



# Weekly Crypto News Recap

October 13, 2023

## TOP STORIES OF THE WEEK

[Ellison: Alameda took FTX customer money for 'whatever we needed'](#)

Blockworks

The US government called Caroline Ellison — perhaps the most highly anticipated witness yet in the trial of ex-FTX boss Sam Bankman-Fried — to the stand this week. Ellison, former CEO of Alameda Research and Bankman-Fried's on-again-off-again girlfriend, admitted to defrauding FTX customers and stated that SBF directed her to do so. Ellison also stated that SBF paid a \$150m bribe to Chinese government officials to access \$1b in frozen funds in the country, and that she and SBF conspired to keep BTC below \$20,000.

[Crypto lending invalidated by Chinese court in second landmark ruling](#)

Cointelegraph

A second Chinese court has ruled that crypto lending is an activity outside the protection of the country's legal system. The issue at hand arose from an unpaid stablecoin loan between two individuals. However, the Nanchang People's Court ruled that the plaintiff was required to prove that Tether is a legally issued fiat currency to bring judicial relief, which the plaintiff was unable to do.

[Lido's Arbitrum Proposal Splits Community Over Grant Size, Centralization Concerns](#)

Decrypt

Lido Finance's \$4m ARB grant proposal on Snapshot has become a battleground over the project's purported centralization concerns. While some argued that the grant would increase wstETH liquidity and bring more users to Arbitrum, opponents pushed back against Lido's dominance of Ethereum staking, where its validators control 32%

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of staked ether, close to the 33% threshold where it could pose a threat to Ethereum. The vote closed and Lido ultimately did not secure the grant.

### Bitcoin research expands on design space for smart contracts

#### Blockworks

Bitcoin researcher Robin Linus published a paper on BitVM, which enhances Bitcoin's smart contract capabilities. The proposal allows for the expression of Turing-complete Bitcoin contracts through fraud proofs and a challenge-response protocol, and it can be implemented without the need for a soft fork. Others, however, called the proposal overhyped, given certain limitations such as the protocol only working between two parties.

## BITCOIN

Blockstream's new service aims to make Lightning integration a breeze

BlackRock's Bitcoin ETF Plans Raise Concerns About Centralization, Notes Arthur Hayes

BitVM wasn't created to make Bitcoin a pseudo-Ethereum, says developer

Mammoth \$200M Bitcoin single-day inflow to exchanges mirrors key 2023 moments

Bitcoin's hash rate surges as 2024 halving draws near

Bitcoin Ordinals Marketplace Ordswap Hit With Phishing Attack

Bitcoin Lightning Network growth jumps 1,200% in 2 years

Bitcoin's exchange balance plummets to five-year low

## ETHEREUM

Scroll zkEVM Launches, Blockchain Data Shows, Competing With Polygon, Matter Labs

Ethereum Has Nearly Cleared Out Validator Queue, a Sign of Weak Staking Demand

Lido Finance Faces Slashing Penalty of More Than \$30,000 in Ethereum

Ether Could Hit \$8K by End of 2026: Standard Chartered

Ethereum Gas Price Hits All-Time Low

Layer 2 Networks Account For Nearly Two-Thirds of Ethereum Transactions: Report

Ether-Bitcoin Ratio Drops to 15-Month Low as ETFs Fail to Uplift Sentiment

The Ethereum Foundation Just Sold \$2.76 Million in ETH

JPMorgan Report: Ethereum's Centralization Increased Post Merge and Shanghai Upgrades

Vitalik Buterin proposes two-tier model to address 'centralization challenges' in Ethereum staking

Ethereum Inflation? ETH Supply Has Grown by \$47 Million in 30 Days

## ALTCOINS

Perpetual Trading Protocol GMX Bags Biggest Chunk of \$40M Arbitrum Grant

THORChain Soars 8% as DeFi Exchange Lifts Trading Pause

Flare Network Will Burn 2.1B FLR to Support Ecosystem Health

Frax Finance's Fed Yield-Matching Staking Vault Attracts \$30M, FXS Steady

LayerZero's 'Gas Station' will simplify cross-chain NFT swaps

Uniswap v3 Deployed on ZkSync Era Via Oku

[Polygon L2 Proposal Roils ApeCoin Community](#)  
[Uniswap Launches Mobile Ethereum Wallet on Android](#)  
[BarnBridge DAO votes to comply with SEC order](#)  
[TON Foundation Aims to Secure Guinness World Record as the World's Fastest Blockchain](#)  
[Axelar prepares tokenomic overhaul for AXL](#)  
[Stellar Partners With Certora for Security Checks on Soroban Smart Contracts](#)  
[WOO Network Buys Back Shares and Tokens From Bankrupt Three Arrows Capital](#)  
[IoTeX launches confidential computing hardware stack](#)  
[Real-World Asset Loan Worth \\$20M at Risk of Losing \\$7M on DeFi Platform Goldfinch](#)  
[Tornado Cash Processed Over \\$77 Million in Past 30 Days: Arkham](#)  
[FRAX taps Treasury yields with new staking vault](#)  
[Ripple loses CFO Campbell amid ditched acquisition of Fortress Trust](#)  
[Gitcoin DAO gaffe sees \\$500,000 in GTC tokens lost forever](#)  
[Nexo Responds to FCA: Ending Crypto Card Transactions in the UK](#)  
[\\$88M in Arbitrum grant proposals are competing for a \\$44M pot](#)  
[Ripple in Preliminary Talks with Australian Freight & Trade Alliance for Future Partnership](#)  
[Ripple CTO seeks community consensus for XRPL AMM feature adoption](#)  
[Investor Disagreements Force FloorDAO to Send \\$2.5 Million to Splinter Faction – What's Going On?](#)

## STABLECOINS

[Tether stablecoin firm appoints CTO Paolo Ardoino as CEO](#)  
[Terraform targets Citadel Securities alleging potential connection to UST depeg](#)  
[Japanese yen-backed digital currency, DCJPY, to go live in July 2024](#)  
[USDR Issuer to Salvage Failed Property-Backed Stablecoin's Assets, 'Make Users Whole'](#)  
[USDR stablecoin depegs to \\$0.53, but team vows to provide solutions](#)  
[Circle Begins Native Minting of USDC Stablecoin on Layer-2 Scaling Solution Polygon](#)  
[Circle denies claim it copied Maple's code for smart contracts](#)  
[Uranium-Backed Stablecoin? Maker Proposal Goes Nuclear](#)  
[Stablecoin Market Cap Hits 18 Months of Decline–But All Is Not Lost](#)

## CRYPTO ECOSYSTEM

[FTX Hackers Move \\$124 Million to Bitcoin After THORSwap Halt](#)  
[Taurus expands Europe footprint after Deutsche Bank link-up](#)  
[Contango Launches Decentralized Perpetuals Leveraging Aave](#)  
[Spark Protocol Launches On Gnosis Chain](#)  
[Farcaster Launches Permissionless Onboarding](#)  
[Voyager settles with FTC for \\$1.65B while CFTC charges former CEO with fraud](#)  
[MetaMask expands crypto on-ramp options with Stripe integration](#)  
[Trezor Launches New Hardware Wallets, Metal Seed Backup for Crypto Beginners](#)  
[Court approves Genesis settlement of \\$175M to FTX, expunges billions in claims](#)  
[Crypto Bank Xapo Snags European Broker License, Will Offer Stocks Like Apple](#)  
[CoinMarketCap launches ChatGPT plugin](#)  
[Stars Arena Exploiter: 'I Want to Cooperate'](#)  
[Circle Targets Cross-Border Remittances in the Philippines in Partnership with Coins.ph](#)  
[BlockFi Bankruptcy Judge Says He Wants 3AC's \\$284M Claim Resolved in Mediation](#)

[Archax Expands Services: Introduces Crypto/ Money-Market-Fund Trading Pairs](#)  
[Blocknative Reduces Headcount by Third, After Suspending Work on Relay Project](#)  
[3Commas on 'heightened alert' after several user accounts hacked](#)  
[FriendTech rolls out two-factor authentication in response to sim-swap attacks](#)  
[MoonPay Unveils Cryptocurrency Swapping Feature in Its App – Here's the Latest](#)  
[Deribit to List XRP, SOL, MATIC Options; Seeks License in EU](#)  
[Backed Finance Rolls Out Crypto-Backed BlackRock ETF on Base Protocol](#)  
[Crypto Custody Firm Komainu Receives Custodial Approval from UK's FCA](#)  
[Friend.tech Developers Amass Nearly \\$20 Million Since August Debut](#)

## NFTS / GAMING / METAVVERSE

[NFT Publishing Platform Mirror Revamps Front-End](#)  
[NBA's LaMelo and Lonzo Ball—And Their Dad—Star in NFT Game 'StrayShot'](#)  
[Reddit's Fortnite Token BRICK More Than Doubles After Two-Months of Decline](#)  
[UK sports committee wants football to tackle fan tokens, NFTs](#)  
[Rocket League Players Revolt Over Item Trading Ban—Do NFTs Fix This?](#)  
[Nothing to see here: OpenSea denies exec involved in \\$60M rug pull: Nifty Newsletter](#)  
[3AC fire sale: Spencer Ventures to buy 144 Pudgy Penguins for 'mid six figures'](#)  
[Nouns DAO is forking again&nbsp;](#)  
[Ethereum DeFi Exchange AirSwap Rolls Out NFT Marketplace](#)  
[Amazon and Immutable Want to Make it Easier to Launch Crypto Games](#)  
[Rage Quit? Unity CEO Departs After New Fees Pissed Off Game Developers](#)  
[Mistake or money laundering? User pays \\$1.6 million for CrypToadz NFT](#)  
[Chinese government-owned newspaper to launch NFT platform](#)  
[Just One Game on Solana Is Doing More Daily Transactions Than All of Polygon](#)  
[Why NFL Alumni Are Turning to NFTs to Support Retired Football Players](#)  
[Yuga Labs cuts staff as part of larger restructuring](#)  
[Why NFT Artist John Hamon Set 3 Years of Work on Fire in Paris](#)  
[Steven Soderbergh-Backed, NFT-Funded Film Lands Global Sales Deal](#)  
[Allegations of running pump and dump schemes surface against former head of OpenSea Ventures](#)

## MINING

[Bitcoin Hashrate to Drop by 20% After Next Halving Event: JPMorgan](#)  
[Bitcoin Mining Industry Is at a 'Crucible Moment,' JPMorgan Says](#)  
[As the Halving Approaches, Bitcoin Miner Hut 8 Is Selling Zero BTC](#)  
[Bitmain suspends employee pay amid financial turmoil](#)  
[Bitcoin Miner Iris Energy Jumps 9% as It Boosts Mining Capacity Ahead of Bitcoin Halving](#)

## EXCHANGES

[Sam Bankman-Fried Wrote a Draft Twitter Thread For Alameda Closure Two Months Before FTX Collapse](#)  
[Coinbase Trading Volume Plunges 52% to \\$76 Billion, Marks Lowest Quarter After Public Listing](#)

[Binance rebrands feed feature as Binance Square, a social platform with monetization tools](#)  
[Bankman-Fried Stopped Former Alameda CEO from Quitting, Star Witness Testimony Concludes](#)  
[Caroline Ellison testimony: SBF bribed Chinese officials for \\$150M to unfreeze funds](#)  
[Circle admitted by judge as amicus curiae in SEC vs. Binance lawsuit: Report](#)  
[Hata receives in-principle approval to be fifth Malaysian digital exchange](#)  
[Bitfinex Unveils Zero-Fee Trading for Latin America in Pricing War](#)  
[Binance rolls out self-trade prevention for spot and margin trading](#)  
[SBF's lawyers ask court to allow introduction of Anthropic evidence](#)  
[Bitfinex parent company looking to buyback 15M shares at \\$1.7B valuation](#)  
[OK Group sunsets 'Okcoin' for a global transition to 'OKX'](#)  
[Gemini Appoints Sachin Ranlani as Vice President and Head of India for Market Expansion](#)  
[Bitstamp to exit Canada in January](#)  
[Changpeng Zhao and other Binance executives facing possible indictments in Brazil](#)  
[Gemini exchange taps veteran fintech exec in India expansion](#)  
[Binance tight-lipped on projects funded by \\$1B crypto recovery fund](#)  
[Breaking: Bitstamp Resumes XRP Trading After Temporary Suspension](#)  
[Binance Bets on Copy Trading to Expand Crypto Futures Offering](#)  
[South Korean UPbit counters 1,800% surge in hacking attempts with AI-driven security measures](#)  
[FTX CTO Testifies Against SBF, Admits Alameda Used Customer Funds](#)  
[Binance launches special UK domain designed to align with new FCA regulations](#)  
[Huobi Reclaims \\$8 Million In Stolen Ethereum After Offering Bounty to Hacker](#)

## CAPITAL RAISES

[Republik's \\$6 Million Funding Boosts Valuation to \\$75 Million in Web3 Quest – Crypto Funding Making a Comeback?](#)  
[Crypto Prime Broker Membrane Labs Raises \\$20M From Brevan Howard, Point72 and Jane Street](#)  
[Parsec Crypto Analytics Firm Raises \\$4 Million in Investment Round Led by Uniswap and Billionaire](#)  
[Novogratz's Galaxy Digital](#)  
[Tokenized RWA Platform Untangled Goes Live, Gets \\$13.5M Funding to Bring Private Credit On-Chain](#)  
[Stars Arena secures funding to plug \\$3M shortfall following exploit, will reopen after security audit](#)

## INVESTMENT MANAGEMENT

[What happens if SEC doesn't appeal Grayscale spot Bitcoin ETF ruling?](#)  
[Will SEC file appeal by deadline as Grayscale Bitcoin Trust discount hits yearly low?](#)  
[Ethereum ETF launch fizzles as traders 'distracted' by SBF trial](#)  
[21.co adds US leader as SEC mulls over proposed crypto ETFs](#)  
[Crypto Gaming Attracted \\$600M Worth of Q3 Investment Despite Bear Market](#)  
[BlackRock seeks court crackdown on 44 copycat sites, some crypto adjacent](#)  
[WisdomTree extends reach of Prime app, plots new features](#)  
[ARK Invest updates spot Bitcoin ETF proposal in response to SEC criticisms](#)  
[Venture funding for crypto hits lows last seen in 2020 due to SBF trial fallout](#)  
[Bitcoin 'Main Beneficiary' as Crypto Investment Hits High Not Seen Since July](#)  
[To appeal or not to appeal the Grayscale ruling — that's the SEC's question](#)

ProShares Launches Six Ether Futures ETFs, Expanding Crypto ETF Market

## TRADFI / TECH

S Korean Prosecutors to Probe ex-Kakao CEO Over Crypto ‘Embezzlement’ Allegations

Chinese IT Giant Tencent Launches Digital Yuan Smart Contract Services

First Abu Dhabi Bank completes cross-border payments testing on JPMorgan Onyx

JPMorgan debuts tokenization platform, BlackRock among key clients: Report

X Takes Center Stage in Web3 Marketing for Crypto Projects

TP ICAP taps former Goldman Sachs, JPMorgan alum to lead digital asset sales

Trader Joe’s grocery chain sues DEX of the same name

Bitstamp Courts European Banks as Region's Incoming Crypto Rules Boost Confidence

This San Diego bank’s client list is a who’s-who of questionable characters in crypto and beyond

Elon Musk calls for overhaul of SEC after agency issues order against him

X ‘everything app’ push continues as Elon Musk tests video game streaming

## CBDC

Chinese FX Regulator Highlights Programmable Features in CBDCs

Mastercard Announces Successful Wrapped CBDC Trial in Partnership with Reserve Bank of Australia

Russia Could Use Digital Ruble to Evade SWIFT, Wants Foreign Banks to Use its CBDC

China’s Shenzhen Launches Digital Yuan Industrial Park

More Russian Banks Say They’ll Join Digital Ruble Pilot – CBDC Advances?

Central Bank of Nigeria: eNaira no threat to financial stability

Rise in Chinese Banks Issuing Digital Yuan Corporate Loans

China Says Overseas Visitors Are Using e-CNY, Paying More Salaries with CBDC

Zimbabwe turns gold-backed digital token into payment method

Italy’s Cipollone Defends Digital Euro as He Seeks ECB Role

Exclusive: Reserve Bank of Australia’s Approach Towards Issuing eAUD is “Multifaceted,” Says Canvas Head David Lavecky

Digital Yuan Giveaways Driving Adoption, Chinese Central Bank Claims

## REGULATORY / COUNTRIES

Gary Gensler’s SEC threatened with forced compliance over alleged obstruction by House committee

G20 adopts IMF-FSB Synthesis Paper on crypto regulation

UK FCA Working on Blue Print for Fund Tokenization Due This Year

Indonesia to conduct blockchain trials for public services

North Korean hackers have abandoned Tornado Cash for Bitcoin Mixers: TRM Labs

US bill aims to ban SEC rule that makes crypto custody ‘completely non-viable as a business model’

US lawmakers urge IRS to implement crypto tax reporting requirements before 2026

European regulator: DeFi comes with significant risks as well as benefits

Pro-Crypto Advocate RFK Jr. Shifts to Independent Presidential Campaign – What Does That Mean for The Industry?

[FCA Sanctions Binance's UK Partner RebuildingSociety.com for Financial Promotions](#)  
[State Regulators Back SEC in Coinbase Lawsuit](#)  
[Brazilian securities regulator plans sandbox for tokenization in 2024](#)  
[Cyprus to Impose Strict Penalties on Unlicensed Crypto Service Providers – Report](#)  
[Israeli authorities redirects frozen Hamas cryptocurrency funding to state treasury](#)  
[India to Push Crypto Regulation Talks at Final FMCBG Meet in Morocco](#)  
[EU mulls more restrictive regulations for large AI models: Report](#)  
[Basel Committee to consider disclosure requirements for banks' crypto assets](#)  
[Canada's Regulators Clarify Interim Stablecoin Regulations Amid Market Concerns](#)  
[Dubai Regulator Halts Sale and Distribution of Islamic Coin – What's Going On?](#)  
[Taiwanese Lawmakers Target November for First Crypto Regulatory Draft Bill: Report](#)  
[US considering application of Electronic Fund Transfer Act to crypto accounts](#)  
[Crypto Has 'No Innate or Inherent Value', SEC Argues in Coinbase Case](#)

## ENVIRONMENTAL, SOCIAL, GOVERNANCE

[Israel's Crypto Community Rallies in Humanitarian Effort amid Gaza War](#)  
[Environmental Groups Need to Dig Deeper Into AI Energy Use, Researcher Says](#)  
['Crypto Aid Israel' Launches to Raise Funds Amid Gaza Conflict](#)

## SURVEYS, HACKS, MISC

[DeFi User Mistakenly Swaps \\$131,350 in USDR for \\$0 in USDC](#)  
[Alameda Research Lost \\$200M to Several Phishing Attacks Due to "Poor Security Practices": Ex-FTX Engineer](#)  
[Platypus DeFi loses \\$2.2M in another flash loan exploit](#)  
[Russian Attackers May Have Been Behind Hack of Sam Bankman-Fried's FTX, Elliptic Says](#)  
[Consultant's Heroic Act: How a Personal Wallet Saved \\$400 Million During the FTX Hack](#)  
[Meet the guerilla artist who staged a crypto 'rug pull' in front of the SEC](#)  
[Galxe replacing 110% of funds users lost in recent front-end hack, over \\$400K](#)  
[\\$500M FTX exploit is swapping millions in ETH for BTC. Why?](#)  
[BNB Chain-Based Altcoin LSC Faces Rug Pull Draining \\$1.1 Million, Token Slumps 98%](#)  
[Astrology NFT project Lucky Star Currency rugged for over \\$1M — CertiK](#)  
[Michael Lewis' new book puts a positive spin on Sam Bankman-Fried](#)  
[SBF trial turns into naptime for one sleepy juror](#)

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