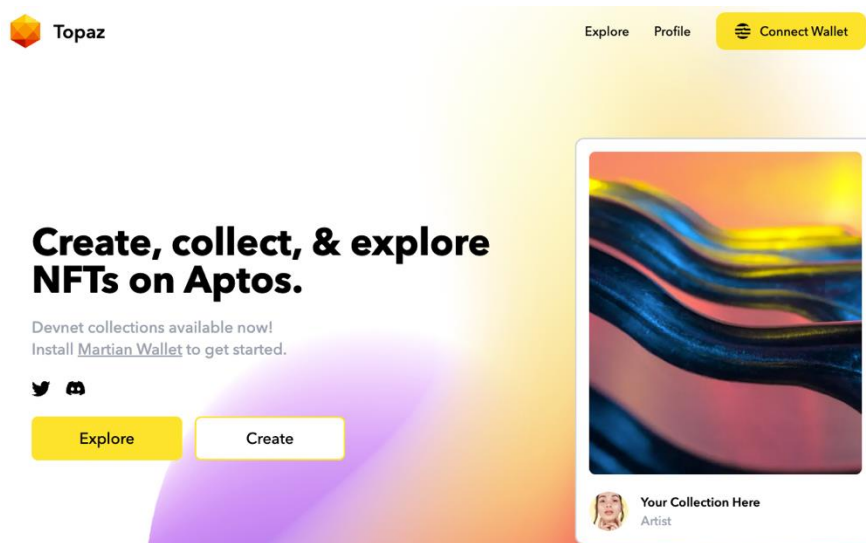


Figure 11: Topaz official website

Source: <https://www.topaz.so/profile>

Topaz is an NFT marketplace built on the powerful Aptos blockchain, with a focus on safety and scalability. Topaz can be viewed as the OpenSea of Aptos.

6. Vial

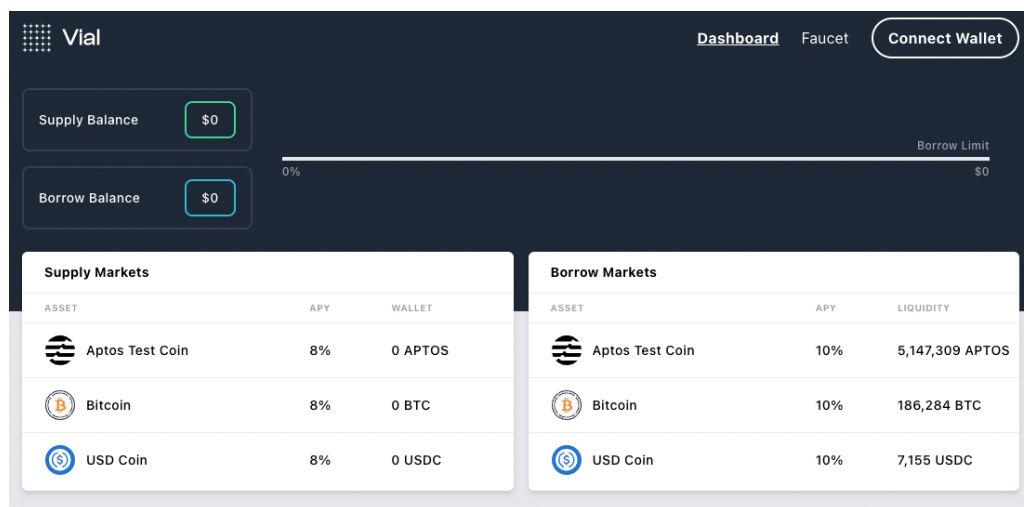


Figure 12: Vial Dapp Website

Source: <https://www.vial.so/app>

Vial is a pooled interest rate protocol that allows users to lend or borrow assets on Aptos. Interest rates are determined algorithmically based on pool utilization: the ratio of borrowed to supplied assets.

Vial is the AAVE on Aptos.

4. Calendar of future popular asset events

I. NTF mint Calendar

Project	Marketplace	Blockchain	Date	Introduction	Website
Mutant Musks	OpenSea	Ethereum	Now to 30.07.2022	Mutant Musks is a 10,000 NFT collection inspired by Elon Musk , with a Metaverse Game in the making that aims for its members to discover a truly new side to the word Metaverse with our Intergalactic Competitive Shooter Experience . The story of Mutant Musks begins as humans setup their first colony on the red planet of Mars. The game is being developed by a professional team of game developers on the world's best game development platform Unreal Engine 5 .	https://mutantmusks.com/
AIBOOK.ART	OpenSea	Ethereum	Now to 01.09.2022	AIBook.art is an innovative decentralized platform, built on the Ethereum blockchain, that provides users with an opportunity to generate NFT images with quotes from famous writers.	https://aibook.art/
Cloudees	OpenSea	Ethereum	July 24, 2022 – July 31, 2022	A Total of 58 REWARDS (9.4 ETH) are hidden in the 3,333 Collection, will you mint a Cloudees escapee and claim your reward! Holders: Claim 33% on all future mints, 2.5% on secondary sales and stake to earn \$Cloudees. Giveaway: Otherside land giveaway for anyone that mints a Cloudees NFT.	https://www.cloudees.xyz/
Azuki Demon	OpenSea	Ethereum	July 22, 2022 – August 12, 2022	6666 Azuki went through a chemical explosion, living underground on the ETH blockchain. Azuki Demons are bigger, more brutal and stronger. Azuki Demon is Created by 3 Azuki Holders. Once you mint an Azuki Demon, you will get the Azuki Demon DAO membership and Airdrop \$ZUKI token rewards. Meanwhile, you can get the ticket to receive 3D Azuki Demon and NFT Derivatives airdrop and play to earn \$ZUKI in Zuki Ecosystem.	https://bit.ly/3uZ7v9d

II. Token Airdrops

Project	Number of Winner	Total airdrop amount	Ends in	Website
PunkPanda Airdrop	20	a total of 25000 PPM(BEP20) tokens	11 Aug 2022	https://www.airdropbob.com/punkpanda/airdrop-punkpanda
tagSpace Airdrop	108	a total of 3000 USDT (TRC20) tokens	24 Aug 2022	https://www.airdropbob.com/tagospace/airdrop-tagospace2
DeFiChain x Cakedefi Airdrop	No Limit	a total of 2500 DFI tokens	30 Aug 2022	https://www.airdropbob.com/cakedefi/airdrop-cakedefi
Hiblocks Airdrop	4000	a total of 5,000,000 HIBS tokens	5 Aug 2022	https://www.airdropbob.com/hiblocks/airdrop-hiblocks
OWNR Wallet Airdrop	113	a total of 1500 USDT (TRC20) tokens	28 Aug 2022	https://www.airdropbob.com/ownr-wallet/airdrop-ownr-wallet

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Huobi Blockchain Application Research Institute (referred to as "Huobi Research Institute") was established in April 2016. Since March 2018, it has been committed to comprehensively expanding the research and exploration of various fields of blockchain. As the research object, the research goal is to accelerate the research and development of blockchain technology, promote the application of blockchain industry, and promote the ecological optimization of the blockchain industry. The main research content includes industry trends, technology paths, application innovations in the blockchain field, Model exploration, etc. Based on the principles of public welfare, rigor and innovation, Huobi Research Institute will carry out extensive and in-depth cooperation with governments, enterprises, universities and other institutions through various forms to build a research platform covering the complete industrial chain of the blockchain. Industry professionals provide a solid theoretical basis and trend judgments to promote the healthy and sustainable development of the entire blockchain industry.

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