

Feb

Huobi Academy of
Blockchain Application

Review of Blockchain Applications and Blockchain Market Changes

Global Blockchain Asset Industry Monthly Report

Huobi Academy of Blockchain
Application

February, 2018

Monthly Point of View:

- Different countries have adopted different attitudes towards blockchain applications due to national conditions. Countries with small economic volume have lower trial-and-error costs and are willing to try boldly; while large economic volume countries have higher trial-and-error costs and are more cautious. The prevention of risks through the establishment of industry rules and the introduction of relevant regulations for specific areas of the blockchain industry, such as taxation, are two main directions that countries are currently emphasizing. At the same time, the importance of international regulatory cooperation has become increasingly prominent.
- The number of projects completed crowdfunding in February 2018 increased by 30% MoM, but less than 20% of these projects are listed on cryptocurrency exchanges. The disclosed amount of crowdfunding dropped significantly, and the average amount of the project was about US\$20 million. According to public information, 42.86% of the projects both completed crowdfunding and traded on exchanges in February had a fall on first-day trading (Note: the first-day trading price here comes from Coinmarketcap). By February end, prices of projects both finished crowdfunds and traded on exchanges rose by an average of 10.87% compared with its price in crowdfunding.
- Global market cap of blockchain assets continued to decline, however, market cap of cryptocurrency remains stabilized, indicating market downward trend was relieved. On application area, due to rapid progress of application release and being able to fulfill requirements for self-optimization for the blockchain ecosystem, the market cap of exchange tokens increased most significantly this month.

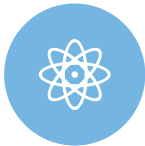
Table Of Contents

One



Market and Policy

Two



Primary Market

Three



Secondary Market

Four



Application Asset
Analysis

One



Market and Policy

1. International Organization
2. Europe and USA
3. Asia Pacific
4. China

1. International Organization Policies & Movements

- **【United Nations】** World Food Programme is planning to reduce milliance of US dollars banking transaction fees by leveraging on digital distributed ledger based on Ethereum according to UN in charge Robert Opp.
- **【FATF】** at recent FATF (Financial Action Task Force On Money Laundering) regular meetings, representative of 35 members and 2 organizations (European Commission and Gulf Cooperation Council—GCC) urged the global body to improve the understanding of money laundering risks relating to cryptocurrencies
- **【European Union】** European Commission hosted a roundtable on “Cryptocurrency- Oppotunities and Risks”. Main topic around ICO and impact of cryptocurrency to financial market. Digital Crypto Asset and challange of underlining blockchain technology was discussed

Comments

- Regulatory Coordination has become an important topic as block chain industry progresses

2. Europe and USA Policies & Movements

- **【US】** 2018.2.6 US Senate has discussed regulatory oversight towards cryptocurrency, The hearing has proposed to treat blockchain technology development based on “Do No Harm”. ICO that is not registered with SEC are illegal; revisit of cryptocurrency trade regulation in order to build new federal supervision framework is required.
- **【Spain】** 2018.02.16 Spain People’s Party: Considering tax reduction plan for block chain companies, encouraging ICO.
- **【Germany】** 2018.2.27 German Federal Ministry of Finances announced not to subject transactions made by Bitcoin or other cryptocurrencies to any form of taxes. However, transaction fees paid to digital wallet merchant or other services will be taxable.
- **【Poland】** 2018.02.24 Polish Ministries Of Foreign Affairs And Finance announces planning of issue country digital currency dPLN.
- **【Gibraltar】** 2018.02.12 Gibraltar’s government and Gibraltar Financial Services Commission (GFSC) have announced that they will develop laws related to ICO.
- **【France】** 2018.02.22 Autorité des Marchés Financiers (AMF) announced to stop propaganda and trade of crypto currency financial derivatives.

Comments

- Countries with small economic volume have lower trial-and-error cost and are willing to try boldly; while large economic volume countries has higher trial-and-error cost and are more cautious.

3. Asia Pacific Policies & Movements

- **【Australia】** 2018.2.6 3 out of 4 major banks of Australia, including ANZ; NATIONAL Bank of Australia; Westpac has indicated not to band customer from purchasing bitcoin or other cryptocurrency using credit or debit card, however, they will closely provide monitoring oversight.
- **【Thailand】** 2018.02.26 Thailand Securities and Exchange Commission is preparing to announce the country's regulations for cryptocurrencies and ICOs by March. The law also puts SEC in charge of regulations.
- **【Malaysia】** 2018.2.27 The National bank of Malaysia has announced to improve transparency of cryptocurrency related activities.
- **【Israel】** 2018.02.25 Israel decides to tax cryptocurrency and mining business.
- **【 Israel】** 2018.02.26 The Israeli Supreme Court has issued a temporary court order to Leumi Bank to stop it from limite bank accounts of companies associated with a cryptocurrency exchange by any means.
- **【 Saudi Arabia 】** 2018.02.15 Saudi Arabia's central bank on a pilot program using Ripple payment technology.
- **【 Bangladesh 】** 2018.02.22 Central bank of Bangladesh has announced bitcoin to be illegal and police force has begin arresting traders in the country.

Comments

- Countries gradually announces taxation policy as block chain industry expands.

3. Asia Pacific Policies & Movements

- **【Japan】** 2018.2.27 Government has announced that some of the refund due to cryptocurrency trade will be taxable.
- **【Japan】** 2018.2.27 Financial Services Agency has indicated to publish regulations around “ban of illegal ICO fund raising”
- **【South Korea】** 2018.2.21 Financial Supervisory Service confirmed that government will support cryptocurrency trade and encourage cooperation between banks and cryptocurrency exchange to eliminate concerns around regulatory restriction for such business.
- **【South Korea】** 2018.2.28 Exchange Coinone received notification from South Korea's Fair Trade Commission (KFTC) to amend unfair term and conditions in trade. KFTC has announced to inspect terms and conditions and correct unfair rules towards 13 exchanges.
- **【Singapore】** 2018.2.6 Deputy Prime Minister and Chairman of Central Bank of Singapore Tharman Shanmugaratnam has indicated that there's no strong reason why Singapore should ban cryptocurrency trading

Comments

- Compliance is the foundation of long term development for blockchain and future trend as well.

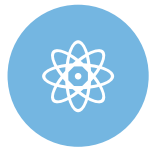
4. China Policies & Movements

- 2018.2.1 Guizhou Province has started R&D of blockchain technology in 9 areas including government; civil as well as commercial sector
- 2018.2.3 Guangzhou government will provide incentive policies to blockchain companies on registered capital; HR; rental allowance; financing guarantees etc. Guizhou; Qingdao, Chongqing has also established blockchain technology base which attracts blockchain startups by tax incentives; rental allowance, according to Lu Li Hong, General Manager of Guangzhou City Construction Investment Group, Zhongguancun eGu Industry Park during 2017-2018 China BlockChain FengYunBang hosted in Shanghai.
- 2018.2.9 Beijing Finance Bureau urge to resolve ICO; cash loan risks, reinforce rectification on financial violations
- 2018.02.17 A wechat group called: “3 o clock Sleepless Blockchain” has gathered elite leaders in this industry nationwide to discuss and future of the industry.
- 2018.02.26 People’s Daily has published 3 special report of block chain technology. Which are 《三问区块链（经济热点）》、《抓住区块链这个机遇》、《做数字经济领跑者》

Comments

- Blockchain has stimulated emerging of new business model, how to leverage it and help developing real economy especially the value of blockchain application in digital economy has drawn great attention.
- Local governments has released policies to encourage the development of blockchain industry, meanwhile give utmost attention to ICO and other risks.

Two



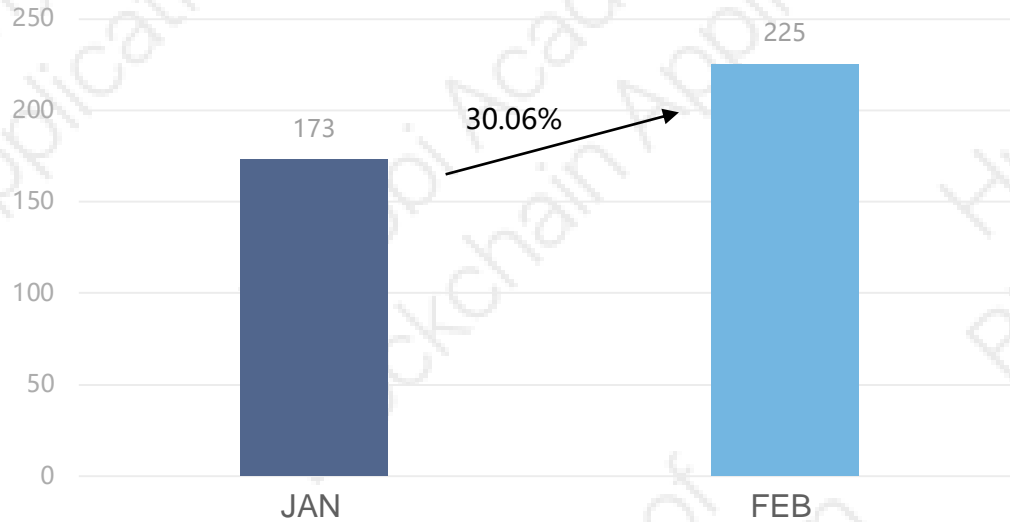
Primary Market

1. Overall Financing and Project Status
2. Key Projects Financial Status
3. Key Projects Introduction

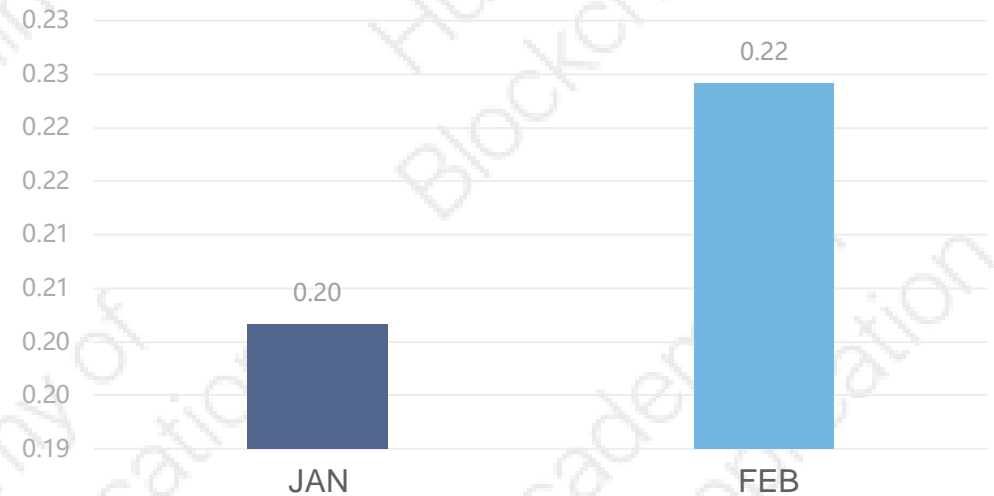
1. Overall Financing and Project Status

ICO Project Completion Number Increases MoM, Average Project Fund Raised: USD 200 Million

ICO Project Completed Jan & Feb 2018



Average ICO Fund Raising Jan & Feb 2018 (USD 100 Million)

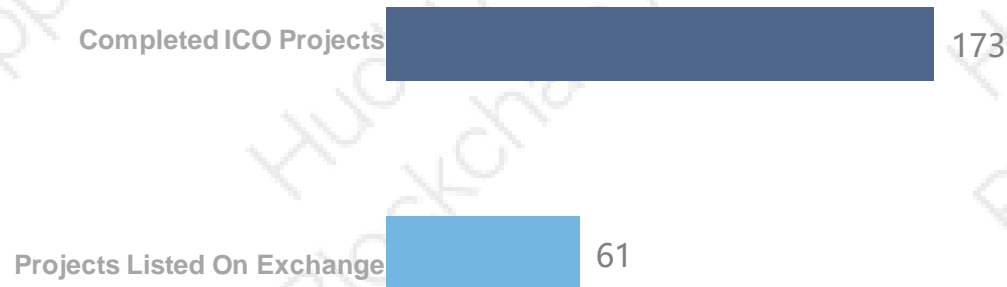


- In February 2018, there were total 225 completed projects, the number increased 30.06% MoM. 46 projects has disclosed ICO funding capital which was in total of 1.031 Billion USD. In January, there were 173 ICO projects completed, of which, 90 has disclosed funding capital of 1.814 Billion USD.
- Average ICO capital raised in January was USD 200 Million and February was USD 220 Million

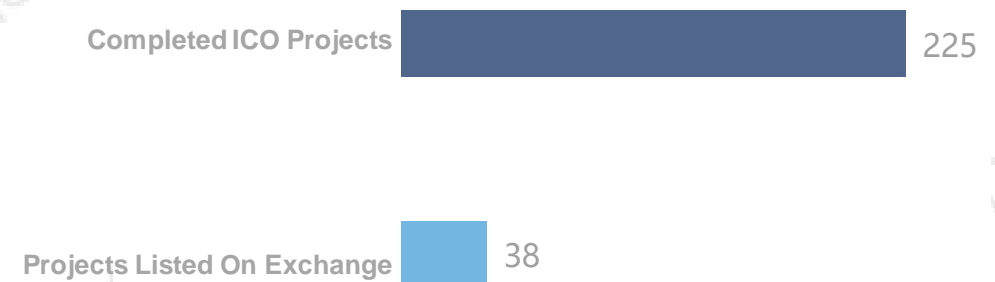
2. Key Projects Financial Status

Exchange Listing Rate post ICO was low, only 35.62% success listing rate

January Listing Rate: 35.62%



February Listing Rate: 16.89%



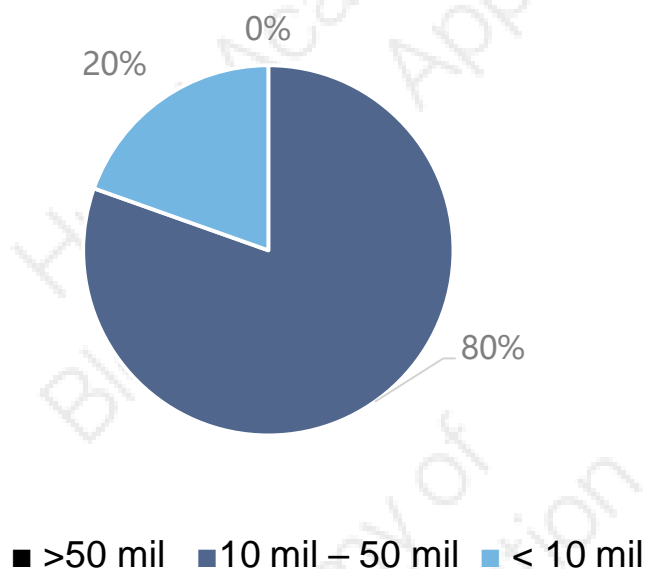
- Till End of Feb 2018, 38 projects were listed on exchange out of 225 that completed ICO, listing rate¹ was only 16.89% compares to what was 35.62% in Jan.

Note: Listing Rate = Number of projects that is listed in exchange by end of Feb post-ICO of each month / Total number of projects that completes ICO (%) Data Source from ICO Bench; ICO Drops etc, sorted by Huobi Blockchain Application Research Institution

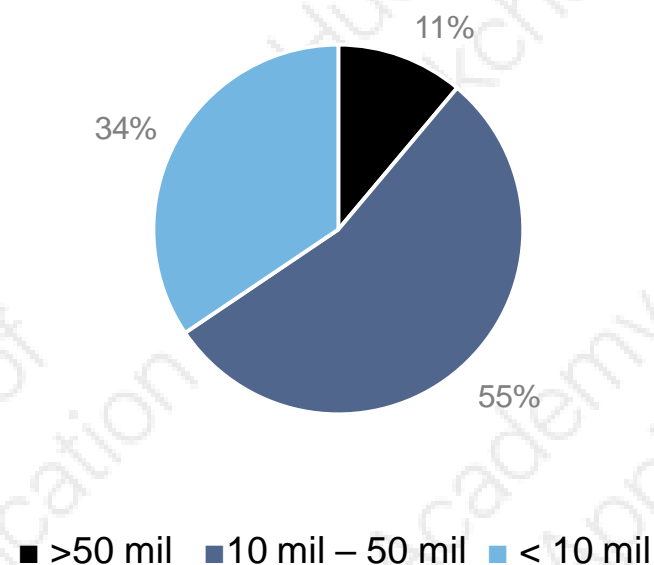
2. Key Projects Financial Status

ICO Capital distribution were quite centralized, percentage of fund raised between 10-50 Million was highest

Proportion of project funding in each Category in Feb



Proportion of project funding in each Category in Jan

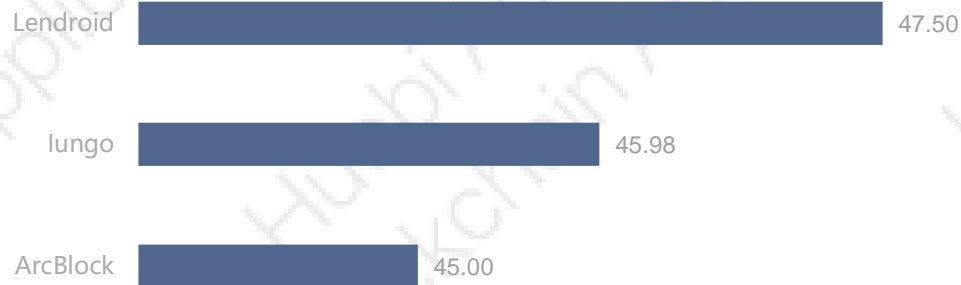


- The proportion of projects capital raised between 10-50 million are the highest regardless of Jan or Feb 2018
- The proportion of projects capital raised between 10-50 million has increased 25% in Feb compared to Jan. Projects larger than 50 million and less than 10 million has dropped 11% and 14% respectively MoM.

2. Key Projects Financial Status

Top3 Projects in terms of crownfunding capital in Feb: Lendroid、lungo、ArcBlock

Top 3 crownfunding captial in Feb 2018
(in 1 Million USD)



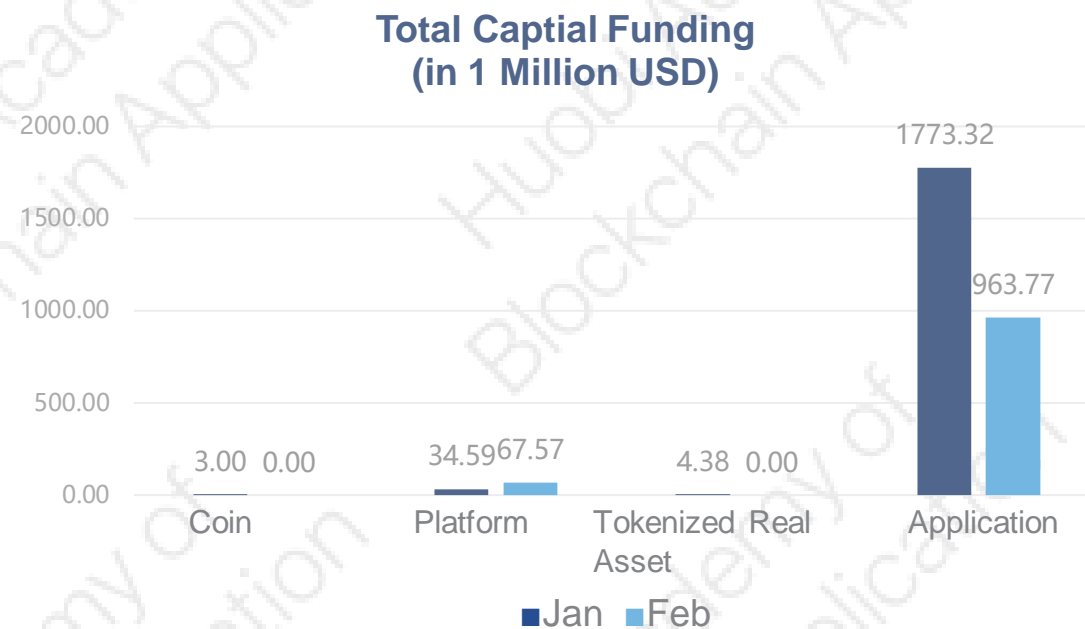
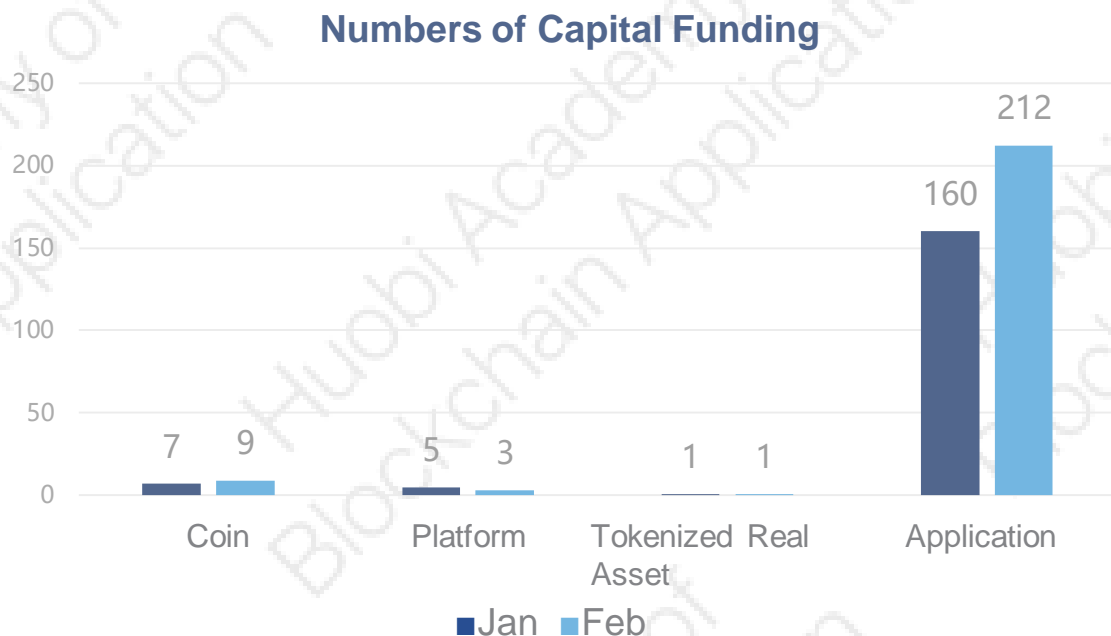
Project Name	Token Name	Industry	Number of Exchange Listed	Exchange Names
Lendroid	LST	BlockChain Finance	N/A	N/A
lungo	ING	Telecommuni cation	2	Kubi、Tidex
ArcBlock	ABT	Platform	11	Huobi Pro , OKEX etc

- Among 46 projects that has disclosed amount of financing in Feb 2018, top 3 are Lendroid、lungo and ArcBlock.

- As indicated from table above, Lendroid has yet to be listed in any exchange.
- ArcBlock has already listed on 11 exchanges including Huobi Pro and OKEX

2. Key Projects Financial Status

Captial funding comparism of 4 assets in Jan and Feb 2018



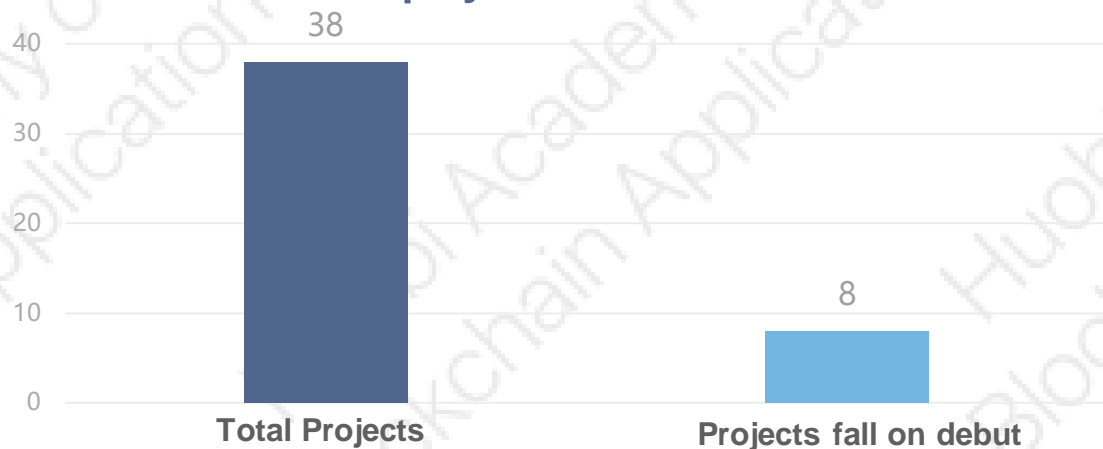
➤ 94.22% projects are application related in Feb. Compare to Jan application, coin projects has increased 32.5% and 28.57% respectively in Feb. Number of tokenized real asset fund raising remains; number of platform fund raising has declined 40% MoM

➤ Application projects has raised 93.45% of overall funding capital in Feb. Compares to Jan, platform projects has increased the most at 95.33% MoM; Application projects however, has declined 45.65% MoM; Coin and Tokenized Real Assets are not included.

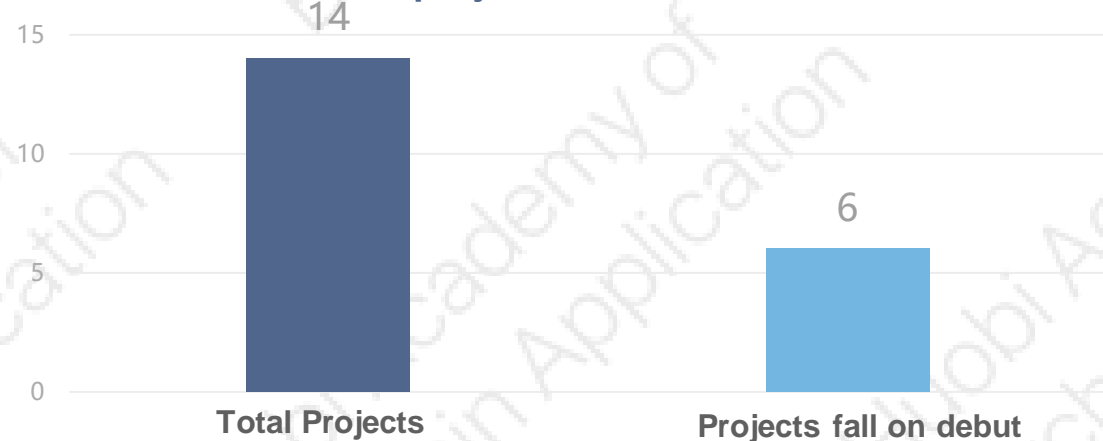
2. Key Projects Financial Status

Fall on debut increased in Primary Market, over 40% projects falls in Feb 2018

Status of project fall on debut in Jan



Status of project fall on debut in Feb

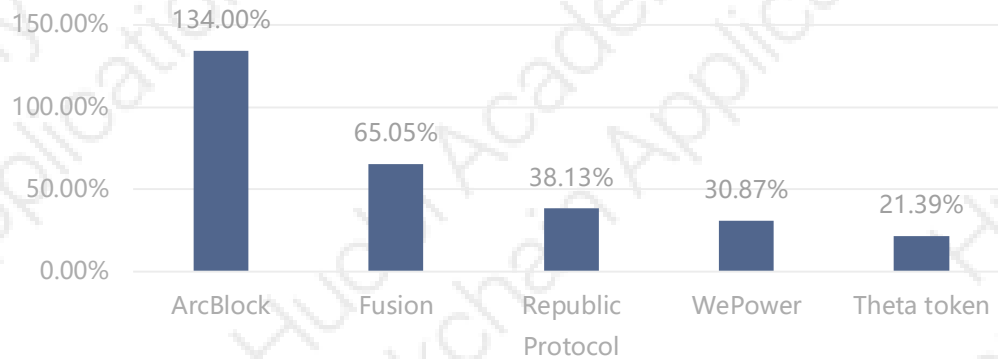


- In Feb, there are 14 projects stats available in terms of ICO list price and first time trade price. 6 of them has lower first day trade price than ICO list price, 42.86% fall on debut rate.
- In Jan, there are 38 projects stats available in terms of ICO list price and first time trade price. 8 of them has lower first day trade price than ICO list price, 21.05% fall on debut rate.

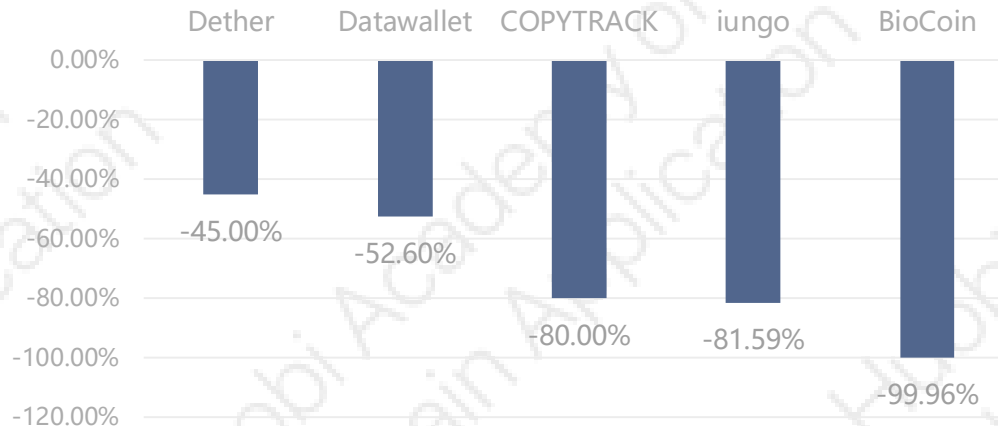
2. Key Projects Financial Status

Projects average increase rate was only 10% with highest set at 134% and lowest close to zero

**Top 5 Market Cap Increase Projects
Feb 2018**



**Top 5 Market Cap Decrease Projects
Feb 2018**



- Out of 255 projects completed ICO in Feb, 14 are able to provide ICO cost price and trade price post listing in exchange. Till 28th Feb 2018, 5 (35.75%) projects have positive increase and 9 (64.29%) projects have negative increases. The average increase rate of 14 projects are 10.87%.

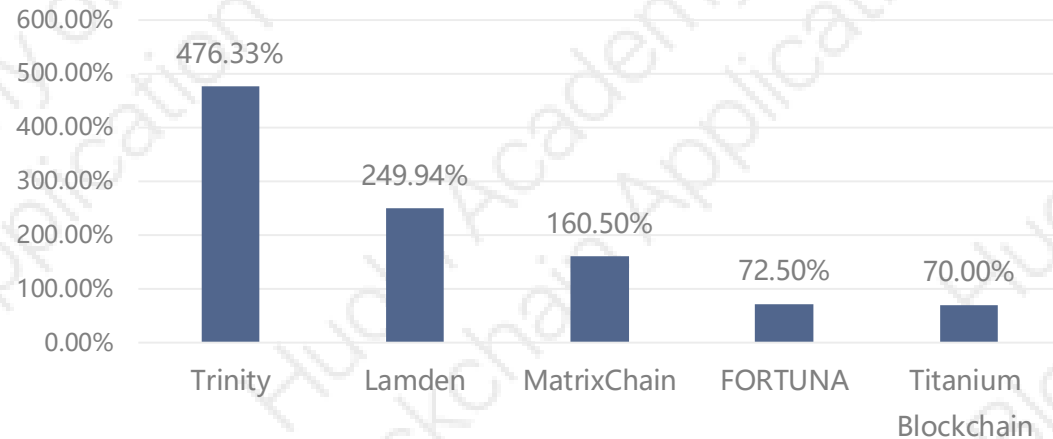
- ArcBlock has increased the most in Feb which is at 134.00%; Fusion and Republic Protocol were ranked at 2 and 3, with increase of 65.05% and 38.13% respectively.

- BioCoin has dropped the most followed by lungo and COPYTRACK, the dropping rate were 99.96%, 81.59% and 80.00% respectively.

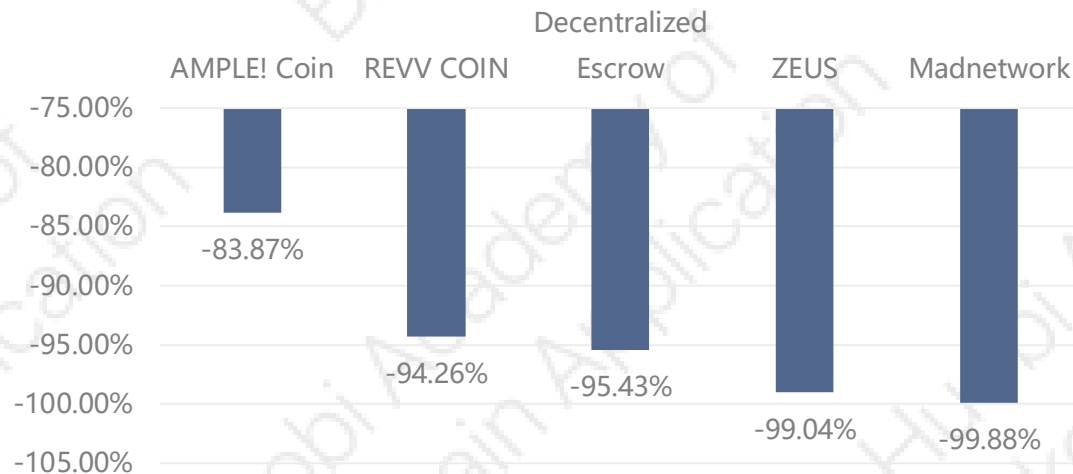
2. Key Projects Financial Status

Average increase rate of Jan projects were 33.99% with highest at 4 times more and lowest close to zero

Top 5 Market Cap Increase Projects In Jan 2018



Top 5 Market Cap Decrease Projects In Jan 2018

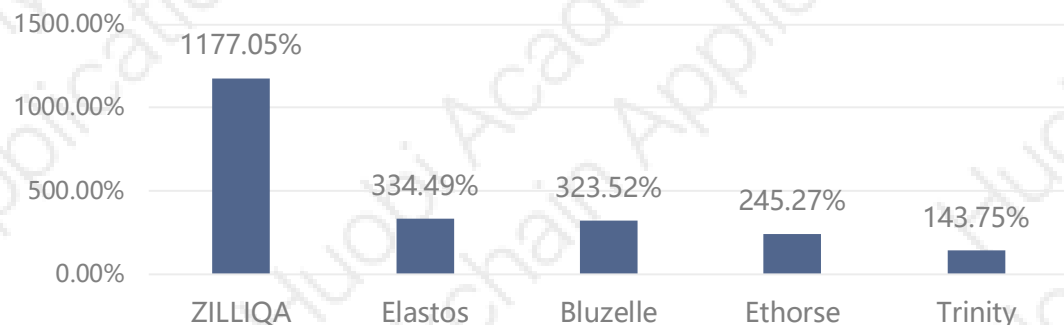


- Out of 173 projects completed ICO in Jan, 16 are able to provide ICO cost price and trade price post listing in exchange. Till 31st Jan 2018, 8 (50%) projects has positive increase where as 8 (50%) projects has negative increases. The average increase rate of 16 projects are 33.99%.
- Trinity has increased the most post-ICO since Jan1, it has increased 476.33%; Lamden and MatrixChain were ranked at 2 and 3, with increased at 249.94% and 160.50% respectively.
- Madnetwork has dropped the most followed by ZEUS and DecentralizedEscrow, the dropping rate were at 99.88%, 99.04% and 95.43% respectively.

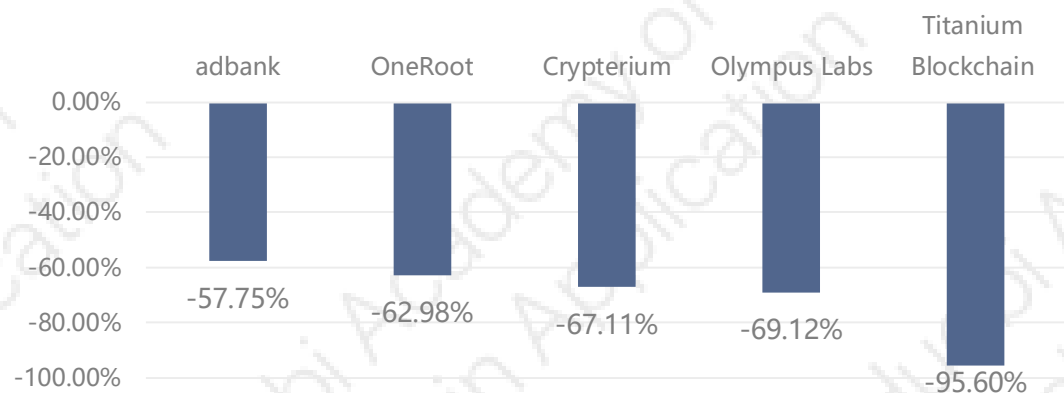
2. Key Projects Financial Status

Till Feb, projects complete ICO in Jan has and average increase of 47.75%, with highest at 10 times more and lowest close to zero.

Top 5 Market Cap Increase Project between Jan to Feb 2018



Top 5 Market Cap Decrease Project between Jan to Feb 2018



- Out of 173 projects completed ICO in Jan, 38 are able to provide ICO cost price and trade price post listing in exchange. Till 28th Feb 2018, 13 (34.21%) projects has positive increase where as 25 (65.79%) projects has negative increases. The average increase rate of 38 projects are 47.75%.
- ZILLIQA has increased the most post-ICO since Jan1, it has increased 1177.05%; Elastos and Bluzelle ranked 2 and 3 and has increased 334.49% and 323.52% respectively.
- Titanium Blockchain has dropped the most at 95.60%, Olympus Labs and Crypterium ranked 2 and 3 were dropping 69.12% and 95.60% respectively.

Note: End of Feb Increase rate of project completed ICO in Jan is calculated based on ICO Cost and closing price on exchange of 28th Feb. Data Source from ICO Bench; ICO Drops; Coinmarketcap etc, sorted by Huobi Blockchain Application Research Institution

3. Key Projects Introduction

ZILLIQA (ZIL)



Increase Rate ³	1177.05%
Market Value ⁴	\$231,230,039
Number of Exchange Listed	7
Name of Exchange	Huobi.pro, Binance, Kubi etc
Similar Projects	Aelf, Nuls, EOS

- A new public block chain, providing a platform for applications that requires high I/O. Zilliqa aims at supporting up-scaling high transaction rate and data-driven DApp, ie: digital advertisement; payment; share economy and property management
- To solve problems such as
 1. Scalability of main chain
 2. Secure and high efficiency transaction processing
 3. Maintain decentralization and protect system

Elastos (ELA)



Increase Rate ³	334.49%
Market Value ⁴	-
Number of Exchange Listed	1
Name of Exchange	Huobi.pro
Similar Projects	ETH, EOS, AION, Cardano

- Elastos is an operating system that uses the Internet as the base-layer infrastructure. It enables the operatability for massive decentralized Apps (DApps) and ensures the security and trustworthy of digital content trades. It aims at building open and shared Elastos eco-smart economy
- Features
 1. Achieved seperation between trust and computing which enables usability and credibility over large scale DApps
 2. Solved limitation of current Ethereum Virtual Machine due to coupling.
 3. Ensures Dapps runtime is high performance and trustworthy

Note: Increase Rate³: Based on ICO cost and closing price on 28th Feb. Market Value⁴: Based on Coinmarketcap

3. Key Projects Introduction

Bluzelle (BLZ)



Increase Rate ³	323.52%
Market Value ⁴	\$50,774,295
Number of Exchange Listed	4
Name of Exchange	Huobi.pro, Binance
Similar Projects	Fliecoin, Storj, Oracle

- Bluzelle is a decentralized, on-demand, scalable database service for Dapps. It allows user to gain token by sharing computer storage while Dapp developers pay for it. (Similar to Ethereum using Gas to encourage high efficiency programming)
- Features: To ensure developers get the highest throughout in performance; reliability and scalability, Bluzelle implements swarming technologies. A swarm is a large group of nodes (computers) that work together to store and manage data. Nodes in these swarms can go down and new nodes can come up with minimal impact on the network. Overall Bluzelle is a meta-swarm comprised of multiple swarms.

ArcBlock (ABT)



Increase Rate ³	134.00%
Market Value ⁴	\$70,734,902
Number of Exchange Listed	11
Name of Exchange	Huobi.pro, OKEX Ect
Similar Projects	-

- ArcBlock (ABT) is a platform service and ecosystem that aims at develop and deploy Dapps.
- Features: ArcBlock (ABT) is a token used to pay for computing and technical resource on the platform. Similar to Steem, its a token economy driven marketplace. ArcBlock token is gained by providing re-usable component; new service and applications that will be deployed.

Three



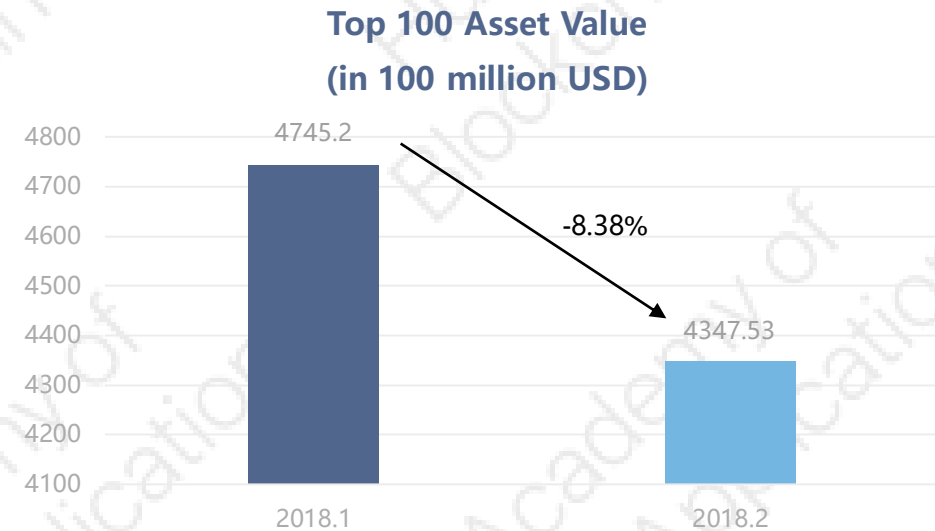
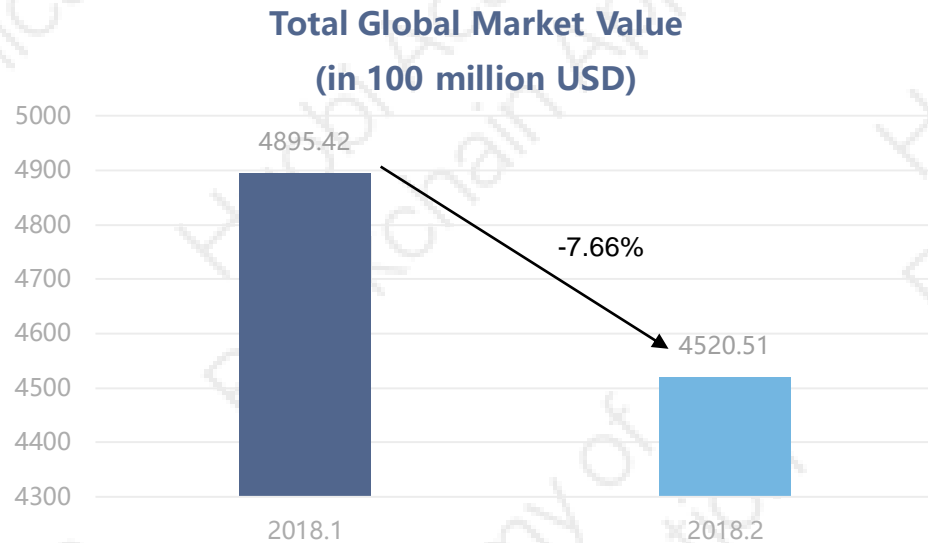
Secondary Market

1. Asset Market Overview
2. Asset Categorization and Major Asset Analysis

1. Asset Market Overview

Number of projects increases however, total market value continues to decline

- In Feb 2018 global blockchain asset market value is 452.051 billion USD, declined by 7.66% MoM; total block chain assets are 1523, increased by 1.13% MoM; Total market value of of top 100 assets hits 434.753 billion USD, which declined by 8.38% MoM and consists 96% of total market cap.



- 79 coin assets market value declined among top 100 in Feb. Populous, ICON and SmartCash have the greatest drop with 70.49%; 52.51% and 49.33%. 21 coin assets market value has increased. Top 3 are DigixDAO,Revain and OmiseGO which increased by 151.31%;43.08% and 36.21% respectively.
- 9 coins have newly joined top 100. They are: Nano、 Zilliqa、 Polymath、 Neblio、 HT、 Bancor、 Vertcoin、 Blocknet、 SingularityNET.

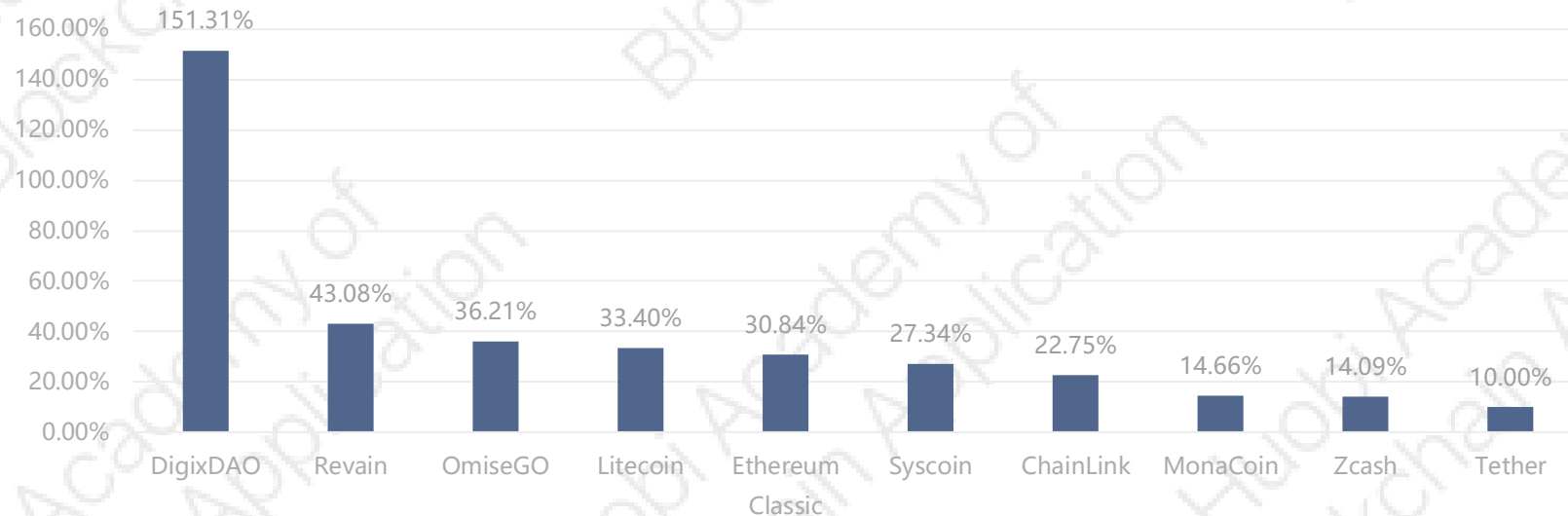
Note: Data Source from Coinmarketcap, MarketValue refers to circulated market value

1. Asset Market Overview

DigixDAO, Revain, OmiseGO are top 3 amount the top 10 significant market value increase

- In February, the top 10 currencies which recorded a gain are as follows (out of the top 100 in terms of market capitalization). Digix Dao rose the most with a month-on-month increase of 151.31%; Revain was the second highest gainer at 43.08%; OmiseGO ranked third with an increase of 36.21%.

The top ten currencies by increase in market value
February 2018



1. Asset Market Overview

Top 100 Capitalization – Analysis of the 2 best performers —Digix and Revain

Digix



Type: Asset backed tokens

Important event this month

- Feb 13th: DGX2.0 will be released by the end of the first quarter of 2018

Project Description:

- Digix's token DigixDao serves two purposes. One can use its tokens to vote on the motion and decide to invest; the second is DGX's transaction fees, which are used to reward DGD holders. Based on the expected release of DGX 2.0, investors who are optimistic about the prospect of DGD would increase their holdings of DGD, which probably led to the increase in price.
- DGX2.0 will be released at the end of Q1 in 2018.

Revain



Type: Social

Important events this month

- February 5th: 20 new user reviews for the Revain platform.
- February 12th: Added another 20 user reviews on the Dashboard platform.
- Feb 14th: Release of Revain beta dashboard v 0.5.
- February 15: More than 500 comments on Dashboard.
- February 21: Release of Dashboard V0.5;

Project Description

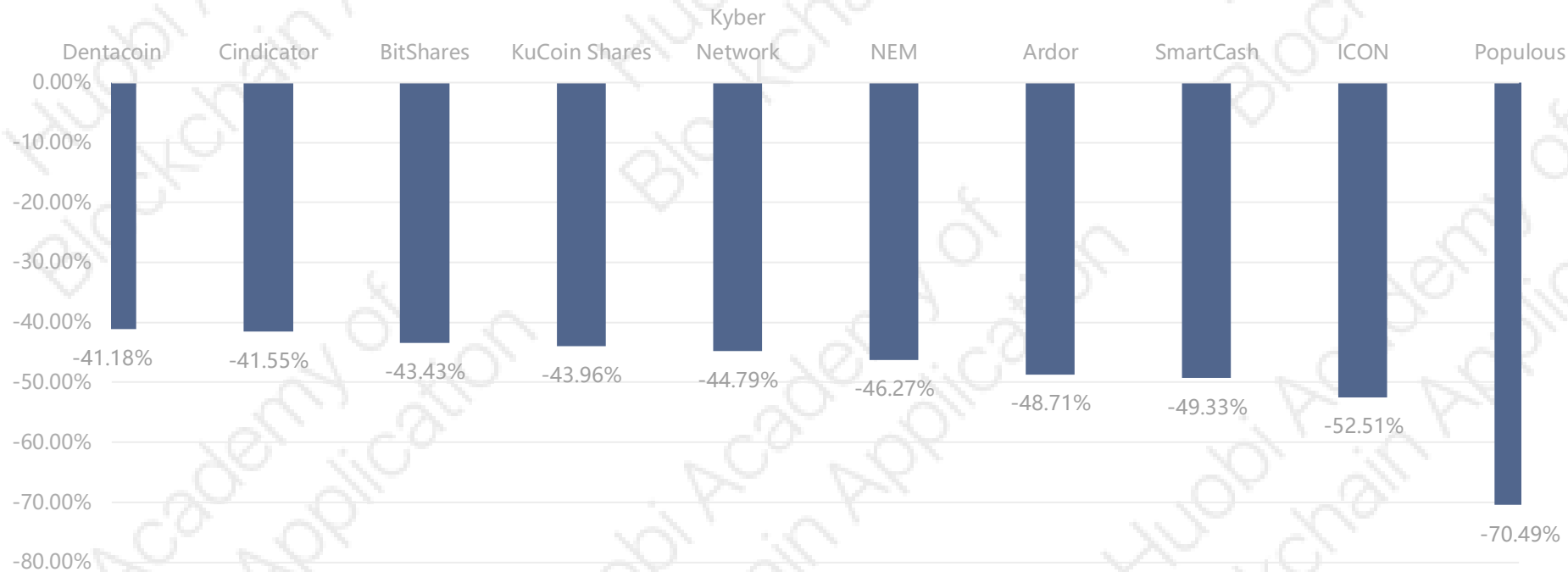
- Revain is a new generation of feedback platform, mainly based on blockchain technology, which does not allow users to change or delete comments. The authors will be rewarded for original creation. There were two major increases in Revain tokens this month, which occurred on Feb 6 -13th and Feb 18th. The main driver was the launch of Revain platform and its technology involved. Also during Jan 29th, with the release of Dashboard V0.4, the price of Revain tokens rose sharply from Jan 29 to Jan 31.

1. Asset Market Overview

Top 100 Capitalization – Top 10 worst performers with Populous falling the most followed by ICON

- Among the top ten currencies in terms of decline in market value, Populous had the largest drop, down 70.49%; ICON fell the second, and dropped 52.51%; SmartCash fell by 49.33%. Populous (finance category), SmartCash (communication category) ; ICON (platform category).

February 2018 – Top 10 worst performers



1. Asset Market Overview

Top 100 Capitalization – Analysis of the worst performer - Populous

➤ Populous



➤ Type: Finance (Blockchain)

Important Events this month

Feb 9th: The Beta version 1.0 release is completed ahead of schedule.

Feb 16th : Beta v2.0 release.

Feb 26th: Populous' Bounty community activity is launched.

Project Description:

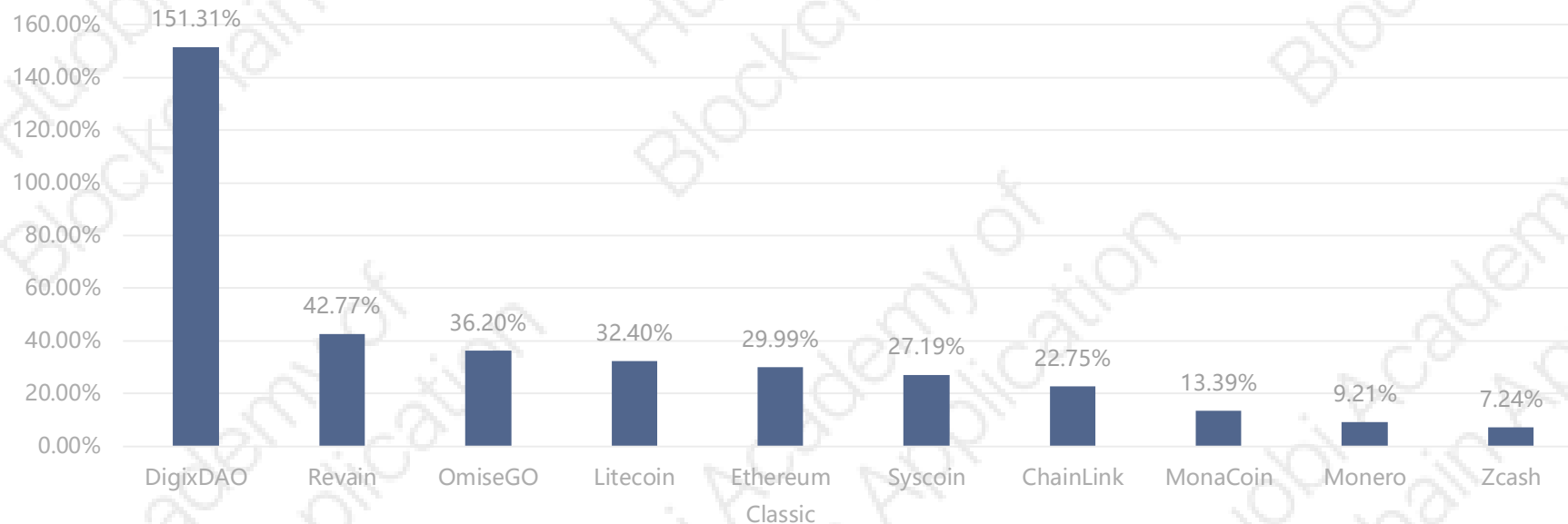
Populous is a blockchain based financial transaction system. The overall market value of the Top 100 projects fell by 8.38% this month, and the market value of 80 projects fell. Compared to other projects, Populous has experienced a greater decline. From Populous's disclosure, there is no strategic adjustment in the planning and positioning of the Populous project, and Populous Beta version 1.0 was also released in advance. The main reason for the drop in Populous was due to market adjustment after rose consecutively in the past three months. In January, Populous's market value rose by 90.29% compared to December; in December it rose 226.43% compared to November. In the case of a decline in the overall market in February, Populous's earlier gains are inevitably subject to price adjustments.

1. Asset Market Overview

Top 100 global assets price increase (top ten currencies), the top three are still DigixDAO, Revain, and OmiseGO

- Among the top ten currencies in February, DigixDAO had the largest increase, which was a year-on-year increase of 151.31%. Revain was the second highest gainer, with a year-on-year increase of 42.77%. OmiseGO ranked third and rose by 36.20%.

February 2018 Price Increase Top 10 currencies (yoy)

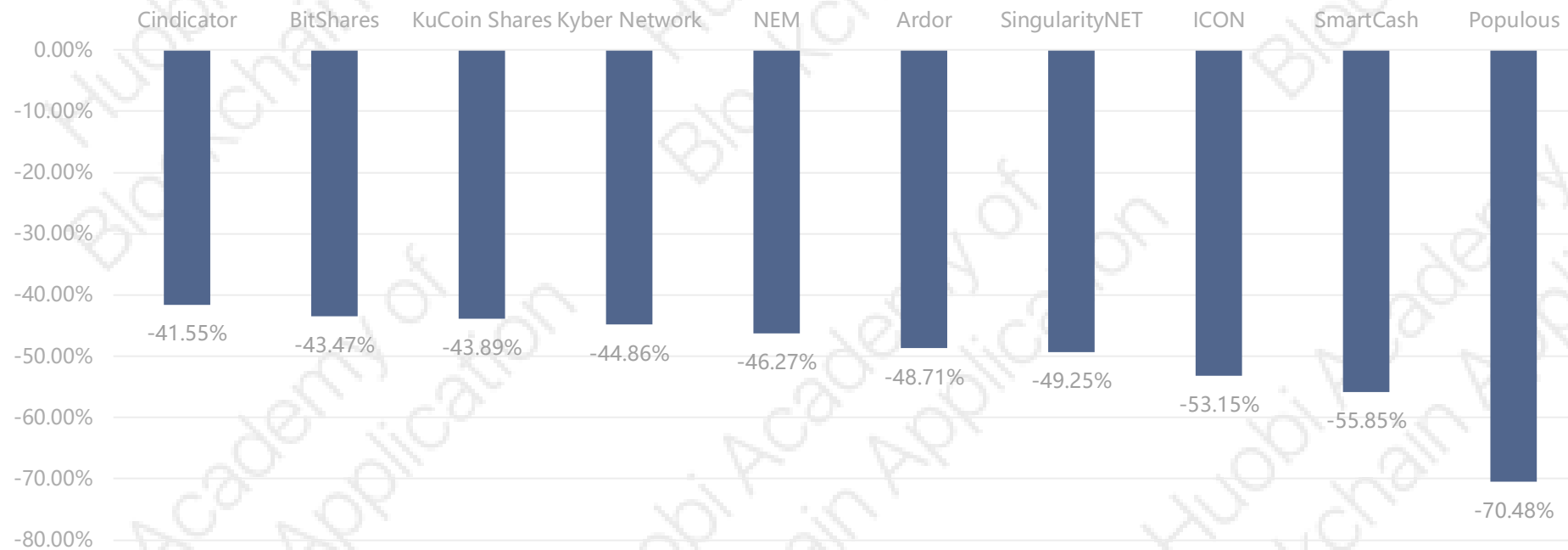


1. Asset Market Overview

Top 100 global assets decrease (top ten currencies), Populous fell the most, followed by SmartCash

- Among the top ten worst performing currencies, Populous had the largest drop, falling by 70.48%; SmartCash in second place, with a drop of 55.85; and ICON dropped by third place 53.16%; of which, Populous (blockchain financial assets), SmartCash (communication assets) and ICON (platform assets).

February 2018 Top 10 worst performing currencies



2. Asset Classification and Analysis of Major Assets

Notes on Assets Classifications

- Based on the different attributes of blockchain assets, Huobi Blockchain Research Institute has divided the assets into four categories, namely “currency”, “platform”, “application” and “physical assets tokenization”.
 - **Currency:** 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:** An 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:** 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.
 - **Physical assets tokenization:** refers to a class of assets that is linked to actual assets such as gold or US dollars and supported by the value of physical assets.

Blockchain Asset Categories

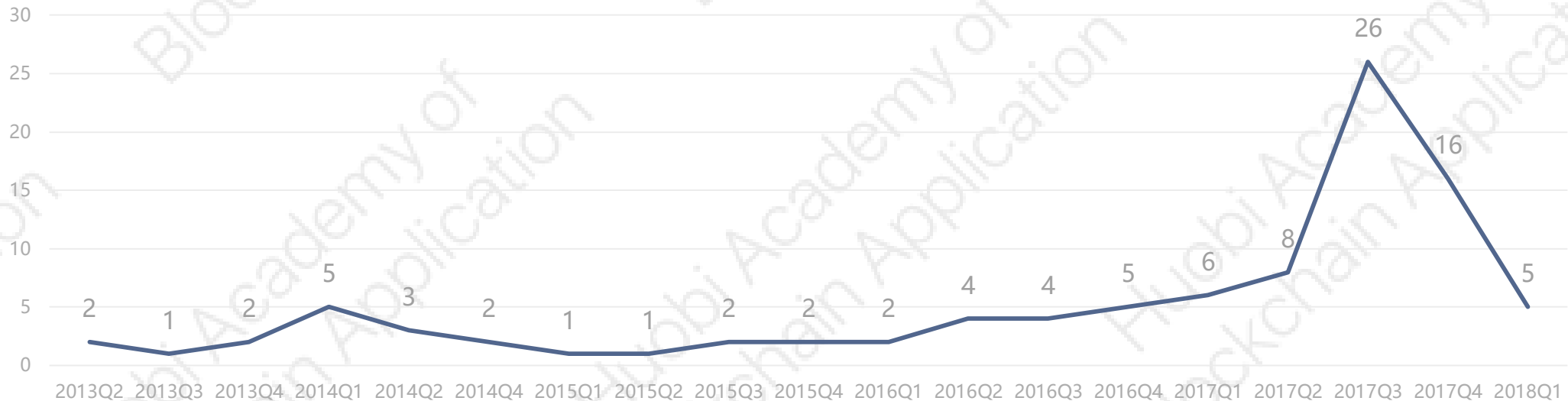
Currency	Platform	Application	Physical Assets Tokens
<ul style="list-style-type: none">•Quantity: more than 1000 varieties;•Function: One of the alternative investment types, “exchange media” in the field of blockchain assets;•Market: At present, the highest market value is Bitcoin;•Typical products: Bitcoin, Litecoin;•Main indicators: number of participating nodes, liquidity	<ul style="list-style-type: none">•Quantity: about 20 varieties;•Function: Establish a technical platform to provide basic technical support for various application development;•Market: A considerable number of platforms are under development. Institutional investment accounts for a certain share in this field. The largest market value is Ethereum;•Typical products: Ethereum, Fabric, NEO, etc.;•Main indicators: technical indicators, development progress, etc.;	<ul style="list-style-type: none">•Quantity: about 300 varieties;•Functions: covers many fields such as finance, supply chain management, social networking, energy, property rights protection, etc.;•Market: The current fastest growing blockchain assets;•Typical product: OMG;•Main indicators: development progress, number of participating nodes, etc.;	<ul style="list-style-type: none">•Quantity: no more than 10 varieties;•Function: Linking assets such as gold and US dollars is a blockchain mapping of physical assets;•Market: As the definition of laws in various countries is not yet clear, the current market capacity is small, but combined with asset securitization, the imagination has a large space;•Typical products: DigixDAO, each token represents 1 gram of gold certified by the London Bullion Market Association;

2. Asset Classification and Analysis of Major Assets

Aging analysis of four types of assets: The average time of Top100 is 17.85 months; the highest number of newly launched projects in the secondary market appeared in the third quarter of 2017

- This analysis looks at blockchain assets in the secondary market transactions as the trading time, and the average trading time of the global blockchain asset Top 100 is 17.85 months;
- In the fourth quarter of 2017, the number of projects that began trading reached 6, 8, 26 and 16, and in January 2018, IOStoken (platform), SingularityNET (Artificial Intelligence) and Zilliqa (blockchain infrastructure) projects were added; In February 2018, HT (Exchange currency) and Polymath (blockchain finance) were added..

Global blockchain asset market value Top100 time distribution by projects coming “online”



2. Asset Classification and Analysis of Major Assets

Analysis (four types of assets): Projects in Top 100 for 2 consecutive months (Jan and Feb 2018)

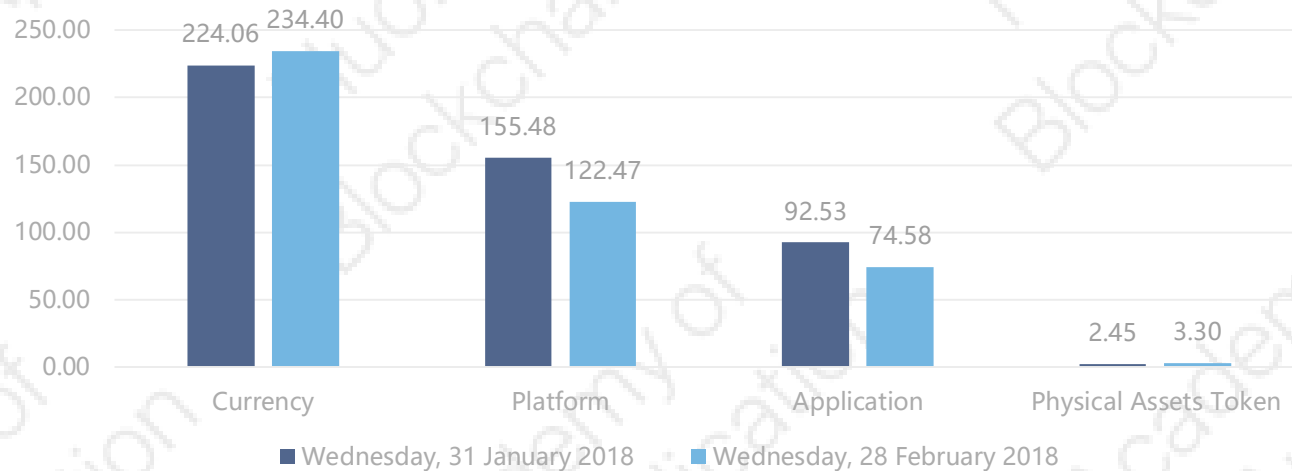
Categories	Qty	Projects
Currency	19	Bitcoin, Bitcoin Cash, Litecoin, Dash, Monero, Ethereum Classic, Bitcoin Gold, Zcash, Bytecoin, Verge, Dogecoin, Decred, Gas, Cryptonex, Zclassic, MonaCoin, PIVX, Bitcore, Zcoin
Platform	20	Ethereum, NEO, Cardano, EOS, NEM, Qtum, Lisk, ICON, Stratis, Waves, Rchain, Ardor, Hshare, Komodo, Bytom, Dragonchain, aelf, Aion, IOStoken, Nxt
Application	50	Payment: Ripple, Stellar, OmiseGO, Electroneum, DigiByte, Ethos, Byteball Bytes, Pillar, Tenx
		IoT: IOTA, Walton
		Social: TRON, Steem, Status, Revain, Syscoin, ReddCoin, Kin
		Exchange: Loopring, 0x, Veritaseum, Kyber Network
		Exchange Platform Tokens: Binance Coin, KuCoin, Shares, QASH
		Distributed Computing and Storage: Siacoin, Golem, Enigma, MaidSafeCoin
		Prediction: Augur
		Blockchain infrastructure: Aeternity, Ark, Nebulas
		Blockchain Finance: Populous, Maker, SALT
		Medical: Dentacoin
		Data Services: ChainLink, GXShares, Cindicator
Communication: Dent, SmartCash		
Culture/Entertainment: FunFair		
Others: VeChain, Basic Attention Token, Factom, Power Ledger, Request Network, Particl		
Physical Assets Tokens	2	Tether, DigixDAO

- 19 assets in 20 currency assets belonged to Top100 for two months in a row. A new project Vertcoin was added while Emercoin was dropped out; Bitcoin market value accounted for 41.42% in February; Bitcoin's market value accounted for 35.5% or the Top 100 total in January, reflecting an increase of 5.86%.
- Twenty assets out of 21 platform assets belonged to Top 100 for two consecutive months, among which there was a new entry i.e. Neblio while Ignis1 was dropped from the list.
- Of the 57 application assets, 50 assets belong to Top 100 for two months in a row. There are 7 new entry Top 100 while 7 fell out.
- There is no change in the type and quantity of physical assets for tokenized assets.

2. Asset Classification and Analysis of Major Assets

The market value of TOP 100 asset circulation decreased, but the market value of currency assets increased, and the overall market was in a weak with downward pressure.

Comparison of Top100 Market Value of Blockchain Assets in January 2018 and February 2018
(Unit: USD billions)

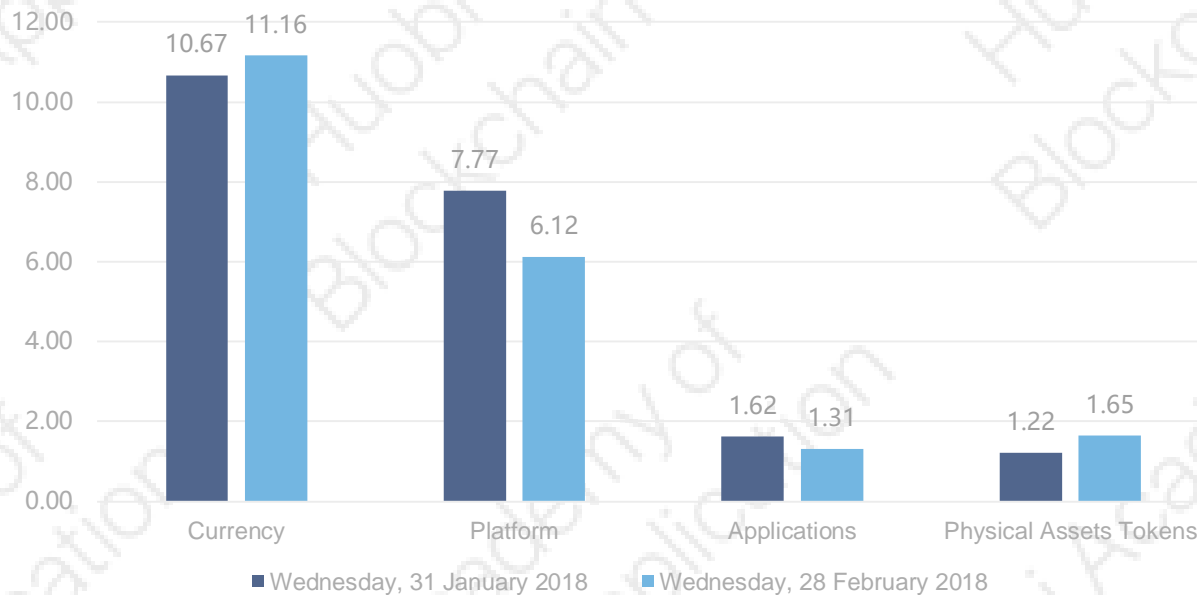


- The total market capitalization of the Top100 category was US\$234.397 billion, accounting for 53.92% of total assets. Excluding Bitcoin, the market value of other currencies accounted for 12.49% of the total market value of the currency assets. The total market value of the platform projects reached 1224.73. Billion U.S. dollars, accounting for 28.17%; the total market value of the application projects reached 74.580 billion U.S. dollars, accounting for 17.15%; the total market value of the physical assets tokenization projects was 3.301 billion U.S. dollars, accounting for 0.76%.
- In February, the market value of physical assets tokenization projects increased the most (34.96%); the increase in market value of currency projects was the second highest, and the growth rate was 4.61% month-on-month; the market value of platform projects had the largest decline at 21.23% compared to the previous month; the decline in the market value of applications was the second highest at 19.40%.

2. Asset Classification and Analysis of Major Assets

Analysis of the average market value (four types of assets): the average market value of currency assets increased while the average market value for platform type and application type fell

Comparison of the average market value of Top100 blockchain assets in Jan and Feb 2018
(Unit: USD billions)



- In February, the average market value of currency projects in Top100 assets was as high as 11.162 USD billion while the platform-type projects was 6.124 USD billion, and application-type projects was 1.308 USD billion, which is lower than physical assets tokenization projects.
- The average market value of physical assets tokenization projects rose by 34.96% to 1.65 USD billion while currency projects increased by 4.61%, platform projects fell by 21.23%, and application projects decreased by 19.40%.

Four



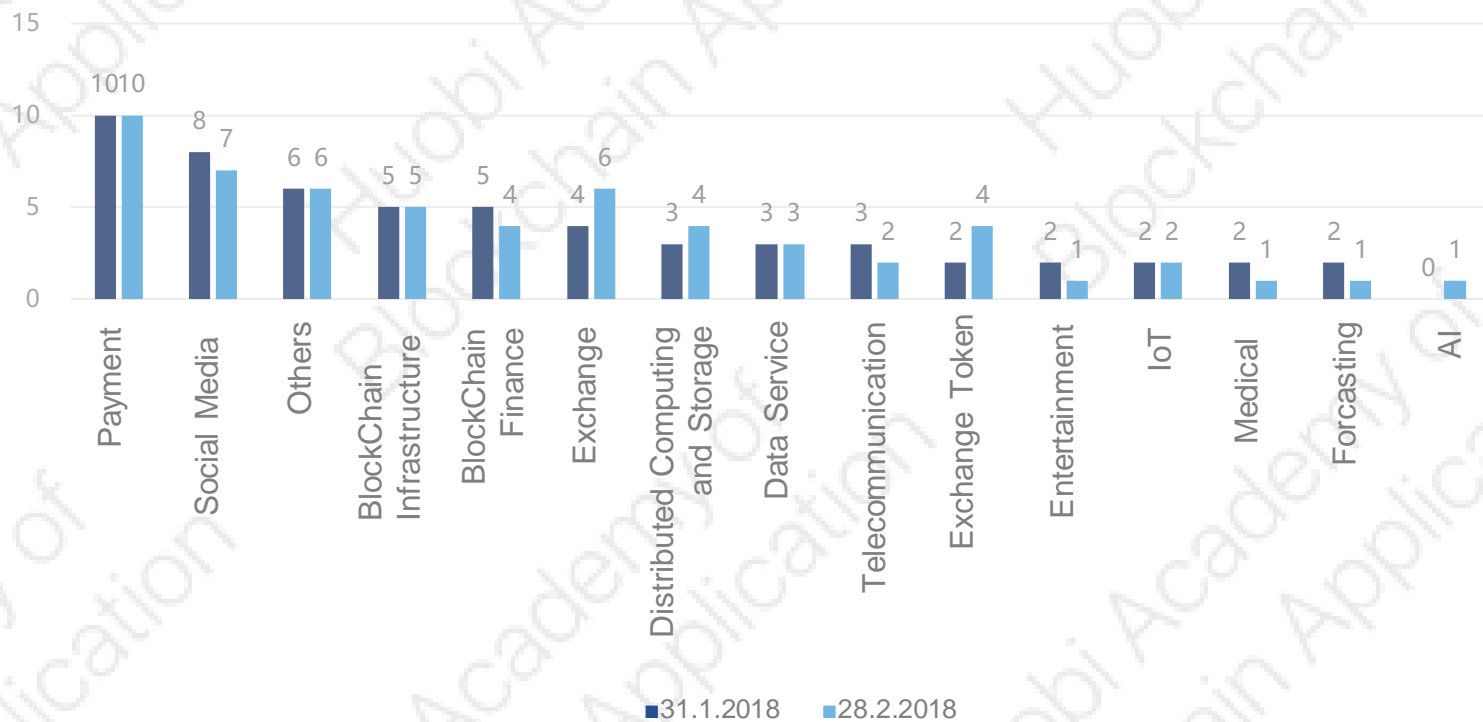
Application Asset Analysis

1. Quantity Analysis
2. Domain Market Value Analysis
3. Domain Typical Asset Introduction

1. Quantity Analysis

Payment projects still tops; exchange and exchange token project increases; AI project has newly joined

Quantity Distribution of Application Projects in Jan and Feb 2018



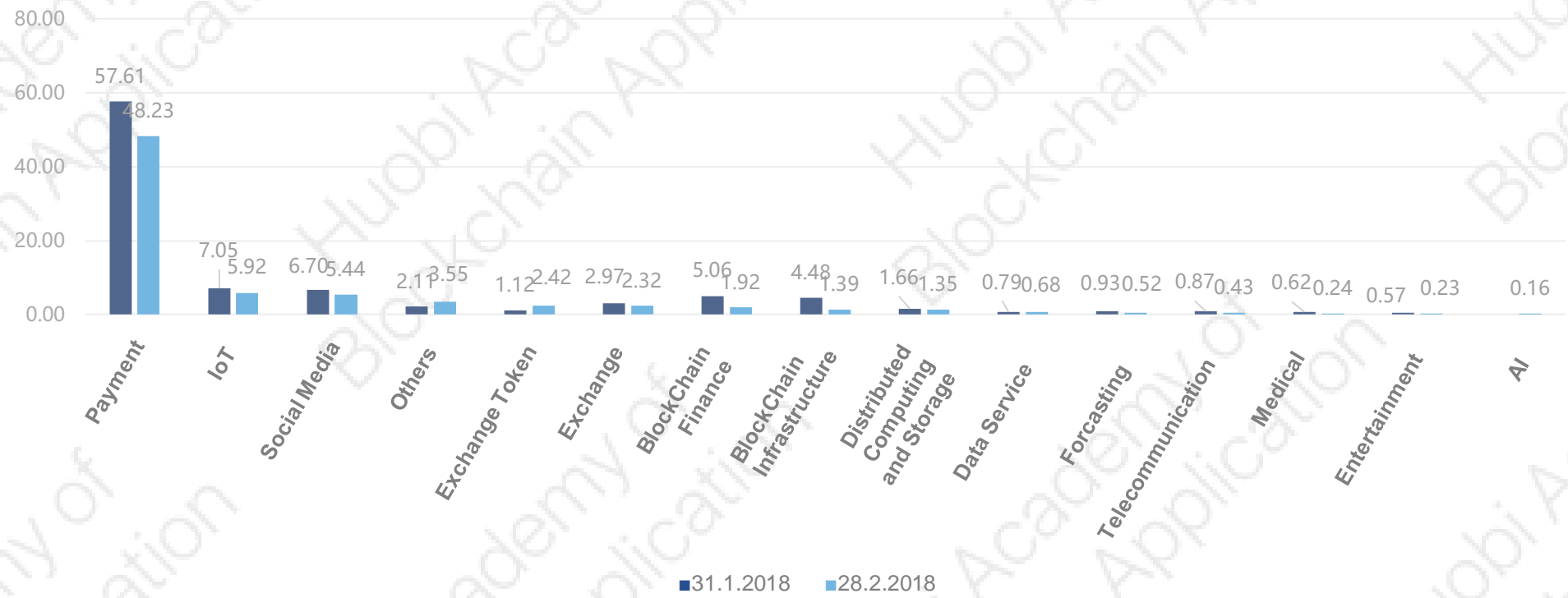
- Total application projects were 57 in Feb which remains
- Infrastructure projects increased the most with additional 2; Exchange Token and exchange project increased 1 each.
- Social Media; Telecommunication; Entertainment; medical; Forecasting project has reduced 1 each
- Payment; Data Service; IoT and other projects numbers remains.
- New AI project SingularityNET was added to the list

Note: Other projects including supply chain management; advertisement; verification; energy; accounting and auditing; e-Commerce

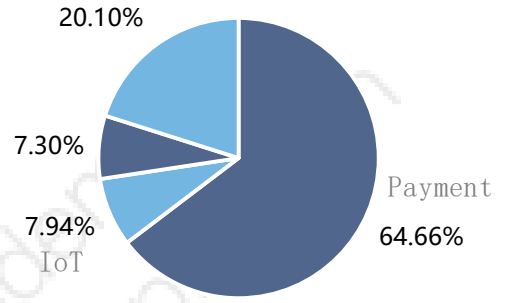
2. Domain Market Value Analysis

Payment Project has the highest Market Value however there are obvious market correction; the main reason of significant fluctuation was due to immature payment architecture

Market Value Distribution Of Application Project in Jan and Feb 2018
(in billions USD)



Percentage of Application Projects in Market Value

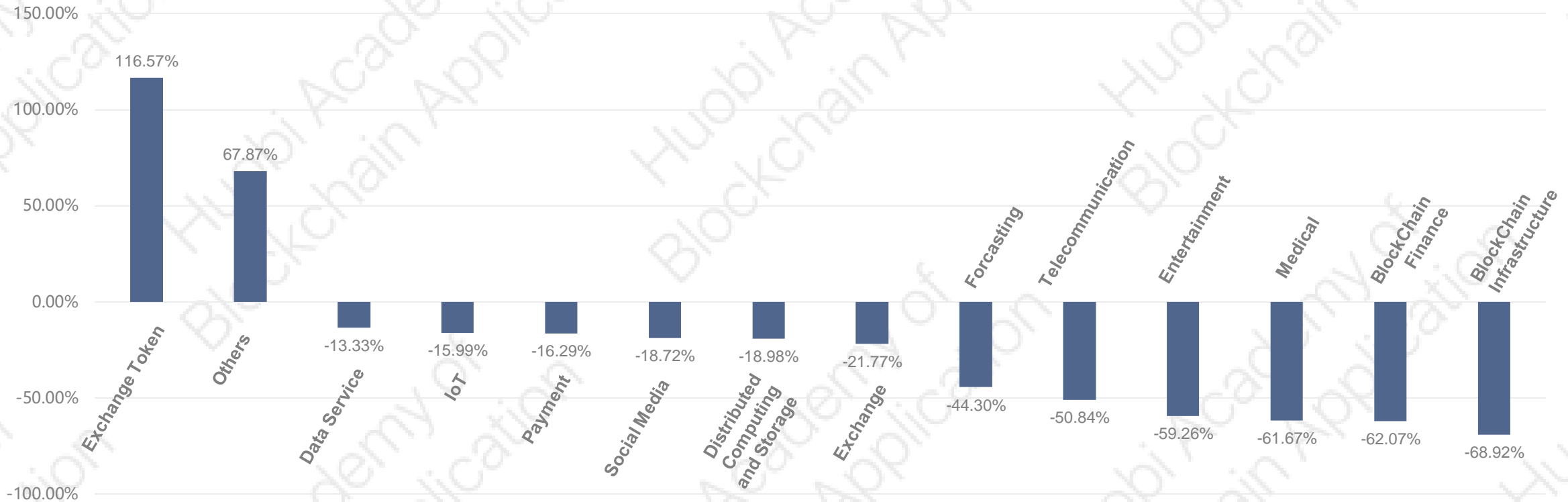


- Payment projects have occupied 64.66% of overall market value, followed by IoT and Social Media which is 7.94% and 7.30%. These 3 domains has contributed 79.90% of entire market value.
- Overall market value of payment projects have reduced by 9.38 billion USD compares in Jan. Of which, Ripple has dropped by 16.47% which is 7.14 billion USD; contribute to 76% of the overall market value drop for payment projects. Therefore, drop in Ripple pricing was the main cause of the market correction for payment projects.

2. Domain Market Value Analysis

Overall market value of Exchange Token has increased the most, application development progress has become the important factor that underpins application project valuation

Overall Market Value Flucturation Range in Jan and Feb 2018

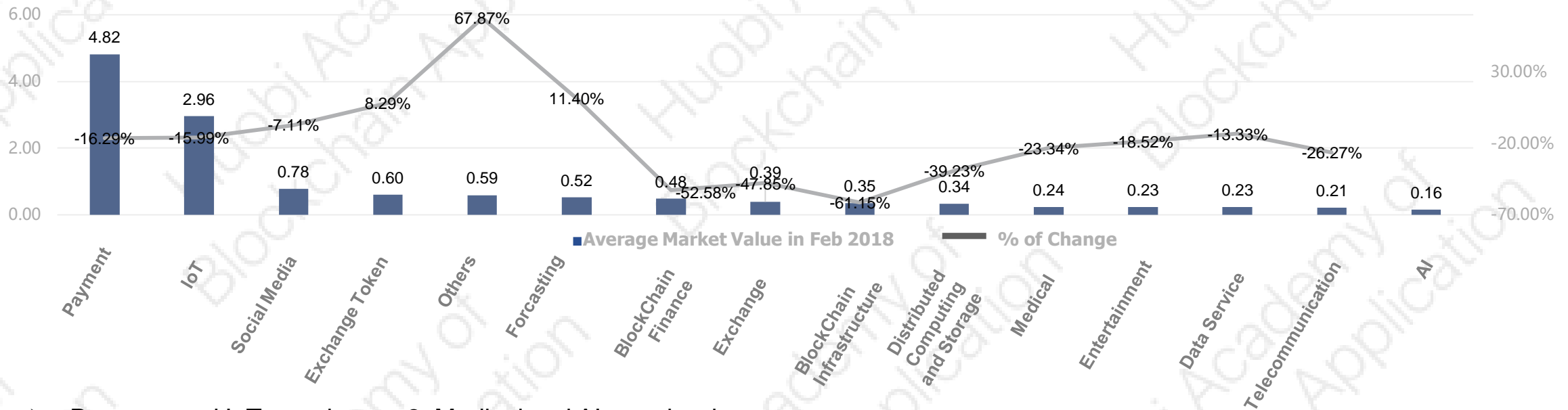


- Exchange projects has increased 116.57% MoM which is the highest. Other projects uptickes by 67.87% MoM. BlockChain Infrastructure drops the most at 68.92% followed by Blockchain Finance projects which is 62.07%.
- According to Janurary report by Huobi Blockchain Application Research Institute, application that could provide self-improvment are rigid demand from the market, exchange token has become critical component in the eco-system, it reduces transaction fees as well as voting for coin listing such as Huobi Token.

2. Domain Market Value Analysis

Average Market Value: Top 3 Payment; IoT; Social Media. Except forecasting and exchange token, all other projects generatly declined in market caps

Changes in Average Market Value of Application Projects compares to Jan 2018
(in billions USD)



- Payment and IoT remains top 2; Medical and AI remains the same
- Except AI, only 2 Projects increases, Forecasting projects go up by 11.4% MoM; exchange token rised 8.29% MoM. Main reason of average market value increase for forecasting projects was due to the drop out of Gnosis from top 100; and Huobi Token contributed to the main reason of uptick of average market value in exchange token projects.
- There are 11 projects average market cap decreased, block chain infrastructure drops the most at 61.15% MoM; followed by block chain finance which is 52.58% MoM. Exchange projects ranked at the 3rd which drops 47.85% MoM.

3. Domain Typical Asset Introduction

OmiseGO



Market Capital: 2.05 billion USD

Up Rate: 36.21%

Type: Payment- highest in market cap and quantity

Key Highlights

- 2.19: Vitalik Buterin has achieved significant progress with Thailand Securities and Exchange Commission to fast track Ethereum application development
- 2.20: Omise and ETDA has formed coporation and signed few memorandum of understanding. The plan is to develop digital ID verification and online payment system based on OmiseGo
- 2.28: eWallet SDK opened to public

OmiseGO Brief

- Mother company Omise was founded in March 2013. Founder is Jun Hasegawa, Vitalik Buterin represents as advisor. The company was initially focused on payment system and changed to blockchain later on. 140 million OMG token was online by June 2017
- OmiseGo is based on Plasma technology which made payment transaction easier and simpler.
- The crowdfunding was 454 million USD. 1st series raised 1.75 million USD lead by SBI on 21st July 2016; 2nd series via ICO on 23rd June 2017 which rased 250 million USD
- Bought over Paysbuy on 3rd July 2017
- **Advantage**
 1. Omise invest heavily in Plasma, solving congestion issues in Ethereum, reduce transaction feels and was recognized by Stripe
 2. OmiseGO is supported by Thailand Goverment which reduces its operational risk and ensures smooth project delivery. It increases its advantage even more as regulatory oversight becomes more stringent.
 3. Strong partnership with SBI, Alibaba Thailand, Omise ETDA has helped marketing and development of the project.
 4. Technology development exceed expectation, releases eWallet SDK, paving the way for mobile app development.
- Risk: Whether Plasma network and sidechain are able to be deployed on time.

3. Domain Typical Asset Introduction

Aeternity



Market Cap: 563 million USD

Down Rate: 5.73%

Type: Block Chain Infrastructure – Dropping the most amount all assets

Key Highlights

- 2.10: More focused on Oracles technology development
- 2.20: Release new version of App

Aeternity

- Aeternity was founded in 2016 by Yanislav Malahov and Zack Hess who is the core developer Augur and Jack Pettersson who is core developer Synereo. The goal was to build underlining protocols for smart contract. Key components are State Channels; Oracles and Name System. 274 millions token was issued.
- Aeternity provides scalable smart-contract to community and companies. IoT; IoV; Fintech; Gaming; decentralized exchange; micropayment companies are all target customers
- 249.9 million USD was raised in June 2017 during ICO

This Month Performance

- Blockchain Infrastructure dropped 68.92% MoM in Feb which is the highest among all projects. However, it was picking up at 108.63% in Jan. Aeternity rised 110.19% in Jan and 5.73% drop in Feb.
- Technology development progress dictate market cap of block chain infrastructure projects. Based on project schedule disclosed in Feb, there is no indication of any delay.
- Therefore, the actual reason of market cap decrease for infrastructure projects was due to market self-correction
- Risk: Possibility of technology been replaced. For example, off-chain state channels; sharding; Plasma

THANKS FOR READING

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