



Weekly Crypto News Recap

May 12, 2023

TOP STORIES OF THE WEEK

US Chamber of Commerce Slams SEC, Backs Coinbase in Legal Fight

Decrypt

The U.S. Chamber of Commerce, a heavyweight in the business industry representing the interests of more than 3 million organizations, called out the SEC on Thursday in a show of support for Coinbase, slamming the financial watchdog's regulatory approach toward the digital asset industry. It filed an amicus brief in support of Coinbase, which took the SEC to court last month. The exchange wants a court to force the SEC to respond to its so-called "petition for rulemaking" filed last July, which asks the SEC to propose and adopt rules for digital assets and answer questions related to regulation. The U.S. Chamber of Commerce said, "The SEC has deliberately muddied the waters by claiming sweeping authority over digital assets while deploying a haphazard, enforcement-based approach," further stating that the "regulatory chaos is by design, not happenstance."

Top Market Makers Jane Street and Jump Crypto Pare Down US Crypto Operations Amid Regulatory Pressure

Cryptonews

Two prominent market-making firms, Jane Street Group and Jump Crypto, are cutting back their digital asset trading activities in the US due to heightened regulatory pressure. Jane Street is also scaling back its global crypto ambitions due to the uncertainty, which makes it difficult for the company to operate in a way that meets regulatory standards in the US, according to a Bloomberg report. While both firms are still actively making markets in cryptocurrencies, they are doing so on a smaller scale than before. Additionally, other prominent high frequency trading firms such as Tower, HRT, and Radix have been rumored to be scaling back crypto activity as well.

Arkham says US government not moving Bitcoin; labeling issues continue

CryptoSlate

After once again being blamed for a sharp liquidation-driven selloff, Arkham Intelligence confirmed it did not observe funds moving from wallets connected to the U.S. government in a series of tweets on May 10. In a now-protected account, Twitter user beetle (@1kbeetlejuice) suggested that Arkham data indicated “[U.S. government] Bitcoin wallets are on the move” after an address transferred ~9,820 BTC in a single transaction. The issue seems to have emerged from community labels. Arkham explained that users can manually add labels to wallet addresses and edit data collections called Entities. Arkham said that such manual changes “do not reflect associations” made by Arkham itself. Nevertheless, this is the second time in a matter of weeks that Arkham has found itself blamed for large liquidations due to issues with community tags.

Big breath as Beacon Chain stops finalizing... and then recovers

Cointelegraph

An unidentified issue on Ethereum’s Beacon Chain led to an issue with transaction finality for nearly half an hour on May 11. Around 3:15pm EST, a number of Ethereum core developers announced that the Beacon Chain was having issues finalizing recent epochs. New blocks were able to be proposed, but an unknown issue was preventing them from being finalized for a few minutes longer than usual. Importantly, Ethereum never went offline and transactions and blocks continued to be processed despite much misreporting. See [GSR's daily market update](#) for a deeper review of the implications of yesterday's brief finality delay. Note: Similar Ethereum consensus challenges popped up in real time again this afternoon and delayed finality for about an hour.

Former Coinbase Product Manager Gets Two Years For Insider Trading

Decrypt

A former Coinbase product manager was sentenced to two years in prison for insider trading—the first of its kind in the crypto world. Ishan Wahi, 32, and his associates—including his brother, Nikhil—made over \$1.5 million by using inside information to invest in new digital assets just before they were listed by America’s biggest crypto exchange. U.S. Attorney Damian Williams said, “Today’s sentence should send a strong signal to all participants in the cryptocurrency markets that the laws decidedly do apply to them.”

BITCOIN

[Threshold Network Goes Live With Wormhole to Bridge Bitcoin to 20 Blockchains](#)

[Bitcoin spot trading volume falls to lowest level since 2019](#)

[Bitcoin premium on Binance.US is symptom of illiquid market: Kaiko](#)

[Bitcoin's 'BRC-20' Explosion Sends Users Scrambling for Options, Including Lightning](#)

[Liechtenstein Plans to Accept Bitcoin for Payments to State, Prime Minister Says: Report](#)

[BRC-20 tokens approach \\$1B market cap](#)

[The new "flipping": Bitcoin fees surpass block reward for miners](#)

['Attack on Bitcoin' Claims Circulate as Transaction Fees Climb Higher](#)

ETHEREUM

[Ethereum's beacon chain suffers brief finality issue, cause still unknown](#)

[Meet 'Dencun.' Ethereum Developers Are Already Planning Next Hard Fork](#)

[Ether Selling Pressure Post-Shanghai Upgrade Was 'Non-Event,' Says Nansen](#)

[Ethereum validators earn a record \\$46M as staking rewards rate surges](#)

[Ethereum's OFAC-compliant blocks fall to 27%, marking a drop in potential for protocol-level censorship](#)

[Ethereum Staking Deposits Outpace Withdrawals by \\$189M in ETH](#)

ALTCOINS

[Cardano Scaling Node Hydra Head Goes Live on Blockchain's Mainnet](#)

[Smash Hit Meme Coin \\$SPONGE Pumps 67% Higher on Bitget and Gate.io Listings Excitement](#)

[Milady memecoin surges 5,250% after Musk tweet, exchange listings](#)

[Worldcoin's new app to migrate from Polygon to Optimism's ecosystem](#)

[Aragon's ANT Rallies After Cofounder Proposes Token Buybacks to End Activist Crisis](#)

[Uniswap Weighs Proposal to Enrich Token Holders, Switch on Liquidity Pool Fees](#)

[Crypto Derivatives Protocol Vega's Mainnet Goes Live for Futures, Options Trading](#)

[Crypto Whales Accumulate Millions in Pepecoin as Trading Volume Shifts to Binance](#)

[Aragon Cancels Planned Community Control of \\$200M Treasury Amid Battle With Activist Investors](#)

[Cetus DEX'sIDO oversubscribed after Sui mainnet launch](#)

[Sam Altman's Crypto Project, Worldcoin, Releases First Major Consumer Product](#)

[Aave DAO Passes Proposal to Deploy on Ethereum Layer 2 Metis Network](#)

[Pepecoin Drops Nearly 50% From Highs as Traders Likely Taking Profits for Ether](#)

[Binance listing pushes Floki, Pepe up more than 50%](#)

STABLECOINS

[Circle reportedly adjusts USDC reserves to avoid US default risk](#)

[Tether Reports \\$1.48B Profit in Q1, Reveals Bitcoin, Gold Reserves](#)

[MakerDAO launches Spark Protocol, a new DeFi lending solution for DAI users](#)

CRYPTO ECOSYSTEM

[BlockFi users to get back \\$297M from Wallet accounts: Report](#)

[Crypto Lender Nexo Moves to Disband UK Subsidiaries](#)

[MetaMask rolls out ETH purchases via PayPal to US users](#)
[Gaming Dominates On-Chain Transactions in April as Arbitrum Users Surge](#)
[New wallet uses Amazon hardware security modules to eliminate seed words](#)
[DCG settlement with Genesis still undecided as 30-day mediation period proceeds](#)
[Crypto Derivatives Market Share Hits All-Time High](#)
[Harnessing the Power of Blockchain Technology in Supply Chain Management and Traceability](#)
[Jaredfromsubway.eth's MEV bot rakes in millions of dollars in three months](#)
[DCG is 'in discussions' with capital providers amidst Genesis mediation](#)
[Xapo Bank to Enable Tether Deposits, Withdrawals](#)
[Bankrupt Crypto Lending Firm Celsius Targeted for Acquisition by Apollo and NovaWulf](#)
[Digital Asset Will Start Global Blockchain Network With Deloitte, Goldman Sachs and Others](#)
[Crypto Options Liquidity Provider OrBit Markets Offers Bitcoin and Gold-Hybrid Derivative](#)
[Paxful restarts marketplace operations for the first time since April](#)
[Tencent-backed Everledger collapses amid lack of funding: Report](#)
[Crypto Options Exchange Deribit's Ether Volatility Index Hits Record Low](#)

NFTS / GAMING / METAVVERSE

[New Yuga Labs CEO Daniel Alegre buys a Bored Ape NFT for \\$90,000](#)
[Roblox Users Surge 22% to New Peak Despite Fading Metaverse Hype](#)
[Elon Musk sends Milady NFT price soaring with Twitter meme](#)
[Pudgy Penguins secures \\$9 million months after CEO denied raising money, called notion 'fake news'](#)
[Binance to Bring Bitcoin NFTs to Its Marketplace Through Ordinals Support](#)
[Britain's fourth largest newspaper offers free King Charles coronation NFTs](#)

MINING

[Crypto Miner Hive Blockchain Targets 6 EH/s of Computing Power Funded by Up to \\$100M Share Sale](#)
[Texas embraces greener Bitcoin mining with approval of flare gas emission bill](#)
[Bitcoin Miners Earning \\$40M Daily Revenue as Ordinals Debate Splits Devs](#)
[CleanSpark Eyes Expansion Plans Ahead of Bitcoin Halving](#)
[SEC issues new subpoena to bitcoin miner Marathon](#)
[Marathon Digital announces immersion crypto mining operations in Abu Dhabi](#)
[Cipher Strikes Deal With Canaan to Purchase 11,000 New Bitcoin Miners](#)
[Hut 8's Alberta Bitcoin Mine Running at 15% Installed Hashrate Due to Electrical Issues](#)
[Ordinals Upend Bitcoin Mining, Pushing Transaction Fees Above Mining Reward for First Time in Years](#)
[Vortex doubles mining capacity to combat inflation](#)

EXCHANGES

[Binance.US Contemplates Lowering Founder Changpeng Zhao's Stake Amid Regulatory Concerns](#)
[Decentralized Exchange Uniswap Trading Volume Outpaces Coinbase for 4th Consecutive Month](#)
[Bittrex Processed \\$425 Million in Withdrawals Since April 1, Claims Attorney Amid Bankruptcy Proceedings](#)
[Crypto Signals Announces Partnership with Bybit Crypto Exchange to Offer Copy Trading for VIP Members](#)
[Justin Sun admits Huobi ownership, calls Binance a partner rather than rival](#)
[Uniswap Volume Leapfrogs Coinbase Thanks to Pepe and Meme Coins](#)
[Bittrex's U.S., Maltese Arms Processed \\$425M in Withdrawals Since April 1, Attorney Says](#)

[Binance moves bankrupt Voyager, FTX tokens to innovation zone](#)
[Binance launches 'Capital Connect' platform for VIP users](#)
[Bankrupt crypto exchange QuadrigaCX to start 'interim distribution' of funds](#)
[Bitcoin Trades at Nearly \\$650 Premium on Binance.US](#)
[Bittrex Goes Bankrupt with US Treasury Its Largest Creditor](#)
[Coinbase Targets UAE as Strategic Hub for Cryptoeconomy Expansion; Executives Attend Dubai Fintech Summit](#)
[Binance Calls Bitcoin Withdrawal Pause 'a Learning Opportunity'](#)
[Voyager Digital Plans to Liquidate Assets, Wind Down After Sale Dreams Crushed](#)

CAPITAL RAISES

[Decentralized Wallet Developer Odsy Network Raises \\$7.5M at \\$250M Valuation](#)
[BNB NFT marketplace Tabi raises \\$10M in angel funding](#)
[Crypto Media Outlet Blockworks Raises \\$12M at \\$135M Valuation](#)
[Zero-Knowledge Privacy Startup Webb Protocol Raises \\$7M](#)

INVESTMENT MANAGEMENT

[Crypto VCs made \\$2.6B worth of deals in the first quarter of 2023](#)
[Polychain Snubs Lucrative Crypto Arbitrage, Prepares to Trade \\$6M of ROOK Token on Uniswap](#)
[Grayscale Seeks ETF Expansion Amid Ongoing Legal Battle over Spot Bitcoin Fund](#)
[Third Time the Charm for a Spot Bitcoin ETF? Cboe Tries Again To Find Out](#)
[Heavyweight Hedge Fund Arca Joins Activist Fight Against DAO Builder Aragon](#)
[Private equity tokens aim to bring greater liquidity, transparency and accessibility](#)
[32% of family offices invest in digital assets — Goldman Sachs](#)

TRADFI / TECH

['It's going to get worse for banks' — JPMorgan CEO on overregulation](#)
[Silvergate begins NYSE delisting process as it readies to cut 230 staff](#)
[Elon Musk announces he will step down as Twitter CEO](#)
[PayPal customers increase crypto deposits to \\$943M](#)
[Spotify reportedly deletes thousands of AI-generated songs](#)
[Stripe tackles 'cold start problem' with the launch of fiat-to-crypto on-ramp](#)

CBDC

[Chinese Province Unveils Digital Yuan Adoption Plan & City Says 'All' Buses Now Accept CBDC](#)
[Federal Reserve's FedNow will integrate with Metal Blockchain](#)
[BIS issues comprehensive paper on offline CBDC payments](#)

REGULATORY / COUNTRIES

[Kraken Chief Legal Officer and Former CFTC Chair To Testify at Joint House Congressional Hearing](#)
[US lawmaker questions SEC about GBTC redemptions](#)
[US House financial committee tells SEC they don't like custody proposal](#)

[US House Financial Services Committee Chair Rep. McHenry Accuses SEC Chair of Avoiding Answering Questions](#)

['The SEC's actions have crippled a nascent industry' — Paradigm requests amicus brief for Coinbase](#)

[IRS, Chainalysis and Ukraine Targeting Russian Crypto Sanctions Evaders Jointly](#)

[US House Lawmakers on Both Sides Seemingly Agree on Need for Crypto Legislation](#)

[US Chamber of Commerce Backs Coinbase in Fight for Regulatory Clarity](#)

[Europe's Crypto Regulations Can Be a 'Model' for Rules in US, Says Hester Peirce](#)

[Coinbase legal chief sends letter to SEC on RIA rulemaking](#)

[Estonia squeezes out 400 crypto firms after new laws](#)

[Ripple pegs SEC lawsuit costs at \\$200M; plans Dubai expansion](#)

[South Korean lawmaker allegedly cashed out while legislating on crypto: Report](#)

[Coinbase cuddles up to UAE policymakers as tensions with US regulators grow](#)

[Argentina's central bank halts cryptocurrencies from payment apps](#)

ENVIRONMENTAL, SOCIAL, GOVERNANCE

[Crypto Custodian Aegis is Offering Free Services to Women-Led Companies](#)

[EY Announces Ethereum-Based Carbon Credit Traceability Platform – How Does it Work?](#)

[The Debate Over the Environmental Impact of Cryptocurrency Mining](#)

SURVEYS, HACKS, MISC

[Terra Luna founder Do Kwon's bail terms officially accepted by Montenegro court](#)

['We Screwed Up': Coinbase Apologizes for Pepe Comments as #DeleteCoinbase Trends](#)

[Solana Labs Opening 25,000-Square-Foot Office Space in NYC](#)

[Justin Sun to start trading memecoins, donate profits to charity](#)

[Su Zhu of Three Arrows Capital Gets Restraining Order Against Billionaire Arthur Hayes Amid Dispute](#)

[Terraform Labs CEO Do Kwon Pleads Not Guilty to Forged Passport Charges](#)

[Backlash ensues as Coinbase labels PEPE alt-right hate symbol](#)

[IRS claiming \\$44B from FTX bankruptcy: Report](#)

[\\$176M of Do Kwon's assets are frozen: Report](#)

[ParaSpace team clashes with CEO over alleged whereabouts of protocol funds](#)

['Kim Jong-Un' gets approved for Gate.io crypto account](#)

[South Korean Assembly Member Under Fire for Alleged Crypto Insider Trading](#)

[Shaq Still Not Served in FTX Lawsuit, Lawyers Claim](#)

[SBF's Defense Seeks to Dismiss Most Criminal Charges Against FTX Founder](#)

[Ben 'Bitboy' Armstrong Shills BEN—A 'Ben DAO' Token for Dudes Named Ben](#)

[The Impact of Elon Musk's Tweets on the Crypto Market](#)

[DEUS Finance loses \\$6M following stablecoin hack](#)

[LINK](#)



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