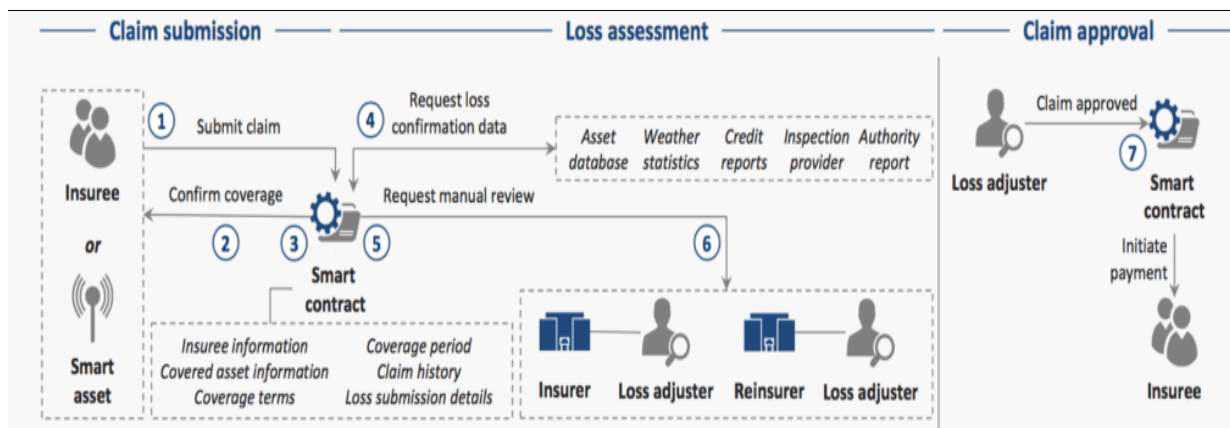




Chart of the week – Blockchain’s disruptive potential in insurance

Figure 1: A depiction of the insurance claims process run on the blockchain



Source: World Economic Forum, CB Insights

While blockchain is still early-stage technology, CB Insights’ recent report *“How Blockchain Is Disrupting Insurance”* [report](#) offers fresh insights into blockchain’s disruptive potential in several major insurance processes including fraud detection and risk prevention, property and casualty insurance, health insurance and reinsurance. According to the report, blockchain can increase efficiency for insurers and provide customers with a better user experience. A contract is a paper agreement between two or more parties that is enforceable by law; a smart contract is an agreement between two or more parties that lives on a blockchain and is enforceable by code. Smart contracts on the blockchain are programmable code automating claims processing and calculating liabilities for all parties. For example, when a claim is submitted with an insurer, a smart contract could automatically confirm coverage, and trigger a request for manual review for losses that meet specific criteria.

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## News of the week

Mar 27, 2018

ICO

Ant Financial

### Alibaba Payment Affiliate Rules Out ICO Fundraising

Ant Financial Services Group, Alibaba's payment affiliate and operator of AliPay, has taken a critical stance over initial coin offerings (ICOs). Eric Jing, Ant Financial's CEO, speaking during a speech at the annual China Development Forum on March 24 in Beijing, said that much of the existing blockchain enthusiasm comes from speculation around the concept of blockchain.

Source: [CoinDesk](#)

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Mar 27, 2018

Bitcoin

### Bitcoin Falls to Below \$8,000 after Twitter Announces Ban on Crypto Ads

Bitcoin fell roughly 7 percent Monday to below \$8,000 following weeks of regulatory uncertainty and advertising crackdowns by tech companies. The cryptocurrency was trading near \$7,886 as of 3:04 p.m. ET, more than \$600 lower than a day earlier, according to data from Coinbase. It's down more than 42 percent year to date after starting this year above \$13,000.

Source: [CNBC](#)

#### Our view

**SEC, FSA and big tech companies' recent actions hit Bitcoin hard. The crypto has lost more than half of its value compared to its peak value in mid-December last year. However, some investors might hedge with bitcoin as stock market has also encountered notable volatility recently.**

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Mar 27, 2018

Online Lending

China

### Online Lenders Report Higher Delinquency Rate in Fourth Quarter

Many US-listed online consumer finance companies announced their unaudited financial results for the fourth quarter and fiscal year ended December 31, 2017. Most of them experienced rapid growth but delinquency rate also rose in 4Q.

Source: [BBT News](#)

#### Our view

**Most listed consumer lenders released their first annual report after IPO. 4Q17 performance was in general far less impressive as it recorded rising delinquencies and challenges in shifting business mix. We believe that this trend is very likely to continue throughout 2018.**

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Mar 27, 2018

Blockchain

### Wall Street Rethinks Blockchain Projects as Euphoria Meets Reality

Wall Street has been much more excited about the system underpinning bitcoin than the cryptocurrency itself, but the global financial industry has not yet been able to do much with the technology known as blockchain. Reuters has found several blockchain projects launched by major financial institutions that have been shelved, as development of the technology enters a hype-meets-reality phase.

Source: [Reuters](#)

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Mar 28, 2018

Online Lending

China

### China Online Finance Regulator Moves to Regulate Debt Collection

Violent debt collection has always been a controversial issue in the online lending industry. The National Internet Finance Association of China (NIFA) on March 28 circulated new rules to regulate debt collection, telling its members to charge interest rates that comply with the law and declaring no collection of excesses may be allowed.

Source: [BBT News](#)

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Mar 28, 2018

Blockchain

China

### Blockchain Funding Center Scrapped Over China Regulation Concerns

The Investment Association of China (IAC) has scrapped a previously reported plan to launch a funding center to boost blockchain development in the country. In an [announcement](#) Tuesday, the IAC, a government-led social organization that facilitates major domestic investment projects, explained that the administrative structure of the new initiative may be in conflict with code currently enforced by China's Ministry of Civil Affairs.

Source: [CoinDesk](#)

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Mar 29, 2018

Cryptocurrency

China

### China's Central Bank Eyes Crypto as Possible Yuan Risk

China's central bank has said cryptocurrencies will be one of its top priorities this year, in an effort to protect the national currency. According to an announcement Thursday, People's Bank of China (PBoC) has outlined its agenda for the coming year during a conference call focused on monetary development.

Source: [BBT News](#)

#### Our view

**China invests intensively in cryptocurrency and blockchain related research but can't allow alternatives to the official currency that bypass regulations. Central bank's new leadership may bring positive effect to cryptocurrency development and speed up the timetable for launching the official cryptocurrency.**

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Mar 29, 2018

Alibaba

China

### Alibaba Quietly Withdraws Test Product Due to ICO Similarities

China's largest e-commerce firm Alibaba Group Holding Ltd. yesterday unveiled and then hastily withdrew a test digital marketing platform yesterday amid claims the system's incentive system was very similar to those associated with initial coin offerings, a key target of the country's regulators in recent times.

Source: [21Jingji](#)

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Mar 30, 2018

Ant Financial

China

### Ant Financial Hit by Debt Sale Drop

Financing from an obscure part of the debt market that Ant Financial has relied heavily on for its key consumer lending business is drying up. It's sold only 22.8 billion yuan (\$3.6 billion) of asset-backed securities tied to consumer lending in the first quarter, down 74 percent from the previous three months.

Source: [01Caijing](#)

#### Our view

**The company may turn to interbank borrowings but with bank's tightening credit conditions and higher costs could significantly increase Ant Financial's funding volatility.**

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Mar 31, 2018

Cryptocurrency

China

### China May Follow Global Cryptocurrency Regulations, PBoC Report Suggests

The Institute of International Finance, a part of The People's Bank of China (PBOC), offered new insight to the country's cryptocurrency policy on its "Global Banking Industry Outlook Report" released this week. The central bank and government are already deeply invested in blockchain technology, but it may well expand R&D further, especially as it plans to launch its own national cryptocurrency.

Source: [BTC](#)

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Mar 31, 2018

Report

US

### 5 Takeaways from The GAO Fintech Report

In responding to a request from Congress, the Government Accountability Office released a 136 page report last week detailing the fintech regulation logjam in the United States and offering recommendations for how the landscape can be improved to better facilitate this nascent industry's development. The report specifically addresses four types of emerging fintech activities: payments, lending, wealth and financial advice (i.e. "robo-advising") and distributed ledger technology – a basket that includes blockchain and cryptocurrencies.

Source: [Forbes](#)

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Apr 2, 2018

Cryptocurrency

Google

### Google Bans Crypto Mining Browser Extensions from Chrome

Google has banned cryptocurrency mining browser extensions from the Chrome store. The U.S. tech giant announced its decision on Monday, and said that in July it will start removing existing browser extensions that facilitate mining. Other blockchain-related extensions are still allowed. Google previously permitted Chrome mining extensions as long as they were solely dedicated to mining and explicitly informed users of their purpose. But that policy wasn't enough to deter or keep out noncompliant add-ons.

Source: [CoinDesk](#)

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Apr 2, 2018

Cryptocurrency

South Korea

### South Korea's Capital Is Planning to Launch Its Own Cryptocurrency

The South Korean city of Seoul is developing its own cryptocurrency - the "S-Coin" - to be used in city-funded social benefits programs, says its mayor. Mayor Park Won-soon announced the plan during an interview with CoinDesk Korea last week, where he also revealed that the city will create a fund to support the advancement of blockchain technology and related startups.

Source: [CoinDesk](#)

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Apr 2, 2018

Cryptocurrency

Ether

### 120 Million? Vitalik Proposes Cap on Ether Cryptocurrency

Vitalik Buterin has penned a new proposal that could lay the foundation for resolving one of the ethereum network's biggest outstanding questions - whether a limit on the amount of ether that could be created would ever be set. In a new ethereum improvement proposal (EIP) authored April 1, the cryptocurrency's creator issued his latest thoughts on the matter, posing to developers and software users that the maximum supply of ether, the network's cryptocurrency, be set at 120,204,432, "or exactly 2x the amount of ether" sold in its original sale in 2014 in a forthcoming software change.

Source: [CoinDesk](#)

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Apr 2, 2018

Cryptocurrency

South Korea

### Korean Police Bust Bitcoin Miners Illegally Using Cheap Factory Power

Fourteen people from 13 companies have been arrested for illegally using cheap electricity to mine cryptocurrencies at industrial complexes in South Korea. According to a report by the Yonhap news agency, the allegedly illegal mining activities were uncovered in four different complexes in the country's southwestern city of Gwangju.

Source: [CoinDesk](#)

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**Apr 3, 2018**

**Cryptocurrency**

**Asia**

### **Asia's Cryptocurrency Arbitrage Boom Fizzles, But Profits Persist**

When China closed its local cryptocurrency exchanges late last year, an underground ecosystem of bitcoin “mules” and peer-to-peer platforms sprung up to allow bitcoin trading to thrive, away from regulators' watchful eyes.

Source: [Reuters](#)

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**Apr 2, 2018**

**Cryptocurrency**

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### **Only Two Top-Tier Cryptos Saw Gains in Q1**

The crypto markets had a rough ride in the first quarter of 2018, with just two tokens bucking the downtrend. The buying frenzy seen at the turn of the year quickly ran out of steam in the first half of January, and what appeared to be a healthy pullback soon turned into a bear market on fears South Korea and China would announce deeper regulations.

Source: [CoinDesk](#)

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