

Q3 Crypto Market Review

07/01/2024 - 09/30/2024

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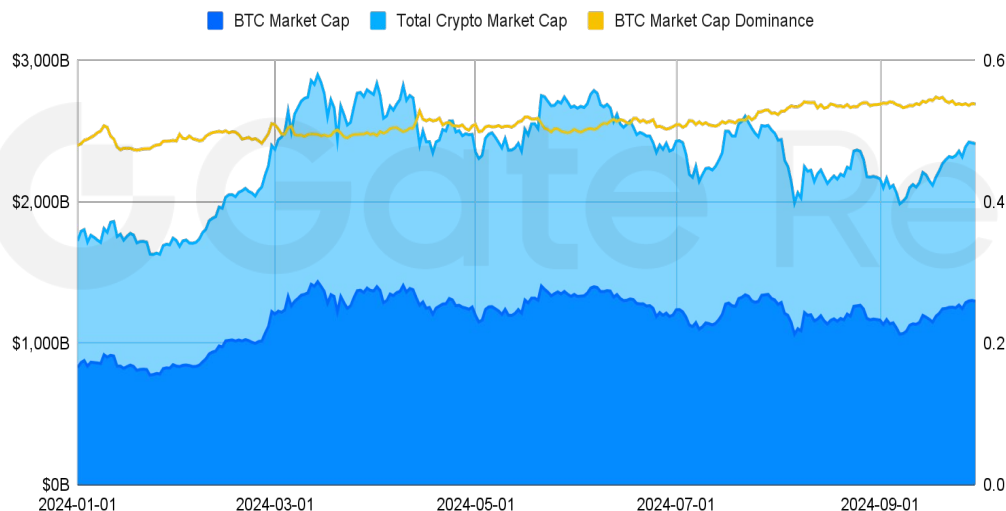
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01 **Market Overview**

01 Total Crypto Market Cap

Market Cap BTC Dominance Trends

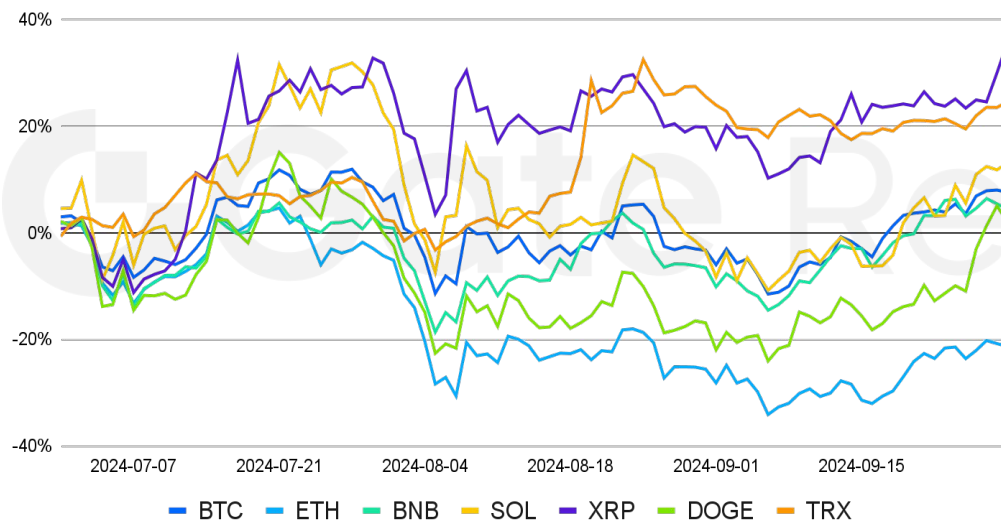


Q3 showed increased market volatility. The market fell in August but rebounded in September with rate cuts.

- The total market cap fluctuated between **\$2 trillion** and **\$2.5 trillion**, exhibiting higher volatility than BTC alone.
- BTC's market cap remained relatively stable, ranging from **\$1.1 trillion** to **\$1.3 trillion**.
- BTC's market dominance gradually increased, reaching **53%** on September 30, marking a new high for the year.

02 Q3 ROI for Top 7 Tokens

Top 7 Tokens by Market Cap: Historical ROI Trends

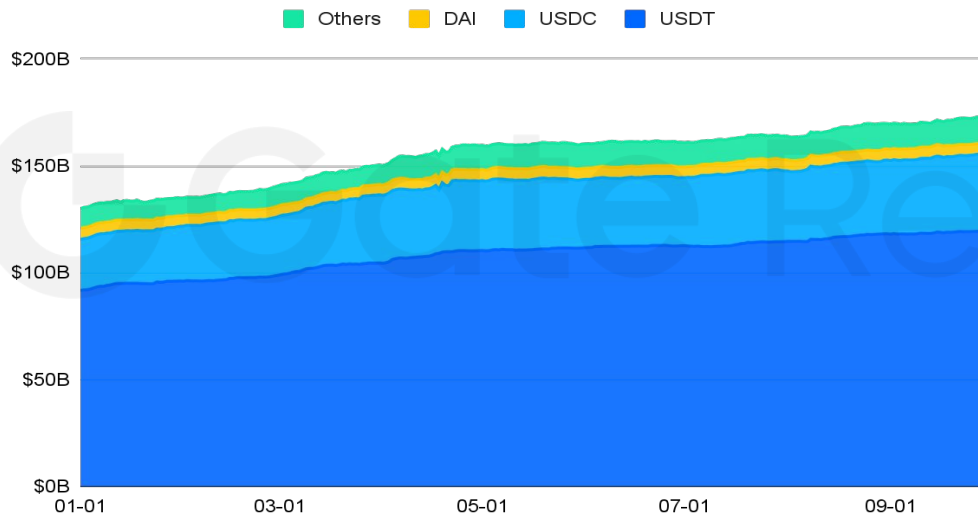


Top 7 tokens aligned with BTC, with TRX and XRP standing out.

- **ETH/BTC** ratio dropped to **0.038**, a three-year low, as BTC gained favor over ETH.
- Grayscale's **XRP Trust** launch was seen as a first step toward an XRP ETF, fueling positive sentiment.
- **SunPump** platform boosted TRX demand within the Tron ecosystem.

03 Stablecoins

Stablecoin Market Cap Changes

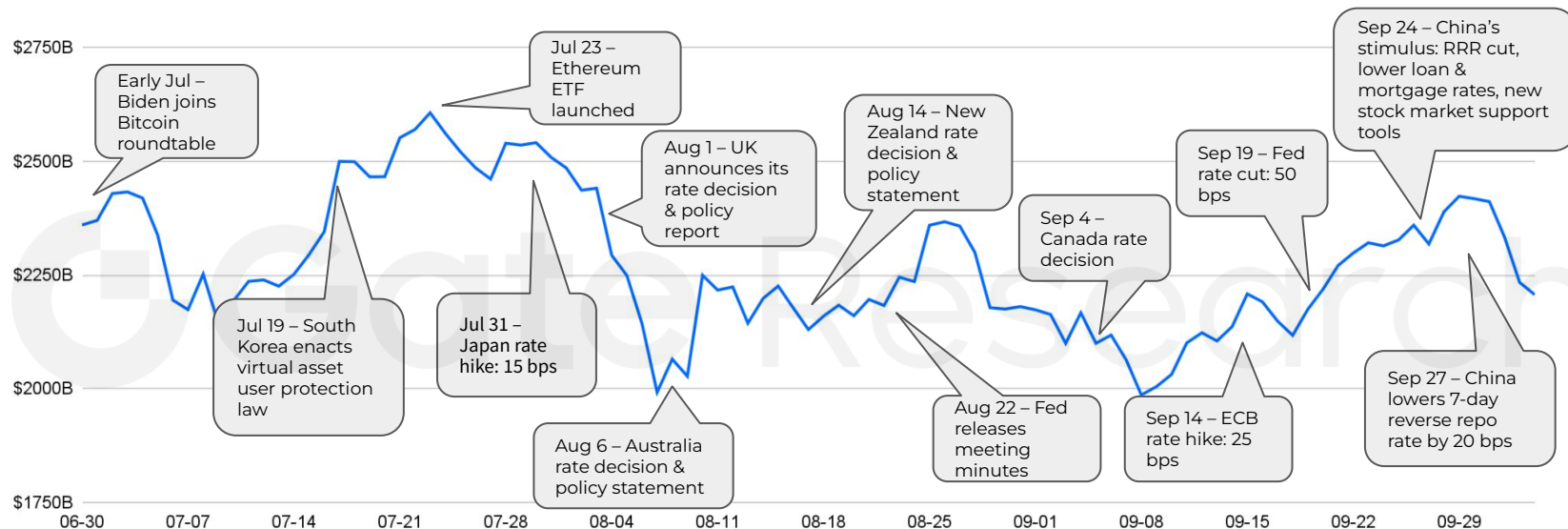


Market cap reached **\$172B** on September 30, up 7.16% from Q2.

- Increase in stablecoin market cap indicates more funds are flowing into the crypto sector.
- USDT holds **69.55%** market share at **\$119B**, dominating stablecoin preference.
- Stablecoin issuers gain consistent profits through assets like U.S. Treasuries, with Tether's revenue exceeding some major asset managers.

04 Macro-Economic Trends

Global Economic Trends Impacting Crypto Market Cap



Monetary policy shifts significantly impact crypto market volatility. Rate hikes reduce liquidity and market cap, while positive news, like Ethereum ETF approval, boosts investor confidence. In Q3, U.S. rate cuts and global policy adjustments created complex market effects.

05 Q3 Regulatory Highlights

Major U.S. and Global Regulatory Announcements

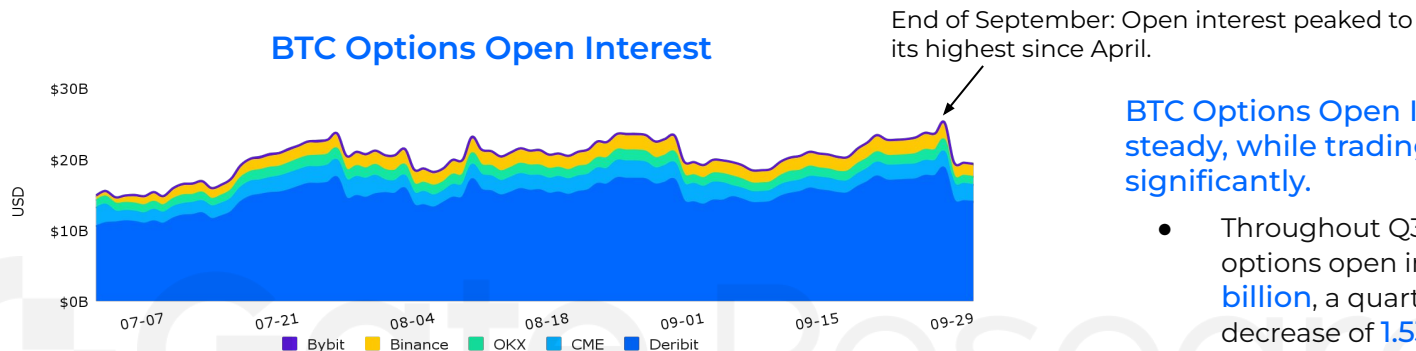
	July	August	September
United States	Approved two spot Ethereum ETFs; SEC steps up crypto regulation and investor protections.	Increased regulatory clarity and support; candidates staking crypto-friendly policies to boost Bitcoin's role in the economy.	Fed rate cut cycle begins, first by 50 bps, seen as a short-term boost for crypto assets.

Other Global Policies

- July – Swiss FINMA warns of stablecoin risks to banking; South Korea's crypto regulations focus on investor protection.
- August – UK advances digital asset industry standards.
- September – Japan cautious on spot crypto ETFs due to tax and regulatory concerns; EU's Markets in Crypto-Assets (MiCA) law set to impact crypto significantly; Canada extends crypto compliance deadline to end of 2024; South Korea imposes life sentences on crypto fraud over \$4M.

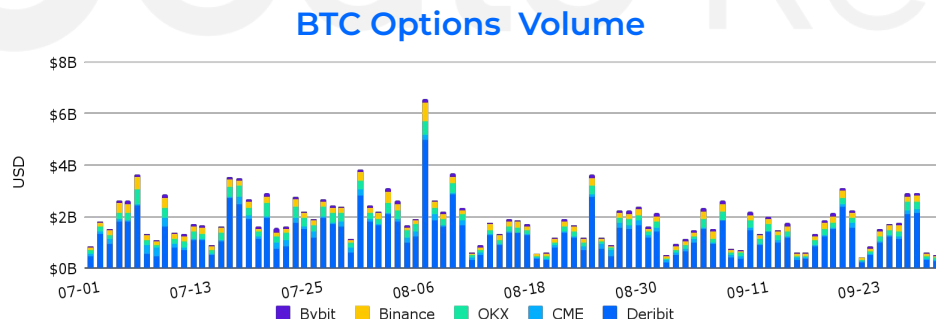
02 **BTC Analysis**

01 BTC Options Open Interest & Volume



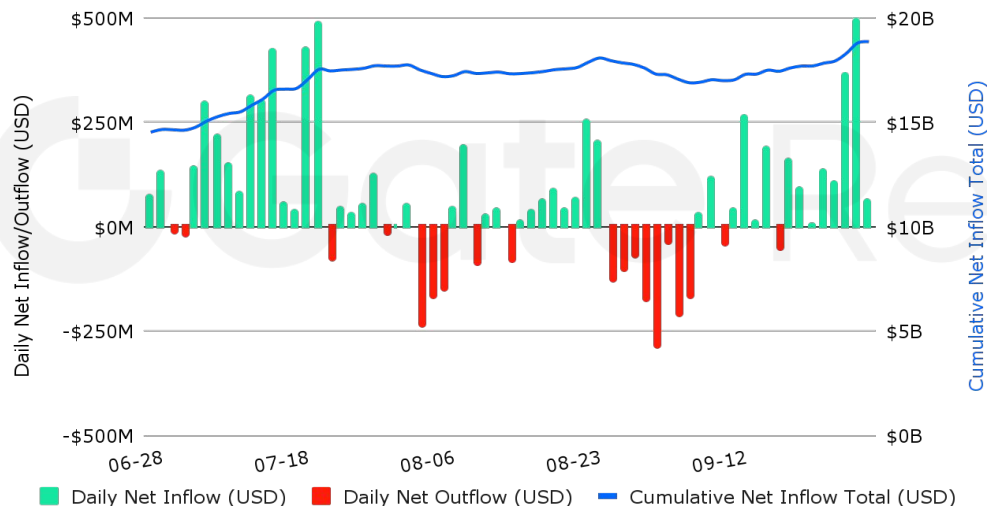
BTC Options Open Interest remained steady, while trading volume increased significantly.

- Throughout Q3, the average daily BTC options open interest was **\$20.2 billion**, a quarter-over-quarter decrease of **1.53%**, with minimal change. Open interest hit its highest level since April on the last settlement day of September.
- The average daily trading volume for BTC options in Q3 was **\$1.9 billion**, a quarter-over-quarter increase of **8.21%**. On August 6, due to significant market volatility, trading volume reached a new high since March.



02 BTC ETF Daily and Cumulative Net Inflows

BTC ETF Daily and Cumulative Net Inflow Trends

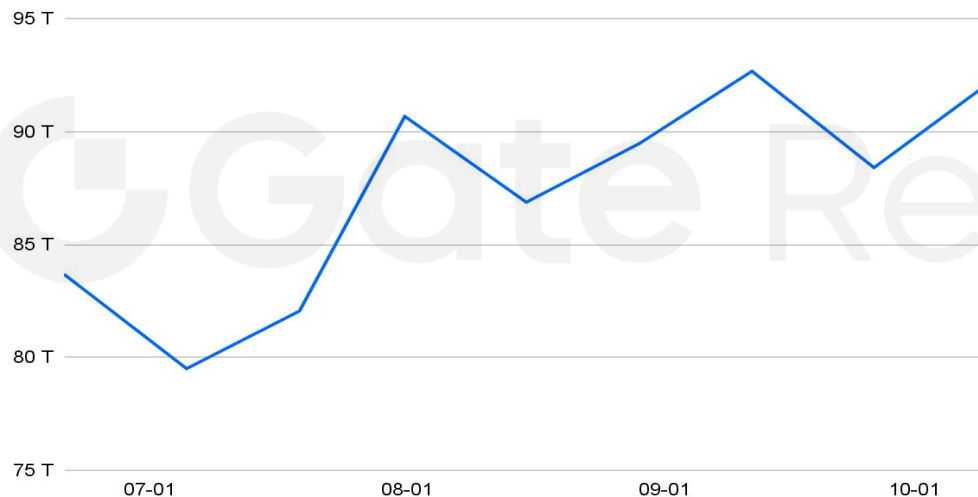


BTC ETF Inflows Dominated in Q3.

- By the end of Q3, the total net asset value of BTC ETFs reached **\$59 billion**, reflecting a strong quarter-over-quarter growth of **13.36%**.
- The net inflow for the quarter was **\$4.34 billion**, highlighting a continuous rise in investor demand for BTC ETFs. For investors seeking diversified portfolios, BTC ETFs have become an increasingly attractive investment tool.
- This inflow trend may be closely related to the rising global acceptance of crypto assets and long-term investor optimism toward Bitcoin.

03 BTC Mining Difficulty Overview

BTC Mining Difficulty Curve



BTC mining difficulty saw an upward trend in Q3.

- Driven by the increase in network hash rate, leading to a continuous rise in overall difficulty. As of September 30, mining difficulty had reached **88.40 T**, with hash rate at 659.19 EH/s.
- During this period, PPS (Pay-Per-Share) earnings were stable at approximately **0.00000071 BTC** per T of hash rate. As mining difficulty increases, PPS earnings relatively decrease, impacting miners' revenue structure and profitability.

04 BTC On-Chain Address Distribution

Cumulative Distribution of BTC Holder Addresses

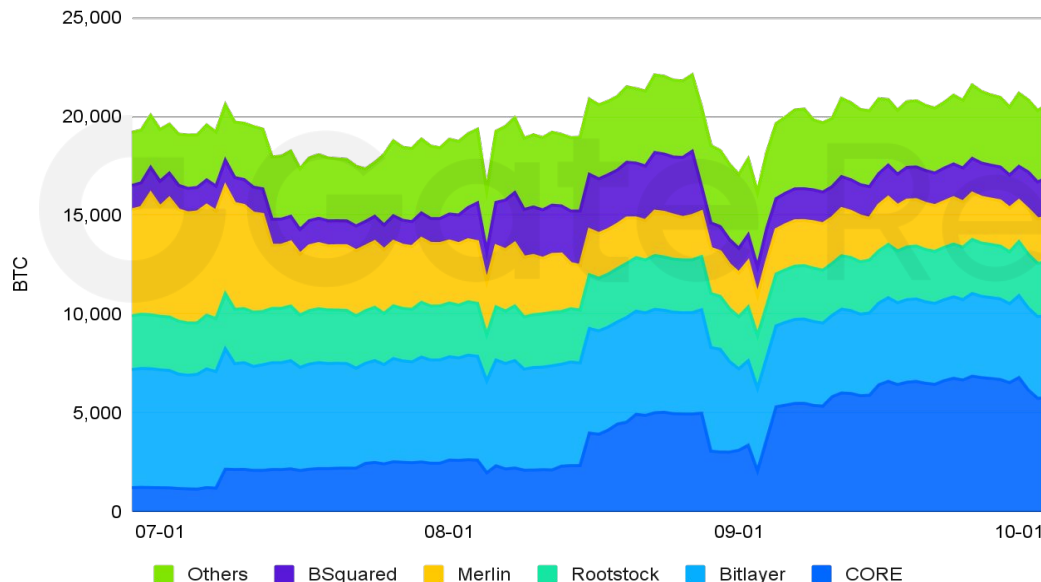
Date	2023/9/30	2023/12/31	2024/3/31	2024/6/30	2024/9/30
0-0.1	312,933	325,790	317,478	321,813	324,500
0.1-1	1,077,519	1,100,472	1,090,305	1,093,111	1,100,783
1-10	2,153,015	2,158,092	2,127,972	2,130,095	2,140,014
10-100	4,467,613	4,427,854	4,359,010	4,350,305	4,348,585
100-1,000	3,868,606	3,910,587	3,902,469	3,896,570	4,005,180
1,000-10,000	4,702,523	4,693,455	4,918,085	4,790,927	4,768,145
10,000-100,000	2,255,388	2,275,071	2,384,141	2,464,748	2,359,204
100,000-1,000,000	660,085	692,085	567,502	668,944	712,008
Total	19,497,682	19,583,406	19,666,962	19,716,513	19,758,419

As of September 30, the total number of BTC holder addresses reached 19.76 million, a quarter-over-quarter increase of 0.21%.

- Addresses holding more than **100** BTC represent less than **0.1%** of all addresses but collectively hold over **60%** of the total BTC supply.
- Most BTC holders own very small amounts, reflecting a high concentration of BTC ownership.
- Large whales holding over **100,000** BTC continued accumulating, increasing their holdings by **6.44%** in Q3 2024.

05 BTC Layer 2 TVL

BTC Layer 2 Total Value Locked (TVL)



The BTC Layer 2 ecosystem saw a 20.47% quarter-over-quarter increase in TVL in Q3.

- As of September 30, BTC Layer 2 TVL reached **22,000 BTC**, valued at **\$1.45 billion**, indicating a sustained demand for scalability solutions for BTC.
- Among BTC Layer 2 projects, CORE holds the largest share of TVL at **31.74%**.
- In August and early September, the crypto market saw sharp declines, leading to a significant drop in overall TVL, with smaller projects being more heavily affected.

06 BTC Scaling Solutions

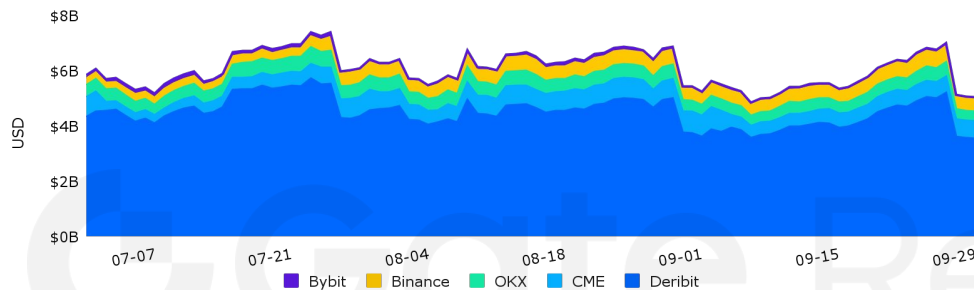
Project	Progress	Date
Lightning Network	Released a major update for Taproot Assets, enabling the Lightning Network to support multi-asset transfers beyond BTC.	July 23
Rootstock	RIF (Rootstock Infrastructure Framework) network upgrade and hard fork scheduled at block height 6,549,300.	July 24
Babylon	Launched the first phase of the Bitcoin staking mainnet.	August 22
RGB++	Launched Fiber Network on Nervos CKB and off-chain channels, enabling fast, low-cost, decentralized P2P transactions for RGB++ assets.	August 23
B²Network	Formed a strategic partnership with Aptos and Echo Protocol to expand BTCFi into the Move ecosystem, marking its first entry.	August 23
Stacks	Initiated the Nakamoto upgrade, increasing the Stacks network's block production speed by 120 times.	August 23
Merlin Chain	Integrated Polyhedra Network's ZK interoperability with Merlin Chain via LayerZero, linking its decentralized verification network (DVN).	August 30
Bitlayer	Officially launched the DApp Center, an important portal for Bitlayer, featuring the latest and most popular applications in the ecosystem.	September 2
Fractal Bitcoin	Mainnet officially launched.	September 9
Core	Launched the second season of Core Ignition Drop.	September 12

BTC scalability solutions enhance BTC network performance, reduce usage costs, and expand its application scenarios, which will positively impact BTC's long-term value and market performance.

03 **ETH Analysis**

01 ETH Options Open Interest & Trading Volume

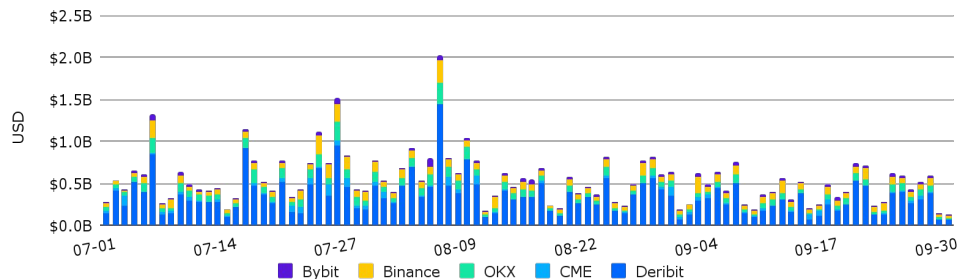
ETH Options Open Interest



ETH options open interest and trading volume were less active compared to the previous quarter.

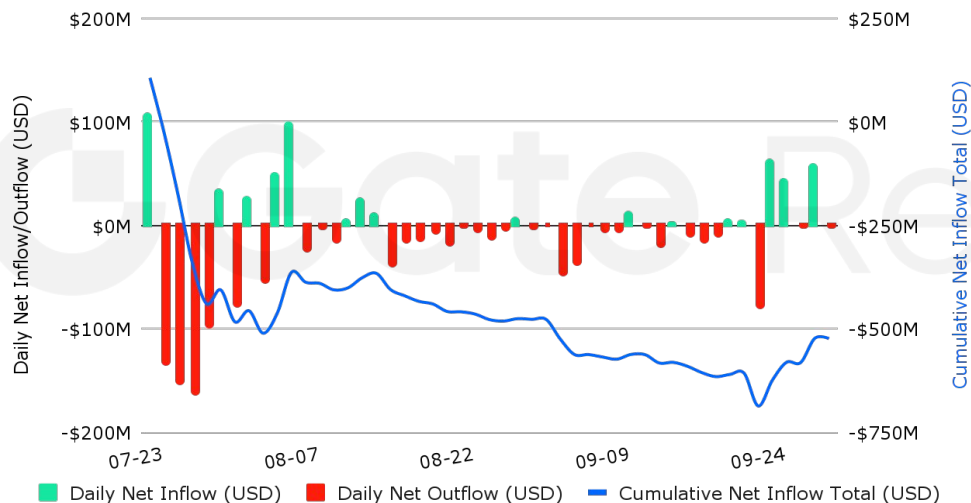
- The daily average open interest for ETH options was **\$6.1 billion**, a **37.15%** decrease quarter-over-quarter, indicating a notable drop in trading activity, likely due to reduced investor interest.
- The daily average trading volume for ETH options was **\$540 million**, down **41.24%** quarter-over-quarter.

ETH Options Trading Volume



02 ETH ETF Daily and Cumulative Net Inflows

Daily and Cumulative Net Inflows for ETH ETFs

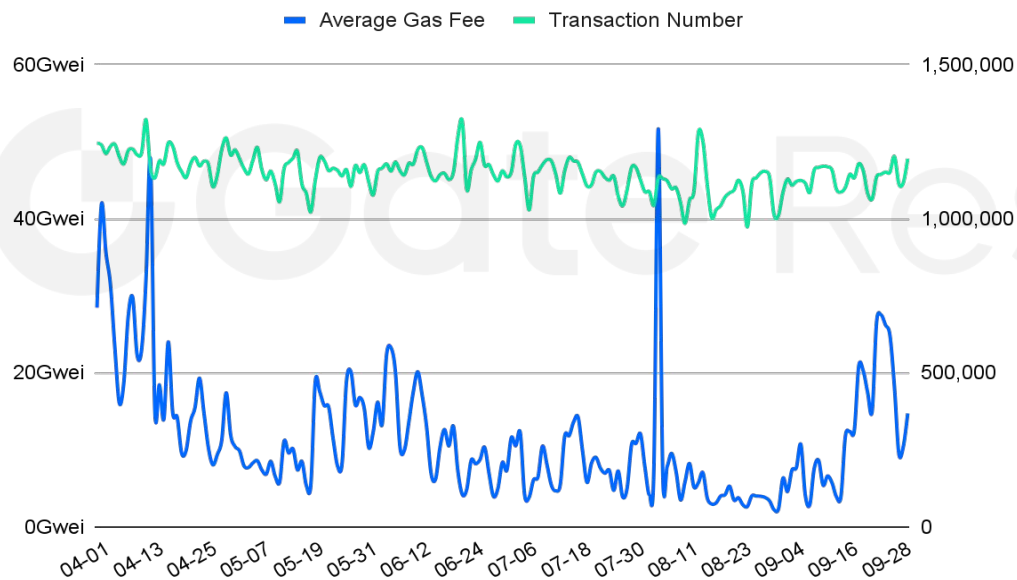


The ETH ETF, launched in Q3 2024, saw significant outflows initially, though these gradually decreased over time.

- By quarter's end, ETH ETF's net assets fell **30.28%** to **\$7.14** billion, showing a clear downtrend.
- Quarterly net outflows totaled **\$523** million, indicating weaker demand amid current market conditions.
- Rising outflows likely reflect increased risk aversion, reduced ETH interest, and concerns over market volatility and future performance.

03 Ethereum Network Activity

Ethereum Daily Average Gas Fees and Transaction



In Q3, average Ethereum gas fees fell to 8.88 Gwei, down 38.01% from last quarter's 14.33 Gwei.

- Gas prices dropped steadily from June, hitting a low of 4.74 Gwei on July 27. However, a sharp market decline on August 5 drove prices briefly up to 51.67 Gwei due to increased on-chain liquidation.
- Despite fee fluctuations, daily transaction counts stayed stable, averaging 1.12 million in Q3—a 4.38% drop from last quarter's 1.17 million.

04 Top 10 Active Projects on Ethereum Network

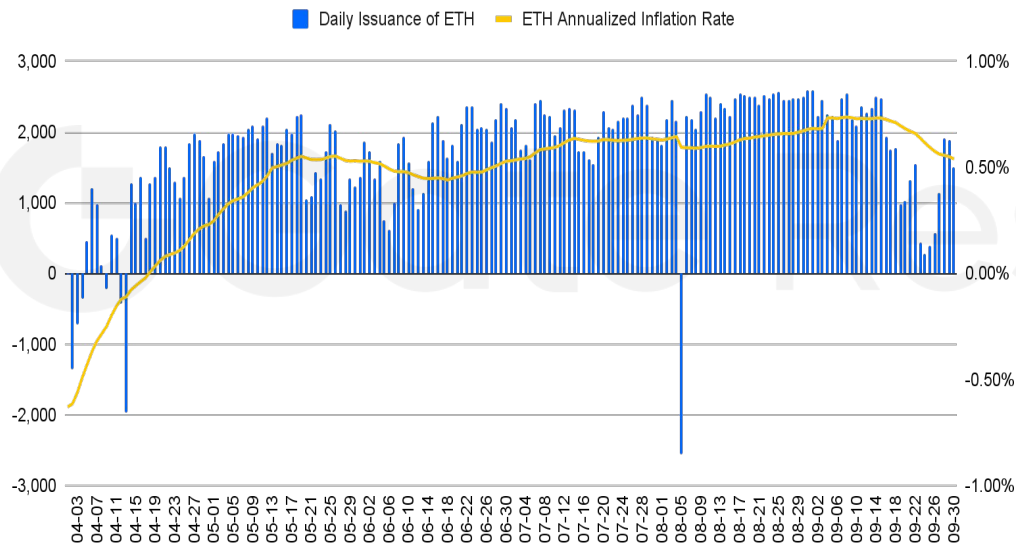
Gas Consumption Rank	Project	Number of Wallet Addresses	Cumulative Transactions	Total ETH Consumed
1	Uniswap			
2	Universal Router	850,581	7,381,349	11,662.73
3	Banana Gun	103,264	1,874,438	9,507.71
4	Flashbots User	5	488,169	6,885.28
5	Maestro Bot	55,933	1,968,457	6,336.76
6	USDT	3,069,114	12,978,895	5,534.47
7	Uniswap_V2	263,350	2,248,061	4,314.31
8	MEV Bot	4	326,327	3,877.41
9	OKX_Aggregator	131,366	1,367,482	1,844.08
10	Metamask DEX	284,536	948,921	1,649.62
11	MEV Bot	2	191,862	1,584.10
12	USDC	1208,220	3,996,589	1,580.85
	1inch	236,920	1,158,217	1,401.08

Most top-ranking projects are concentrated in DeFi, MEV bots, and automated trading tools.

- Trading and arbitrage operations continue to be primary sources of resource consumption on the Ethereum network.
- Stablecoins USDT and USDC lead in wallet address interactions, with **3 million** and **1.2 million** addresses respectively, indicating widespread user adoption.
- Banana Gun and Maestro Bot are active in Telegram trading bots, popular with users for real-time trading data, signal alerts, and interactive features.

05 ETH Daily Issuance

Daily ETH Issuance and Annualized Inflation

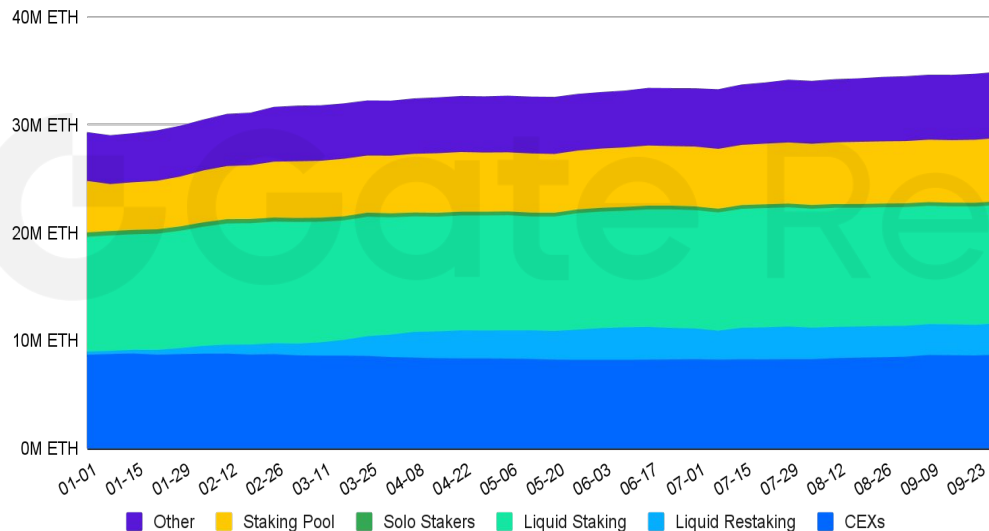


In Q3, ETH transitioned from deflationary to inflationary, with an annual inflation rate around 0.6%.

- Throughout Q3, daily ETH issuance peaked on September 1 at **2,587.54 ETH**, with the lowest point on August 5 at **2,564.39 ETH**.
- This shift is primarily due to the recent decline in average gas fees, now between **5 and 10 Gwei**, the lowest this year, resulting in reduced ETH burning.

06 Ethereum Staking Overview

Changes in TVL for Different ETH Staking Methods

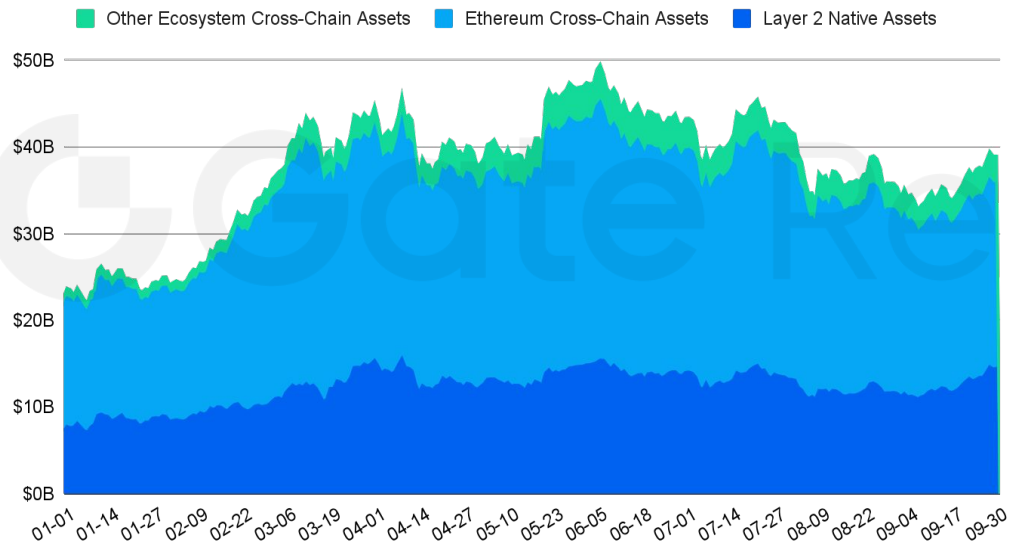


By the end of September, ETH staked on the Ethereum network totaled 34.79 million, up 4.5% quarter-over-quarter.

- Staked ETH in staking pools grew by **5.7%** quarter-over-quarter. Individual staking decreased by **2.37%**. Growth in liquid staking slowed to **1.91%**.
- The **32 ETH** minimum for individual staking requires a relatively high investment. At the current ETH price, this could be a significant expense for many smaller investors. Therefore, many users may opt for alternative staking methods instead of individual staking.

07 Ethereum Layer 2 Overview

Total Value Locked in the Layer 2 Ecosystem



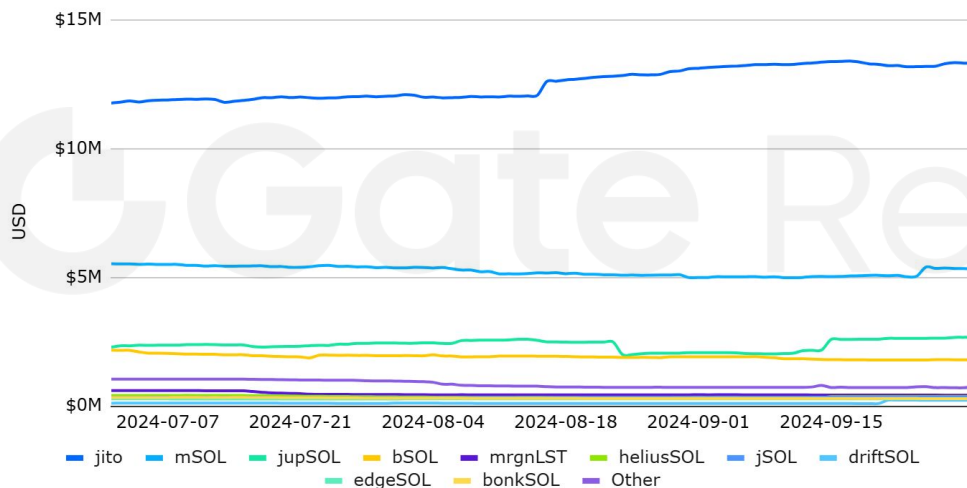
By the end of September, Ethereum Layer 2 TVL was \$38.9 billion, down 10.13% quarter-over-quarter due to a drop in ETH price.

- When measured in ETH, Layer 2 TVL actually grew by **16.34%** quarter-over-quarter. Native Layer 2 assets grew by **3.32%**. Ethereum cross-chain assets decreased by **16.97%**. Other cross-chain assets in the ecosystem decreased by **12.38%**.
- The growth in native Layer 2 assets indicates a continuous expansion of projects and assets being developed and utilized on Layer 2, showing rising demand for native assets despite ETH price fluctuations.

04 Other Major Blockchains

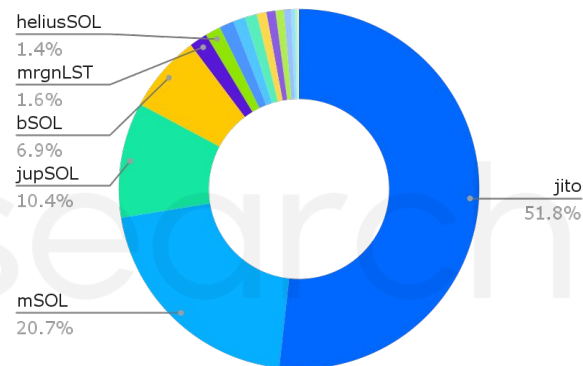
01 Solana Liquid Staking Market (LST)

Solana LST TVL



Note: LST (Liquid Staking Token) is a token representing a user's staked assets, allowing asset transfers and staking rewards during the staking period, offering higher liquidity and flexibility.

Solana LST TVL 09/30

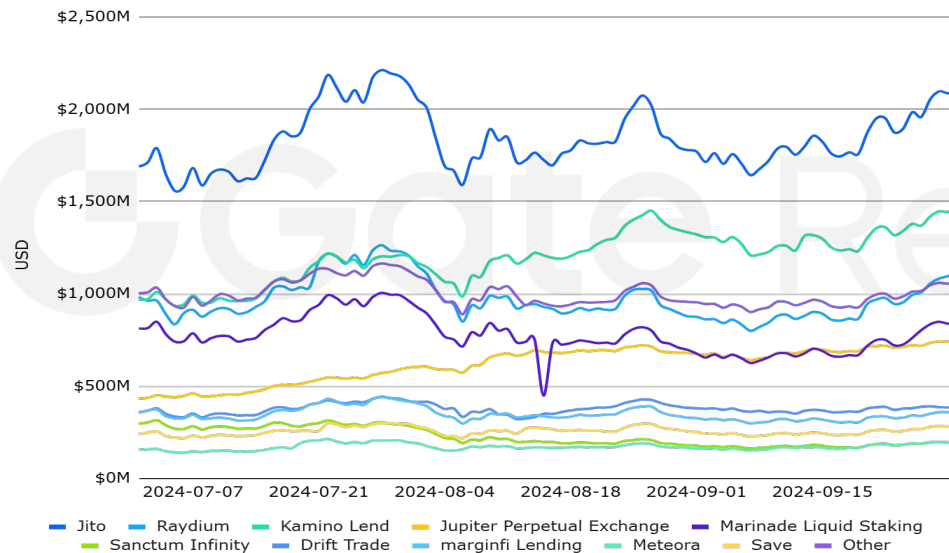


Jito holds the largest share in Solana's liquid staking market.

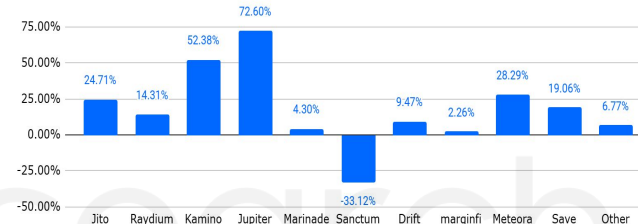
Jito dominated the Solana liquid staking market with a **51.8%** share, showing its strong position. mSOL and jupSOL accounted for **20.7%** and **10.4%**, respectively, indicating stability in these assets. Other assets like **bSOL (6.9%)** and **mrgnLST (1.6%)** also held notable shares.

02 Solana DeFi TVL

Solana DeFi TVL



Solana DeFi TVL Q3 Growth

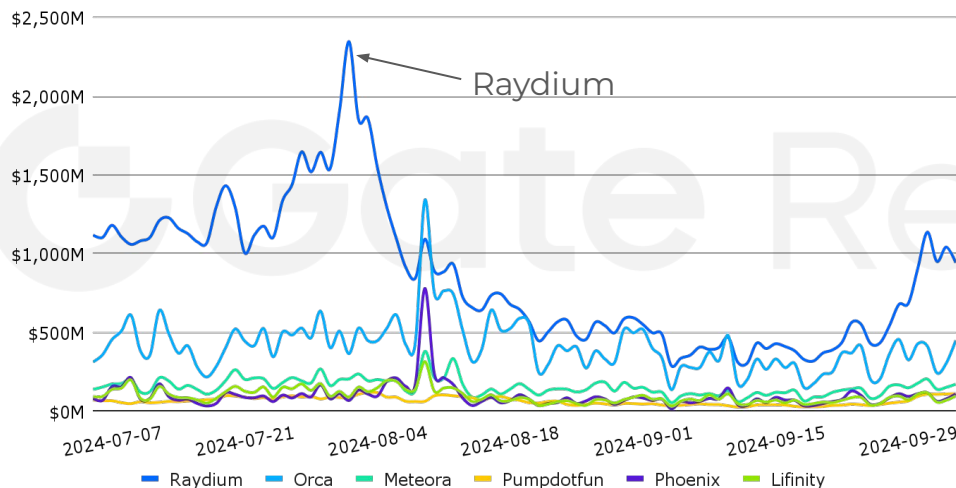


Solana's DeFi TVL increased by 20.79% quarter-over-quarter.

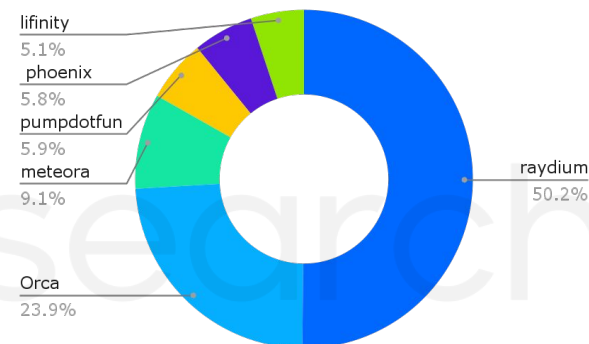
- This growth was mainly driven by the decentralized exchange Jupiter, which grew by **72.60%**.
- Lending platform Kamino also performed well, with a **52.38%** increase.
- The only decline was in Sanctum, down **33%**, mainly due to the withdrawal of funds from users pursuing token airdrops.

03 Solana DEX Volume

Solana DEX Volume



Solana DEX Volume 09/30

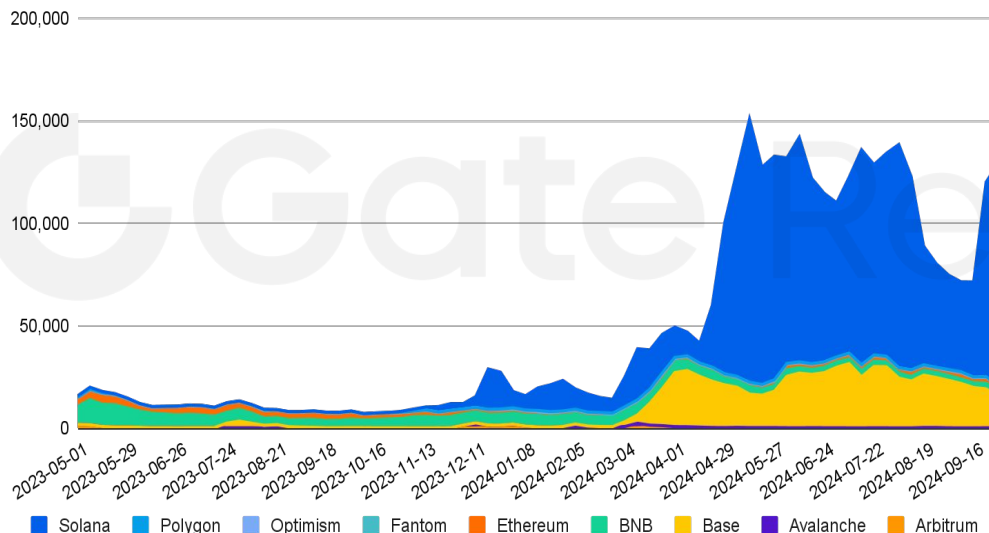


Solana DEX Market Led by Raydium: Sharp Decline in August.

- Raydium's daily trading volume peaked at **\$2.3 billion** on July 28, then dropped 87% by mid-September before rebounding **273%** in late September.
- On August 5, a sharp market downturn triggered a surge in trading volume across various DEXs.

04 New Tokens on Solana (Daily)

New Tokens on Major Ecosystem
DEX platforms (Daily)



The popularity of MEME tokens has significantly driven up the number of newly issued tokens across multiple ecosystems.

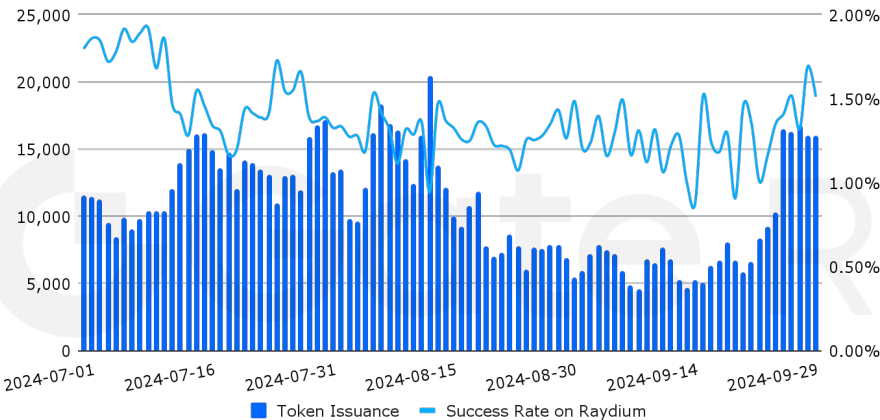
- While MEME tokens are humor-driven and rooted in internet culture, they have gained widespread support on various blockchain networks, becoming a key element energizing crypto communities.
- On the Solana blockchain, the frequency of new token issuance has remained high. Low transaction costs on Base have also positioned it as another vital hub for MEME tokens.

Note: The selection of blockchain networks is based on combined factors of network activity and token issuance volume.

Gate Research, Data from: Dune

05 Solana MEME Token Launch Platform

Pump.fun Daily Issuance & Successful Launch



Pump.fun is a MEME token launch platform in the Solana ecosystem, with daily token issuance fluctuating significantly. In August, token performance dropped sharply due to poor market conditions, but recovered to previous levels by late September as the market improved. Among the top 10 tokens by market cap, five are animal-themed MEMES, showing their continued popularity. Culture-themed MEMES follow, while only one political-themed MEME, DMAGA, made the top 10, suggesting a possible decline in its influence.

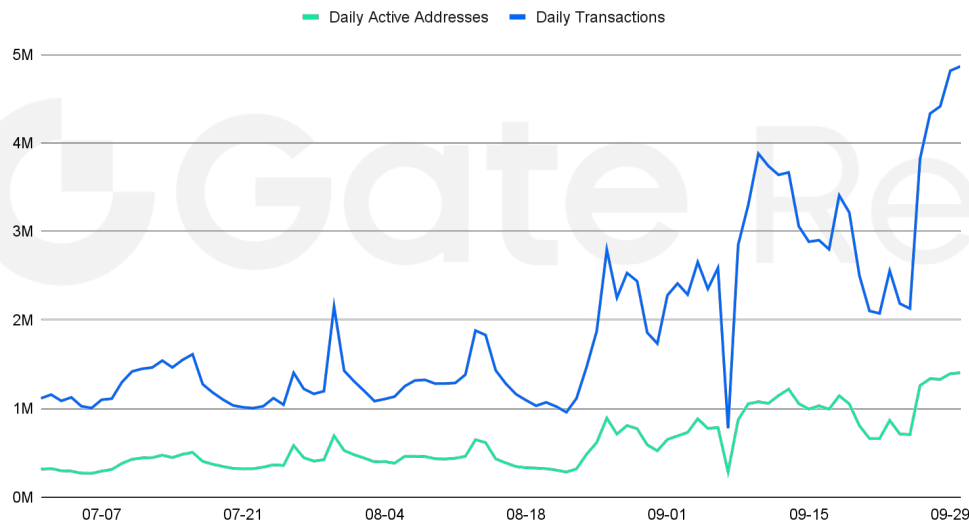
Gate Research, Data from: Dune

Q3 2024 Top 10 Pump.fun Tokens by Market Cap

Token	Peak Market Cap	Launch Date	Category
MOODENG	338.2M	09-10	Animal
FWOG	269.5M	07-30	Animal
SCF	145.6M	07-21	Culture
SIGMA	94.5M	07-11	Culture
Neiro	94.1M	07-27	Animal
DMAGA	86.9M	07-14	Political
NEIRO	57.3M	07-27	Animal
rocky	44.5M	07-08	Other
BRAINLET	40.7M	07-19	Culture
Manyu	37.6M	09-20	Animal

06 TON Network Activity

Daily Active Addresses and Transactions on the TON Network

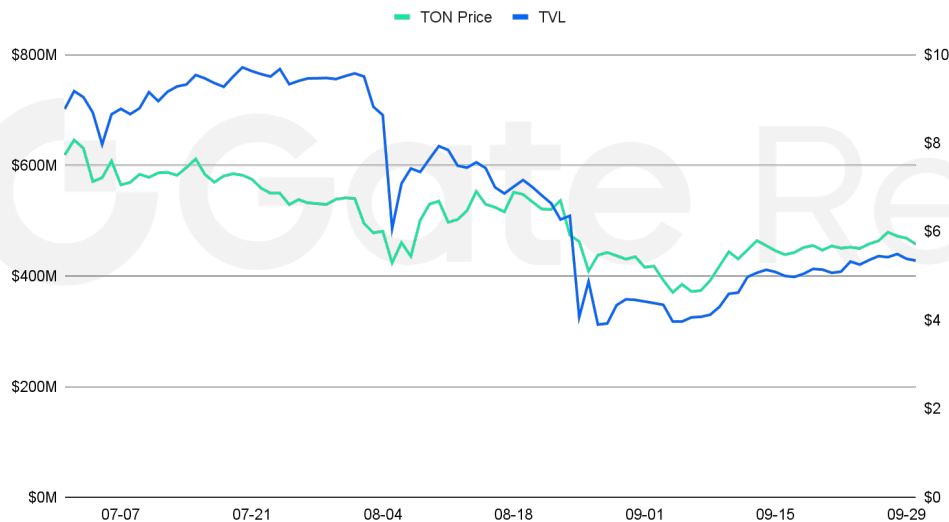


In Q3, the TON Network averaged 605,500 daily active addresses and 1.9 million transactions.

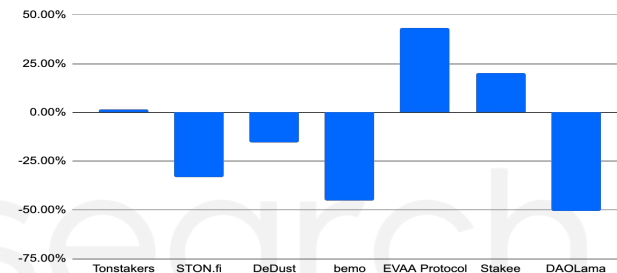
- Daily active addresses grew steadily, surpassing one million several times by late September.
- Daily transaction volume ranged between 1-2 million in July and August, exceeding 4 million by late September.
- The increase in transaction volume, alongside active address growth, reflects rising user activity and interaction frequency on the TON network.

07 TON DeFi TVL

TON Network DeFi TVL and Ton Price Trend



TON Eco DeFi Program Q3 Growth Rate

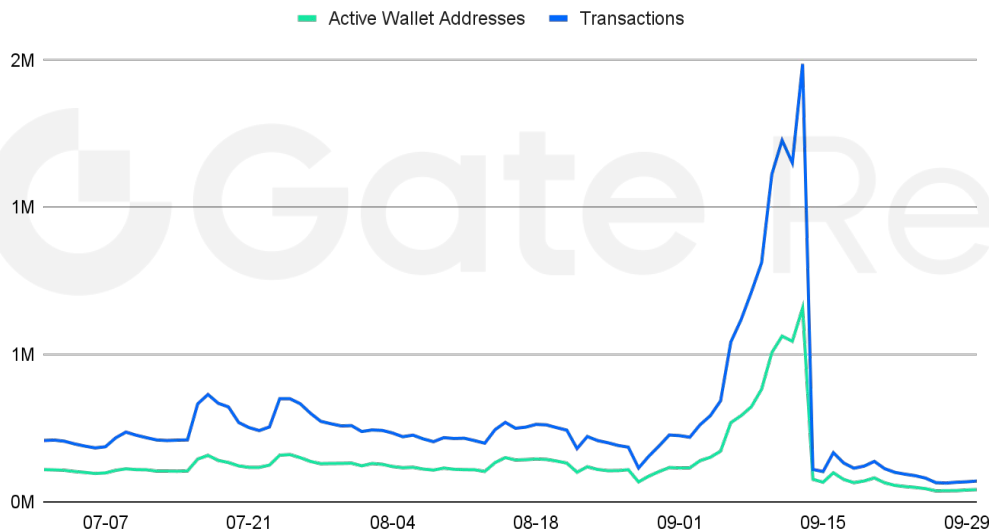


TON's DeFi TVL decreased by 26.25% over the past year.

- TON's token price dropped from **\$7.72** in early July to **\$5.71** by late September, with TVL declining in line with the token's price.
- **Tonstakers**, the leading liquidity staking protocol in the TON ecosystem, remained the top TVL holder. Despite the overall downtrend, its TVL still rose by **1.56%** over the year.

08 TON TG Applet Activity

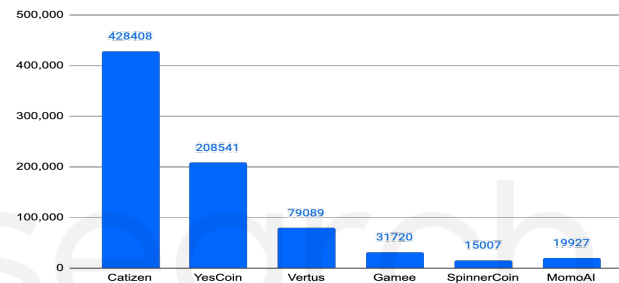
Catizen Active Wallet Addresses and Transactions



TON Open League, the official social rewards event, tracked active addresses for each app during S5 season, from July 10 to August 7.

Gate Research, Data from: Dappradar

TON Open League S5 Project Active Addresses

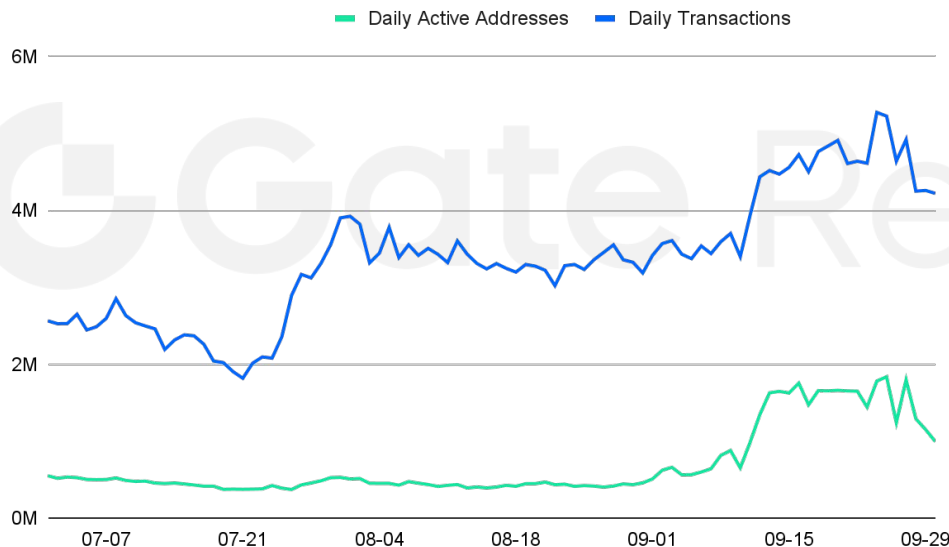


Catizen led with the highest active wallet addresses but saw a rapid decline as the airdrop concluded.

- Catizen's active wallet count **dropped significantly** after the airdrop token amount is confirmed.
- The TON blockchain Telegram mini-game project, primarily driven by token incentives, experienced a steep decline in activity post-launch.

09 Sui Network Activity

Sui Network Daily Active Addresses and Transactions

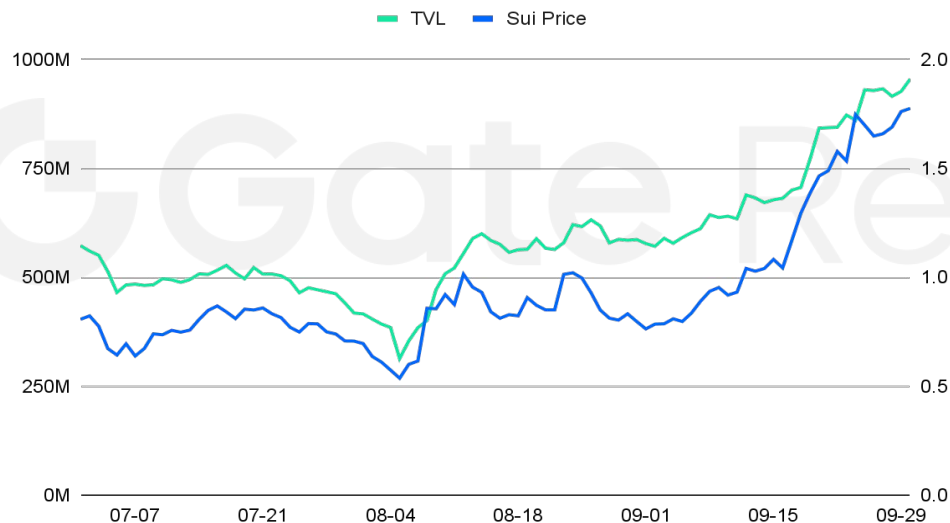


The Sui network averaged 699,700 daily active addresses and 3.38 million transactions in Q3.

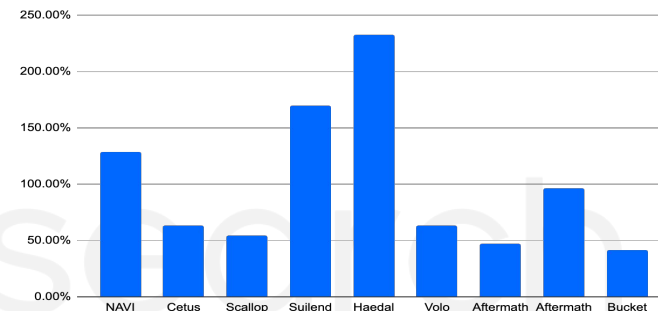
- The number of active addresses increased significantly in Q3, up 41.80% from 550,000 at the beginning of July to nearly 2 million at the end of September, shows that Sui Network has attracted a large number of active users.
- The number of transactions on the network showed a clear trend of growth at the end of July and the beginning of September. On September 24, the number of transactions exceeded 5.2 million.

10 Sui DeFi TVL

Sui Network DeFi TVL and Sui Price Trend



Sui Eco DeFi Program Q3 Growth Rate



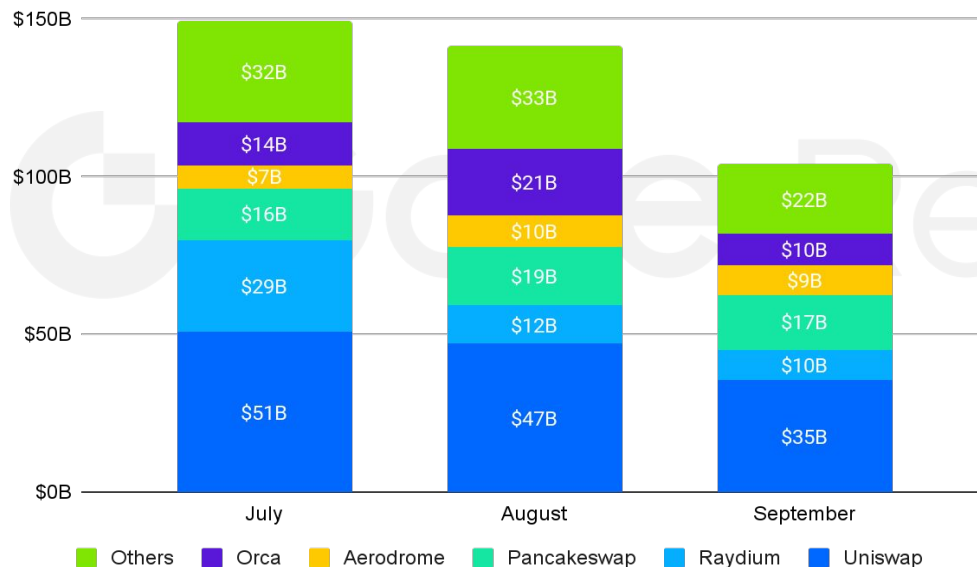
Sui Network DeFi TVL grew 78.81% YoY.

- [Haedal](#), the Sui ecosystem's liquidity staking agreement, was the fastest growing project in Q3 with Q3 growth of [233.10%](#).
- The Sui ecosystem showed strong DeFi momentum in Q3, with multiple projects booming and driving both TVL and SUI token price growth.

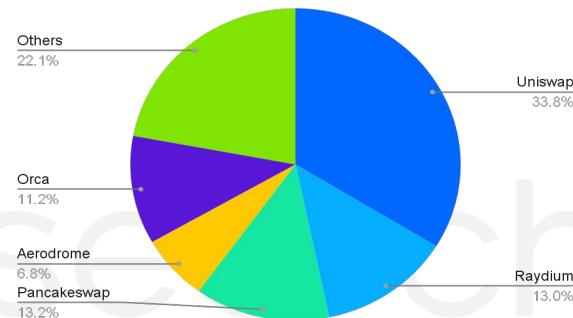
05 DeFi

01 DEX Market Share

DEX Monthly Turnover



DEX Trading Volume Percentage

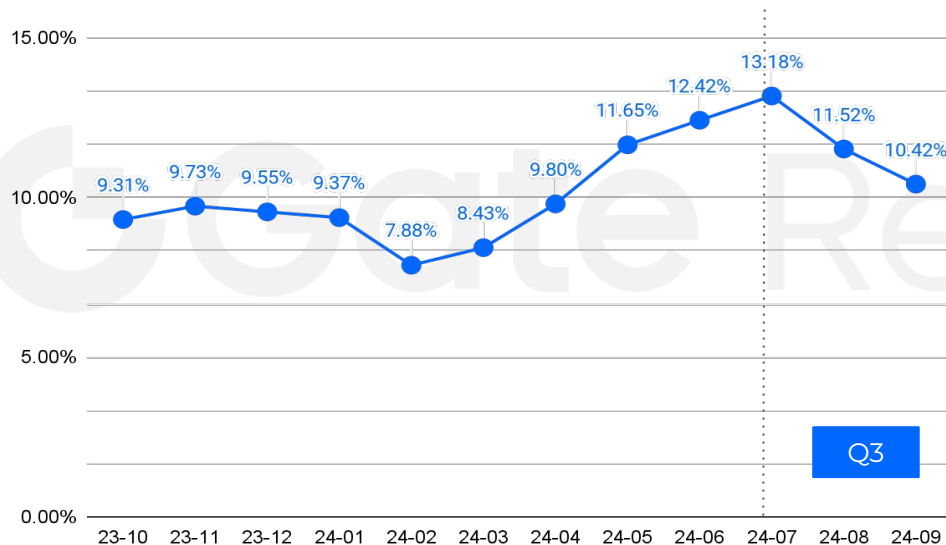


Q3 DEX volume totaled \$395 billion, with the five major DEX players accounting for nearly 80% of the volume.

- DEX Q3 saw a continued downward trend in trading volume, with September hitting a new low for the year. August was down **5% YoY** and September was down **27% YoY**.
- Liquidity remains a major hurdle for DEX, with less order depth than CEX, leading to pricing and slippage issues.

02 DEX/CEX Spot Volume

DEX/CEX Spot Volume Ratio Trend

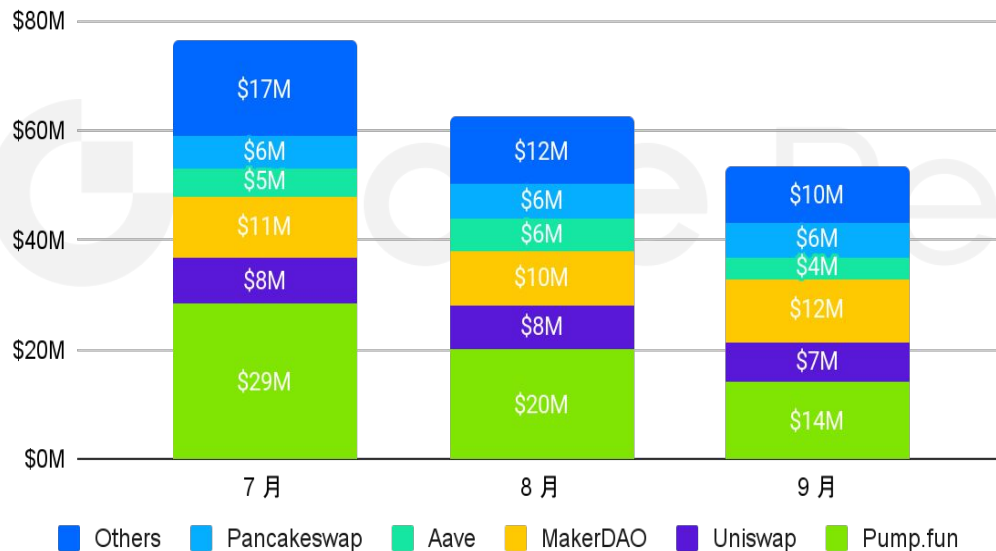


Q3 DEX/CEX spot volume ratio showed a downward trend.

- In July the DEX/CEX spot volume ratio reached **13.18%**, a record high. The ratio fell somewhat in Q3 after a volatile first half of the year. 11.52% in August and 10.42% in September.
- The DEX/CEX spot volume ratio continued to decline in Q3, reflecting investors' tendency to return to CEX amid the overall market contraction.

03 DeFi Protocol Revenue

Monthly Cumulative Revenue from DeFi Agreements



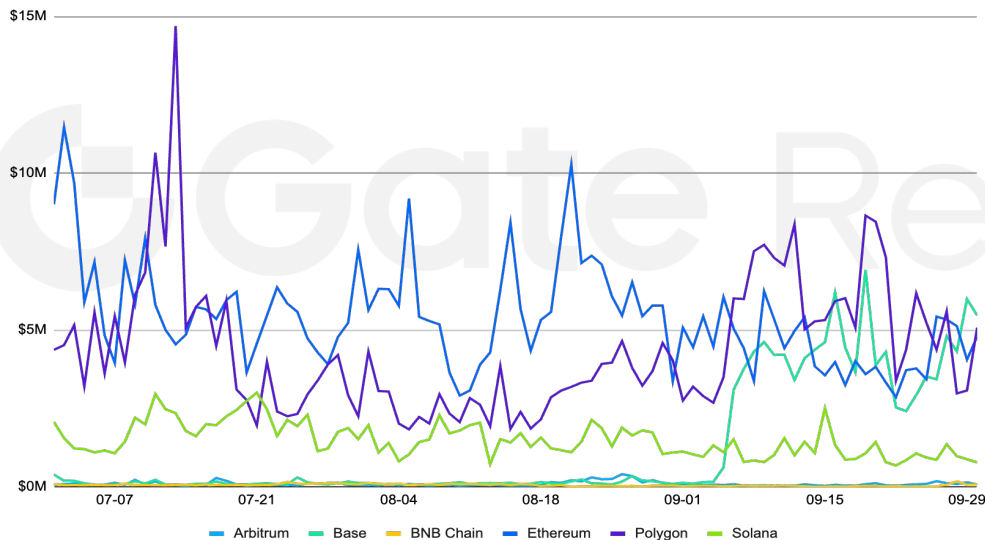
Q3 cumulative revenue from DeFi agreements was \$191 million.

- August DeFi agreement revenues **\$62.03 million**, down 18% sequentially and September DeFi agreement revenues \$53.07 million, **down 15%** sequentially or so.
- Pump.fun led Q3 revenues at **\$63 million**, followed by MakerDAO, Uniswap, Pancakeswap and Aave.

06 NFT and Gaming

01 NFT Transaction volume

NFT Daily Volume Trends by Chain



Ether and Polygon maintain their leadership in NFT volume.

- In Q3, NFT volume was concentrated on the Ether and Polygon networks, with an average daily volume of **\$5.4 million** and **\$4.3 million**.
- Compared to Q2, NFT volume on the Ethereum network declined by **71.6%**, Polygon volume rose by 100.77%, Solana volume decreased by 61.42%, and **Base increased by 14.26%**.

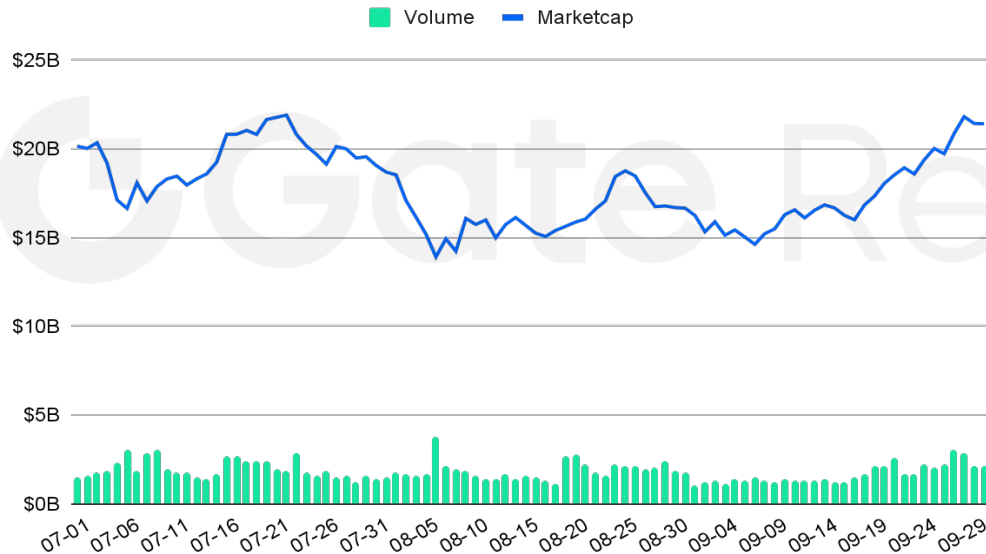
02 NFT Collections

		Name	Chain	Floor Price	Market Cap	Market Cap
1		CryptoPunks	ETH	26.19 ETH	261.8K ETH	\$690.3M
2		Bored Ape Yacht Club	ETH	11.39 ETH	113.9K ETH	\$300.3M
3		Pudgy Penguins	ETH	8.772 ETH	78K ETH	\$205.6M
4		Azuki	ETH	4.895 ETH	49K ETH	\$129.1M
5		Milady Maker	ETH	4.633 ETH	46.2K ETH	\$121.9M
6		Bitcoin Puppets	BTC	0.139 BTC	1.4K BTC	\$100.2M
7		Mutant Ape Yacht Club	ETH	1.827 ETH	35.6K ETH	\$93.9M
8		NodeMonkes	BTC	0.125 BTC	1.3K BTC	\$90.3M
9		Memeland Captainz	ETH	2.57 ETH	25.7K ETH	\$67.8M
10		Ordinal Maxi Biz (OMB)	BTC	0.161 BTC	844.1 BTC	\$61.0M



03 GameFi Token Market Cap and Volume

GameFi Token Market Cap and Trading Volume Trend



At the end of September, GameFi's market capitalization reached \$21.42 billion, up 6.25% YoY.

- The market capitalization of GameFi tokens fluctuated between \$15 - \$20 billion due to the overall market environment.
- The average trading volume was \$1.68 billion and on August 6, due to the market crash, it reached \$3.77 billion.

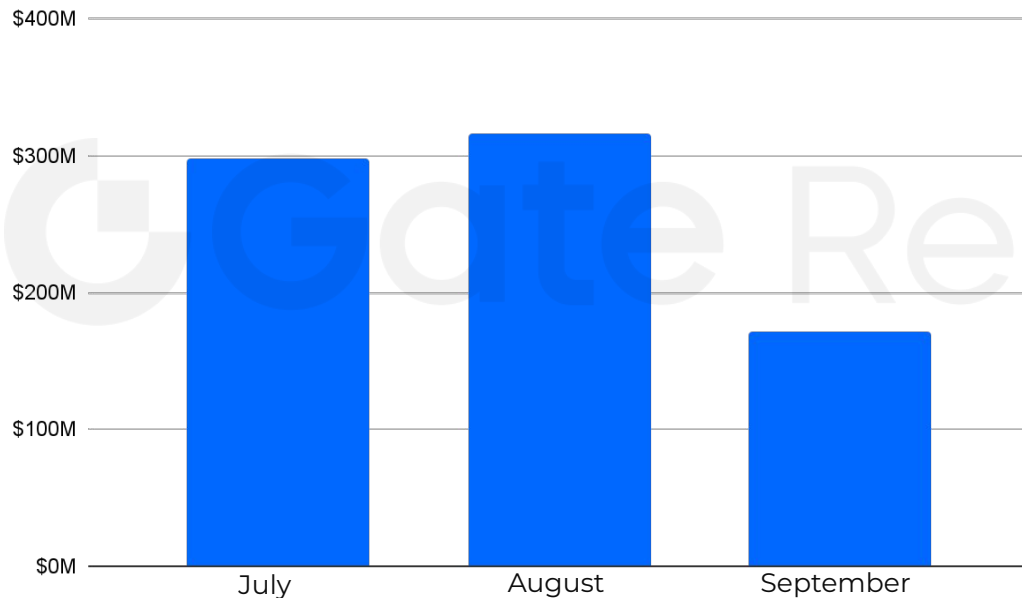
04 Q3 Top 10 Games by Activity

Game	Daily Active Addresses	Description
Pixels	650,000	An interoperable Web3 farming game.
World of Dypians	497,000	A large-scale MMORPG set in a vast digital world.
SERAPH	261,000	A blockchain-based loot game for PC and mobile.
Lumiterra	179,000	A multiplayer open-world survival and building game.
Catizen	141,000	A casual pet game on Telegram.
BoomLand	123,000	A blockchain game developer and publisher; first game: <i>Hunters On-Chain</i> .
Sweat Economy	122,000	Move-to-earn game.
Apeiron	115,000	A god-simulation RPG where players shape their own planets.
Alien Worlds	86,000	An innovative metaverse where everything is tokenized.
Nine Chronicles	82,000	A fantasy MMORPG set in a vast fantasy world.

07 Security Incidents

01 Q3 Web3 Security Incidents Loss Amount

Q3 Cumulative monthly losses

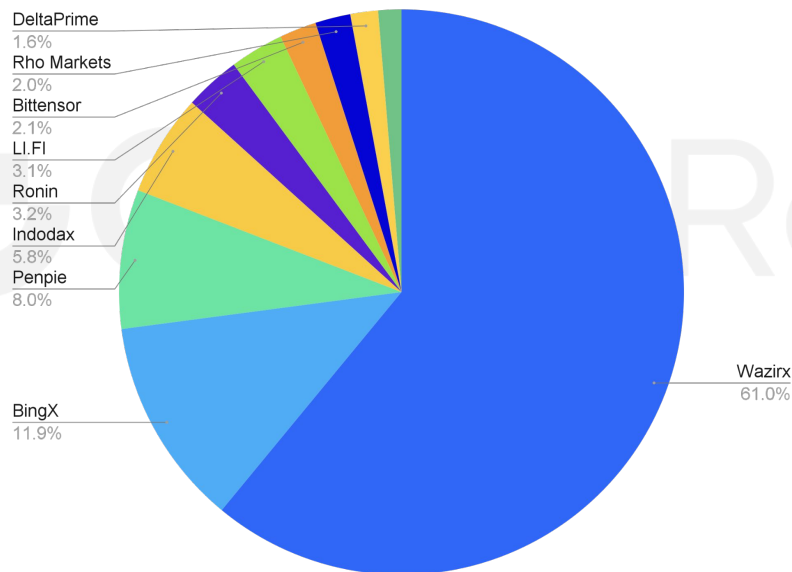


There were 93 hacking incidents in the quarter, resulting in approximately \$784 million in losses, of which \$27.54 million was recovered.

- July: Losses approached **\$300 million**.
- August: Losses climbed to **\$316 million**, with one scam amounting to **\$243 million**.
- September: Losses decreased, but there were still **3 incidents** with losses exceeding \$10 million.

02 Q3 Web3 Security Incidents and Losses

Top 10 Security Incidents by Loss in Q3

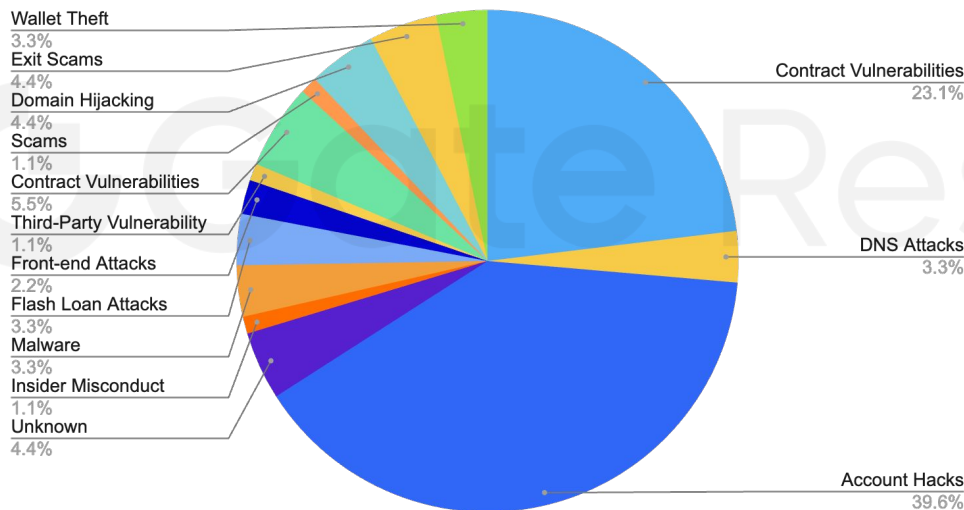


Notable Q3 security incidents led to over \$53 million in losses, exposing weaknesses in private key management, contract validation, and hot wallet protection.

- July 2 – Bittensor Hack: Bittensor lost **32,000 TAO** tokens (\$8M) due to malicious packages uploaded by a PyPi manager.
- August 1 – Convergence Finance Attack: Attackers minted and sold 58 million CVG tokens, causing a **\$210,000** loss due to contract vulnerabilities.
- September 20 – BingX Hot Wallet Breach: BingX lost \$45 million when its hot wallet was compromised.

03 Q3 Web3 Security Incidents Types

Q3 Distribution of Security Incident Types



In Q3, Web3 security incidents were diverse, led by 21 contract vulnerabilities and 36 account hacks. Stronger security defenses are needed to counter varied hacking tactics.

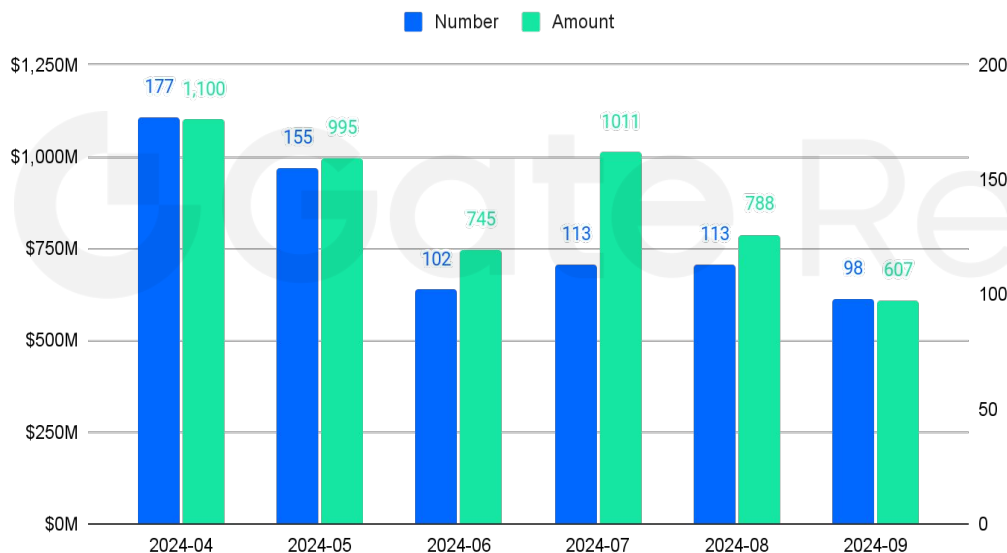
In the "dark forest" of cryptocurrency, key measures to ensure fund security include:

- Strengthening private key management and contract audit quality.
- Using hardware and cold wallets for storage.
- Implementing multi-signature and separating hot and cold wallets.
- Establishing real-time monitoring and rapid response mechanisms.

08 Fundrasing

01 Number and Amount of Industry Financings

Web3 Monthly Financing Number and Amount

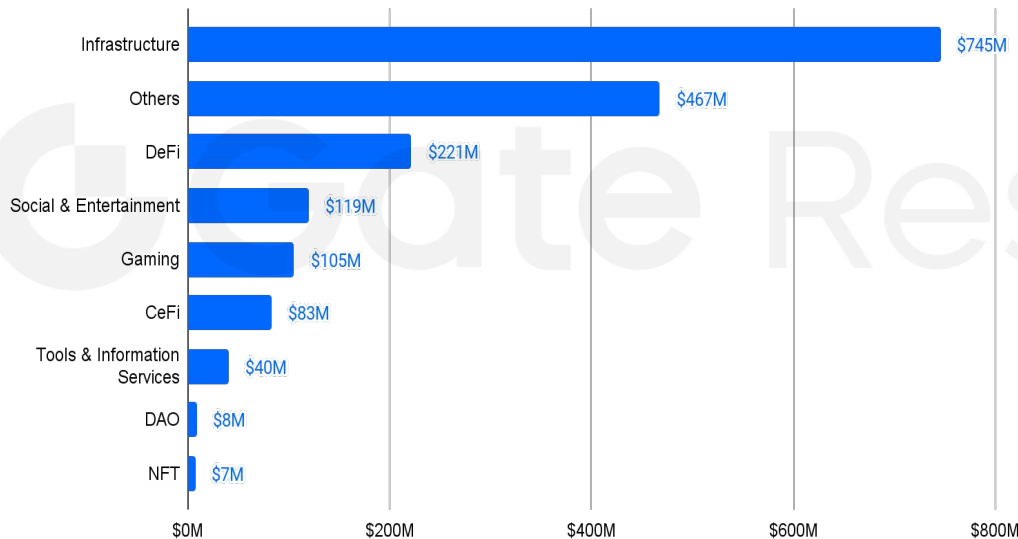


In Q3, 324 projects secured funding, down 25.78%, with total funding at \$2.4 billion, a 15.21% decline.

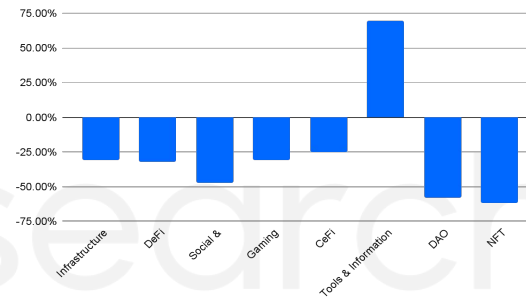
- In July, 113 financings raised **\$1.012 billion**, maintaining the high activity seen earlier in the year. However, both funding volume and value declined in August and September.
- Overall, Q3 showed a month-by-month decline in financing, reflecting cautious market investment amid macroeconomic volatility, low confidence, and capital market uncertainty.

02 Industry Financing Classification

Web3 Financing Classification and Amount



Q3 Growth Rate of Financing by Category



Most of the segments saw a significant decrease in funding amount in Q3 compared to Q2.

- Tools and Information Services grew by **69.71%** in Q3, making it the only segment with positive growth.
- Investments in the NFT sector **fell by 61.84%**, the largest decline. As the NFT market fades and liquidity decreases, investors are gradually reducing their investment in NFT projects.

03 Q3 Top 10 Funding Projects

Project Name	Round	Amount	Valuation	Date	Investors
Iris Energy	--	\$413 million	--	07-02	--
Stronghold	Acquisition	\$175 million	--	08-21	Bitfarms
CelestiaTIA	OTC	\$100 million	\$3.5 billion	09-23	Bain Capital Crypto, 1kx +3
Block Mining	Acquisition	\$92.5 million	--	07-24	Riot Blockchain
Sentient	Seed Round	\$85 million	--	07-02	Pantera Capital +22
Story Protocol	Series B	\$80 million	--	08-21	a16z, Polychain +3
Infinex	--	\$65.3 million	--	09-25	WormholeSynthetix +83
Partior	Series B	\$60 million	--	07-12	Peak XV Partners*Jump Trading +4
Bridge	--	\$58 million	--	08-29	Haun VenturesSequoia Capital +2
Chaos Labs	Series A	\$55 million	--	08-15	Haun Ventures*Spartan Group +11

09 Outlook

01 Q4 Market Outlook

Q4: Opportunities and Risks Ahead

On September 19, 2024, the Federal Reserve announced a 50 basis-point rate cut, triggering global market fluctuations. This easing policy signals a focus on economic growth. While uncertainties remain, the prospects for reduced costs and increased liquidity are clear. Rate cuts are expected to boost cryptocurrency assets.

Liquidity Cycle

Bitcoin, often seen as a liquidity indicator, may face short-term shocks but is expected to strengthen alongside other crypto assets as rate cuts continue.

Inflation Pressure

Since 2022, the U.S. has struggled with high inflation. Rate hikes have not fully resolved this, and new rate cuts may drive inflation higher. According to a forecast on September 18, the Fed may cut rates by an additional 1.5% by next year's end. If inflation rises, the Fed could slow the pace of cuts.

Investor Risk Appetite

The Fed's first rate cut in four years weakened the dollar, pushing some investors toward high-risk assets like cryptocurrencies as a hedge against inflation and currency devaluation.

Policy Changes

Beyond U.S. monetary policy, global economic factors and geopolitical risks are also key to the crypto market. With an election year and rate cuts overlapping, political influences may affect further rate decisions.



Disclaimer

This report's information and data are sourced from public channels. We analyze data as of the end of September 2024 but do not guarantee its accuracy or completeness. The views here reflect our analysis at the time of writing and may change with market conditions.

This report is for research and reference only and is not investment advice. Investors should make independent judgments based on their financial situation, risk tolerance, and investment goals or consult a professional advisor.

Investments carry risks, and market prices may fluctuate. Past performance is not indicative of future returns. We are not liable for any direct or indirect losses from using this report.

Data appendix

P1 Market Overview

- 01 - CoinGecko, <https://www.coingecko.com>
- 02 - Gate.io, <https://www.gate.io/trade>
- 03 - DefiLlama, <https://defillama.com/stablecoins>
- 04 - Wall Street, <https://www.wsj.com>
- 05 - FED, <https://www.federalreserve.gov>

P2 BTC Analysis

- 01 - CoinGlass, <https://docs.coinglass.com/reference/exchange-open-interest-history>
- 02 - SoSoValue, <https://sosovalue.xyz/assets/etf/us-btc-spot>
- 03 - CloverPool, <https://explorer.cloverpool.com/zh-CN/btc/insights-difficulty>
- 04 - BitInfoCharts, <https://bitinfocharts.com/bitcoin-distribution-history.html>
- 05 - DefiLlama, <https://defillama.com/chains/Bitcoin%20Sidechains>
- 06 - Web3Caff, <https://web3caff.com/zh/archives/106213>

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- 01 - CoinGlass, <https://docs.coinglass.com/reference/exchange-open-interest-history>
- 02 - SoSoValue, <https://sosovalue.xyz/assets/etf/us-eth-spot>
- 03 - Dune, <https://dune.com/hildobby/ethereum>
- 04 - Dune, <https://dune.com/queries/4193855>
- 05 - Dune, <https://dune.com/21co/ethereum-key-metrics>
- 06 - Dune, <https://dune.com/21co/ethereum-staking-and-withdrawals>
- 07 - L2BEAT, <https://l2beat.com/scaling/tvl>

P4 Other Major Public Chains

- 01 - Dune, <https://dune.com/ilemi/solana-staking>
- 02 - DefiLlama, <https://defillama.com/chain/Solana>
- 03 - Dune, <https://dune.com/ilemi/solana-dex-metrics>
- 04 - Dune, <https://dune.com/queries/3830496/6442441>
- 05 - Dune, <https://dune.com/queries/4037605>
- 06 - Artemis, <https://app.artemis.xyz/project/ton?from=projects>
- 07 - Artemis, <https://app.artemis.xyz/project/ton?from=projects>
- 08 - DappRadar, <https://dappradar.com/dapp/catizen>
- 09 - Artemis, <https://app.artemis.xyz/project/sui?from=projects>
- 10 - Artemis, <https://app.artemis.xyz/project/sui?from=projects>

Data appendix

P5 DeFi

- 01 - The Block, <https://www.theblock.co/data/decentralized-finance/dex-non-custodial>
- 02 - The Block, <https://www.theblock.co/data/decentralized-finance/dex-non-custodial>
- 03 - The Block, <https://www.theblock.co/data/decentralized-finance/dex-non-custodial>

P6 NFT and Gaming

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- 02 - MagicEden, <https://magiceden.io/popular-collections>
- 03 - CoinMarketcap, <https://coinmarketcap.com/view/gaming>
- 04 - DappRadar, <https://dappradar.com/blog/state-of-blockchain-gaming-in-q3-2024>

P7 Security Incidents

- 01 - Slowmist, <https://hacked.slowmist.io/?c=&page=3>
- 02 - Slowmist, <https://hacked.slowmist.io/?c=&page=3>
- 03 - Slowmist, <https://hacked.slowmist.io/?c=&page=3>

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- 02 - Rootdata, <https://www.rootdata.com/dashboard>
- 03 - Rootdata, <https://www.rootdata.com/dashboard>



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