

# COIN GABBAR

**Monthly Bulletin** 1st December 2023

## US Regulators Flexing Muscles **Is it the Start of a Regulatory Era?**

● Ripple vs SEC ● SEC vs Coinbase ● Binance vs SEC





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# Editorial

The month has been positive in terms of the overall Market Sentiment. Bitcoin, along with other leading Assets broke a few resistance barriers to drive the market forward. A few other projects saw an astronomical growth beating the existing apprehensions about the state of the Crypto Markets.

The SEC has been getting quite a limelight because of its tough stance on the Crypto Regulations. However, as the developments unfold, a bright sunny day is in the vision, specially with the pacing up of the ETF movement.

The FED with its latest policy also went a step ahead in favouring the Crypto Price Movements. Assuming there is no out of the ordinary event happening in the near future, the Crypto Markets are poised to soar high catching the Bitcoin Halving event in all positivity.



**Sudeep Saxena**

# Global Market Watch

## Bitcoin Analysis Based on Daily Chart



### Bitcoin hit 18-month highs, breaking past May 2022 levels.

November marked a robust conclusion for Bitcoin, making it a pivotal month for the cryptocurrency industry and positioning Bitcoin favorably as investors entered the final month of 2023. With a monthly gain of around 9%, Bitcoin maintained its upward trajectory for the past two months.

In November 2023, Bitcoin (BTC) experienced a surge, reaching new highs for the year, while several other major cryptocurrencies also saw significant gains. This positive trend occurred amidst increased regulatory scrutiny from entities like the U.S. Securities and Exchange Commission (SEC) and other global regulatory bodies focusing on digital assets.

Investor interest in Bitcoin and cryptocurrencies grew, driven in part by expectations of potential SEC approval for the first spot cryptocurrency exchange-traded fund (ETF) to be listed on a major U.S. exchange. Concurrently, regulators continued efforts to streamline the cryptocurrency industry, concentrating on crypto exchanges and notable figures in the sector, including Sam Bankman-Fried of FTX and Changpeng Zhao of Binance.

The background of the page features a blurred image of an American flag on the left and a blue podium with the Federal Reserve seal on the right. The seal includes an eagle and the text "BOARD OF GOVERNORS OF THE FEDERAL RESERVE".

# M

oreover, crypto investors expressed confidence that the Federal Reserve had potentially reached the terminal interest rate in the ongoing tightening cycle. There was optimism that the Fed could facilitate a smooth economic landing for the U.S. in 2024.

The possibility of SEC approval for a spot crypto ETF contributed to Bitcoin achieving new 52-week highs, surpassing \$38,000 in November. Although prices retraced slightly in the final week, Bitcoin was poised to end November with a value exceeding \$37,700.

# Total Crypto Market Capitalization



## Key Observations

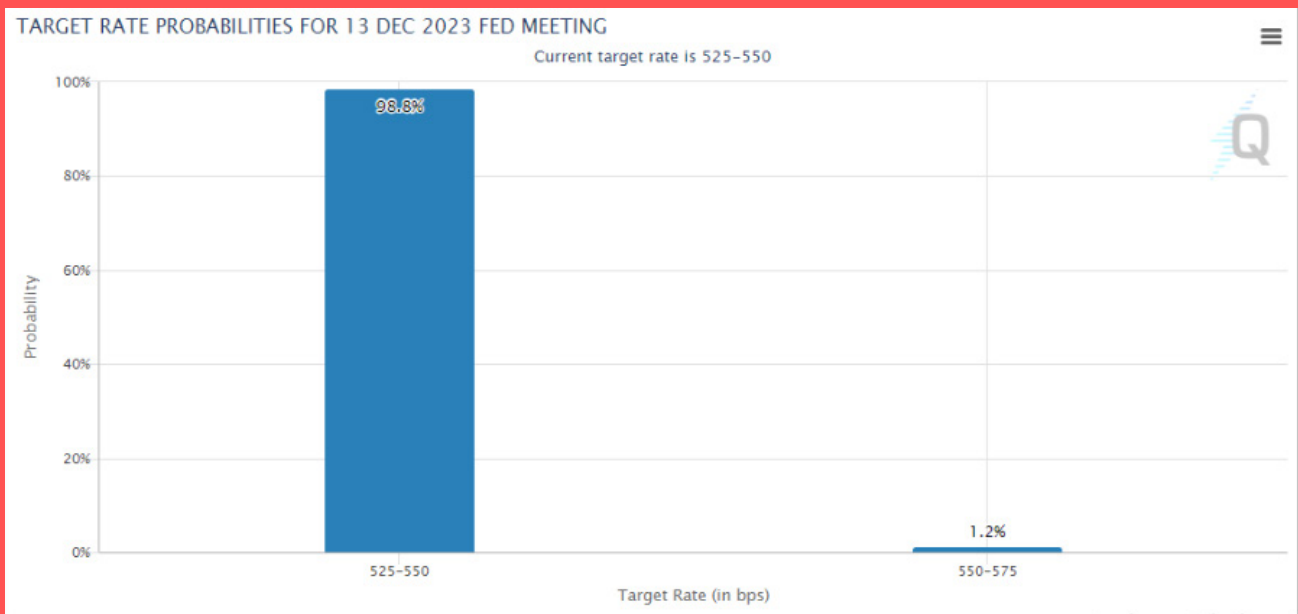
As of November 30th, the global cryptocurrency market capitalization surpassed \$1.40 trillion, indicating a positive bullish sentiment prevailing in the market. Over the last month, there has been a notable 11.20% uptick in the market. Leading the pack is Bitcoin, maintaining its dominant position with a market capitalization of \$741 billion. The cryptocurrency market as a whole has witnessed a surge, underscoring increased buying enthusiasm primarily fueled by expectations surrounding the potential approval of a Bitcoin Exchange-Traded Fund (ETF).

## Federal Fund Rate and Economic Projections

With the upcoming Federal Reserve policy meeting scheduled for December 12-13, many analysts and investors anticipate the continuation of current interest rates. Despite this prevailing expectation, the central bank is confronted with potential risks associated with prolonged elevated interest rates, which could negatively impact the banking sector, stock market, and trade.

According to the CME's FedWatch tool, there is a 98.80 percent likelihood that the Fed will maintain rates within the range of 5.25 percent to 5.5 percent. However, experts project a modest 25-basis-point (bps) or 0.25% increase by the end of the year. The final decision will depend on the prevailing trajectory of inflation and the overall condition of the economy.





## US ISM services PMI, nonfarm payroll

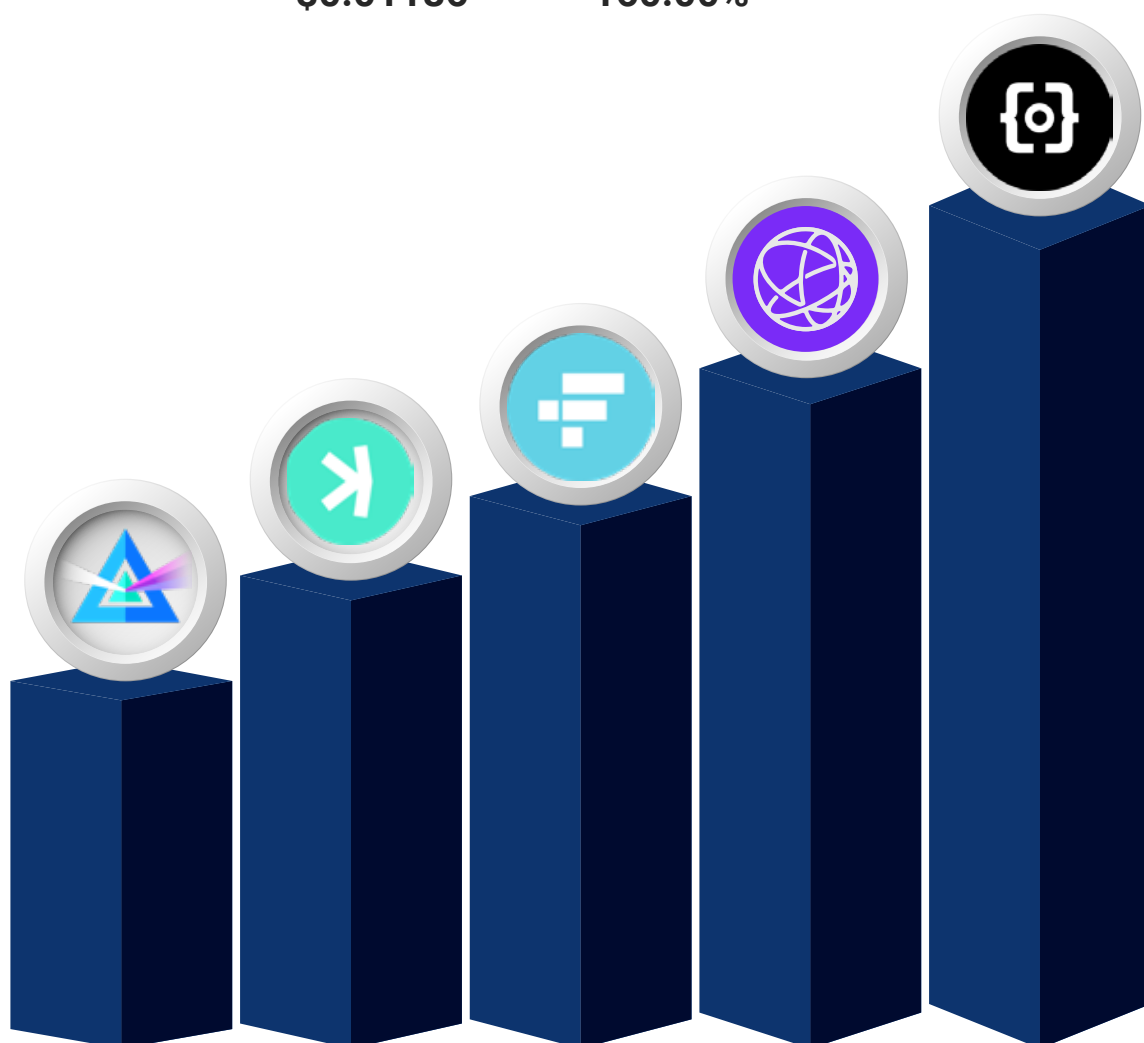
Next week's ISM services report lacks the usual lead due to the impending ISM manufacturing report. The manufacturing sector is contracting faster, while services are slowing down. Traders eye weaker 'prices paid' in both reports, crucial for producer and consumer prices. Softer PMIs and prices favor the 'Fed cuts in 2024' narrative, potentially impacting yields and the USD. However, excessive declines may raise recession concerns. The upcoming nonfarm payroll report poses a similar dilemma, with slightly softer figures supporting risk appetite but a significant downturn denting sentiment and boosting safe havens like gold.

## RBA and Bank of Canada cash rate decision

The RBA is expected to maintain its 4.35% cash rate on Tuesday, given softer monthly inflation. While RBA members express hawkish views, an actual hike seems more likely next year. The statement's tone will be watched for potential dovishness, especially with the new deputy governor. The BOC is likely to hold rates at 5%, with expectations of a dovish statement. Traders heavily short on CAD futures raise the potential for some Canadian dollar strength.

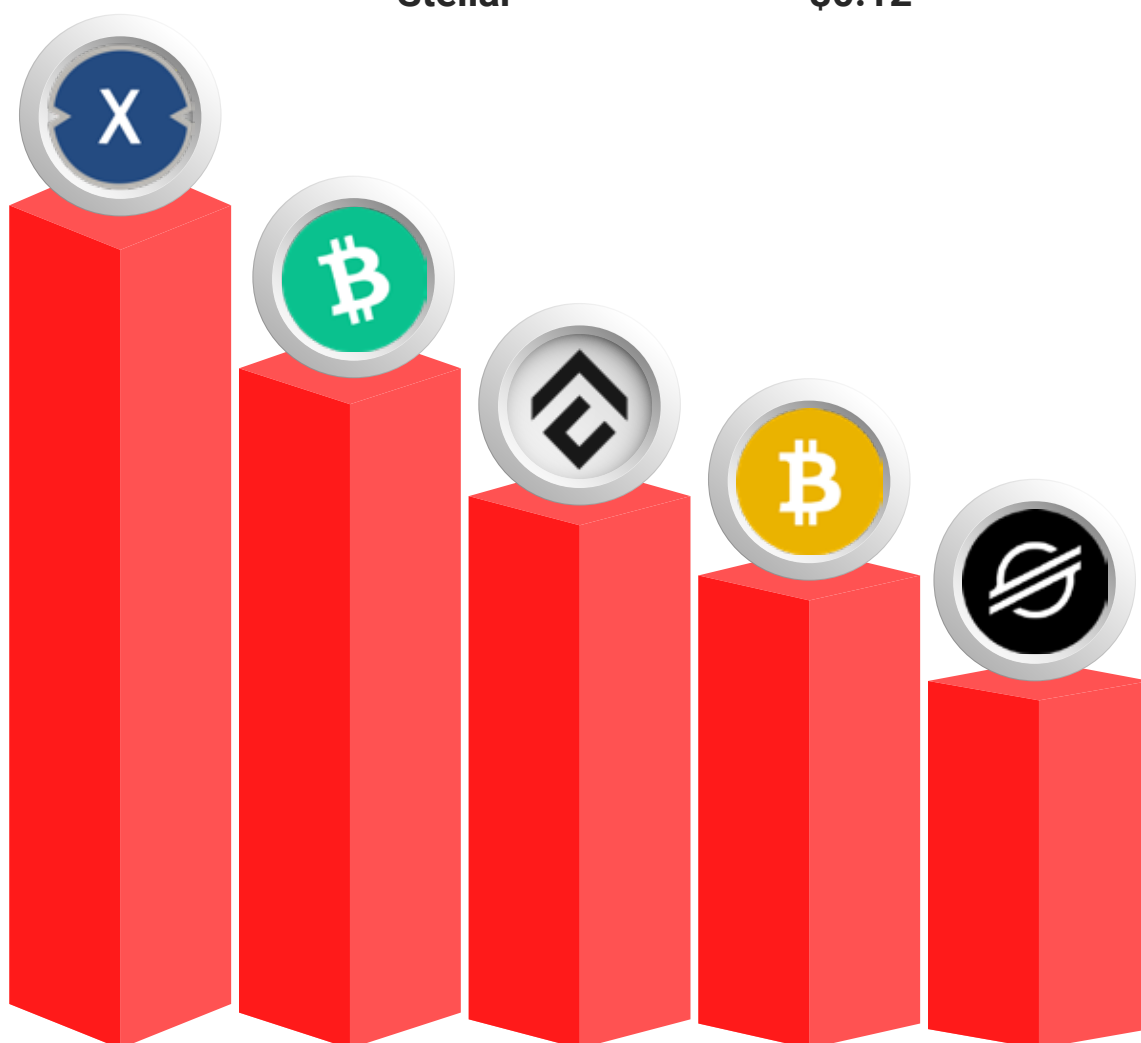
# TOP5 GAINERS

COIN	PRICE	30 <sup>D</sup> %
ORDI	\$24.44	348.13%
Celestia	\$8.70	245.00%
FTX Token	\$4.15	227.52%
Kaspa	\$0.1376	166.77%
Beam	\$0.01186	160.00%



# TOP5 LOSERS

COIN	PRICE	30 <sup>D</sup> %
XDC Network	\$0.04854	6.52%
Bitcoin Cash	\$227.15	6.48%
Conflux	\$0.161	2.53%
Bitcoin SV	\$47.85	2.51%
Stellar	\$0.12	2.09%



# November Crypto Heist Hits Record \$363M, Marking Year's Most Devastating Month

In November 2023, the cryptocurrency sector experienced its most detrimental month in terms of crypto theft, scams, and exploits, resulting in a staggering \$363 million in losses, as reported by a leading blockchain security firm.

Exploits constituted a significant portion of the damages, accounting for approximately \$316.4 million. These malicious activities targeted vulnerabilities in various cryptocurrency platforms, leading to substantial financial losses for users and entities within the crypto ecosystem.

Flash loans, another nefarious tool employed by cybercriminals, contributed to the mounting losses, with a total of \$45.5 million in damages attributed to this method. Flash loans involve the rapid borrowing and repayment of funds within a single transaction, exploiting vulnerabilities in smart contracts or decentralized finance protocols.

Exit scams, a prevalent tactic in the cryptocurrency space, resulted in a further \$1.1 million in losses. These scams typically involve fraudulent projects or platforms deceiving investors and users before abruptly disappearing with the funds entrusted to them.

The cumulative impact of these incidents underscores the ongoing challenges and vulnerabilities within the cryptocurrency industry. As stakeholders continue to grapple with security concerns, the need for robust measures to safeguard against thefts, scams, and exploits remains a top priority in the evolving landscape of digital assets.

In November 2023, the cryptocurrency space witnessed its largest exploits on Poloniex and HTX/Heco Bridge, resulting in substantial losses of \$131.4 million and \$113.3 million, respectively.

The third-largest exploit targeted a single victim who fell victim to a phishing attack, resulting in a significant loss of \$27 million.

Notably, the KyberSwap attack accounted for the majority of the damage caused by flash loan attacks during the month, amounting to \$45 million.

This latest monthly figure has surpassed the previous record set in September, which saw losses of \$329 million primarily due to the \$200 million Mixin Network attack.

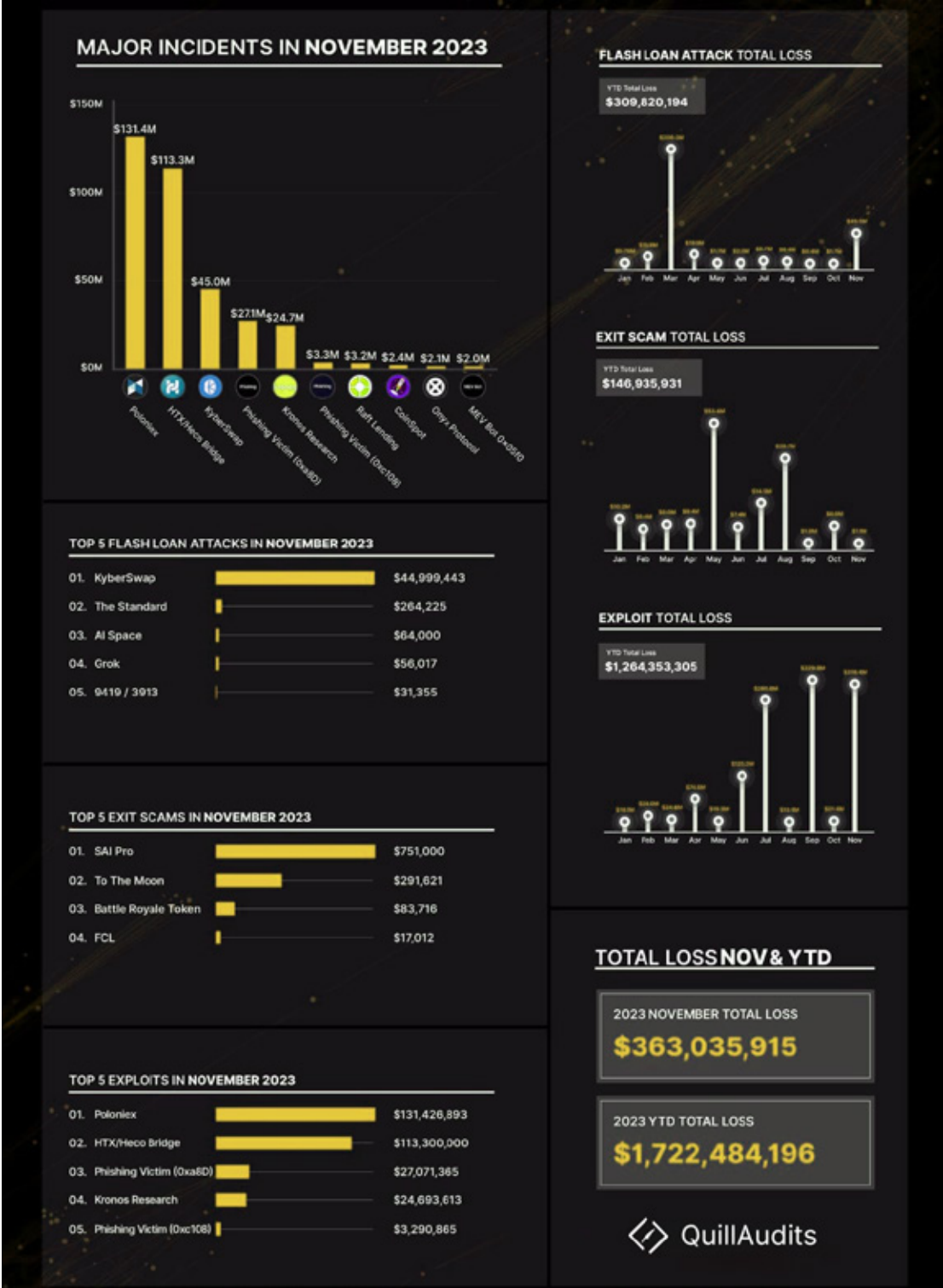
As of the end of November, the cumulative losses from exploits, exit scams, and flash loan attacks in 2023 have reached \$1.7 billion. It is worth noting that this figure represents only 54% of the crypto losses incurred in the entire year of 2022, which amounted to \$3.7 billion. Additionally, losses in 2021 were reported at \$1.7 billion, according to CertiK.

These incidents underscore the persistent challenges and vulnerabilities within the cryptocurrency industry, emphasizing the need for enhanced security measures and vigilance to mitigate the risks associated with cyber threats and financial losses in the crypto space.

As the crypto space evolves, a proactive and collaborative approach to safeguarding assets and projects is paramount for ensuring a more secure and resilient Web3 environment. These incidents underscore the ongoing need for development in the space, with a specific focus on improving smart contract security, private key management, and vulnerability assessments.

October 2023 was a month that witnessed a variety of hacks and notable scams, reinforcing the importance of implementing best security practices and conducting rigorous smart contract audits in web3 protocols, as highlighted by

QuillAudits.



# US Regulators Flexing **Muscles**

Is it the Start of a Regulatory Era?



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ot long ago, post-COVID, when the world of cryptocurrencies reached its peak and more and more money was pumping in, no US regulatory watchdogs cared to intervene and monitor the operations of centralised exchanges. However, by mid-2022, US regulators including the Securities and Exchange Commission took charge of single-handedly regulating all crypto operations within the country and setting a global standard.

However, instead of calling in all the stakeholders on board (which companies like Coinbase have been asking for a long time) SEC decided to flex its muscle and dragged the market leaders to the floor of the court. The SEC's case with Ripple Labs was already under hearing and Coinbase took the second jab after FTX went downhill.

Agitated by not being able to assess the FTX scam by Sam Bankman Fried, SEC was in no mood to leave any stone unturned and eventually, Binance.US also had to take the hit. On one hand, Coinbase was accused of working as an unregistered broker of securities, Binance was blamed for misleading practices and facilitating undisclosed high-value trading for U.S. customers on Binance.com.

What happened afterwards is known to us all. But, can this rogue regulatory oversight on cryptocurrencies bring in the long-awaited regulations to the market? In this month's leading cover story, we discuss the prominent cases that the SEC has persuaded over the last few years and how their results can lay the foundation of a strong regulatory architecture for the blockchain industry.

## Ripple vs SEC

On December 22, 2020, the SEC blindsided Ripple by filing a lawsuit, accusing the company of conducting an illegal securities offering worth \$1.4 billion. This allegation not only threw Ripple into a tailspin but also plunged the entire crypto market into uncertainty. The lawsuit claimed that Ripple had kept the public in the dark by disclosing only the information it deemed beneficial, thus creating an "information vacuum".

The legal battle further intensified as the lawsuit allowed external entities to get involved. On November 14, 2022, Judge Analisa Torres granted motions by Coinbase and others to file amicus curiae briefs, permitting third parties to contribute their insights and expertise to the case. These reinforcements provided a new angle to the case, offering different perspectives and expertise that helped unravel the complex layers of the debate.



In July, Ripple achieved a significant, though not complete, win when the presiding judge in the case determined that the company did not breach federal securities regulations by offering XRP to individual investors through exchanges.

## SEC vs Coinbase

In June, the U.S. SEC filed a lawsuit against Coinbase, asserting that the exchange violated federal securities laws by functioning as an unregistered broker, exchange, and clearing agency for cryptocurrencies categorized as securities. The SEC specifically cited 13 tokens as examples of coins that, in its view, met the criteria for securities.

In response, Coinbase contested these allegations in a filing on Friday, contending that the SEC did not assert the presence of investment contracts in the cited examples.

The filing referred to a recent legal development in the SEC's case against Ripple, underlining that the foundational facts were "substantially identical" to those outlined in the Coinbase case. In the Ripple case, a federal judge ruled that the programmatic sales of XRP, where it was made available on exchanges for general purchase, did not constitute securities transactions. Notably, the judge differentiated between these programmatic sales and Ripple's direct sales to institutional clients, which were deemed to involve securities transactions.



## SEC vs Binance

The US SEC filed charges against Binance, its founder Changpeng Zhao, and affiliated entities, citing 13 violations. The allegations encompass the operation of unregistered exchanges, broker-dealers, and clearing agencies. Binance is accused of misleading practices, including misrepresenting trading oversight on Binance.US and facilitating undisclosed high-value trading for U.S. customers on Binance.com.

The charges levied against Binance involve a range of issues, such as mishandling customer assets, commingling funds, engaging in deceptive trading practices, and offering unregistered crypto assets. Founder Changpeng Zhao is implicated as a key figure in these violations. The SEC highlights concerns over a lack of transparency, related-party transactions, and assertions of manipulative trading controls that were allegedly false.

According to the SEC, Binance reportedly generated more than \$11.6 billion in revenue from U.S. customers.

In a surprising twist, Binance and its CEO Changpeng Zhao, admitted to doing illegal things and accepting that Binance did not have a good system to prevent those illicit transactions. The consequences of this confession were more than severe – Binance got a massive \$4.3 billion fine, making it one of the biggest fines in U.S. legal history. CZ, personally, had to pay \$200 million and step down from his position in Binance.



# How these cases can assist the development of crypto regulation?

The cases mentioned above are not only important in the sense of their legal outcomes and their impacts on subjective organizations but they also cast a larger shadow over the entire blockchain industry. Decisions from these cases can set a new global precedent on how crypto regulations should be done. Here are some of the ways in which these legal proceedings can positively impact global crypto regulation.

## Increased Regulatory Scrutiny

The SEC's intervention in high-profile cases involving major cryptocurrency platforms like Coinbase, Ripple, and Binance shows an increasing focus of key financial regulations on the crypto space. This increased scrutiny sets a precedent for comprehensive oversight to ensure compliance with existing securities laws.

## Legal Precedents

Rulings from cases such as Ripple vs. SEC and SEC vs. Coinbase provide legal precedents that can serve as a foundation for defining the regulatory status of various crypto assets. These decisions help establish boundaries and guidelines for distinguishing between securities and non-securities within the cryptocurrency market.

The decisions taken in the cases can be used as a template to judge similar regulatory scenarios for other cryptocurrencies, making regulations clear for those who are building in the space.

## Amicus Curiae

The involvement of external entities, such as Coinbase, in filing amicus curiae briefs in the Ripple case indicates a collaborative approach to legal proceedings. This participation brings diverse perspectives and expertise into the regulatory discourse, potentially contributing to a more nuanced and informed regulatory framework.

This can go a long way as a good practice to involve subject matter expert parties to share their unbiased opinions of the technical aspects of the cases where the court feels the need to have technical insights for a better understanding of the scenarios. Third-party amicus curiae can also inform the courts of the potential impacts of such decisions on the crypto market.

## Clarity on Securities Laws

Through these cases, regulatory authorities like the SEC aim to bring clarity to how securities laws apply to cryptocurrency platforms. This clarity is crucial for businesses operating in the crypto space, allowing them to understand and adhere to regulatory requirements, and fostering a more transparent and compliant industry.

As the SEC takes the lead in regulating crypto operations and sets standards, it can influence global regulatory approaches. The outcomes and frameworks established in these cases may serve as reference points for other countries seeking to develop their own regulatory frameworks for the cryptocurrency industry. The imposition of fines can also be seen as a deterrent for malpractices within the crypto industry. The severity of penalties sends a strong message to other market participants, emphasizing the importance of maintaining ethical standards and following the law of the land instead of bypassing them through legal loopholes.

## Transparency Standards

Even though blockchain technology makes all cryptocurrencies 100 per cent transparent, the centralized entities working as service providers may not have similar standards for transparency. The legal battles highlight concerns over transparency, disclosure practices, and information dissemination within the crypto sector. The outcomes of these cases may lead to the establishment of enhanced transparency and disclosure standards, promoting better-informed decision-making by investors and stakeholders.

# Can El Salvador's

Freedom Visa bring it back to the  
Bitcoin Map?



**I**n September 2021, El Salvador became the first country to make Bitcoin a legal tender, mandating all businesses to accept it. Nayib Bukele, the president of El Salvador, is a passionate Bitcoin maximalist and sees BTC as the future of the country's economy.

## ***“Bitcoin will improve lives and the future of millions,” Bukele believes.***

To build upon his dream of a Bitcoin-driven, decentralized economy, Bukele has introduced a series of reforms in the country to foster growth and invite the most promising minds in the industry by offering security, stability, and government trust, which has been rare anywhere else in the world. In the series of these reforms, El Salvador's government has finally approved Volcano bonds and also launched a Freedom Visa scheme.

But what is El Salvador's Freedom Visa and how can it be transformative for this Central American nation? In this month's second cover story, CoinGabbar discusses the details of El Salvador's Freedom Visa while also introducing you to Bukele's already-approved Volcano bonds.

### **What is El Salvador's Freedom Visa?**

The Freedom Visa program in El Salvador was introduced as part of the country's efforts to boost its economy and embrace the future of finance. It targets digital nomads, entrepreneurs, and investors seeking a conducive environment for regulatory security and BTC investment.

"Experience Freedom, Security, and a Bitcoin lifestyle by adopting El Salvador as your home. El Salvador has been reborn as the land of economic liberty. But this is just the beginning. Come help us build the future you want to see," the program's official website says.

With this new citizenship initiative, El Salvador aims to bring in high net-worth individuals into the country which will not only bring a million dollars in donations each but also boost its travel appeal globally.

Under this program, the country will give citizenship to 1000 high net-worth individuals who are willing to contribute 1 million dollars worth of Bitcoin to the country and become part of El Salvador's growing Bitcoin-centric economy.

El Salvador aims to establish itself on the Bitcoin map to stimulate its economy, attract foreign investment, and reduce dependency on traditional financial systems. By adopting Bitcoin as legal tender, the country positions itself as a crypto and blockchain tech pioneer, appealing to tech-savvy investors globally.



Bukele also claims that Bitcoin is an answer to the challenges of financial inclusion, as many Salvadorans lack access to traditional banking. El Salvador's Bitcoin strategy reflects a bold attempt to leverage emerging tech for national interests but also brings it an inch closer to a deep chasm of crypto market volatility.

## Terms and conditions of El Salvador's Freedom Visa?

However, El Salvador's offer comes with its own set of rules and regulations which are mentioned clearly on the official website of the program. Here we are giving you the details of the key terms and conditions of El Salvador's Freedom Visa program:

- ◆ The program is aimed primarily at high-net-worth individuals or investors.
- ◆ Applicants must meet a financial threshold set by the government, which is either \$1 million in Bitcoin or USDT.
- ◆ The main applicant can include their spouse and all children under the age of 18 in the application.
- ◆ There is a non-refundable application processing fee of \$999.
- ◆ The total investment required for the Freedom Visa and subsequent citizenship is \$1 million in Bitcoin or USDT.
- ◆ The initial \$999 deposit is non-refundable but will be credited towards the \$1 million investment upon acceptance into the program.
- ◆ Upon acceptance, this deposit is credited towards the total investment required.
- ◆ The processing time for applications can vary.
- ◆ Approvals typically take up to 6 weeks.
- ◆ During this period, the information provided by the applicant is thoroughly reviewed and verified to ensure compliance with the program's requirements.
- ◆ The program requires careful review and verification of the information provided by applicants to ensure they meet the eligibility criteria.
- ◆ Successful applicants and their family members are eligible to fast-track their path to Salvadoran citizenship through this investment.

## What are volcano bonds?

Freedom Visa is not the only initiative from El Salvador which has made the crypto news headlines in recent times. The country's long-planned BTC bonds also inched closer to reality after apparently receiving regulatory approval for an early 2024 issuance. The bonds are set to be offered on Bitfinex Securities, a regulated division of crypto exchange Bitfinex.

Volcano Bonds, also known as 'Volcano Bitcoin Bonds,' are a financial instrument introduced by El Salvador. These bonds are backed by Bitcoin and were approved by El Salvador's Digital Assets Commission. The issuance of Volcano Bonds is part of El Salvador's initiative to make Bitcoin a part of its economic infrastructure.

The bonds aim to pay down sovereign debt and fund the construction of El Salvador's proposed "Bitcoin City." These bonds reflect the country's entry into Bitcoin-based capital markets, with a 10-year duration and an annual return of 6.5% for bondholders. The bonds received support from Paolo Ardoino, CTO of Bitfinex Securities, who expressed enthusiasm for El Salvador's commitment to developing Bitcoin-based capital markets. El Salvador's President, Nayib Bukele, also confirmed the news of the bond approval and highlighted the launch scheduled for the first quarter of 2024.



## Will Bitcoin breathe life into El Salvador's economy?

El Salvador has seen modest economic growth, with a notable reduction in poverty and inequality. Despite a severe GDP contraction in 2020 due to COVID-19, the economy rebounded in 2021. For El Salvador, high public debt and fiscal sustainability are its key concerns and Bukele believes that Bitcoin could be an answer to these concerns.

"If 1% of Bitcoin's investment is invested in El Salvador, that would increase our GDP by 25%," Bukele said according to media reports.

For now, the country is aiming for sustainable growth through private consumption, public investment, and tourism, while addressing poverty, enhancing human capital, and strengthening fiscal and institutional resilience. And the initiatives mentioned follow El Salvador's broader efforts to integrate Bitcoin into its economic infrastructure, including the recent launch of a significant Bitcoin mining project powered by the country's volcanic resources.

# GABBAR

ARCHIVE



## FCA Released Warning List, Many Crypto Exchanges Joined

According to the Chainalysis report, over the past year, India recorded approximately \$250 billion in cryptocurrency value received, coming in second only to the United States, which recorded approximately \$1 trillion in cryptocurrency value during the same period. India has received the rank 1 in overall index ranking, centralized service value received ranking, retail centralized service value received ranking, DeFi value received ranking, but ranked 5th on P2P exchange trade volume ranking. India is followed by Nigeria, Vietnam, USA, Ukraine, Philippines, and Indonesia.



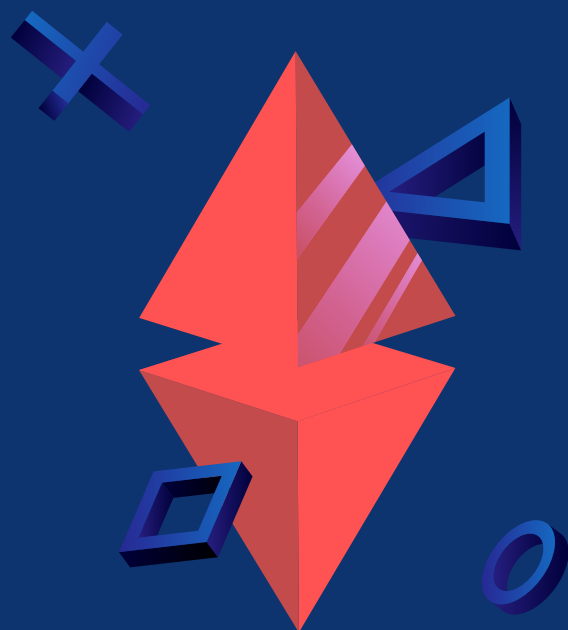
## G20 Crypto Roadmap Shape Crypto's Global Regulations

The G20 nations unveiled a pivotal roadmap for regulating digital currencies, aiming to balance innovation with security. This comprehensive plan emphasizes unified principles across jurisdictions, fostering investor confidence while prioritizing consumer protection through stringent measures like KYC and AML. Acknowledging innovation's role, it encourages blockchain R&D and startup support. While exchanges adapt and investor trust grows, striking the right balance between regulation and innovation remains a challenge. This landmark initiative marks a crucial stride toward legitimizing and nurturing the crypto industry, shaping its future amidst evolving global financial landscapes.



## What's the Future of Ethereum Layer 2? Let's Know from the Co-Founder

Ethereum's co-founder Vitalik Buterin, has become a leading voice on the future of scaling solutions. He is a prominent figure in the rapidly evolving world of blockchain technology. His recent analysis offers a clear vision for the future of Ethereum's growth and scalability. He talks about using different technologies together, like Layer 2 solutions, to help Ethereum grow and handle more transactions. This mix of ideas could help Ethereum become more scalable in the future. Vitalik Buterin predicts a future for Ethereum where Layer 2 solutions won't be one-size-fits-all. Instead, they'll be customized to meet various needs, driving innovation in the blockchain world. This idea isn't just a theory; it mirrors how the system keeps changing to handle the challenges of decentralized apps and the growing needs of users.



## Anticipated Number of Crypto Users in India in the Next Five Years



As per some reports, the crypto community in India experienced a remarkable fourfold surge between 2017 and 2020, catapulting the user base from 4.8 million to an impressive 17.8 million. There has been a terrific rise in crypto users of more than 760% between 2017 and 2022. In the wake of the COVID-19 pandemic, an astonishing 60 million Indians ventured into the world of cryptocurrencies between 2020 and 2021, propelling the total number of users to a staggering 77.6 million. In the span of 2023 to 2027, a projected surge of nearly 60% is anticipated, pushing the user count to an estimated 50 million.

## Elon Musk's Controversial Remarks and Global Business Response

Elon Musk, CEO and Chairman of X (Twitter), has made a remark on the Israel-Hamas war in a social media post on Twitter. Elon Musk agreed to an X anti-Jewish and racist post "diabolical hatred" for white people, and replied to one X user's post by saying, "You have said the actual truth". The White House has condemned the remarks of X CEO Elon Musk. The White House said the remarks at the Middle Israel-Hamas war are not acceptable, which puts the Jewish community in danger. Global giants such as Apple have stopped advertising on X. Following Apple, many media enterprises, such as Disney, Warner Brothers, Lionsgate, Comcast, and Paramount Global, paused to put their advertisements on the microblogging platform.



# LEARN WITH GABBAR



# What is Metaverse and What the Business Metaverse Could Do?

## What is Metaverse?

A Metaverse is a digital space represented by digital representations of people, places, and things. In other words, it's a "digital world" with real people represented by digital objects.

In many ways, Microsoft Teams or Zoom is already a form of the metaverse. You are "there" in the room, but you may be a static image, an avatar, or a live video. So Metaverse is a broader context for "bringing people together."

The Metaverse is an expansive network of persistent, real-time rendered 3D worlds and simulations that support continuity of identity, objects, history, payments, and entitlements, and can be experienced synchronously by an effectively unlimited number of users, each with an individual sense of presence.

Simply put, it is a set of virtual spaces where you can create and explore with other people who aren't in the same physical space as you.



## Why Does It Feel So Strange?

When you ask experts about the word Metaverse, they explain that it was coined years ago in a science fiction book. But for the rest of us, it sounds like some creepy thing Mark Zuckerberg thought up to capture all our information and sell us more ads. (And likely create even scarier conspiracy theories, fake news, and the rest.)

Unfortunately, since Facebook seemed to pitch this first, there are a lot of conspiracy theories about its value. Well, let me assure you that this thing is real. And the value to our lives could be big.

Let me first suggest that there is not one "Metaverse." There will be many "Metaverses," some for business, some for commerce, some for education, and some for entertainment. Let me talk primarily about the business applications first, but I'm sure the others will come on fast.

## What the Business Metaverse Could Do?

Let me start by mentioning that the Metaverse today is where the Internet was during AOL. In other words, there are a lot of new things to come. Remember that the original web was all text-based, it was slow, and there wasn't even any video. The Business Metaverse is already taking form. In training, we want from “e-learning” to “we-learning” to “digital learning” and soon to “immersive learning.” This implies an enormous new set of applications – from onboarding and training to leadership development, meetings, simulated experiences, large employee events, and of course entertainment

Metaverse is already taking form. In training, we want from “e-learning” to “we-learning” to “digital learning” and soon to “immersive learning.” This implies an enormous new set of applications – from onboarding and training to leadership development, meetings, simulated experiences, large employee events, and of course entertainment.

Big companies have been experimenting for a while. Accenture built an entire “Nth Floor” for consultants based on Microsoft’s early release of Mesh (its Metaverse and Avatar toolset)

Today, the metaverse is a shared virtual space where people are represented by digital avatars (think Ready Player One). The virtual world constantly grows and evolves based on the decisions and actions of the society within it. Eventually, people will be able to enter the metaverse, completely virtually (i.e. with virtual reality) or interact with parts of it in their physical space with the help of augmented and mixed reality.

Currently, many VR platforms like Fortnite, Minecraft, and Animal Crossing are games now but they already have big user bases, detailed worlds, and user-generated content. The Sandbox SAND a VR-based land and token dealing game along with Facebook is also positing itself towards the metaverse with its virtual reality social media platform, Horizon (currently in beta), and Live Maps. Niantic, Magic Leap, Microsoft, and many others are working on it too.

## What about Disney, Netflix, Amazon, and Others?

If what we presume comes, we’re going to see other “Metaverses” appear. Consider the entertainment industry. This week Disney announced it would move it would “connect the digital and physical worlds” for its storytelling and animation. Who wouldn’t want to step into a 3D avatar-driven Disney movie and talk with the characters? Disney could become “the happiest place in the Metaverse.”

How about the Shopping Metaverse? Wouldn’t you want to go to a virtual Amazon (or Walmart) store and shop for products, groceries, books, and movies? Consumers could go talk with the authors, visit with the movie characters, and see the food products in 3D. And Amazon owns Twitch, the largest gaming network in the world. Think they aren’t working on this? Guess again. Get my drift?

## This Will Play Out Over Time...

There are lots of “edge cases” yet to happen. NFTs (Non-Fungible Tokens) will be part of this world – enabling us to buy, own, license, and protect digital assets. There will be a massive focus on privacy, security, and data protection since the 3D data captured here is more voluminous than ever. And as glasses and headsets get cheaper (watch Apple in this space), you can bet these applications will impact our life at work, at home, and on the weekends.

And there will be a land grab as well. Already brands are acquiring valuable real estate (“virtual spaces” in video games), so your company may want to buy a plot of land in Farmville. Nike just patented digital goods, so they’ll sell digital products in the future.

Before you think this is a dystopian nightmare, consider the positives of this shift. A lot of the technologies we’ve been building for years (block-chain, VR, AR, sensors, cameras, 5G) are now coming together. The Metaverse we know today may seem odd or unusual at first, but soon enough you’ll see real applications come.

Mark Zuckerberg is creating a future that looks like a worse version of the world we already have one of several virtual spaces is depicted in a video from Metain in October 2021.



The digital space was made by "a creator I met in," one of the floating avatars tells Zuckerberg.

At one point during the conversation, Zuckerberg's avatar pulls up a digital, 2D video chat to connect to a friend who was supposed to join them. She's out in the real world, being a person, and unable to join, but she wanted to show off a piece of AR art she's seen IRL. The whole thing seems like it could've happened over FaceTime or Zoom or any various pieces of technology we already use.

Some avatars look realistic to the person they represent, while others are total abstractions (like the large robot seen above). Rather than participating in a game, everyone is essentially hanging out in a three-dimensional chat room – something more akin to "Second Life" or PlayStation Home than, say, "Fortnite."

It's unclear how anyone in the demo is connecting to the space or interacting with it, but it appears to be VR headsets — a crucial component of Zuckerberg's vision for the metaverse that also serves as a business opportunity given Meta's success with the Oculus Quest line of VR headsets.

In one sense, it's a vision of a future world that takes many long-existing concepts, like shared online worlds and digital avatars, and combines them with recently emerging trends, like digital art ownership through NFT technology and digital "tipping" for creators.

In another sense, it's a vision that takes our existing reality — where you can already hang out in 2D or 3D virtual chat rooms with friends who are or are not using VR headsets — and tacks on more opportunities for monetization and advertising.

He's repeatedly claimed that the metaverse is the successor to the current mobile internet, and he wants to make sure that Meta is a major player in whatever comes next.

In the October video presentation introducing Meta, Zuckerberg also demonstrated what the future metaverse might look like and how it could work.

The video depicted a world where people jump in and out of a 3D virtual space, like those in "The Matrix" and "Ready player one."



Brands are also staking a claim in the metaverse. Nike has launched Nikeland, a virtual gaming experience on the gaming platform Roblox, where users can dress their digital avatars in the company's products. In September, Dolce & Gabbana sold the first-ever collection of non-fungible tokens (NFTs) by a fashion brand for about \$5.7 million. Five tokens featured in the drop were accompanied by physical versions of the items, and the other four were digital-only pieces. Though seemingly a giant step forward for the legacy fashion house, the collection was apparently limited to the D&G experiences only (each sale included invitations to the brand's exclusive events) and has yet to prove its utility in the metaverse.

If digital garments sound alien, consider Microsoft's vision to transform workplace experiences along that vein. Next year, the company plans to roll out a new feature, Mesh for Microsoft Teams, which is designed to make online meetings and collaborations more immersive—again, with the use of avatars.

That said, Meta's user base and resources dwarf that of blockchain-based virtual reality platforms, whose development still heavily relies on traditional venture capital funding, so the issue of metaverse's centralization could long remain in the grey area. Meanwhile, the future awaiting us seems far more virtual than it did a year ago.

There are a lot of places from where the information and knowledge can be derived. However, only a few bring up the facts in their abstract form. [www.coingabbar.com](http://www.coingabbar.com) is a Marketplace that is dedicated to providing information in its absolute form so that the users can look up all the content in one single place.



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