

FEBRUARY 11th, 2025

CRYPTONAIRE WEEKLY

CRYPTO INVESTMENT JOURNAL

374TH
EDITION

TORRO & PANCHO THE NEXT MEME COIN KING

**\$1.5 MILLION ON
DAY ONE**
IS THIS THE NEXT SHIBA?

**A REVOLUTION
NOT JUST A MEME COIN**

**MARKET CAP
BLASTED PAST
\$1.5M IN 24 HOURS!**

**THE COMMUNITY
THAT SWATS
THE FUD & FLIES
AWAY TO THE MOON!**

\$T&P



PLATINUM
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EDITORS

Bitcoin briefly dipped below \$95,000 on Feb. 9 following reports that China planned to impose tariffs on U.S. energy imports, including crude oil and liquefied natural gas. Despite this initial downturn, BTC rebounded to reclaim the \$97,000 support level on Feb. 10 after President Donald Trump announced a 25% tariff on steel and aluminum imports. As of now, Bitcoin is trading at approximately \$98,383, reflecting a 1.1% increase from the previous day.

Institutional demand for Bitcoin appears to be stabilizing. Key indicators, such as spot exchange-traded fund (ETF) flows and BTC derivatives metrics, suggest limited buying interest. The 25% delta skew for Bitcoin options, which compares similar put (sell) and call (buy) options, currently stands at 2%.

LETTER

As of February 11, 2025, Bitcoin is trading at approximately \$98,409, reflecting a modest uptick from the previous session. The cryptocurrency has been oscillating within a consolidation phase, with key support around \$95,000 and resistance near the psychological \$100,000 mark. This range-bound behavior suggests that traders are awaiting a decisive move to establish a clearer trend. Recent technical indicators point to a potential bearish bias. The Relative Strength Index (RSI) has reached 72, indicating overbought conditions, which could precede a price correction. Additionally, Bitcoin's price is currently below its 50-day Simple Moving Average (SMA), signaling possible downward pressure. A failure to hold the \$95,000 support level may lead to a decline toward the \$92,000 region. Conversely, a successful breach of the \$100,000 resistance could pave the way for a rally toward \$103,500 and potentially higher.

Ethereum recently experienced a significant drop, falling below the crucial \$2,850 support level on February 2, 2025, and reaching a low of \$2,125 on February 3. However, bulls stepped in, leading to a recovery that has seen ETH climb to around \$2,720 as of today. This rebound indicates strong buying interest at lower levels. Despite this recovery, on-chain data reveals that investors have withdrawn over 200,000 ETH from Ethereum's Beacon Chain staking contracts in the past week, amounting to approximately \$540 million. This significant outflow raises concerns about the sustainability of the recent rally. If the price turns down from the overhead resistance, the ETH/USD pair may gradually slide toward \$2,111. Bulls will signal a comeback on a break and close above the downtrend line.

Lastly please check out the advancement's happening in the cryptocurrency world

Enjoy the issue

Karnav Shah

Karnav Shah

Founder, CEO & Editor-in-Chief



CRYPTONAIRE WEEKLY

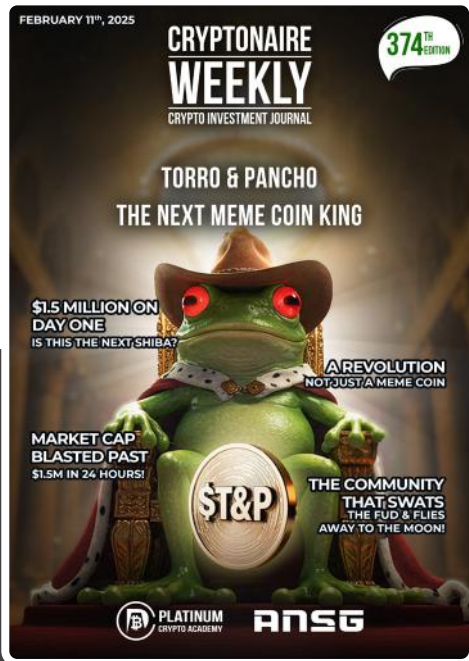


Cryptonaire Weekly is one of the oldest and trusted sources of Crypto News, Crypto Analysis and information on blockchain technology in the industry, created for the sole purpose to support and guide our Crypto Trading academy clients and subscribers on all the tops, research, analysis and through leadership in the space.

Cryptonaire weekly, endeavours to provide weekly articles, Crypto news and project analysis covering the entire marketplace of the blockchain space. All of us have challenges when facing the crypto market for the first time even blockchain-savvy developers, investors or entrepreneurs with the ever-changing technology its hard to keep up with all the changes, opportunities and areas to be cautious of.

With the steady adoption of Bitcoin and other cryptocurrencies around the world, we wanted not only to provide all levels of crypto investors and traders a place which has truly great information, a reliable source of technical analysis, crypto news and top emerging projects in the space.

Having been publishing our weekly crypto magazine 'Cryptonaire Weekly' for since early 2017 we have had our fingertips at the cusp of this exciting market breaking through highs of 20k for 1 Bitcoin to the lows of \$3500 in early 2021. Our Platinum Crypto Academy clients (students and mentee's) are always looking for shortcuts to success to minimize expenses and possible loses. This is why we created our Crypto Magazine. Those who wish to invest their assets wisely, stay updated with the latest cryptocurrency news and are interested in blockchain technology will find our Weekly Crypto Magazine a valuable asset!



Featuring in this weeks Edition:

- Torro & Pancho
- BricklayerDAO

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- Market News Update
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SENTIENT COMPLETES RECORD 650K NFT MINT FOR DECENTRALIZED 'LOYAL' AI MODEL

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WEEKLY CRYPTOCURRENCY MARKET ANALYSIS

Hello, welcome to this week's 374th edition of Cryptonaire Weekly Magazine. The global crypto market cap is \$3.25 Trillion, Up 20 Billion since the last week. The total crypto market trading volume over the last 24 hours is at \$96.37 Billion which makes a 5.63% decrease. The DeFi volume is \$7.5 Billion, 7.79% of the entire crypto market's 24-hour trading volume. The volume of all stable coins is \$89.34 Billion, which is 92.70% share of the total crypto market volume the last 24 hours. The largest gainers in the industry right now are Polkadot Ecosystem and XRP Ledger Ecosystem cryptocurrencies.

Bitcoin's price has decreased by 0.84% from \$99,520 last week to around \$98,415 and Ether's price has increased by 0.93% from \$2,695 last week to \$2,720
Bitcoin's market cap is \$1.95 Trillion and the altcoin market cap is \$1.30 Trillion.

Bitcoin briefly dipped below \$95,000 on Feb. 9 following reports that China planned to impose tariffs on U.S. energy imports, including crude oil and liquefied natural gas. Despite this initial downturn, BTC rebounded to reclaim the \$97,000 support level on Feb. 10 after President Donald Trump announced a 25% tariff on steel and aluminum imports. As of now, Bitcoin is trading at approximately \$98,383, reflecting a 1.1% increase from the previous day.

Institutional demand for Bitcoin appears to be stabilizing. Key indicators, such as spot exchange-traded fund (ETF) flows and BTC derivatives metrics, suggest limited buying interest. The 25% delta skew for Bitcoin options, which compares similar put (sell) and call (buy) options, currently stands at 2%. This is a neutral level but weaker than the -5% observed on Feb. 1, indicating a slight decline in bullish sentiment. Additionally, the annualized premium on Bitcoin futures is now at 8%, down from 11% on Feb. 1 and below the 10% bullish threshold. This suggests that institutional traders' appetite for leveraged Bitcoin exposure is below historical averages.

In terms of recent activity, Strategy (formerly MicroStrategy) has continued its aggressive Bitcoin accumulation. Between Feb. 3 and Feb. 9, the company purchased an additional 7,633 BTC for approximately \$742.4 million, averaging \$97,255 per Bitcoin. This brings their total holdings to 478,740 BTC, valued at around \$31.1 billion at an average purchase price of \$65,033 per Bitcoin.

Despite these developments, overall institutional demand remains relatively low at the \$97,000 price level, as indicated by various metrics. Analysts suggest that broader macroeconomic factors, rather than cryptocurrency-specific issues, are the primary concern. Factors such as global trade tensions and monetary policy decisions are

influencing investor sentiment and may impact Bitcoin's price trajectory in the near term.

Looking ahead, Bloomberg ETF analysts have projected a 90% chance that the U.S. Securities and Exchange Commission will approve a spot Litecoin ETF before the end of the year. They also estimate approval chances of 65% for a spot XRP ETF, 70% for a Solana ETF, and 75% for a Dogecoin ETF. These developments could have significant implications for the broader cryptocurrency market.

In the realm of cryptocurrency exchange-traded products (ETPs), there has been a fifth consecutive week of inflows, totaling \$1.3 billion. Notably, Ether-based ETPs saw the largest inflows, accumulating \$793 million, which is 95% more than Bitcoin ETPs during the same period. This surge in Ether ETP activity suggests a growing investor interest in Ethereum, especially as ETH recently dipped below \$2,700, leading to significant buying on weakness.

In summary, while Bitcoin has shown resilience amid recent geopolitical developments, institutional demand remains tepid. Investors are closely monitoring macroeconomic factors and regulatory developments, which continue to play a crucial role in shaping the cryptocurrency market's outlook.

Percentage of Total Market Capitalization (Domnance)

BTC	58.34%
ETH	9.61%
USDT	4.28%
XRP	4.20%
SOL	3.00%
BNB	2.68%
USDC	1.70%
DOGE	1.12%
ADA	0.76%
Others	14.31%



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A New Meme Coin King is Here

The world of meme coins has seen its fair share of wild rides—from Dogecoin to Shiba Inu—but nothing could have prepared the crypto space for the unstoppable rise of Torro & Pancho (T&P). **In just 24 hours, this project has stormed past \$1.5 million in market cap**, proving that a powerful community-backed movement can change the game.

While most meme coins are built on hype alone, Torro & Pancho is for the hustlers, the visionaries, and the game-changers. This isn't just another pump and dump coin—it's a revolution.

The Legend of Torro & Pancho: More Than Just a Meme

Deep in the swamps of crypto, two legendary frogs—Torro & Pancho—rose to swat away the flies that plague the industry. FUD, weak hands, and paper traders tried to stop them, but their community was too strong. They don't argue with flies—they SWAT them.

This philosophy is what drives T&P to the top of the meme coin hierarchy. With a deflationary model, an engaged diamond-hand community, and real incentives, this token isn't just about memes—it's about domination.

\$1.5M Market Cap on DAY ONE – A Community That Delivers

The real power of Torro & Pancho isn't just the hype—it's the unstoppable force of its community. Unlike other meme coins that take weeks to build momentum, T&P blasted past \$1.5 MILLION in market cap within 24 hours.

What's fuelling this explosive growth?

A Hardcore, Engaged Community – T&P isn't just a coin, it's a movement. Holders are active, engaged, and spreading the word like wildfire.

Massive Incentives – From leaderboards to buy-and-hold competitions, T&P ensures real rewards for its believers.

No Paper Hands Allowed – Every transaction burns tokens, ensuring long-term scarcity and value growth.

The Momentum is Just Getting Started

With multiple AMA sessions, influencer partnerships, and massive exchange listings on the way, Torro & Pancho is positioning itself to be the next billion-dollar meme coin. And the best part? It's still early.

Are you in? Or are you just another fly?

Join the revolution before it's too late.

Follow & Join the movement now

Torro & Pancho: The Meme Coin Revolution That Shook the Market with **\$1.5M on Day One!**



A New Meme Coin King is Here

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- ✓ Massive Incentives
- ✓ No Paper Hands Allowed

**Are you in? Or
are you just another fly?**

Join the revolution before it's too late.

Follow the movement now!

FOLLOW US





ADVANCEMENTS IN THE CRYPTOCURRENCY WORLD

BITCOIN STUMBLES AS TRUMP ANNOUNCES 25% STEEL AND ALUMINUM TARIFFS

Crypto markets have been steadily recovering after a brief dip in the wake of more tariff announcements from US President Donald Trump.

Crypto markets stumbled as US President Donald Trump announced tariffs on aluminum and steel — the latest salvo in an escalating US trade war.

Trump said that any “steel coming into the United States” and aluminum will be hit with a 25% tariff, according to a Feb. 9 report by the Associated Press.

He also said that the White House would launch reciprocal tariffs on countries levying import fees on US goods.

“If they are charging us 130% and we’re charging them nothing, it’s not going to stay that way,” Trump said.

Following the tariff announcement, crypto markets dipped temporarily, with bleeding across the board. However, there has since been a steady recovery.

Bitcoin BTC\$98,163 crossed back over \$97,000 after dropping to \$94,000 briefly, according to CoinMarketCap.

Meanwhile, CoinMarketCap data shows Ether ETH \$2,703 has also returned to nearly the same level it was before the tariff announcement, reaching a low of \$2,537 but has since climbed back to \$2,645.

At the same time, the total crypto market cap dropped from \$3.15 trillion down to \$3.10 trillion. It has since recovered to \$3.13 trillion, according to CoinMarketCap.

The Crypto Fear & Greed Index, which measures market sentiment for Bitcoin and other cryptocurrencies, has been stuck in fear territory for the last week, clocking an average score of 44 out of 100.

The latest Feb. 10 update has also registered a fear rating, with a score of 43, down from 46 the previous day.

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Bitcoin Network Activity Plunges to Yearly Lows as BTC Struggles Below \$100K: CryptoQuant

Bitcoin's low network activity encompasses all aspects: fewer active addresses and transactions, low fees, and an almost empty mempool.

The Bitcoin network seems like a ghost town, with its activities falling to the lowest level in a year. A Bitcoin Network Activity Index from the market analytics platform CryptoQuant hovers around 3,760, the lowest since February 2024, indicating that activity on the leading blockchain has plunged 15% since its November 2024 record high.

According to a weekly CryptoQuant report, the index measures the growth in key Bitcoin

metrics like block size, active addresses, and number of transactions. This means the decline in Bitcoin activity encompasses almost all areas of the network. Notably, the index has fallen below its 365-day moving average for the first time since July 2021, when China banned Bitcoin mining.

Bitcoin Network Activity Declines
Examining different parts of the Bitcoin network reveals a steep decline in their activities. The number of active addresses and transactions has fallen by double digits. The total daily number of transactions has tumbled 53% from an all-time high of 734,000 in September 2024 to 346,000 currently, the lowest level since March 2024.

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SEC Reviews Grayscale's Solana ETF Filing, Indicating Possible Shift in Crypto Regulation

For the first time, the SEC engages with a Solana ETF proposal, raising hopes for a thaw in its historically tough stance on crypto.

The U.S. Securities and Exchange Commission (SEC) has acknowledged Grayscale's filing for a Solana-based

exchange-traded fund (ETF).

It is the first time the agency has engaged with an ETF proposal tracking a cryptocurrency that was once considered a security.

'A Positive Sign'
The acknowledgment, relayed on February



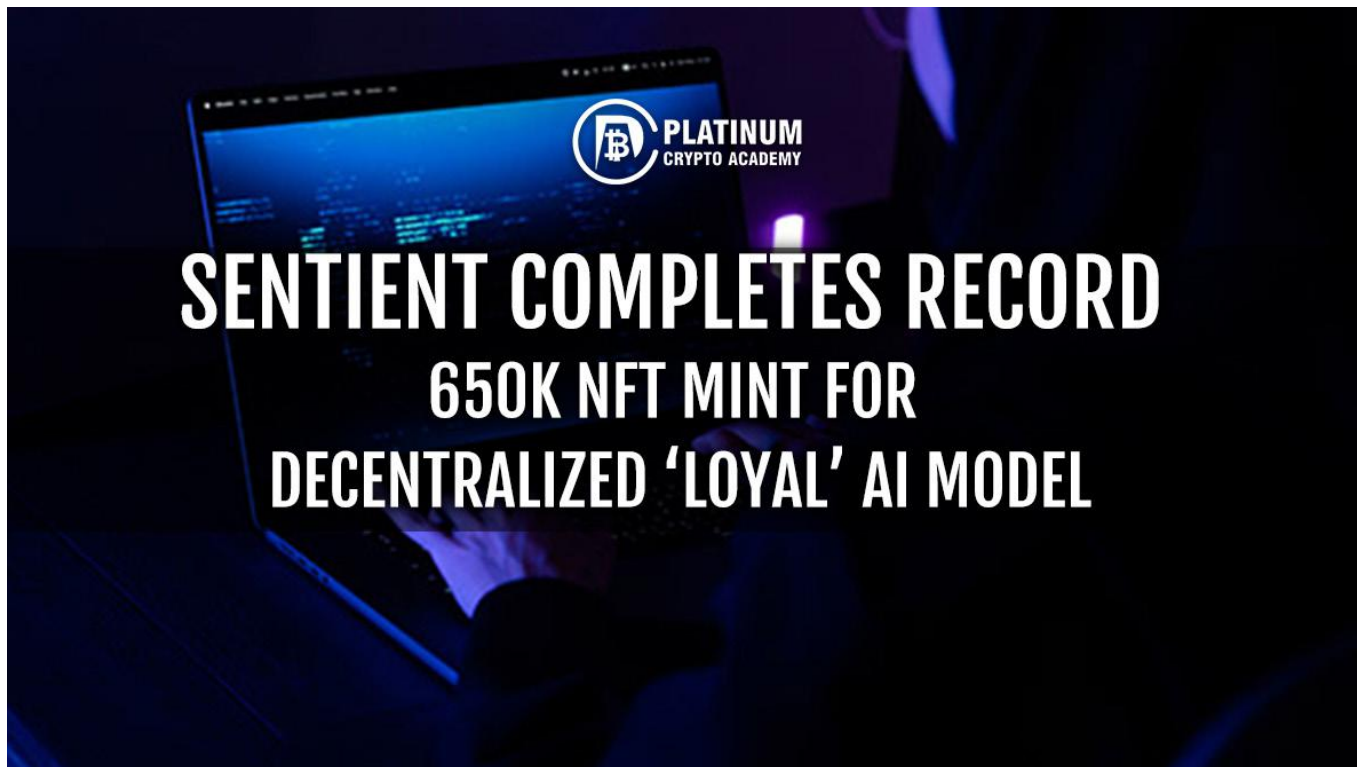
6, caught many by surprise, given that just six weeks ago, the regulator, then led by former Chair Gary Gensler, asked the Chicago Board Options Exchange (CBOE) to withdraw similar Solana ETF filings.

Breaking the news on X, ETF expert James Seyffart pointed out that the regulator's action was notable because it had previously refused to

engage with other companies that had attempted to file SOL-based exchange-traded products. Further, he suggested it could be a "positive sign" for crypto firms, including exchanges, that the SEC has sued over claims that Solana is a security.

Eric Balchunas, Bloomberg's senior ETF analyst, shared similar sentiments, calling it a "notable development"

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In an industry dominated by centralized artificial intelligence (AI) models and megacorporations, the decentralized AI ecosystem is gaining serious attention. Sentient, a trailblazer in this space, has achieved a remarkable milestone by completing a record 650,000 NFT minting for its decentralized, open-source AI model, Dobby. This event has shaken up the AI landscape, not only because of the sheer scale of the minting campaign but also because of the potential implications it holds for the future of artificial intelligence.

Dobby's minting campaign, which involved more than 650,000 participants, is one of the largest NFT campaigns in crypto history. In essence, the NFTs, called "Fingerprints," offer fractional ownership

and access to the AI model itself. To participate in the minting process, participants had to prove their humanity by passing a randomized IQ test. This test was designed to ensure that only human participants could secure ownership rights to the AI model, and, in doing so, contribute to its decentralized development.

But what is the real significance behind Sentient's ambitious project? What makes the Dobby AI model and its community-driven ethos different from centralized AI systems like OpenAI's ChatGPT? In this article, we will delve deeper into Sentient's vision, the importance of decentralization in AI, and the broader implications for the future of artificial general intelligence (AGI).



The Rise of Decentralized AI: A Glimpse into Sentient's Vision

At the core of Sentient's initiative is the belief that the future of artificial intelligence should be community-controlled, community-owned, and decentralized. With traditional AI systems being predominantly controlled by large, centralized corporations, Sentient envisions a future where AGI (Artificial General Intelligence) is no longer the monopoly of a few tech giants but rather a collective effort, guided by open-source development and inclusive governance.

Sandeep Nailwal, the founder of Polygon and a key contributor to Sentient, asserts that the first emerging AGI should be “community-controlled and community-owned to guarantee its loyalty.” What he means by loyalty is simple: ensuring that the AGI model works in the best interest of everyone, not just a select few. By involving the community in the decision-making process and distributing ownership of the AI, Sentient aims to guarantee that the values and principles guiding its development reflect those of its community, not a corporate entity’s bottom line.

In a statement shared with Cointelegraph, Nailwal emphasized how Dobby’s fingerprinting mechanism encourages communities to “enforce ownership, control, and alignment of open-source AI models.” This alignment between ownership and control over AI development is crucial to ensure that AI behaves in a way that is consistent with the community’s values. Furthermore, the long-term vision is to ensure that AGI is not controlled by a large corporation but instead belongs to everyone, both individually and collectively.

The fundamental difference between centralized AI models like ChatGPT and decentralized models like Dobby is that the former relies on a small group of individuals to make decisions about the AI’s behavior, goals, and development. In contrast, a decentralized model like Dobby places decision-making power in the hands of its community, making it more transparent, accountable, and aligned with its users’ needs and desires.

A New Era for NFT Minting: The 650K Fingerprint Campaign

To fund the development of its decentralized AI model, Sentient turned to the world of blockchain and NFTs. By minting NFTs, the project could raise funds while offering participants a stake in the development and ownership of Dobby. Unlike traditional fundraising methods, this decentralized approach allowed individuals to contribute to the project in exchange for tangible ownership and control over the AI model.

The minting campaign required participants to take a randomized IQ test to prove that they were human. This mechanism was designed to prevent bots and AI systems from participating in the

minting process, ensuring that only humans could claim fractional ownership of Dobby. The idea was to make the minting process a fair, transparent, and human-centric event, where participants could contribute to the project’s success in a meaningful way.

By minting a “Fingerprint,” participants were not just purchasing a digital asset; they were securing a position in the future of AI. This fractional ownership model enabled individuals to become part of the decentralized AI ecosystem, gaining access to the Dobby model and its evolving capabilities. This approach to NFT minting is groundbreaking because it ties ownership to the collective development of a real-world AI model rather than to a speculative asset with no inherent utility.

The success of the minting campaign, which saw more than 650,000 participants, signals growing interest in decentralized technologies and community-driven projects. The large-scale adoption of Dobby and the associated NFTs illustrates that individuals are increasingly seeking ways to be part of the AI revolution, not just as passive consumers, but as active participants and stakeholders.

DeepSeek: The AI-Powered Chatbot on a Budget

The launch of Dobby’s decentralized AI model is accompanied by the introduction of DeepSeek, an AI-powered chatbot built on a surprisingly modest budget of \$5.6 million. While this amount is a fraction of the cost of developing other AI systems like OpenAI’s ChatGPT, which reportedly cost \$100 million to build, DeepSeek represents a new paradigm in AI development.

DeepSeek is a chatbot that leverages the power of AI to provide users with personalized responses and insights. Unlike proprietary chatbots built by large corporations, DeepSeek is open-source and community-driven, allowing developers to contribute to its development and refine its capabilities. Sentient’s budget-friendly approach to AI development is indicative of the broader trend in the decentralized AI space, where projects prioritize efficiency, transparency, and community involvement over excessive corporate spending.

While DeepSeek may not yet rival ChatGPT in terms of scale and capabilities, its relatively low

development cost underscores the potential for decentralized AI models to flourish in a more inclusive and community-oriented ecosystem. As more projects like Sentient continue to push the boundaries of decentralized AI, we may see more innovation at a fraction of the cost of traditional, centralized models.

Dobby: Addressing Crucial Problems in the AI Landscape

In the rapidly evolving landscape of artificial intelligence (AI), centralized control has long been a point of contention. Large corporations like OpenAI have become key players in the development of advanced AI models, such as ChatGPT, which are governed by a small group of individuals. While these models have shown immense capabilities, they have also raised concerns regarding their transparency, ethical behavior, and accountability. The increasing awareness of these issues has driven the development of decentralized AI models, such as Sentient's Dobby, which aim to address these challenges. By shifting the control from corporations to the community, Dobby promises to provide a more ethical, transparent, and inclusive approach to AI development.

The Problem with Centralized AI Models

At the heart of the concern with centralized AI models is the issue of control. In traditional, centralized AI systems, the development and governance of the AI are managed by a small group of individuals or a single entity, often with limited input from the broader community. This concentrated control can result in several ethical and operational concerns:

1. Transparency: Centralized AI models tend to operate as “black boxes,” where the decision-making processes and underlying algorithms are hidden from public scrutiny. This lack of transparency can lead to mistrust, as users and developers are unable to understand or challenge how decisions are made.

2. Bias: Centralized AI models are often trained on data that reflects the biases of the developers or the organization that controls the AI. Without diverse perspectives in the development process, these models can perpetuate harmful biases, whether in terms of race, gender, or other factors.

3. Accountability: When an AI system governed by a single entity makes a mistake or behaves unethically, it can be difficult to assign accountability. Often, it is unclear who is responsible for the model's actions, leading to a lack of recourse for affected individuals or communities.

These issues underscore the need for a new approach to AI development—one that shifts the power from centralized corporations to a broader, more diverse community.

Dobby: A Decentralized Solution to Centralized Control

Sentient's Dobby AI model introduces a revolutionary solution to the problems posed by centralized AI systems. At its core, Dobby is built with a decentralized architecture that allows for community governance, control, and ownership. This decentralized structure not only ensures transparency but also fosters a sense of responsibility among the stakeholders.

As Himanshu Tyagi, co-founder of Sentient, pointed out, Dobby's decentralization allows it to break free from the grip of a single corporate entity, empowering its users to take ownership of the model's development. Unlike traditional centralized systems where a small group of developers control the AI's direction, Dobby allows its community to influence the decision-making process. This ensures that the AI system aligns more closely with the values and principles of its users, rather than the profit-driven motives of large corporations.

Loyalty: A Key Feature of Dobby's Design

One of the most compelling aspects of Dobby is its concept of “loyalty.” In the context of Dobby, loyalty refers to the AI's commitment to its community—specifically, its owners and developers. Unlike centralized models where the behavior of the AI is dictated by corporate interests, Dobby's loyalty ensures that its actions are driven by the collective values and principles set by the community.

This loyalty is achieved through a unique combination of ownership, alignment, and control. By providing the community with direct ownership of the model and the ability to set its guiding principles, Sentient ensures that Dobby remains aligned with the interests of its users. This structure

minimizes the risk of the AI system being hijacked for commercial or unethical purposes, fostering a more ethical and community-driven AI ecosystem.

Furthermore, Dobby's decentralized design allows for the creation of a model that evolves in a way that is consistent with the needs and aspirations of its users. This kind of loyalty ensures that the AI is continually shaped by the community, making it more adaptable to the changing landscape of technology and society.

Model Alignment: Empowering the Community

A key feature of Dobby is its "model alignment" capability, which allows the community to have granular control over the AI's behavior. This feature enables users to define the parameters within which the AI operates, ensuring that its actions align with the values and preferences of the community.

For example, the community can decide which behaviors are activated within the model, providing a level of customization that is typically unavailable in centralized AI systems. This level of control is essential in ensuring that AGI (Artificial General Intelligence) models like Dobby operate ethically and responsibly. It also mitigates the risks associated with AI systems that may act autonomously without the necessary ethical guidelines in place.

Model alignment is also crucial for addressing concerns about bias. In a decentralized system like Dobby, the community can actively monitor and adjust the model to avoid biases that may emerge during training. This ensures that the AI operates in a fair, just, and inclusive manner, representing a broader spectrum of society rather than being skewed by the biases of a few.

Long-Term Vision: A Decentralized AGI Ecosystem

The decentralized architecture of Dobby is not just a temporary solution; it is part of a broader vision to create an open, transparent, and community-driven AI ecosystem. Sentient's ultimate goal is to establish a decentralized AGI ecosystem where individuals, rather than corporations, hold the power to control and govern the development of AI. This vision has the potential to revolutionize the way AI is developed and used, shifting the focus

from proprietary, closed-source systems to open-source, collaborative models.

In the long term, Sentient envisions a future where the community's collective wisdom and values guide the development of AGI. This would create a more equitable and inclusive AI ecosystem, where the technology serves the broader interests of society, rather than the narrow agendas of powerful corporations. By ensuring that AGI remains open-source and community-owned, Sentient aims to build a more trustworthy and ethical AI system that can be shared and improved by anyone, anywhere.

The Future of Decentralized AI: Implications and Opportunities

The recent success of Sentient's NFT minting campaign for its decentralized AI model, Dobby, coupled with the launch of DeepSeek, highlights a growing shift in the artificial intelligence (AI) landscape towards decentralized development. The need for transparency, community control, and ethical AI practices has never been more critical, and decentralized AI models promise to address these issues effectively. By opening up AI development to a broader range of participants, these models can overcome the challenges posed by centralized systems, offering a more democratic, inclusive, and transparent future for AI technology.

The Rise of Decentralized AI: A New Era A Shift Toward Community Governance

The central thesis of decentralized AI is to ensure that the ownership, development, and decision-making surrounding AI models are not solely in the hands of corporations or single entities. Instead, it is distributed across a community of stakeholders, which fosters a greater sense of responsibility and transparency in AI systems. Sentient's Dobby model, for example, allows its community to collectively govern its development, aligning the AI's principles and behaviors with the values of its users.

In a decentralized AI system, the community members participate actively in the evolution of the model, suggesting improvements and contributing to the development process. This is a stark contrast to traditional AI models, where decisions are largely influenced by the agendas of powerful organizations. The ability to govern AI

technology in such a decentralized manner is not only appealing for developers but also ensures that the AI is aligned with the interests and needs of society.

Addressing Ethical Concerns in AI

AI has long been under scrutiny for its ethical implications, including concerns around bias, privacy, and centralization. A key advantage of decentralized AI is that it can provide more transparency and control over these issues.

For example, with decentralized AI models like Dobby, the community can enforce principles that prioritize fairness, inclusivity, and privacy in the development process. This gives participants more direct influence in mitigating algorithmic biases, which are often rooted in the data fed into AI systems. By empowering a diverse set of stakeholders to contribute to the development and decision-making, decentralized AI models are more likely to produce systems that are reflective of the diverse needs of society.

Additionally, decentralized AI can help protect data privacy by allowing users to maintain ownership over their data, which is a critical issue in the centralized AI model. In centralized systems, data is often controlled by a single entity, increasing the risk of misuse. In contrast, decentralized AI offers the opportunity for more secure data practices, ensuring that individuals have control over their own information.

Opportunities in the Decentralized AI Ecosystem

Driving Innovation and Collaboration

One of the most exciting aspects of decentralized AI is its potential to unlock new avenues for innovation. By making AI open-source and accessible to a broad base of contributors, decentralized AI invites innovation from all corners of the globe. Developers, researchers, and even hobbyists can collaborate on advancing AI systems, regardless of their financial backing or institutional affiliation.

This open-source approach can also lead to the development of AI models that cater to specific needs and niches that may otherwise be overlooked in traditional, centralized models. For instance, the application of decentralized AI can allow for

innovations in sectors like healthcare, education, and environmental sustainability, which are often constrained by the priorities of large corporations.

Furthermore, decentralized AI allows for greater experimentation and iteration. With no central authority imposing strict guidelines or priorities, developers are free to explore unconventional ideas that may lead to breakthroughs in AI technology.

Creating More Inclusive AI Systems

Incorporating a diverse range of perspectives in the development of AI systems is essential to overcoming the limitations and biases inherent in centralized models. Decentralized AI provides a platform for diverse voices, fostering inclusivity in AI development.

Traditional AI models are often built by teams with similar backgrounds and perspectives, leading to the risk of unintentional bias in the algorithms. For instance, if an AI system is predominantly developed by individuals from a certain region or demographic, it may inadvertently favor the interests of that group over others. In contrast, decentralized AI systems allow for contributions from individuals worldwide, ensuring that the models are more representative of global diversity.

Additionally, community-driven governance ensures that the values and goals of decentralized AI models are aligned with societal needs. This can lead to the creation of more empathetic, socially responsible AI systems that prioritize human well-being over profit.

Supporting Autonomous Systems and Decentralized Finance (DeFi)

The growing interest in decentralized finance (DeFi) is closely tied to the rise of decentralized AI. The success of autonomous blockchain transactions, such as Luna's blockchain transaction executed without human input, signals a shift toward decentralized systems that operate independently of centralized authority. As the DeFi ecosystem continues to expand, AI will play a crucial role in enabling smarter, more efficient autonomous systems that operate on blockchain networks.

Decentralized AI is poised to support the development of DeFi protocols and autonomous

agents (DeFAI), which can execute financial transactions, make decisions, and manage assets without human intervention. This will not only increase the efficiency of decentralized systems but also reduce the reliance on traditional intermediaries, making financial systems more accessible and inclusive.

Challenges and Considerations for Decentralized AI

Scalability and Coordination

While the prospects of decentralized AI are promising, there are several challenges that need to be addressed for these systems to reach their full potential. One of the key challenges is scalability. Decentralized AI models must be able to handle the massive amounts of data and computational power required to train and run complex algorithms. Coordination among a wide range of participants, all with potentially different priorities, can also prove difficult.

To overcome these challenges, decentralized AI systems will need to develop robust infrastructure that allows for efficient collaboration, data sharing, and computation. Solutions like blockchain technology can provide the transparency and security needed to facilitate collaboration, but they must be paired with scalable computing solutions to ensure that decentralized AI can grow without compromising performance.

Ensuring Accountability

Another concern for decentralized AI is accountability. With a distributed model of governance, it can be

difficult to assign responsibility when something goes wrong. For instance, if an AI model causes harm or makes an unethical decision, who is to blame—the community, the individual contributors, or the platform hosting the model?

Clear frameworks for accountability and ethical guidelines will need to be established to ensure that decentralized AI systems remain transparent, responsible, and trustworthy. This may require the establishment of governance bodies or decentralized autonomous organizations (DAOs) that oversee AI projects and ensure adherence to ethical standards.

Conclusion

Sentient's groundbreaking NFT minting event, which raised over \$5.6 million for its decentralized AI model, marks a significant moment in the evolution of artificial intelligence. By offering fractional ownership and access to its AI model, Sentient has created a new paradigm for AI development, one that is driven by community involvement, transparency, and ethical governance.

As decentralized AI projects like Dobby and DeepSeek continue to gain momentum, we may see the rise of a more inclusive and democratic AI ecosystem, one that empowers individuals to shape the future of artificial intelligence. While there are still many challenges ahead, including the technical complexities of developing truly autonomous AGI, Sentient's success represents a critical step toward realizing a decentralized, community-controlled future for AI.





Changpeng Zhao's X post sends BNB Chain test memecoin soaring 10,000%

A test memecoin (TST) built on BNB Chain saw an explosive 10,000% surge after a social media post by former Binance CEO Changpeng Zhao.

According to data from Four.meme, TST's value briefly spiked to \$0.0488 following Zhao's post before dropping to \$0.0085 at press time. The token reached a market cap of \$52 million at its peak but has since fallen below \$10 million.

TST
In a Feb. 6 post on X, Zhao clarified that TST was created for an educational video by the BNB Chain team on how to create memecoins. He added that the video unintentionally revealed the token's name, which led to

unexpected trading activity, especially among Chinese crypto influencers.

In response, the BNB Chain team deleted the video and the private key associated with the token's creator address, which controlled 0.13% of TST's supply.

However, Zhao suggested restoring the tutorial while clarifying that neither he nor Binance endorsed the token. He stated:

"This is NOT an official token by the BNB Chain team, or anyone. It is a test token used just for that video tutorial. Nothing more."

Speculative trading
Despite its test status, TST has gained traction on exchanges like MEXC, attracting speculative traders.

[Read more...](#)

United States of Bitcoin? These States Are Considering BTC Reserves

With Trump back in the White House, the list of states considering Bitcoin reserve legislation has grown again. Here's the latest.

Donald Trump and his political allies are plugging away at plans

to stockpile Bitcoin at a national level in the U.S. Treasury.

And now, with the asset's price repeatedly soaring to new peaks since Election Day, some U.S. states are following suit.

So far, nine states are fielding proposals to



establish strategic Bitcoin reserves, while digital asset advocates are calling for other local governments to do the same.

Here's which states are considering topping up their coffers with the world's oldest and most valuable digital currency.

Texas
Texas legislators will soon weigh in on whether or not they should establish a strategic Bitcoin reserve.

Texas State Representative Giovanni Capriglione proposed a bill in December 2024 that calls for the Lone Star State to create a

Bitcoin stockpile.

The draft legislation stipulates that Texas must hold the Bitcoin for at least five years. The cryptocurrency must be kept in cold storage—that is, on some kind of a device that is not connected to the internet—and the assets cannot be used to make transactions outside of Texas, according to the bill.

"A strategic Bitcoin reserve aligns with Texas's commitment to fostering innovation in digital assets and providing Texans with enhanced financial security," the bill reads.

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In the world of cryptocurrency, new projects and innovative ideas are constantly emerging, striving to capture the attention of both investors and participants. However, one Ethereum layer-2 project, MegaETH, is turning heads by bucking the prevailing trend of airdrop farming, opting instead to dive deep into the world of non-fungible tokens (NFTs) with a bold move that is shaking up the landscape.

MegaETH's announcement that it will be launching a soulbound NFT collection, called The Fluffle, has caught the eye of the crypto community for a variety of reasons. The project is aiming to raise as much as \$28 million through the sale of these NFTs, which represent ownership stakes in the MegaETH network. This move comes as a direct challenge to

the rising prevalence of airdrop farming models, which have become more and more common in the crypto space.

The Rise of MegaETH and Its Bold Move Into NFTs

MegaETH, a highly anticipated Ethereum layer-2 project, has already made waves within the crypto ecosystem for its groundbreaking technological claims, including the ability to process up to 100,000 transactions per second. The project has been able to attract attention and support from some of the most prominent figures in the cryptocurrency world, including Ethereum co-founders Vitalik Buterin and Joe Lubin.

But rather than following the traditional path of offering airdrop incentives to build user engagement and network ownership, MegaETH has chosen a more unique route. In an attempt to avoid the pitfalls of airdrop farming—an issue that has plagued the space in recent years—they have announced the launch of The Fluffle—a soulbound NFT collection that will be used to raise funds for the network.

What makes these NFTs so distinctive is that they are soulbound, meaning they cannot be transferred, sold, or traded. This feature is intended to prevent speculative behaviors and ensure that participants



have a genuine interest in supporting the project rather than simply taking part for financial gain. The sale of these NFTs is projected to raise approximately \$28 million, with the first installment of the sale targeted toward over 80,000 whitelisted addresses.

What Are Soulbound NFTs?

Soulbound NFTs are an innovative concept that takes the idea of traditional NFTs—digital assets that can be owned, traded, and transferred—and gives them an added layer of immutability. In essence, soulbound NFTs are non-transferable digital items, meaning once they are assigned to a user, they remain in that user's wallet indefinitely and cannot be sold, traded, or transferred.

This is a departure from the typical NFT model, where ownership can easily be transferred and traded on the secondary market. The concept of soulbound NFTs was first popularized by Ethereum creator Vitalik Buterin, who discussed the idea in a 2022 blog post. Buterin explained that soulbound tokens (SBTs) could be used to represent things like education credentials, social achievements, and even network participation, creating a more “reputation-based” economy.

For MegaETH, the decision to create soulbound NFTs for their network participants is a strategic one. By implementing this technology, MegaETH ensures that participants cannot engage in airdrop farming or other speculative behaviors, which have become all too common in the industry. With soulbound NFTs, the project aims to foster a community of genuine participants, reducing the risk of bad actors undermining the system.

MegaETH's Anti-Sybil and Anti-Money Laundering Approach

One of the main advantages of using soulbound NFTs for a project like MegaETH is that it avoids the need for invasive Know Your Customer (KYC) requirements. KYC is a process that crypto projects often require users to go through to verify their identity. While necessary for regulatory reasons, KYC processes can be burdensome and invasive, particularly for users who are concerned about their privacy.

By opting for soulbound NFTs, MegaETH sidesteps

this issue, as the NFTs will not be able to be sold or transferred. Instead, the NFTs will remain permanently associated with the user's wallet, ensuring that they are genuinely committed to the project. In addition, this approach is anti-sybil, meaning it prevents malicious actors from creating multiple fake identities and wallets in order to game the system.

The decision to forgo KYC procedures while still ensuring anti-money laundering (AML) compliance is also a significant selling point for MegaETH. The project emphasizes that while the NFTs are soulbound and cannot be traded, stringent AML procedures will be in place to ensure the project complies with global regulations. This careful balancing act helps the project maintain a high level of security while avoiding unnecessary friction for its users.

The Fluffle NFT Collection: Details and Sale Structure

The Fluffle NFT collection will consist of 10,000 individual tokens, each representing 5% ownership of the MegaETH network. These NFTs will be sold in two installments, with the first sale targeting over 80,000 whitelisted addresses. Each NFT will be priced at 1 Ether (ETH), which, at current market prices, equates to approximately \$2,636. With the full collection of NFTs up for sale, MegaETH could potentially raise as much as \$28 million from the first installment alone.

The NFTs in The Fluffle collection will be distributed via a whitelisting process, where interested participants must sign up in advance to secure their spot. The idea behind this approach is to ensure that only genuine users—those who are genuinely interested in supporting the MegaETH project—are able to purchase the NFTs. This helps to avoid the potential for bots and other automated systems to purchase NFTs in bulk, ensuring that the sales process remains fair and equitable.

The whitelisted addresses will be selected based on various criteria, including previous involvement in the crypto community, participation in MegaETH's testnet, and other factors that demonstrate a commitment to the project. This ensures that only engaged and active participants will have access to the NFTs, further solidifying the project's anti-sybil and anti-speculation stance.

Why MegaETH is Shifting Away from Airdrop Farming

To understand why MegaETH is making this bold move into NFTs, it's important to first examine the current state of airdrop farming within the crypto space. Over the past few years, airdrops have become a popular tool for distributing tokens and building community engagement. In theory, airdrops allow users to receive free tokens for performing simple tasks, such as signing up for a platform, participating in tests, or promoting the project on social media.

However, this model has come under increasing scrutiny due to the rise of airdrop farming, where users create multiple wallets to farm as many tokens as possible. This practice has resulted in the proliferation of fake accounts, bots, and sybil attacks, where malicious actors attempt to game the system for financial gain. As a result, many crypto projects have found themselves frustrated with the airdrop farming model, as it undermines the integrity of the distribution process and dilutes the value of the token.

In response to these challenges, MegaETH has opted to move away from airdrop farming altogether. Rather than offering free tokens to users, the project has chosen to distribute ownership through the sale of soulbound NFTs, which represent a stake in the MegaETH network. By doing so, MegaETH ensures that participants have a real, vested interest in the project and are not simply looking to profit from speculative trading.

Additionally, MegaETH's approach helps to prevent the issues of insider trading and market manipulation that have plagued airdrop farming. In the traditional airdrop model, some users may sell their tokens immediately after receiving them, driving the price down and undermining the project's long-term viability. With soulbound NFTs, this kind of speculative behavior is eliminated, as the NFTs cannot be transferred or sold.

MegaETH's NFT Strategy in the Midst of a Struggling Market

The timing of MegaETH's NFT launch is particularly interesting, given the current state of the NFT market. According to CryptoSlam data, total secondary NFT sales across blockchains have not

broken the \$1 billion mark since April 2024, and the number of unique buyers has remained below 1 million since May. Despite some brief market rebounds, the NFT sector has struggled to maintain momentum in 2025.

This slowdown in the NFT market could be seen as a risky environment for a new project to launch its own NFT collection. However, MegaETH appears to be undeterred, believing that the unique nature of its soulbound NFT collection will set it apart from other projects and provide long-term value for its participants.

By focusing on providing a genuine ownership stake in the MegaETH network, rather than relying on speculative trading, the project aims to build a loyal community that will continue to support the project as it grows. The potential for the NFTs to appreciate in value is certainly there, but the primary focus is on building a strong foundation for the network, with genuine, long-term participants rather than opportunistic traders.

The Future of MegaETH and the Broader Crypto Landscape

Looking ahead, the success or failure of MegaETH's NFT strategy will depend on several factors, including the success of the network's testnet launch in March 2025 and the ability of the project to maintain a loyal, engaged community. The decision to forgo airdrop farming and embrace soulbound NFTs is a bold one, and it could serve as a blueprint for other projects seeking to avoid the pitfalls of airdrop farming and speculative trading.

The broader crypto landscape is undergoing rapid changes, with a growing focus on regulatory compliance, anti-money laundering procedures, and user engagement models that prioritize long-term growth over short-term profits. MegaETH's move into NFTs and its commitment to creating a secure, anti-sybil, and anti-speculative environment could be the key to its success in this evolving space.

As the project continues to develop, it will be interesting to see how other crypto projects respond. Will they follow in MegaETH's footsteps and embrace soulbound NFTs as a way to distribute network ownership? Or will they continue to rely on airdrop farming and other traditional models? Only

time will tell, but one thing is certain: MegaETH is making waves in the crypto space with its innovative approach.

MegaETH's Potential Impact on the Broader Crypto Landscape

MegaETH's decision to focus on scalability and an innovative approach to ownership distribution could have lasting effects on the broader crypto market. As blockchain technology continues to mature, many projects are reevaluating their strategies to create long-term, sustainable ecosystems. Here's how MegaETH's future could shape the landscape:

1. The Decline of Airdrop Farming

Airdrop farming, which has been a prevalent strategy for many crypto projects, is facing increasing scrutiny. As mentioned earlier, the practice has led to sybil attacks and insider trading, reducing the value of tokens and undermining their intended purpose. MegaETH's shift away from airdrops in favor of soulbound NFTs sets a precedent for projects that want to distribute ownership in a more equitable and sustainable way. By avoiding airdrops, MegaETH challenges the status quo and introduces a new, more transparent method of token distribution. This shift could inspire other projects to rethink their engagement strategies and adopt similar approaches to reward their communities without compromising network integrity.

2. Mainstreaming Soulbound NFTs

MegaETH's soulbound NFTs could help push the adoption of this unique type of NFT beyond niche use cases. Soulbound NFTs have the potential to redefine how ownership is perceived in the digital world. They represent a shift from speculative assets to more meaningful representations of achievement, participation, and reputation. In the future, soulbound tokens could be used for everything from academic credentials and work experience to social status and proof of participation in decentralized networks.

By choosing to implement soulbound NFTs, MegaETH is leading the charge in mainstreaming this concept in the blockchain and cryptocurrency space. If successful, this could inspire other projects to integrate soulbound tokens into their ecosystems, not only in the realm of digital assets

but in various sectors where proof of identity and engagement are critical.

3. A New Era of Decentralized Governance

One of the most exciting aspects of MegaETH's NFT strategy is its emphasis on community-driven governance. By offering ownership stakes through the sale of soulbound NFTs, MegaETH is giving its participants a tangible interest in the project's success. Unlike traditional token models, where users may simply hold tokens for speculation, those holding soulbound NFTs will likely be more engaged in the network's development. This fosters a sense of ownership and encourages users to contribute to the growth and governance of the platform.

The shift towards decentralized governance is a broader trend within the crypto space. As more projects embrace decentralized autonomous organizations (DAOs) and other forms of community-driven decision-making, MegaETH's approach to ownership distribution could serve as a model for how to create a more engaged, responsible community. Instead of airdrops encouraging short-term speculation, MegaETH's soulbound NFTs help build a long-term, committed community that will likely stay active and engaged over time.

4. Positioning for Mass Adoption

With the launch of its testnet in early March 2025 and the public sale of NFTs, MegaETH is positioning itself to be a key player in the future of blockchain technology. The promise of high transaction speeds and low fees will make the network more attractive to developers building dApps that require high throughput, which could help it scale more quickly than other layer-2 solutions.

MegaETH's embrace of soulbound NFTs also shows that it is thinking beyond the financialization of crypto assets. The project aims to create an ecosystem in which the participants are not merely seeking financial rewards but are also contributing to the development and success of the network. This focus on building a strong, engaged community is crucial for mass adoption, as it signals that MegaETH values long-term growth over short-term speculation.

Challenges Ahead for MegaETH

While MegaETH's vision is ambitious, the project faces several challenges in its path to success. One

of the key hurdles is ensuring that its high scalability promises are met in the long term. Blockchain technology is still evolving, and achieving 100,000 TPS without compromising security is no easy feat.

Additionally, MegaETH must prove that its soulbound NFT approach can drive meaningful engagement and network growth. While it is an innovative strategy, it remains to be seen whether participants will find value in the non-transferable NFTs over time. The project's success will depend on its ability to foster a thriving ecosystem, with active participation and community-driven governance.

Conclusion

MegaETH's decision to launch The Fluffle soulbound NFT collection marks a bold and innovative step away from the airdrop farming trend that has become so prevalent in the crypto space. By offering non-transferable NFTs that represent ownership stakes in the MegaETH network, the project is taking a stand against sybil attacks, speculative trading, and the erosion of value that has plagued many other airdrop-based models.

With the support of Ethereum co-founders Vitalik Buterin and Joe Lubin, and a network that promises high scalability and speed, MegaETH has the potential to redefine the way crypto projects engage with their communities. The launch of soulbound NFTs is just the beginning, and it will be fascinating to watch how MegaETH continues to innovate in the coming months and years.

FAQs

1. What is MegaETH, and how does it differ from other Ethereum layer-2 solutions?

MegaETH is an Ethereum layer-2 solution designed to provide high scalability and faster transaction speeds, with claims of supporting up to 100,000 transactions per second (TPS). Unlike other layer-2 solutions, MegaETH stands out for opting out of traditional airdrop farming methods. Instead, it has launched a unique soulbound NFT collection, The Fluffle, to distribute network ownership stakes. These soulbound NFTs are non-transferable, ensuring a more secure, anti-sybil, and committed community engagement.

2. What are soulbound NFTs, and why is MegaETH using them?

Soulbound NFTs are non-transferable digital assets that cannot be sold or traded on secondary markets. MegaETH uses these NFTs to represent ownership stakes in its network. The soulbound nature of these tokens helps ensure that network participants are genuinely invested in the success of the project, rather than seeking short-term profits through speculative trading. This approach also reduces sybil attacks, where individuals create multiple wallets to farm tokens, and avoids intrusive KYC (Know Your Customer) processes.

3. How can I participate in the MegaETH NFT sale?

The MegaETH NFT sale will occur in two installments. The first sale is open to over 80,000 whitelisted addresses, and each NFT will be priced at 1 Ether (ETH). If you're interested in participating, you'll need to get on the whitelist. Keep an eye on announcements from MegaETH for updates on how to qualify for the whitelist and when the sale will officially take place.

4. What is the role of MegaETH's NFTs in the network?

MegaETH's NFTs represent 5% of the network's total stake and play a significant role in granting participants ownership within the ecosystem. By purchasing and holding these NFTs, participants become integral parts of the MegaETH network, with voting rights and a say in the future development of the platform. The NFTs are soulbound, ensuring that participants are committed to the network rather than trading or selling their stake for short-term profit.

5. How does MegaETH plan to achieve its scalability goals?

MegaETH promises a transaction throughput of 100,000 transactions per second (TPS), which is a significant improvement over Ethereum's current capabilities. To achieve this, MegaETH utilizes innovative technologies and optimizations designed to reduce congestion and lower transaction costs. As the network progresses, MegaETH aims to make decentralized applications (dApps) more scalable and accessible to a broader range of users and developers, driving the future growth of decentralized finance, gaming, and other blockchain-based industries.



Memecoin Madness Returns as Barstool Sports, BNB Chain, and an Entire African Country Dabble With Meme Tokens

America, Asia and Africa witnessed various regional memecoin events over the weekend.

BNB Chain's TST token, originally created from a community tutorial, skyrocketed to a \$300 million market cap following mentions by Binance founder Changpeng Zhao.

David Portnoy of Barstool Sports promoted JAILSTOOL as market watchers accused him of which peaked at over \$200 million before settling at a \$78 million market cap. The Central African Republic issued its own memecoin, CAR, aiming to support national development and increase global visibility.

Bitcoin (BTC) and crypto markets are still recovering from last week's

bloodbath, but it appears that the memecoin fever is alive and well as three big tokens were issued over the weekend.

BNB Chain-based TST token, issued as a memecoin by the blockchain's community following a tutorial video on how to issue tokens, zoomed to a \$300 million market capitalization as Binance founder Changpeng Zhao referred to the token in several X posts — with it even gaining a coveted Binance listing on Sunday.

Zhao, who stepped from a formal role at the company last year, said Sunday that he wasn't for or against memecoins, and the category's "fun" element makes it appealing for short-term traders.

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Coinbase Crosses \$420,000,000,000 in Assets As CEO Brian Armstrong Ranks Crypto Exchange Among Top US Banks

With Coinbase crossing \$420 billion in assets, CEO Brian Armstrong is comparing the top US-based crypto exchange to leading US banks.

In a new post to the social media platform X, Armstrong lays out the case for why he thinks Coinbase is now competing with the largest US banks, brokerages and payment companies.

"If you think of Coinbase like a bank, we now hold about \$0.42 trillion in assets for our customers, which would make us the 21st largest bank in the US by total assets, and growing.

If you think of us more like a brokerage, we'd be the 8th largest brokerage today by AUM (assets under management).

If you think of us like a payments company... to be honest, I'm not sure

where we rank on that list. There are various ways to measure it, but there were about \$30 trillion in total stablecoin payments last year (not all of those were goods and services though)."

Armstrong says that the distinction between Coinbase and many top-US financial providers is dissolving as the leading US-based crypto exchange expands.

"Many people use Coinbase to invest, but also to spend, get a loan, etc.

In the updated financial system, you will have a single primary financial account which serves all these functions. A greater % of global GDP (gross domestic product) will run on more efficient crypto rails over time. We'll have sound money, lower friction transactions, and greater economic freedom for all."



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Quantum computing will bring lost Bitcoin 'back in circulation' — Tether CEO

Tether CEO Paolo Ardoio claims quantum computing will hack Bitcoin in “lost wallets” and return it to circulation — a move one trader warns could drag Bitcoin back to the “stone ages.”

Tether CEO Paolo Ardoio predicts that quantum computing will eventually hack inactive Bitcoin wallets, returning the Bitcoin in those wallets to circulation.

However, he says this is still a long way off.

“Any Bitcoin in lost wallets, including Satoshi (if not alive), will be hacked and put back in circulation,” Ardoio said in a Feb. 8 X post.

Quantum computing

won’t break Bitcoin any time soon
“Quantum computing is still very far from any meaningful risk of breaking Bitcoin cryptography,” he added.

Quantum computing is a new technology that can handle multiple possibilities and solve complex problems using atomic-level phenomena, which regular computers can’t handle.

Lost Bitcoin BTC \$98,339 wallets are at greater risk as quantum computing advances since there’s no one to protect or move the funds. Active wallets, on the other hand, are more likely to adopt quantum-resistant protection as it becomes available.

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Privacy-focused layer 2s will transform Ethereum’s enterprise future

Zero-knowledge cryptography sets a new privacy standard for institutional blockchain use cases.

The following is a guest post from Zac Williamson, CEO and Co-founder at Aztec.

The blockchain industry is at a crossroads. While the industry has made significant headway in development scaling solutions, a fundamental

challenge remains unaddressed: the need for programmable privacy. The enforced transparency of blockchains prevents their adoption in cases where user privacy is paramount, including real-world assets, supply chain management, and distributed identity protocols.

In order for blockchain to be adopted into mainstream use, the



industry has to prioritize programmable privacy—a requirement essential for institutional users. The next generation of Ethereum Layer 2 (L2) solutions emphasizes this crucial aspect. Through innovations in zero-knowledge (ZK) cryptography, privacy-focused L2s are positioned to bridge the gap between public blockchain benefits and institutional privacy demands.

Privacy: The missing piece to scaling Ethereum Blockchain’s enforced transparency creates a significant limitation. To validate the ledger’s correctness and ensure no fraudulent activities occur, users must be able to verify all transactions occurring on the network. This transparency becomes problematic when connecting blockchain with real-world assets and identities.

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Trump-linked World Liberty Financial transfers \$307 million to Coinbase Prime

WLFI said the transfer was part of routine treasury management.

World Liberty Financial (WLFI), a crypto venture tied to the Trump family, has transferred over \$307 million in digital assets to Coinbase Prime, according to data from SpotOnChain.

The transferred assets include 73,783 ETH worth approximately \$212 million and 553 WBTC valued at \$52.7 million. Other tokens

involved in the move include AAVE, LINK, ENA, MOVE, ONDO, and USDC.

Large transfers to centralized exchanges often indicate a potential sale, which can lead to market volatility.

In addition to the transfer, WLFI unstaked 19,423 stETH, converting it back to ETH. The project also used \$5 million in USDC to purchase 1,826 ETH at an average of \$2,738 per token.

SpotOnChain estimates that WLFI retains \$96.62

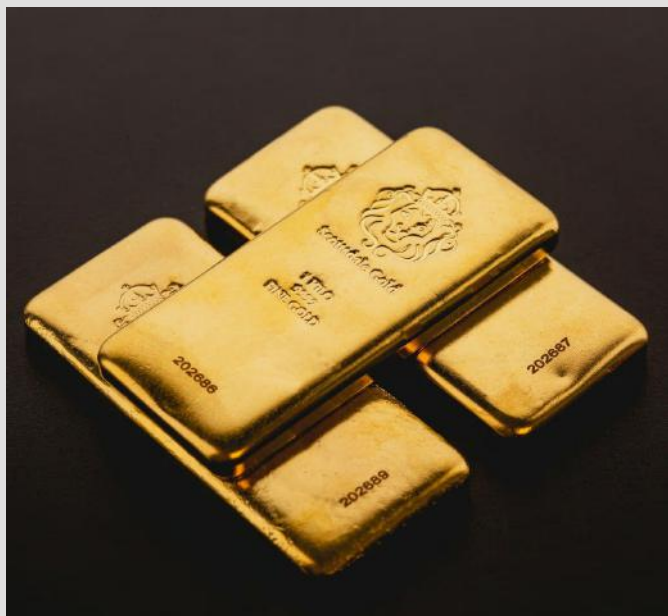


million in digital assets spread across nine wallets despite the movement.

Trump's tariff war leads to losses
The exchange transfer follows a 21% drop in WLFI's crypto holdings. This decline came after US President Donald Trump's recent tariff policies targeted Canada and Mexico.

SpotOnChain data shows that WLFI's initial \$242.77 million crypto investment, made between Jan. 19 and 31, has since decreased by over \$51.7 million. Ethereum accounted for most of these losses at nearly \$37 million, followed by \$8 million in wrapped Bitcoin and over \$2 million in Ethena.

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Gold-Backed Tokens Set to Benefit as Wall Street Goes Even More Bullish After Record Rally

Major financial institutions are raising their gold price forecasts due to growing trade war fears and central bank accumulations.

Major financial institutions like Citi and UBS have raised their gold price forecasts due to trade war fears and central bank accumulation.

Gold-backed cryptocurrencies, such as PAXG and XAUT, have been outperforming digital assets with the rising gold price and are set to benefit further if the bullish trend holds.

Major financial institutions have been raising their gold price forecasts as the precious metal's price benefits

from growing trade war fears and central banks' accumulations.

This week, strategists at both Citi and UBS issued increased gold price forecasts, anticipating the precious metal's bull run will continue as markets are pressured by geopolitical tensions and economic uncertainties.

Gold-backed cryptocurrencies have been benefiting from this trend, with tokens like PAXG and XAUT seeing performance in line with that of the precious metal. These tokens, backed by physical gold stored in vaults, have been outperforming the wider cryptocurrency market amid the uncertainty.

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Japan To Google And Apple: Get Rid Of Unlicensed Crypto Apps



The Financial Services Agency (FSA) of Japan has adopted a strong position against unregistered digital currency exchanges operating from within the nation.

The regulatory authority has asked Google and Apple to take down five main crypto exchange apps—Bybit, KuCoin, Bitget, LBank, and MEXC—from their respective app stores in Japan, local news outlet Nikkei reported.

This action is part of the nation's rigorous crypto regulations, which demand that every exchange catering to Japanese consumers register with the FSA.

Examining Unregistered Exchanges
The request made by the FSA emphasizes Japan's continuous initiatives to guarantee

industry compliance with cryptocurrencies. Any crypto exchange serving Japanese citizens under Japan's Payment Services Act must first get regulatory clearance before operating in the nation. Nonetheless, the FSA says that without appropriate registration, Bybit, KuCoin, Bitget, LBank, and MEXC have kept providing services to Japanese consumers.

Ordering their removal from app stores, authorities hope to limit access to these platforms and stop users from interacting with transactions that fall short of Japanese regulations. Although no particular fines have been disclosed for non-compliance, the action strongly indicates that Japan takes its crypto laws seriously.

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Korea Exchange Chief Pushes for Crypto ETFs to Boost Markets

South Korea must embrace cryptocurrency ETFs now to stay ahead, says the Korea Exchange chairman, calling them a game-changer for market growth and financial innovation.

Crypto ETFs Are the Future: Korea Exchange Chairman Pushes for Approval

Jung Eun-bo, chairman of the Korea Exchange, has called for the listing of cryptocurrency exchange-traded funds (ETFs) in South Korea, emphasizing the need to keep up with global financial markets. Jung stated in a recent interview in Seoul, as translated by Google: "Korea is the third-largest real cryptocurrency trading country in the world. Cryptocurrency is a field that can create new value in the financial industry." He added:

The U.S. has both futures and spot ETFs listed and actively traded. We need to allow cryptocurrency ETF trading without further delay.

Jung's remarks come at a time when South Korea's stock market is struggling with a declining investor base and structural issues such as excessive corporate splits and struggling "zombie companies." He has made it clear that strengthening market oversight and increasing transparency are key priorities. His broader strategy includes pushing for corporate value enhancement initiatives, protecting minority shareholders, and accelerating the delisting of non-viable firms. Regarding crypto ETFs, Jung argued that their introduction would add depth to the financial market and offer investors more regulated options for exposure to digital assets.



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NFT Market Meltdown: \$119 Million in Sales Marks Dramatic 33% Drop



Non-fungible token (NFT) analytics reveal that NFT sales faltered in early February, with \$119.49 million recorded during the first week of the month—a 33.73% contraction compared to the preceding seven-day stretch.

Digital Collectible Buyers and Sellers Slide Significantly
Data sourced from cryptoslam.io illustrates a pronounced cooling in the digital collectibles arena. Weekly figures slumped to \$119.49 million, accompanied by a 95.33% reduction in buyers and a 94.06% decline in sellers. NFT transaction volume remained relatively stable, however, with 1.44 million NFT transfers logged—a slight 1.35% dip from January's final week.

Ethereum-based NFTs weathered the sharp-

est downturn, sliding 38.41% to \$62.71 million. The priciest Ethereum asset traded was f(x) wstETH position #373, commanding \$803,297 on Feb. 7. Polkadot's Mythos defied the trend, securing the week's second-highest blockchain sales at \$13.97 million. Solana, meanwhile, descended to third place with \$11.09 million in finalized sales—a 32.56% slide from its prior weekly tally.

Five days prior, a Solana-minted Portals #14 commanded \$172,956 in a notable transaction. Polygon secured fourth place with \$8.13 million in digital collectible sales, marking a 10.98% expansion. Bitcoin captured the fifth position at \$6.78 million—a sharp 71.31% contraction from January's closing week.

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Central African Republic's meme coin sparks suspicion amid deepfake and scam allegations

The CAR token skyrocketed, but deepfake warnings and a sudden website takedown have raised questions about whether this is truly a government-backed initiative.

On Feb. 10, the Central African Republic made an unexpected move by announcing the launch of its own memecoin, CAR.

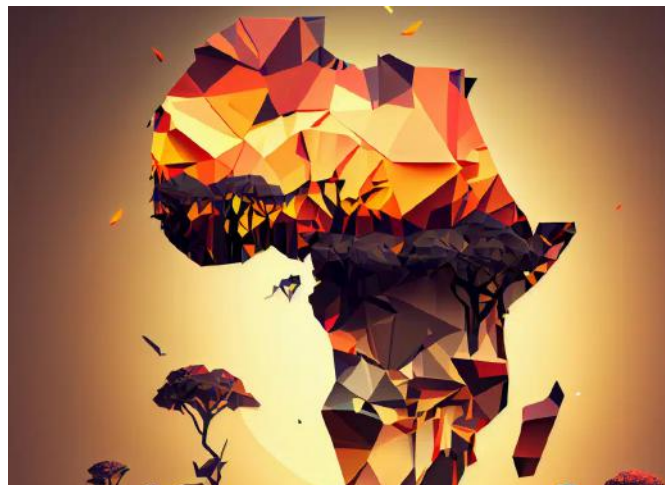
The announcement came directly from the official X account of President Faustin-Archange Touadéra, who described the project as an experiment aimed at uniting people, supporting national development, and putting CAR in the global spotlight.

“Today, we are launching \$CAR—an experiment designed to show

how something as simple as a meme can unite people, support national development, and put the Central African Republic on the world stage in a unique way,” Touadéra's official X account posted on Feb. 10.

He linked the initiative to the country's previous pro-crypto stance, noting that he was the second world leader to adopt Bitcoin Bitcoin btc 1.25% Bitcoin as legal tender.

The memecoin was launched on the Solana Solana sol 0.98% Solana based Pump.fun platform and initially saw an overwhelming market response. Within hours, its valuation surged as traders rushed to participate in what was seen as the first-ever national memecoin.



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