CRYPTO'S TURNING POINT

3 COINS TO 10X YOUR INVESTMENT IN THE NEXT 12 MONTHS

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By Ian King, Editor of *Next Wave Crypto Fortunes*

The year was 2017. I was roaming the trade floor at the Consensus conference in New York City.

This annual gathering brings together crypto entrepreneurs, investors and enthusiasts. It's still the biggest conference of the year for crypto.

But something was different that year.

There was a buzz in the air like I'd never seen in crypto before. In years prior, the conference had been much smaller, full of "bitcoiners" and "end the Fed" types.

But that year, there were a hodgepodge of attendees.

There were suited financial-types who looked like they were on lunch break from Goldman Sachs. There were mohawked 20-somethings pulling up in Lamborghinis. In fact, over lunch, a friend introduced me to a 24-year-old kid who had left his job at Citigroup to run a $400 million crypto fund.

Even major companies like IBM and Deloitte were throwing their hats in the ring as corporate sponsors.

You see, this new asset class was finally going mainstream. People were making money — lots of it.

Up until 2017, crypto was a fringe movement. Nobody took it seriously.

But everything changed in 2017.

And it was all thanks to a "new" token called Ethereum. ("New" is relative — it had launched two years before.)

The world was finally waking up to Ethereum's promise.

Ethereum and its associated token Ether (ETH) suddenly piqued everyone's interest for one big reason: The protocol powered a global decentralized computer.

This eventually created a slew of new markets, such as:

- Decentralized finance — here, traditional finance becomes decentralized, and banks don't take a cut of every transaction.
- Web3 — a new way to control the distribution of digital media. It changed how we interact with the internet. It allows us to control our own digital identity and organize freely in new communities.
- Digital resources — everything from cloud storage to network bandwidth to computational power can now be bought, sold and rented without the need for a centralized organization.

And that's barely scratching the surface.

2017 was a lot like the dawn of the internet. We had no idea what was about to be ushered in.

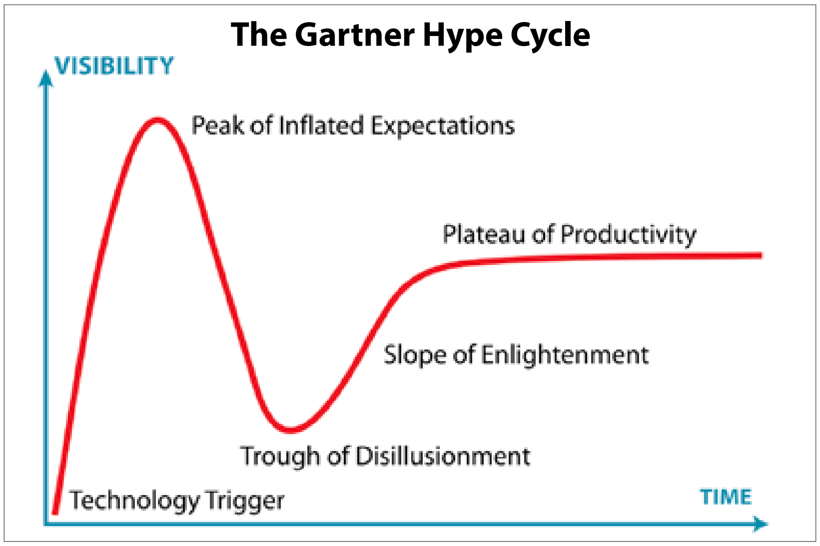
These new cryptocurrencies were coming to market in a process called an "initial coin offering," or ICO.

There were similarities to the dot-com boom of the early 2000s. New companies (or tokens) were popping up overnight. People were making loads of money.

The key difference between the two? Crypto was much bigger.

In fact, the crypto mania of 2017 went *global*.

Unlike dot-com stocks, which required registering with the SEC, investment banks and legal fees — anyone could piece together a white paper, drum up some social media buzz, and usher a new token into the world.



Thousands of new cryptos launched, promising new solutions to real-world problems.

What investors should have realized back then, though, is that the crypto mania was following the classic Gartner hype cycle.

The 2017 crypto rush followed this cycle precisely.

Crypto was the "technology trigger." It kicked off a mania.

At the height of a classic mania is the "peak of inflated expectations." That's when investors think a new technology will solve all the world's problems overnight.

However, in this case, the hype was bigger than the reality.

Even though 2017 thrust crypto into the limelight, its underlying technology wasn't ready for prime time.

Take Ethereum, for example.

The Ethereum network was too slow and expensive to use. It was difficult to buy new tokens. The storage solutions weren't ready. The user experience was clunky.

As a result, the 2017 bull market dissipated as quickly as it began. And we headed straight into the next step of the hype cycle: the trough of disillusionment.

The following year, nobody wanted to talk about crypto at cocktail parties. If you brought it up at the Thanksgiving table, Aunt Angie wasn't passing you the gravy.

Consensus was giving away tickets to its conference. The once standing-room-only talks were now half empty.

And Ethereum dropped 95% from its highs.

In a normal world — in a normal asset class — a 95% drop is a death knell. But crypto wasn't just another disruptive business.

Cryptocurrency is a revolution — the world's first digital religion where the die-hards plan on "diamond fisting" their tokens to the grave.

So after the 2017 tourists had fully been weeded out, another mania appeared in 2020.

Thanks to a bull market in stocks — helped by pandemic-related stimulus — crypto was again the talk of the town.

This wave brought along more adoption.

Every major trading platform started allowing access to Ethereum and bitcoin. Entrepreneurs were resigning from traditional tech companies to build new crypto businesses.

And a wave of venture capital flooded into the space like never before.

But once again, the mania faded over the next couple of years.

As Warren Buffett likes to say: "Only when the tide goes out do you discover who's been swimming naked."

Again, this wasn't a normal tide. The water went out in a freakish manner as if a tsunami was approaching.

In 2022, flawed protocols like LUNA went bust, bringing down crypto hedge funds and lending platforms. (I alerted subscribers on December 22, 2021, to the structural issues with LUNA, and those who listened were able to exit for 18,325% gains on the second half of our position!)

But even I didn't foresee the ensuing collateral damage that eventually brought down major players like FTX, Celsius and Voyager.

Again, the bears emerged, triumphantly claiming the end of crypto.

But we've seen these obituaries before...

Mainstream headlines just *love* to call for the end of crypto.

"Crypto prices are tumbling. The future is murky." — ***The Washington Post***

"Crypto's 'Death Spiral.' " — *The New York Times*

"Here are 3 reasons why Warren Buffett says crypto 'will come to a very bad ending' " — Yahoo

But what these headlines miss is one key fact: What doesn't kill crypto makes it stronger.

We are in the process of shaking off this latest bear market. This is a classic accumulation stage where prices bounce along the bottom within a small range.

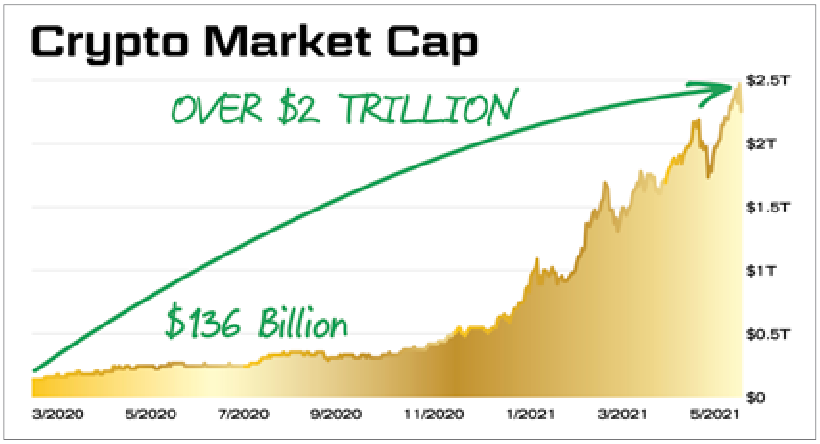
A turning point is approaching.

And I believe this will bring us to the next step in the Gartner hype cycle. We're finally ready to move out of the "trough of disillusionment" into the "slope of enlightenment."

This is the point in a new technology where real-world solutions are brought to market, and the technology begins rapid adoption.

All of this leads me to believe that we're about to see a brand-new bull market in crypto.

And the best part? At the start of this new bull market, Ethereum and bitcoin are at the same prices as their 2017 peaks.



Imagine owning six years of rapid progress and getting the same price as 2017!

But most investors don't even know this new bull market is approaching...

They will soon, though.

Because historically, every time crypto comes out of a downturn like this — the market has always gone on to hit record price after record price.

Remember the crypto market back in 2020? It was beaten down — lost beyond repair.

But in December 2020, it started a run-up that saw it turn from a beaten-down market cap of $136 billion to a value of more than $2 trillion.

That's why I'm so excited to share this report with you now.

Because if I'm right again — just as I was the last two times the market was down — the three picks in this report could multiply your money at least 10 times over.

Check out the last time I called for a bull market in crypto back in 2020.

My readers saw:

- A 430% gain on Balancer in six months.
- Peak gains of 15,000% on Solana within the year.
- 594% on Nexus Mutual within six months.

I'm confident we could see gains like these again. And they're all thanks to two key indicators I use to pinpoint wins...

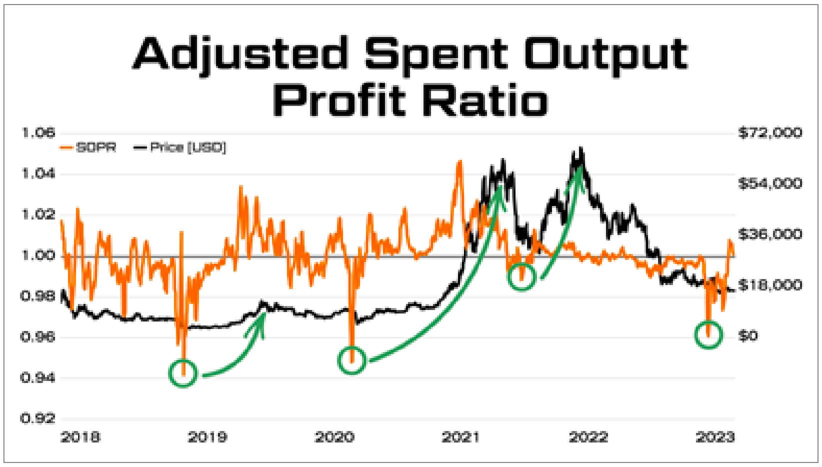
MY TOP 2 INDICATORS

I've been tracking two important metrics that are unique to the crypto market — and unless you're deep into the everyday mechanics of crypto, like I am — you won't even know these exist.

These are two of the most important signs pointing to what's called "market capitulation" — the point of maximum pessimism.

Here's what I look at:

1. The amount of bitcoin investors selling at a loss.
2. Miner capitulation.



The first one I look at is the number of bitcoin investors who are selling positions at a loss.

And recently, bitcoin investors sold for a record loss of over $10 billion.

Look at this chart on the right.

This chart shows data taken directly from the blockchain — showing what's called the Adjusted Spent Output Profit Ratio. It indicates whether bitcoin holders are selling at a profit or loss.

That's the orange line on the chart. When the orange line goes above the center line, they're selling at a profit. And below the line — they're selling at a loss.

And as you can see, in 2018, 2020 and 2021 — every time this line hits a low point — when investors are bailing and selling at a loss...

The price of bitcoin reverses course and rallies back to a new record.

And we just hit the lowest point we've seen since 2018.

According to industry site Glassnode, this sell-off was one of the largest ever.

So this really is the best time to be investing in crypto.

Because — I cannot emphasize this enough — every time that line hits bottom...

The market doesn't just spring back — it launches to new highs.

And the second indicator I look at is something called "miner capitulation."

Bitcoin miners are the ones keeping the bitcoin blockchain going.

They use high-speed computers to verify every transaction on the chain — and to provide this verification service — they earn actual bitcoin.

These miners are not enjoying the recent downturns, to put it mildly. In November, following the crash of FTX, industry insiders reported a massive capitulation of these miners, as you can see by all the red on this chart.

This price crash means miners are losing money and slowing down their mining activities.

Basically, bitcoin miners are going broke. Not only that — but they're shutting down their computers and quitting.

Miner capitulation can be a sign of a bottom. Industry website BCNEWS.com reports:

"... miner capitulation is usually the last stage of a bitcoin bear market."

And even better, it also reports that historically, miner capitulation lasts about 48 days — on average.

Now you might ask: "Ian, if the miners are capitulating, why is this a good thing?"

And that's a great question because it sounds counterintuitive. However, what we see with these miner capitulations is the smaller miners — the ones who bought a few on eBay and are doing this to turn a small profit — giving up.

This is important because it's the smaller miners that mine and sell, in order to recoup their costs on energy and mining rigs.

The larger mining companies are usually longer-term holders of bitcoin. So when there's capitulation that gets rid of the "mine and dump" miners, it removes a natural seller from the market.

So, if miner capitulation is the last stage of a bear market, and historically, these capitulations last about a month and a half…

We're now right at the beginning of the next major leg up in crypto prices … and investors don't even know it's happening yet.

Every time crypto comes out of a bear market, it's gone on to hit record prices.

Let's look at the chart for bitcoin, which is the benchmark for the entire crypto market.

As you can see, since the very beginning in 2010, every time the price of bitcoin retreats, it soon rebounds…

And then goes on to hit new records.

And this pattern has played out over and over — for 12 years now.

I expect it to continue repeating for years to come.

And that's why I'm so excited to be investing in the three picks in this report.

Each one will help you get perfectly positioned now — because this will be the last chance to get into crypto at prices we're not likely to ever see again.

With these recommendations, we are specifically choosing three areas that crypto will revolutionize:

1. Gaming.

2. Web3.

3. Derivatives.

The way we play, connect to the internet and even invest are all set to change thanks to these coins. So, let's get started!

IMMUTABLE X (IMX)

Crypto is going to change everything about how we interact with the internet. It will allow us to control our own digital identity.

There is no bigger target than the online games industry, which had a total addressable market of $92 billion in 2022.

And our first recommendation is helping to bring games into the crypto world.

This token solves a fundamental problem with crypto.

You see, Ethereum is still slow and costly to use. It's gotten faster and cheaper in the last few years, but it's not yet at peak performance.

The problem gets worse when there are multiple users making multiple transactions on the blockchain. Just last week, I tried to pay a local retailer in crypto, but using the Ethereum blockchain was going to cost me $22, because there was also a big NFT sale at the time.

That makes Ethereum unusable when it comes to applications like gaming. Gaming apps rely on users making many transactions a second in order to work.

[***Note***: Ethereum is currently working on fixing this issue with a series of upgrades that will take the blockchain from being able to handle 12 to 15 transactions per second (TPS) to being able to handle 100,000 TPS.]

In the meantime, there are solutions that can help Ethereum. They'll act as a complementary mechanism after the upgrades.

Ethereum is considered a Layer 1 blockchain. It's the foundation upon which other protocols are built. Think of it like Lego blocks that you can piece together and build new decentralized applications.

That's fine for new digital structures like decentralized finance and NFTs, but it won't work when you must handle millions of transactions simultaneously.

Solutions focused on improving the scalability of layer 1 chains are known as layer 2s. Over the years, several layer 2 solutions have been developed.

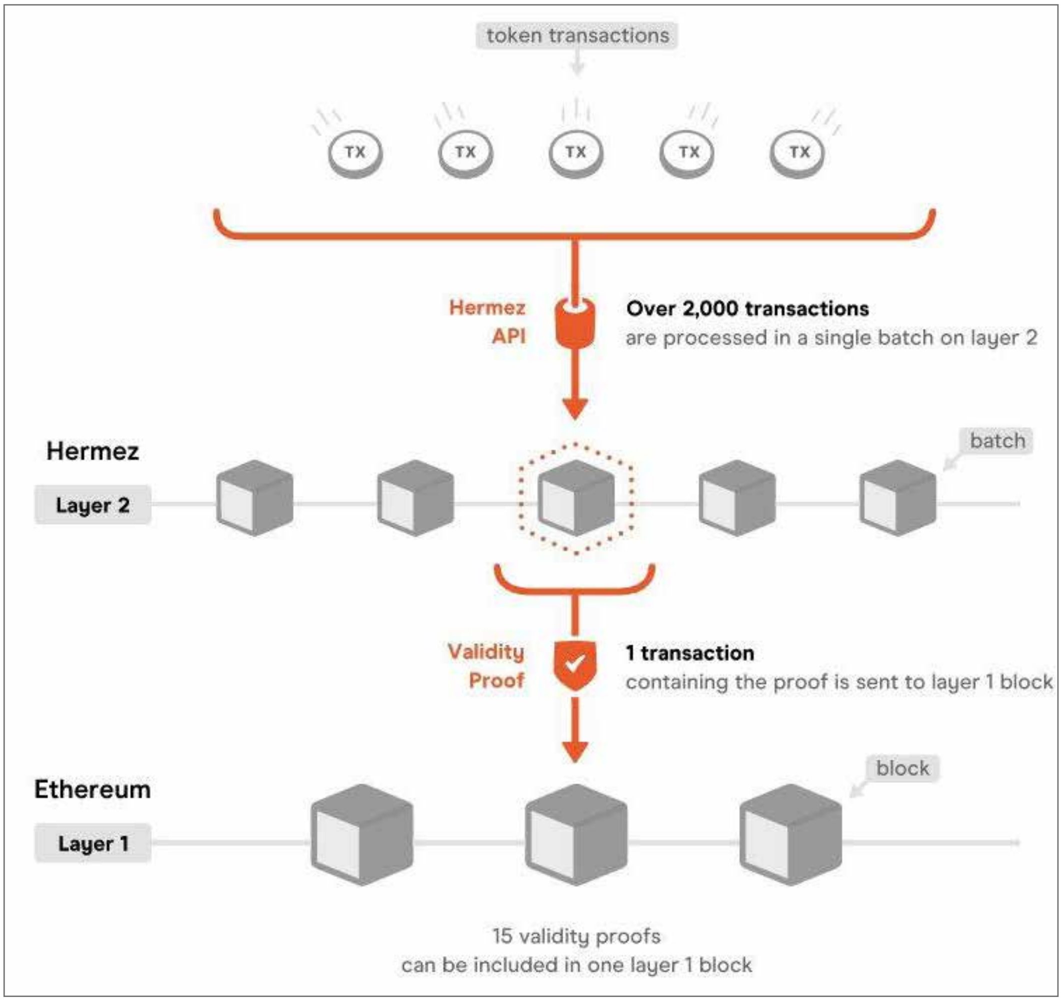
Think of it like this: Imagine how long it would take one person to paint your entire house. Now, imagine having a team of people to do the same job. That's the difference between a layer 1 blockchain and a layer 2 solution.

One type of layer 2 is called a zero-knowledge (ZK) rollup.

On layer 1s like Ethereum, the blockchain validates all the transactions in the first block on a chain, then moves on to the next block. It does the same thing all the way down the line. That's what slows the process down.

But with a ZK rollup, thousands of transactions take place off the layer 1 chain. They are then taken and rolled up into a single batch.

The layer 2 then generates a cryptographic proof that validates the batch of transactions and sends it back to the main blockchain. When the layer 1 verifies this one-proof transaction, by proxy, it verifies all the transactions in that batch.



ZK rollups are quite complex, however — and not without problems.

One drawback is that they are difficult to use for general purpose scalability on layer 1s. Thus, they have to be specialized for certain kinds of transactions.

A crypto protocol called **Immutable X (IMX)** has turned this weakness into an advantage. It's created a ZK rollup solution that specifically caters to NFTs and gaming.

And that means this solution has a ton of growth ahead.

WHAT IS IMMUTABLE X?

Immutable X is the first layer-2 solution for NFTs and play-to-earn blockchain games on Ethereum. It provides improved scalability thanks to its capacity to process 9,000 TPS.

If you're new to the crypto world, here's a quick run-down: Blockchain games are video games that use blockchain technology to create an immersive user experience. Players are able to buy, sell and trade in-game items with other players.

That's huge because blockchains allow for true ownership of digital items. That means users can take their own NFTs and play or create other games with them. Also significant? The game publisher can monetize the entire process.

Immutable X operates a marketplace that offers a wide range of NFT products, including art, games, virtual worlds, trading cards and collectibles.

With Immutable X's minting tool, users and developers can create a collection of NFTs or a series of characters and items for a game, without needing to write a single line of code.

They can then sell these products on the marketplace to other players and users who are looking to collect those NFTs or use those characters and items in the game.

Examples of games on Immutable X include *Gods Unchained* — a card game with 8,000 daily active players — and *Illuvium*, a fantasy role-playing game. (Notably, *Illuvium* was the first Metaverse blockchain game in history that received an AAA rating — which simply means it's a high-budget game with a large development team.)

IMX TOKEN

The IMX token is the native token for Immutable X and is responsible for many of the functions on the network.

Players can use IMX tokens to buy NFT products on the Immutable X marketplace. They can also receive this token as payment when they sell an NFT product.

For each sale or trade of an NFT, Immutable X takes a 2% fee. 20% of the fees collected are distributed to users who stake the IMX token.

Users can stake the token by holding IMX and voting on governance proposals that determine the future direction of the protocol. These proposals include things such as which game developers to fund or how to reward players who play certain games.

This is where the rest of the 80% of fees usually goes. The stakers — who make up the IMX community — decide to invest in promising games that will help the protocol grow, or they decide to incentivize players with IMX to bring in new players and keep existing players on games in the Immutable X ecosystem.

Currently, 40% of the total 2 billion IMX tokens is in circulation. While the rest of the tokens will be released over time, this is largely up to the stakers who govern the protocol. They can use it to fund games and projects, or incentivize players in a way that ultimately grows the protocol.

THE FUTURE OF IMMUTABLE X

Immutable X's ultimate success will depend on the number of games on its platform and the number of users those games attract.

When the platform first took off in early 2021, its marketplace generated $206,628 in sales for the May quarter. But by January 2022, monthly sales jumped all the way to $53.66 million.

Since then, the marketplace saw a decline thanks to a broader downturn in the crypto markets. But after hitting a low of $5.65 million in July, it has been rebounding and climbed to $14.15 million by December.

This momentum is likely to continue in 2023 and beyond thanks to several games and projects that are in the works.

One of these games is *Illuvium*, a free-to-roam open world game where players can explore and collect creatures that they can battle, upgrade and trade to other players.

This is set to become the first AAA game in the crypto world, and as such, it is highly anticipated. The game is still in its beta phase, but is set to launch later this year, which would bring thousands of players to Immutable X.

Another AAA game called *Angelic* is set to do the same as it gears up to launch on Immutable X. This is another long-awaited game because the developers behind it are veterans from well-known AAA titles such as *Far Cry*, *Destiny*, and *Diablo Immortal*, which have sold millions of copies within the first week of release.

Immutable X is also set to benefit from its recent partnership with GameStop. The company announced last year that it would be building an NFT marketplace on Ethereum. It chose Immutable X to help build it.

As a result, Immutable X will get a boost from players who head to GameStop's marketplace, since Immutable X will make current and future games and projects available on GameStop.

Given all this future growth, I expect the token to return 10X.

So here's how you can add this to your portfolio.

Action to take: Buy Immutable X (IMX).

Here are the details:

BUY ACTION TO TAKE	
Crypto:	Immutable X (IMX)
Buy-up-to:	Refer to our portfolio for up-to-date guidance.
Exchange:	Buy on Coinbase.
Store it on:	Coinbase.

RENDER (RNDR)

Our next crypto coin is a blockchain-based solution for computer-generated images (CGI).

First, to fully understand the demand in the CGI space, we have to look back at the earlier days of this technology.

Take the 90’s cult classic *Jurassic Park*, for example.

When Steven Spielberg filmed this movie, he was adamant about using practical effects throughout the entire movie.

However, he soon realized it would be impractical and too expensive.

So he combined CGI with practical effects instead to achieve what is considered one of the most groundbreaking movies in this technology today.

Back then, working with CGI was *incredibly* difficult.

The most CGI-dense scenes were the ones with the T. rex, created by Steve “Spaz” Williams, a CG animator who helped work on the film.

Each frame of CGI required for the T. rex took *hours* to develop. So Spielberg used CGI sparingly, resulting in around 63 computer-generated effects in the film.

Since then, CGI technology has come a long way. Think of the use of technology in the first Jurassic Park compared to the second Avatar movie, where only 2% of the film is CGI-free.

But not just movies have come a long way with this technology.

Computer-generated images, effects and animations can be seen in everything from video games to advertisements.

STATE OF CGI TODAY

Don’t let the progress fool you — the process of CGI is still challenging to produce. Generating and rendering these graphics takes a ton of work.

The process requires several graphic processing units (GPU) designed to accelerate the rendering of 3D graphics. These GPUs can be found in most computers, tablets and smartphones.

It takes data from the video game files and renders it to show you the 3D images on your screen.

Big movie studios and major video game designers rely on GPU farms to build their CGI content.

These farms have hundreds or thousands of GPUs that can be programmed to speed up the CGI rendering process.

Now here's the problem.

If you're a small studio or an indie game developer, you can only get access to this level of rendering by paying GPU farms to do it.

However, there aren't many commercial render farms out there.

This means there are often long queues to access these farms, and once you do, the costs per rendering job can be incredibly high.

WHAT IS RENDER?

Enter — the Render Network: A blockchain-based solution to rendering problems.

The network comprises operators with computers that meet specific minimum requirements regarding internet connectivity, storage space and, most importantly, GPU capacity.

These operators can continue using their computers for their own needs, while the excess GPU and storage capacity can be lent to the Render Network.

The network will connect these machines across its blockchain to create a cluster of GPUs that can render CGI. The network is essentially a render farm, where the machines aren't all in one room.

Today, render is commonly used to develop videos, high-resolution images, non-fungible tokens (NFT), parts of the metaverse and 3D animations.

Render is a project created by a rendering services company called OTOY.

OTOY has a strong track record in the rendering space, and its platform has been used to create graphics in notable movies and shows such as Star Wars, *Ant-Man and the Wasp*, *Avatar* — even *Westworld*.

The company's work also received four of five Emmy nominations in 2018's "Outstanding Title Design" category.

This has allowed the company to gain credibility in the film industry and onboard advisors, like director J.J. Abrams, for its Render Network project.

OTOY also managed to score partnerships with Meta Platforms for rendering images and video captured by its VR cameras and with Unity software to render graphics on its game engine, used by about half of the video games being made today.

OTOY started the Render Network project in 2016 to make its tools more accessible *without* overspending to build render farms.

The result was a rendering service 10 to 100 times faster than its competitors and over 50% cheaper.

RNDR TOKEN — HOW DOES IT WORK?

This brings us to the Render token, the native token of the Render Network.

It is used as the payment medium for rendering jobs on the network.

First, users submit their jobs to the network, which it then automatically calculates the amount of RNDR required to perform the job.

This data is then broadcast to operators across the network, where GPU operators with the unused capacity process the requested job. They are then compensated for their work using the RNDR that the user paid.

Render also offers RNDR credits, available for purchase on its platform using PayPal or Stripe. That way, those unfamiliar with cryptos can also submit jobs on the network.

These credits are backed by RNDR tokens and traded 1-to-1 with them.

The Render Network charges a fee between 0.5% and 5% on each transaction, with a specific amount depending on the type of job and transaction.

This amount goes to a pool of funds used for operational costs and the future development of the network. There is a maximum supply of 536 million RNDR tokens — 69% of it has been released.

With each RNDR token worth approximately $2.22, the token has a market cap of $824 million.

FUTURE OF RENDER NETWORK

The RNDR token has been up over 450% since the start of the year and given the rise of artificial intelligence, it has more room to run.

With the advent of AI image generation software like DALL-E, Midjourney and StarryAI, the frontend in CGI development is getting much easier to work with.

Artists and designers no longer need to spend hours creating images and scenes in 3D-modeling programs.

Instead, they can save time using AI as a starting point because these new tools can generate designs with as little input as a text-based description of what you want.

As this technology progresses, it will make it easier for creators to develop CGI content in games, videos and NFTs.

But all this CGI content will still need to be rendered on the backend using services such as the one provided by the Render Network.

Thankfully, Render is well-positioned to meet this rise in demand.

In 2018, the Render Network's GPU rendering capacity grew to a point where it exceeded that of Google *and* Amazon Web Services.

Since then, it has turned some of these big-name companies into partners. Both Google and Microsoft are now GPU operators who lend some of their idle capacity to the Render Network.

Additionally, it has a list of around 100,000 operators waiting to add their GPU capacity to the network.

But this project has a growth angle beyond rendering graphics. Users have found a new application for the Render Network.

Ultimately the network is just a collection of high-performance GPUs working together.

In other words, it is exactly the type of network used to train and develop large language AI models such as ChatGPT and most other popular generative AI applications.

This has brought a new type of customer to Render — those who want to rent out the network to develop and deploy their own AI models.

Given these factors, Render could become a major player in the field of AI in the future.

Action to Take: Buy Render (RNDR).

Here are the details:

BUY ACTION TO TAKE	
Crypto:	Render (RNDR)
Buy-up-to:	Refer to our portfolio for up-to-date guidance.
Exchange:	Buy on Coinbase.
Store it on:	Coinbase.

PERPETUAL PROTOCOL (PERP)

Our final crypto recommendation is in the world of decentralized finance, or DeFi.

In traditional financial markets, derivatives are everywhere in the form of options, futures and forwards, and swaps. They started out as tools that allow you to manage the risk of an underlying asset without actually trading the asset itself.

But derivatives have come a long way. Now, they also help with functions like price and information discovery. For example, commodity futures can reveal what producers, consumers and investors expect from the market at various points in the future.

Derivatives also have several operational benefits compared to spot markets. They tend to be more liquid, since lower amounts of capital are required to trade derivatives as compared to the underlying asset itself.

Derivatives also tend to have low initial margins and premiums compared to cash market transaction costs. They also reduce the costs associated with taking a short position.

So, it's no surprise that DeFi projects are looking to bring derivatives trading into the world of crypto. Only in this case, the underlying assets are cryptocurrencies.

But that's just the start. Eventually, all securities will be tokenized and run on blockchains. It just makes them easier to track and manage.

One project already bringing decentralized futures to life is **Perpetual Protocol (PERP)**. This project operates a DeFi market that provides access to futures contracts on ETH, BTC and other cryptos.

WHAT ARE PERPETUAL FUTURES?

Perpetual Protocol offers a specific type of futures contract called perpetual futures. These products were offered initially on centralized exchanges such as Bitmex, Binance and Bybit, but are now available on DeFi platforms.

In a traditional futures contract, there is an expiration date, which acts as the settlement date for contract. In the world of cryptos, it would look something like this:

- A trader enters a futures contract today to buy Solana (SOL) at $30 per token on July 31.
- On July 31, regardless of the market price for SOL, the trader is obligated to buy SOL for $30 per token.
- If the market price of SOL is $40 on July 31, the trader will buy SOL at $30 and turn around and sell it at the market price and gain $10 per token.
- If the market price of SOL is $20 on July 31, the trader will buy SOL at $30, and end up with an unrealized loss because he could have bought it at market price for $10 cheaper.

However, in perpetual futures, there are no expiration dates or settlement dates, so it would look like this instead.

- A trader enters a perpetual futures position today to buy SOL at $30 per token at an unspecified future date.
- The trader can keep the position open as long as they want or close it wherever they want.
- If the market price of SOL rises to $40, the trader will receive periodic payments as the price rises from the contract price of $30 to $40. At this point, he can close the position and keep the gains, or he can keep it open in hopes that the price will rise further.
- If the market price of SOL drops to $20, the trader will be required to make periodic payments as the price drops from the contract price of $30 to $20. At this point, he can close the position and take the loss he has suffered so far, or he can keep it open in hopes that the prices will rise.

This is what sets perpetual futures apart. A trader can keep their position open as long as they want — but only as long as they have the funds to pay into the contract to maintain their position if the price action is against them.

This process works because of something called a funding rate. The funding rate is paid periodically and provides incentives to either side with open long positions or open short positions.

When the price of the perpetual contract is trading above the price of its underlying asset, the funding rate becomes positive and longs pay shorts. When the price of the perpetual contract is trading below the price of its underlying asset, the funding rate becomes negative and shorts pay longs.

TOKENS OF PERPETUAL PROTOCOL

Perpetual Protocol utilizes two main tokens, USDC and PERP. The stablecoin USDC —

which is pegged to the U.S. dollar — is what traders use to enter trades. It's also what traders pay or receive depending on the funding rate.

In these trades, traders pay a transaction fee in USDC. 50% of these fees go to an insurance fund and 50% gets converted into Perpetual Protocol's native token PERP. This is then paid out as rewards to users who stake PERP.

The purpose of staking PERP is to act as a backstop in cases where the insurance fund is not enough.

If there are emergencies that cause traders to pull out of their positions abruptly, the insurance fund is the first line of defense and will ensure that the protocol is capable of keeping up with liquidations.

However, in cases of massive market sell-offs and steep downturns, the protocol will sell the PERP tokens in staking pools at market price to gain the liquidity to satisfy all the traders exiting their positions.

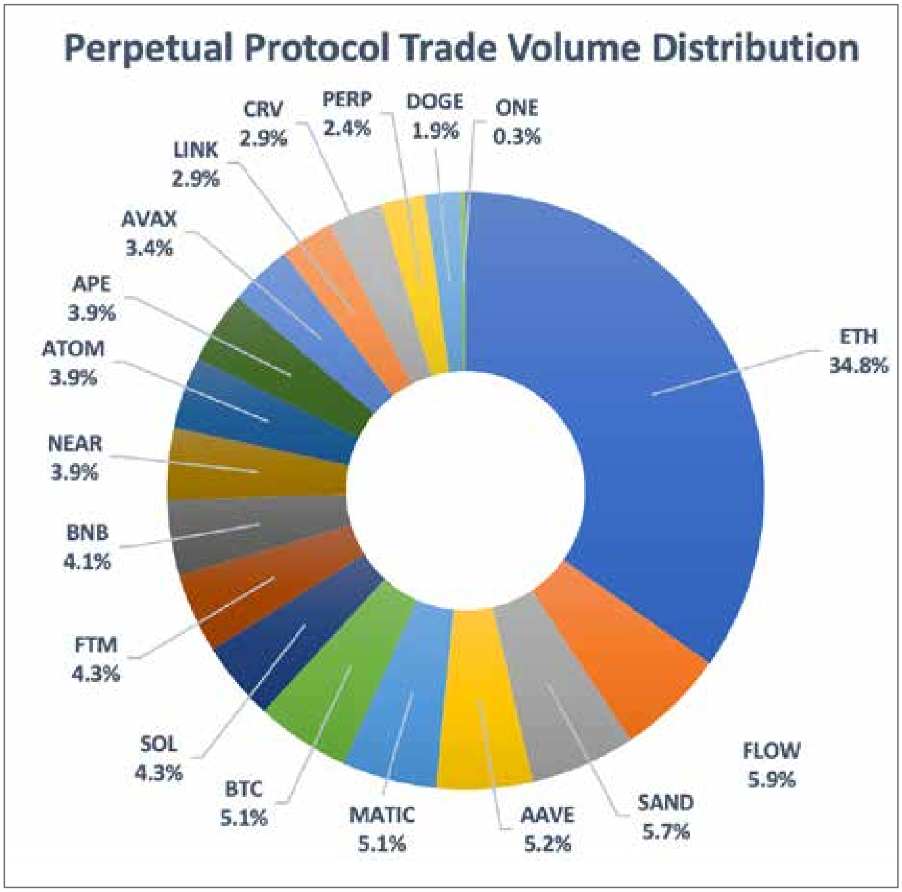
PERP stakers are paid rewards because they are shouldering the risk that they could lose everything they staked.

PERP is also used as a governance token where token holders can vote on the future direction of the protocol. In the initial stages, many of the decisions will be made by the core development team, but eventually the Perpetual Protocol aims to be a project that is led by PERP stakers and holders.

Currently, about 44% of the total 150 million PERP tokens are in circulation. The rest will be released as rewards for active users on the platform depending on the reward structures the stakers and token holders vote on.

FUTURE OF PERPETUAL PROTOCOL

There are now 19 tokens available for perpetual futures positions on the Perpetual Protocol. The most popular transaction is currently ETH.



$34 million worth of transactions currently take place daily on the Perpetual Protocol. This figure has been on the rise since late November 2022 when daily volumes were as little as $3.19 million.

That's over 10X growth in less than four months. There's plenty of room to grow as Perpetual gains in popularity. Although Perpetual only supports 19 tokens now, it has plans to add more, which is expected to bring in more users and raise transaction volumes.

In the longer term, Perpetual plans on adding more than just cryptos. This same perpetual futures contract system can be engineered for anything from gold to fiat currencies to stocks.

As a result, I expect this crypto could grow 3,000% from current prices over this decade.

So here is your action to take:

Action to take: Perpetual Protocol (PERP).

Here are the details:

BUY ACTION TO TAKE	
Crypto:	Perpetual Protocol (PERP)
Buy-up-to:	Refer to our portfolio for up-to-date guidance.
Exchange:	Buy on Coinbase.
Store it on:	Coinbase.

WELCOME TO CRYPTO'S TURNING POINT

There you have it — my top three cryptos set to 10X your investment.

Before I leave you to your trading, I have important tips to share…

Risk assessment: While I think these assets are great buys, I always want you to be aware of the risks.

Double-digit swings are normal for these cryptos. I have a profit-managing strategy in place to protect us, but it's good to be aware of the volatility. If these are your first crypto trades, don't worry — we have you covered!

We have educational resources to help you get started.

On our Getting Started page, we have:

- ***Mastering Next Wave Crypto Fortunes*** — This report details step-by-step instructions on starting your first Coinbase account.
- ***Glossary of Terms*** — A glossary of detailed crypto terms to help you navigate the world.
- ***Inside the World of Cryptos*** — This is a tutorial series on helping you get set up with crypto wallets and exchanges.

If you have any other questions, you can email my team and me at NextWave@BanyanHill.com.

And tune in to my webinars every Thursday for the latest updates!

Regards,

Ian King
Editor, *Next Wave Crypto Fortunes*

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