

- > One of the major topics in November was the highly anticipated launch of **Ethereum 2.0** (see our [publication](#)) which will take place on December 1st 2020. The initial deposit requirement of 524,288 ETH has been fulfilled before the 24th of November, therefore the launch will take place without any delay. The actual amount deposited exceeded the required limit and currently is equal to over ~850,000 ETH (\$500mln). This upgrade will prepare Ethereum to become the widely used open financial infrastructure while also making the native asset, Ether, a yield bearing bond-like asset.
- > During an interview on CNBC, **BlackRock's CIO Rick Rieder** stated that "cryptocurrencies are here to stay" primarily because of Millennials' receptivity to technology and digital payment systems. Furthermore, Rieder described Bitcoin as a "durable mechanism that will take the place of gold to a large extent". Finally, Rieder explained that Bitcoin is more functional than "passing a bar of gold around" and can also be easily traced. BlackRock, the world's largest asset management firm, joins the list of companies praising Bitcoin. The interview converged in time with Bitcoin making its market cap all-time-high of over \$345bln (at the time of writing). The previous all time high of \$326bln was set at the end of the previous bull cycle in December 2017.
- > **PayPal's CEO Dan Schulman** stated that cryptocurrencies are on the verge of mainstream adoption as more businesses and consumers flock to "digital payments and digital forms of currency". Furthermore, he announced that PayPal will "allow cryptocurrencies as a funding source for any transaction happening on all 28 million of our merchants" which will "significantly bolster the utility of cryptocurrencies". Finally, Schulman stated that PayPal consulted its cryptocurrency services with global regulators and central banks and that "it's a matter of not if but when and how we'll start to see more and more central banks issue forms of digital currencies". According to the crypto investment firm Pantera Capital, PayPal has been buying up to 70% of all new Bitcoins in the circulation.
- > The first M&A activity in DeFi took place. **Yearn Finance**, the biggest yield aggregator (among other things) has done mergers with CREAM Finance and Cover Protocol. Cover is a novel insurance protocol and will offer insurance to Yearn vaults. This type of M&A is rather novel. Similarities to traditional finance exist as the teams behind these protocols are looking for synergies and ways to leverage their interoperability. To get an intro into DeFi, read the piece published by Maven 11 Capital about decentralized finance [here](#).
- > **The Securities and Exchange Commission (SEC)** now qualifies US banks, broker-dealers, and registered futures commission merchants as custodians for digital assets, including both cryptocurrencies and tokenized securities. This follows the Office of the Comptroller of the Currency (OCC) allowing US national banks and cooperative banks to provide custody of cryptocurrencies. There was also less positive regulatory news from the US. As rumours began surfacing, publicized by the CEO of Coinbase, that the US Secretary of the Treasury was planning to implement a harsh interpretation of the FATF travel rule. We wrote about that which we invite you to read more about [here](#).
- > **The Reserve Bank of Australia (RBA)** announced that it is launching a project to explore the potential use and implications of a wholesale form of central bank digital currency (CBDC). The project will involve the development of a proof-of-concept for the issuance of a tokenized form of CBDC that can be used by wholesale market participants for the funding, settlement and repayment of a tokenized syndicated loan on an Ethereum-based DLT platform. Similarly, **ECB President Christine Lagarde** declared a survey of public opinion regarding the issuance of a digital euro, implying that the ECB is not only considering a CBDC intended for use between banks, but also a retail focused CBDC that could essentially replace the euro coins and banknotes in the future.
- > **En+**, one of the largest aluminium and power producers in the world, is venturing into crypto mining. They are partnering with BitRiver, operator of the largest data centre for bitcoin mining in Russia. Under the partnership, En+ wants to become the first green crypto miner with the use of low-cost electricity from renewable energy sources which will significantly reduce the carbon footprint.
- > **Circle**, the issuer of dollar-pegged stablecoin USDC, is working with the US government to bypass Nicolas Maduro and support Venezuela by distributing the relief funds to medical workers and other Venezuelan locals (we wrote about these plans in the [August newsletter](#)). We are excited to see the adoption of the stablecoins for real life use cases as well as the fact that the US government uses Ethereum as a payment rails.