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Weekly Summary

 The European Securities and Markets Authority [is consulting key stakeholders on rule changes to accommodate tokenised securities](#). The consultation aims to understand the need for amending technical standards on reporting and transparency requirements, in order to accommodate the use of distributed ledger technology for trading and settlement in financial markets.

 Enterprise technology and services provider R3 has published a [white paper that proposes a new securities settlement model](#). The new model allows for a choice of settlement type at the time of trading, offering the ability to settle both gross/real-time and netted/batched trades instantly using Central Bank Digital Currency and digital assets on a blockchain infrastructure.

 The Society for Worldwide Interbank Financial Telecommunication (SWIFT) is [exploring how it can support interoperability in the development of the tokenised asset market](#). The platform is planning a series of tests in 2022 on issuance, delivery versus payment, and redemption, in order to explore the feasibility and benefits of SWIFT acting as an interconnector for the tokenised asset market.

 German-based Swarm Markets GmbH, the world's first regulated decentralised financial infrastructure provider, has [announced it is launching a decentralised OTC trading service](#) for high value transactions. The peer-to-peer infrastructure employs smart contracts to eliminate the need for intermediaries, enabling users to transact with each other directly, reducing costs and settlement periods. As Swarm Markets is regulated to the same degree as any other German financial institution, this provides investors with access to a growing number of trusted decentralised finance products.

 In the week after the People's Bank of China (PBOC) released pilot versions of its digital yuan (e-CNY) wallet for public use, [the wallet has ranked among the most downloaded apps in China](#). Arguably the world's most advanced CBDC, the e-CNY is available to selected users through supported institutions, and is currently functional in ten pilot cities whose authorities are collaborating with the PBOC. China has announced its intention to ramp-up the e-CNY roll-out to its broader population, and wants to make it [the only digital payment option at the upcoming Winter Olympics](#). The aim is to have athletes and spectators use the e-CNY by either downloading the wallet app, acquiring a physical card that stores the currency, or by converting foreign bank notes into e-CNY at provided machines.

 [Five US banks have formed a consortium with plans to launch their own bank-minted stablecoin](#). The USDF Consortium, organised by JAM Fintop and the Provenance Blockchain Foundation, consists of New York Community Bank, NBH Bank, FirstBank, Sterling National Bank, and Synovus Bank. The USDF stablecoin will be minted exclusively by US banks on the public Provenance blockchain, and will be redeemable on a 1:1 basis for cash from a consortium member bank.

 According to Chainalysis's 2022 Crypto Crime Report, [illicit transaction activity is at an all-time low as a share of all cryptocurrency activity, despite reaching an all-time high in value](#). Across all cryptocurrencies tracked by Chainalysis, total transaction volume grew by 567% in 2021, while the increase in illicit activity was just 79%. This means that transactions involving illicit addresses represented just 0.15% of cryptocurrency transaction volume in 2021, down from 0.62% in 2020, despite the raw value of illicit transaction volume reaching USD 14 billion, its highest level ever.

 [Bitcoin is set to take further market share from gold](#), according to a research report by Goldman Sachs. The cryptocurrency currently accounts for 20% of the total 'store of value' market, which is dominated by gold. According to the bank, which expects Bitcoin to continue to grow as "a by-product of the broader

adoption of digital assets", the cryptocurrency could eventually command 50% of the 'store of value' market, adding that use-cases outside of a store of value could serve as a tailwind for the crypto market.

Digital Asset Developments

	Hong Kong Monetary Authority Issues Discussion Paper on Crypto Assets and Stablecoins (CoinDesk)
	UK Parliament Launches Crypto Group (Finextra)
	US Credit Unions Seeking Approval to Hold Crypto-Assets Directly (AMB Crypto)
	US SEC Further Delays Decisions on Bitwise and Grayscale Bitcoin ETFs (Cointelegraph); Delaying Decision on NYDIG's Spot Bitcoin ETF Proposal (CoinDesk)
	SEBA Bank Eyes Global Expansion on €100 Million Funding Round (Finextra)
	Swiss Digital Asset Bank Sygnum Raises \$90 Million (Finextra)
	BIS, Swiss National Bank, SIX Exchange Complete Wholesale CBDC Trial (CoinDesk)
	Central Bank of Bahrain Completes Test with Blockchain Based JP Morgan Coin System (Central Bank of Bahrain)
	National Rollout of the Bank of Jamaica's Digital Currency Set for Early 2022 After Successful CBDC Pilot (Bank of Jamaica)
	PayPal Explores Creating Own Stablecoin (Finextra)
	TP ICAP Has Started Trading Crypto-Linked Exchange-Traded Products for Clients (Coindesk)
	Sberbank Launches Russia's First Blockchain-Focused ETF (AMB Crypto)
	Iran's Central Bank, Ministry of Industry to Allow Crypto Payments for Foreign Trade Settlements (Blockworks)
	Nasdaq-listed BTCS To Pay Dividend in Bitcoin (Bitcoin Magazine)
	Kazakh Bitcoin Mining Seen Hurt Following Energy Riots, Internet Shutdown (CoinDesk)
	Derivatives Are Coming to Coinbase, Following Purchase of Fairx (Cointelegraph)
	First Tokenized S&P Index Funds Launched on Securitize Markets (The Tokenizer)

Key:

Regulation

Technology

Ecosystem

Markets