

202501MResearch

1. Core Viewpoint

At the end of 2024, driven by the recovery of regulatory sentiment and the influx of institutional funds, the market value of cryptocurrencies briefly exceeded US\$3.91 trillion, and Bitcoin hit a record high of around US\$108,000. However, after entering the beginning of 2025, the market seemed to shift from the previous high-speed rise to a shock consolidation phase, and the overall volatility increased. Some analysts pointed out that investors are paying close attention to macroeconomic changes and a series of policies supporting cryptocurrencies that the new Trump administration is about to introduce, leading to short-term uncertainty in market sentiment.

In January 2025, the Federal Reserve paused its rate cuts as expected, and the cryptocurrency market showed a significant divergence between price and computing power. Bitcoin (BTC) opened at \$93,347.59 and closed at \$102,411.26, up 9.7% and 21.78%, hitting an intraday record high of \$109,358.01, with trading volume shrinking from the previous month. Its computing power rose slightly from 810.59 EH/s to 835 EH/s, an increase of about 3%. At the same time,

the price of Litecoin (LTC) fell from \$113.4 to \$98.36, a drop of about 13%, but the computing power increased from 1.84 PH/s to 2.14 PH/s, an increase of about 16%, reflecting that miners remain confident in future profitability, even if the market is weak in the short term. In contrast, the situation of Zcash (ZEC) is more serious, with its price plummeting from \$58.4 to \$27.9, a drop of 52%, while the computing power has only increased slightly by about 4% (from 7.95 GSol/s to 8.27 GSol/s), which shows that the market's confidence in ZEC pricing has been greatly weakened, but the basic security of the network has not been seriously affected. Overall, the market data in January 2025 reveals a general trend: despite the general decline in prices in the short term, the continued or even rising activity of miners and computing power shows trust and support for the long-term value of these blockchain networks.

In the macroeconomic context: The recent poor performance of US economic data, coupled with global inflationary pressure and the expectation of the Fed's interest rate hike, has put high-risk assets under certain constraints. Rising capital costs and tightening global liquidity have put short-term pressure on demand for cryptocurrencies. After the new Trump administration takes office, the market expects that it will launch measures including the establishment of a cryptographic working group, the creation of a

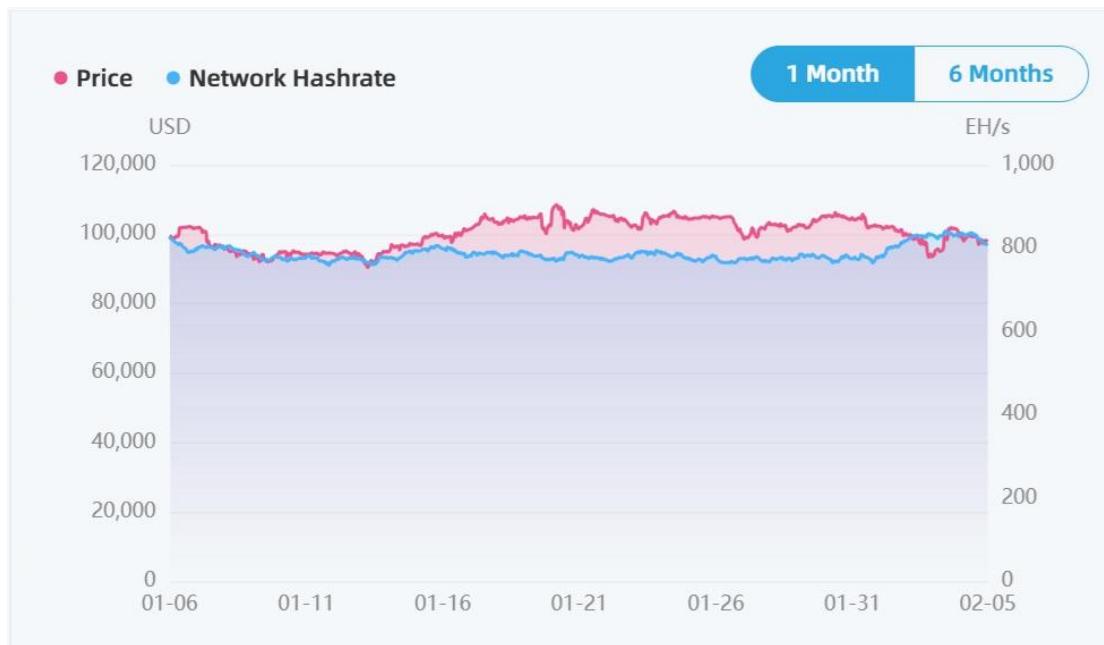
strategic Bitcoin reserve, and the promotion of spot Bitcoin ETFs. These policies are expected to boost market confidence and institutional participation in the medium and long term. However, the uncertainty of policy implementation and external factors such as trade frictions and tariffs have also caused the risk of large market fluctuations in the short term.

We believe that although the overall market is in a state of adjustment, the total locked value in the DeFi field and the NFT market in some segments still show signs of activity. Institutions and project parties continue to explore the tokenization of real-world assets, bringing new growth points to the industry.

Mainstream crypto assets such as Bitcoin are gradually promoting the application of second-layer technologies including the Lightning Network, which will help reduce transaction costs, increase processing speeds, and further enhance the actual application value of cryptocurrencies in payments and cross-border transfers.

2. Currency trend in January 2025

BTCTotal network computing power and price trends
(2025/01/06- 2025/02/05)



LTC Total network computing power and price trends
(2025/01/06- 2025/02/05)



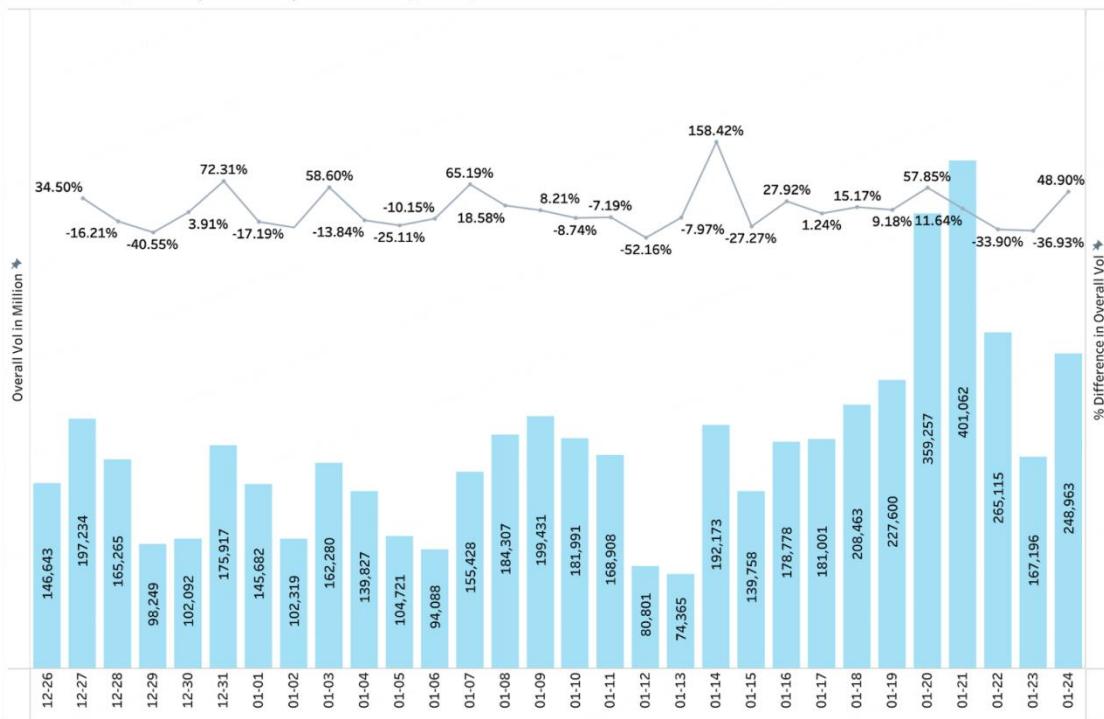
ZEC Total network computing power and price trends
(2025/01/06- 2025/02/05)



3. Crypto market situation analysis

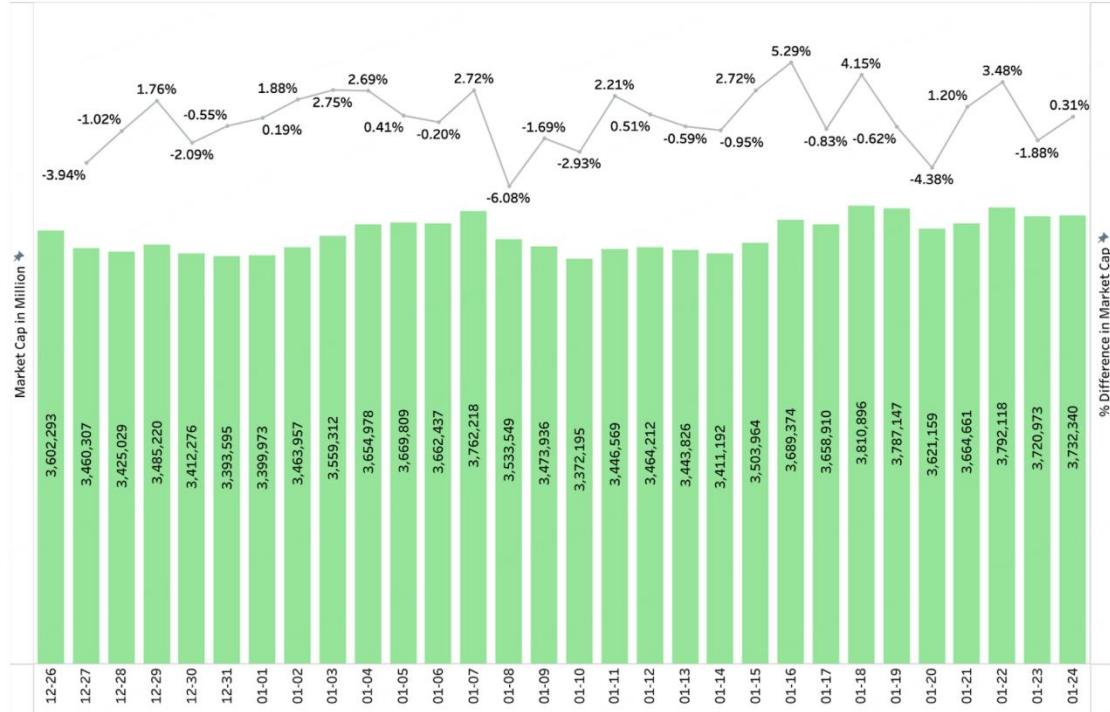
The crypto market has seen a decline in trading activity over the past month, with an average daily trading volume of \$174.9 billion, down 40% from the previous cycle's daily average. On January 20, affected by Trump's inauguration, market trading activity rebounded.

Market Trading Volume (Million USD) and Percentage Change



As of January, the total market value of cryptocurrencies was \$3.73 trillion, up 10% from the previous month. Among them, BTC accounted for 57.4% of the market and ETH accounted for 11.3%. Due to factors such as weak prices, low market sentiment and strong competition from Solana, ETH's market share has declined slightly.

Market Capital (Million USD) and Percentage Change



Among the popular new tokens in January, TRUMP's market value soared rapidly after it was listed on DEX, reaching a maximum of \$14.74 billion, setting a record for the fastest listing on an exchange. The next day, Trump's wife's token MELANIA was also launched, triggering heated discussions in the market about the Trump family's "conspiracy to harvest", and also set off a wave of FOMO emotions of celebrity memes.

Token	Token Fullname	CoinGecko/CoinMarketCap	Exchange
TRUMP	OFFICIAL TRUMP	https://coinmarketcap.com/curr_encies/official-trump/	BiMart, Binance, OKX, Coinbase, Bybit, Bitget, HTX, Kucoin, Gate, Mexc, Lbank, Phemex, Poloniex
MELANIA	Official Melania Meme	https://coinmarketcap.com/curr_encies/melania-meme/	BiMart, Bitget, HTX, Kucoin, Gate, Mexc, Lbank, Phemex
BIO	Bio Protocol	https://coinmarketcap.com/curr_encies/bio/	BiMart, Binance, OKX, Bitget, HTX, Kucoin, Gate, Mexc, Phemex
PLUME	Plume	https://coinmarketcap.com/curr_encies/plume/	BiMart, Bybit, HTX, Bitget, Kucoin, Gate, Mexc
SONIC	Sonic SVM	https://coinmarketcap.com/curr_encies/sonic-svm/	BiMart, OKX, Bybit, Bitget, Kucoin, Gate, Mexc, Lbank, Phemex
BUZZ	Hive AI	https://coinmarketcap.com/curr_encies/hive-ai/	BiMart, Bitget, HTX, Gate, Mexc, Lbank, Phemex, Poloniex
SOLV	Solv Protocol	https://coinmarketcap.com/curr_encies/solv-protocol/	BiMart, Binance, Bybit, Bitget, HTX, Kucoin, Gate, Mexc, Lbank, Phemex
GPS	GoPlus Security	https://coinmarketcap.com/curr_encies/goplus-security/	BiMart, Bybit, Bitget, Kucoin, Gate, Mexc, Phemex

On-chain data analysis

In mid-December, BTC prices were not significantly affected after a brief correction, and the stimulus effect of Trump's economic policies continued. On January 20, with Trump's official inauguration, BTC prices were once again strongly driven to achieve significant gains. In January, BTC ETF fund inflows continued to increase, with a total inflow of up to US\$14.16 billion, pushing BTC prices from US\$93,425 to US\$102,052, a year-on-year increase of 9.2%. In addition, on January 20, BTC prices further hit a record high of US\$108,228, showing the market's strong confidence in BTC in the current macroeconomic environment and the growth of safe-haven demand.

Compared with BTC, ETH's market performance this month is still sluggish. ETH ETF funds have a small outflow of \$369 million, a year-on-year decrease of 2.97%, and the price has dropped from

\$3,332 at the beginning of the month to \$3,278, a drop of 1.62%. On December 17, when BTC hit a record high of \$108,135, the price of ETH was \$4,078. On January 20, when BTC hit a record high again, the price of ETH had fallen to \$3,439, showing its continued downward trend. Even though Trump's inauguration caused market fluctuations, this good news failed to change the market's more cautious investment attitude towards the Ethereum ecosystem.

BTC	1.Jan	21.Jan	Chg%
Monthly Total Net Inflow		\$14.16B	
Total Net Assets (USD)	\$109.42B	\$123.59B	12.9%
Open Price (USD)	\$93,425	\$102,052	9.2%
ETH	1.Jan	21.Jan	Chg%
Monthly Total Net Inflow		-\$369M	
Total Net Assets (USD)	\$12.44B	\$12.07B	-2.97%
Open Price (USD)	\$3332	\$3278	-1.62%

Stablecoin inflows in January were approximately \$5.492 billion, mainly from USDC, USDT, and DAI

The stablecoin market continued its strong growth momentum in January, which was particularly significant due to the stimulus effect of Trump's economic policies. Among them, USDC became the main driver of growth this month, with the circulation increasing by about

US\$4.3 billion, accounting for a significant share of the expansion of the stablecoin market. The positive impact of Trump's official inauguration this month prompted a large amount of US funds to flow into the crypto market.

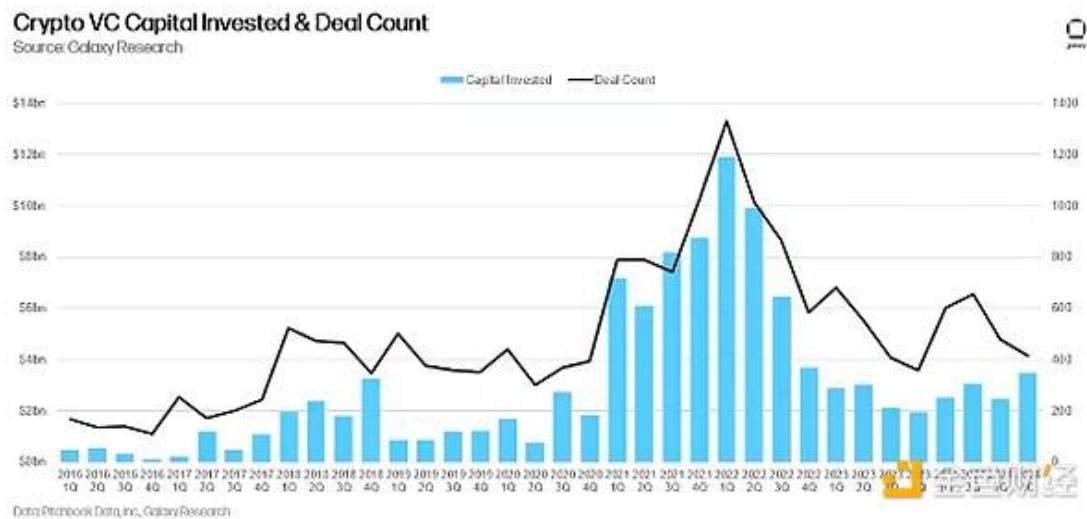
StableCoin	1.Jan	21.Jan	Chg%
Total	194,601,692,842	200,093,745,402	2.8%
USDT	140,686,000,000	141,595,000,000	0.6%
USDC	42,697,000,000	47,098,000,000	10.3%
DAI	4,346,718,172	4,656,924,005	7.1%
USDE	5,962,200,288	5,860,659,405	-1.7%
PYUSD	497,621,755	559,260,090	12.3%

Solana has broken the \$260 resistance, which shows that the bulls are trying to establish their dominance. There is a minor resistance at \$274, but this level is expected to be crossed. If the buyers push the price above \$274, the SOL/USDT pair could surge to \$295. Although this level might act as a strong resistance, if it is conquered, the next target would be \$375. The 20-day exponential moving average (\$228) is a critical support on the downside. If the price breaks down and closes below the 20-day EMA, it will suggest that the bulls have given up and the price could drop to the 50-day simple moving average (\$211).

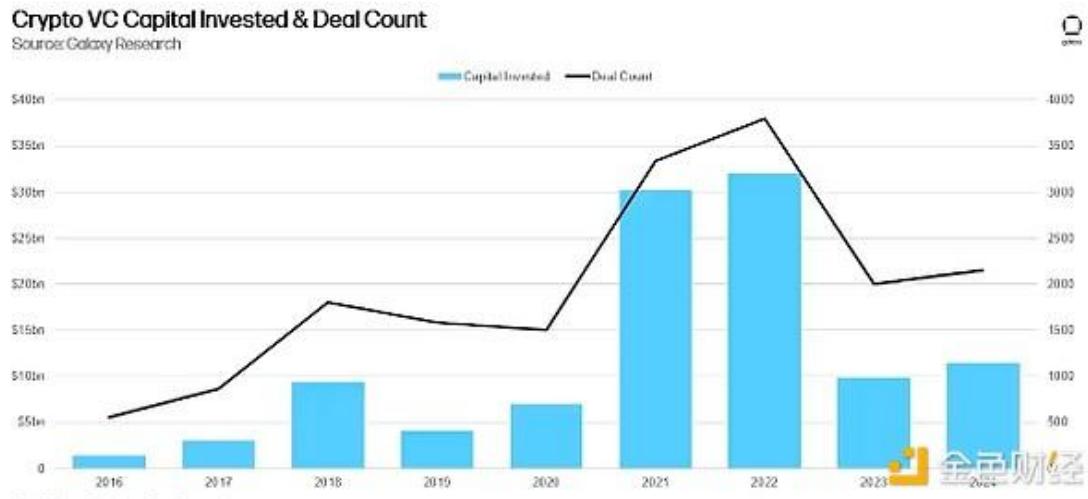


investCondition

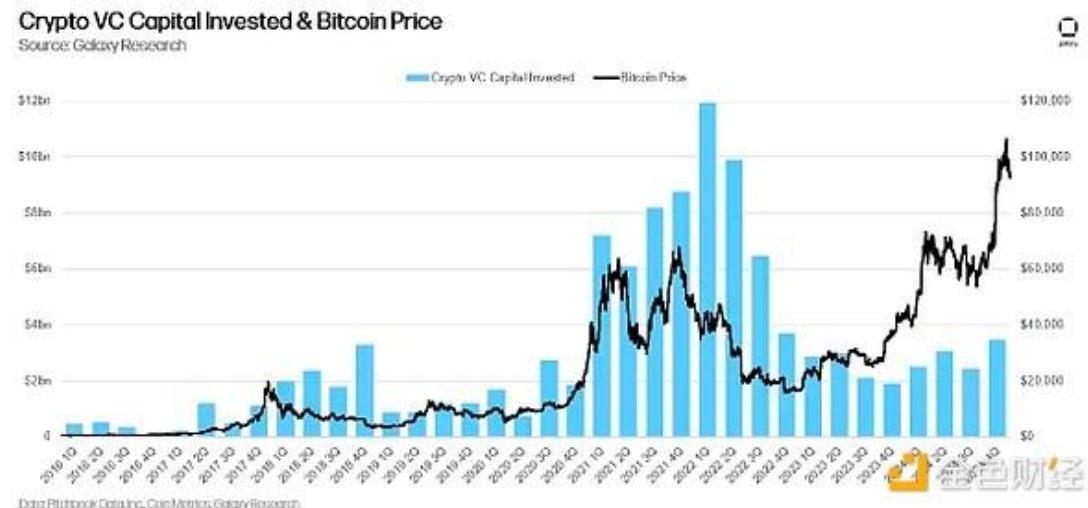
In Q4 2024, venture capitalists invested \$3.5 billion (up 46% QoQ) in 416 deals (down 13% QoQ) in cryptocurrency and blockchain-focused startups.



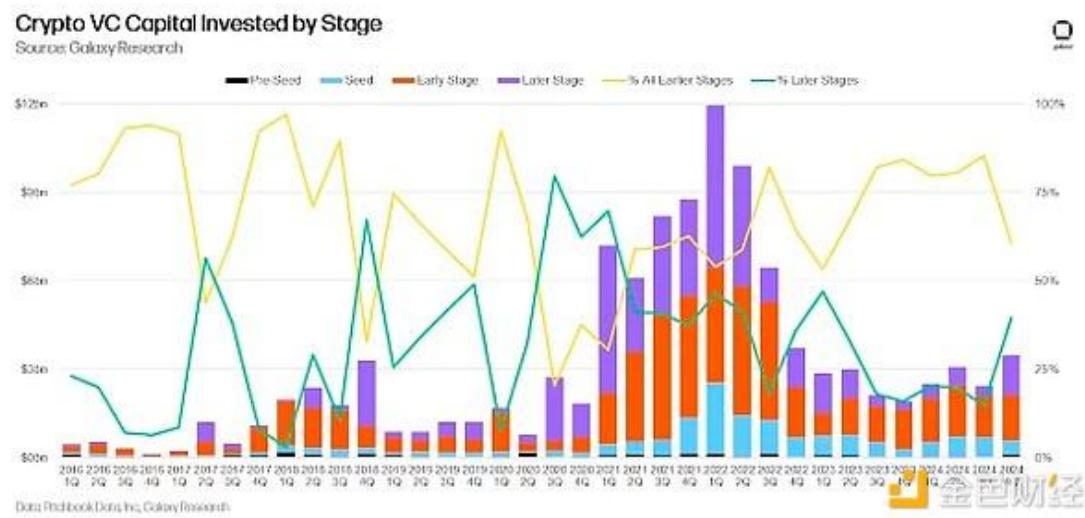
As of 2024, venture capitalists have invested a total of \$11.5 billion in cryptocurrency and blockchain startups across 2,153 deals.



In previous cycles, there was a multi-year correlation between Bitcoin prices and capital invested in crypto startups, but this correlation has struggled to recover over the last year. Since January 2023, Bitcoin has risen sharply while venture capital activity has struggled to keep pace. Weaker allocator interest in crypto venture and venture capital broadly, combined with a crypto market narrative that favors Bitcoin and ignores many of the hot narratives of 2021, can partially explain this difference.



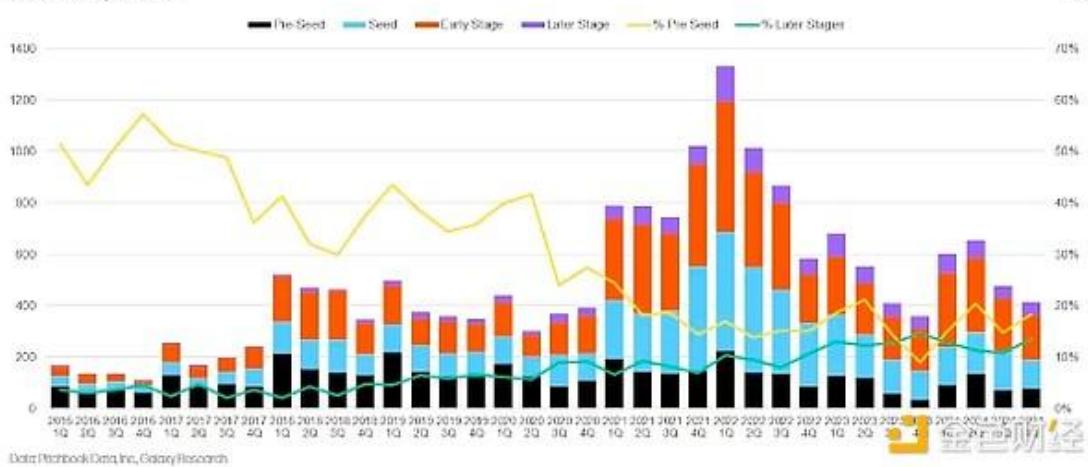
In the fourth quarter of 2024, 60% of venture capital was invested in early-stage companies, while 40% went to later-stage companies. Venture capital firms raised new funds in 2024, while crypto-native funds may still have access to funds from large financings from a few years ago. Starting in the third quarter, more capital flowed to later-stage companies, which can partially explain Tether raising \$600 million from Cantor Fitzgerald.



On the deal side, the share of pre-seed deals has risen slightly and remains healthy compared to previous cycles. We track the share of pre-seed deals as a measure of the robustness of entrepreneurial behavior.

Crypto VC Deal Count by Stage

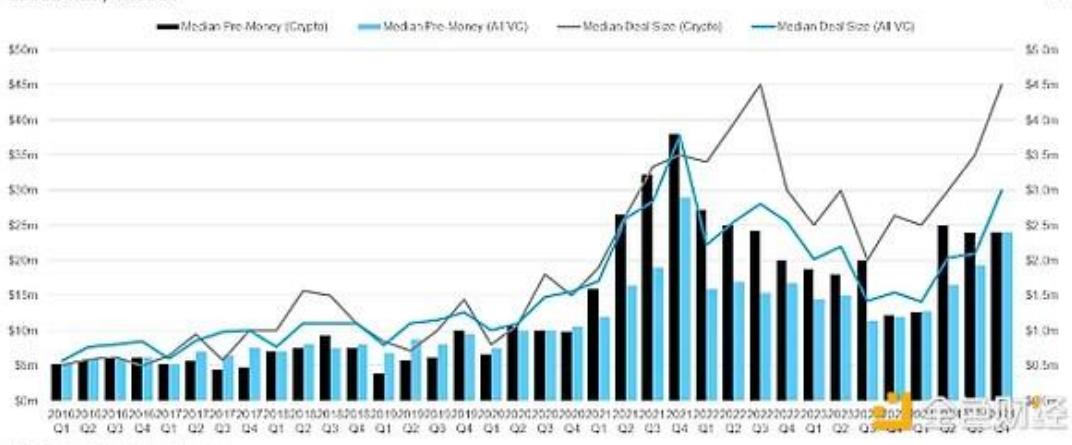
Source: Galaxy Research



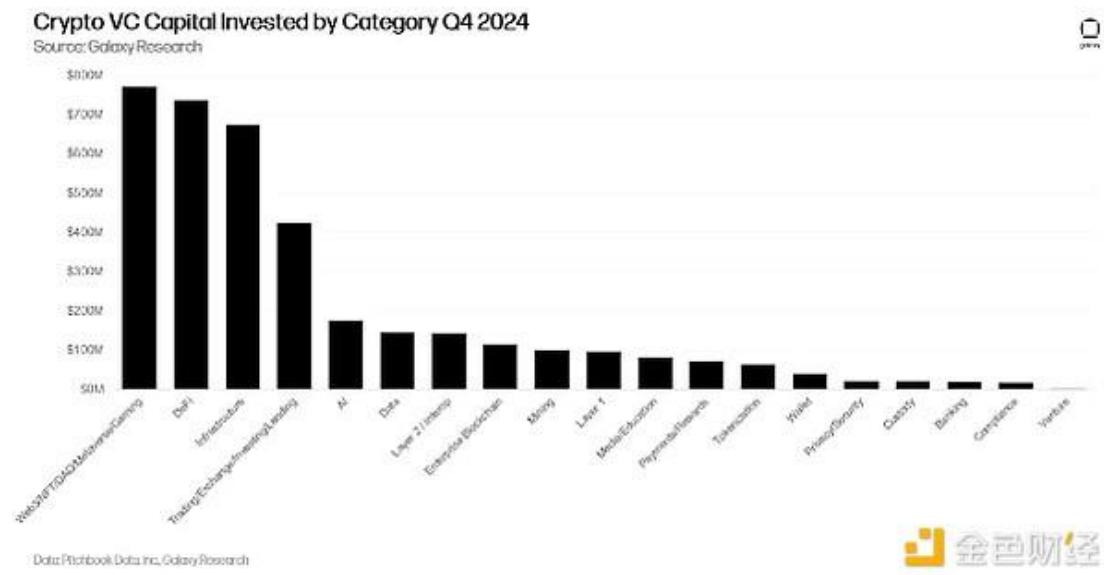
Venture-backed cryptocurrency company valuations fell sharply in 2023, reaching their lowest level since Q4 2020 in Q4 2023. However, valuations and deal sizes began to rebound in Q2 2024 as Bitcoin hit a new all-time high. Valuations reached their highest levels since 2022 in Q2 and Q3 2024. The growth in cryptocurrency deal size and valuations in 2024 was consistent with similar growth in the venture capital space as a whole, although the rebound in crypto was stronger. The median pre-money valuation for deals in Q4 2024 was \$24 million, and the average deal size was \$4.5 million.

Valuation & Deal Size (Crypto vs. All VC)

Source: Galaxy Research

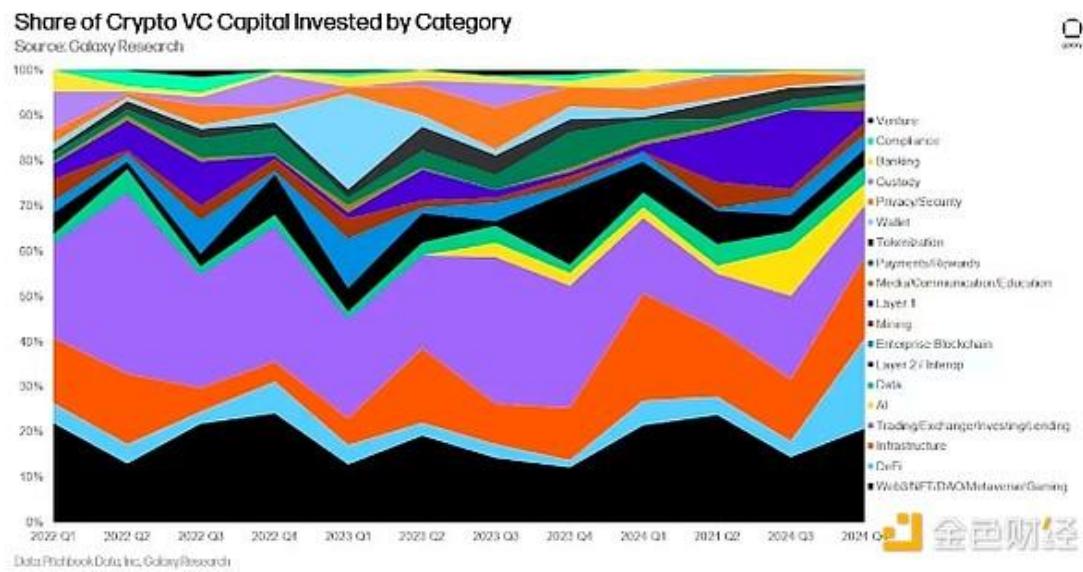


Companies and projects in the “Web3/NFT/DAO/Metaverse/Gaming” category raised the largest share (20.75%) of crypto VC capital in Q4 2024, totaling \$771.3 million. The three largest deals in this category were Praxis, Azra Games, and Lens, which raised \$525 million, \$42.7 million, and \$31 million, respectively. DeFi’s dominance as a percentage of total crypto VC investment is attributed to Tether’s \$600 million deal with Cantor Fitzgerald, which took a 5% stake in the company (stablecoin issuers fall into our Advanced DeFi category). While this deal was not a traditional VC structured deal, we included it in our dataset. If Tether’s deal were removed, the DeFi category would have ranked 7th in terms of investment in Q4.



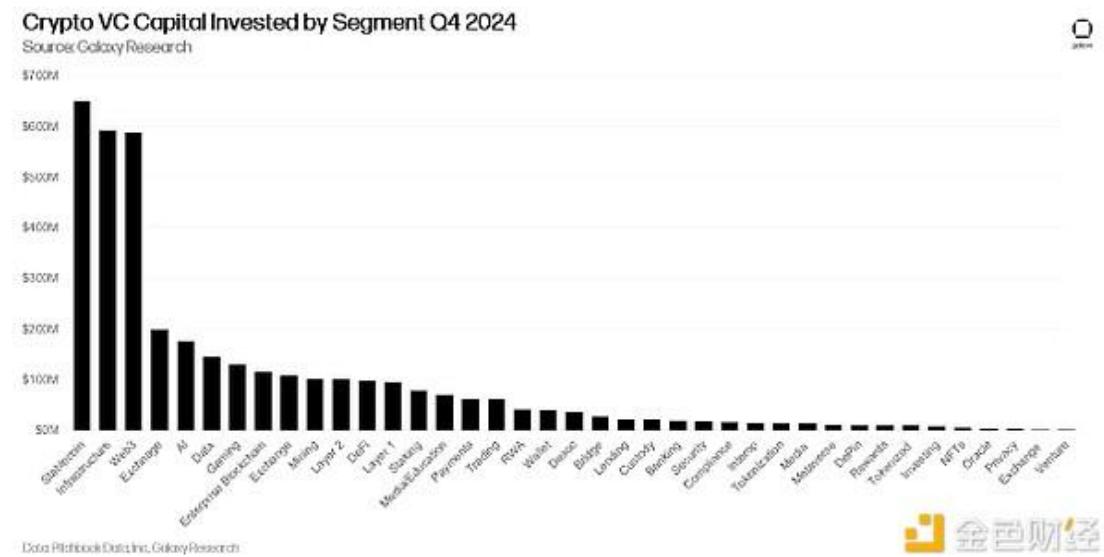
In Q4 2024, crypto startups building Web3/NFT/DAO/Metaverse and infrastructure products saw their share of total quarterly crypto venture funding grow by 44.3% and 33.5% respectively. The increase

in capital allocation as a percentage of total capital deployment was primarily attributable to a significant quarter-over-quarter decline in crypto venture capital allocations to Layer 1 and crypto AI startups, which have fallen by 85% and 55% respectively since Q3 2024.



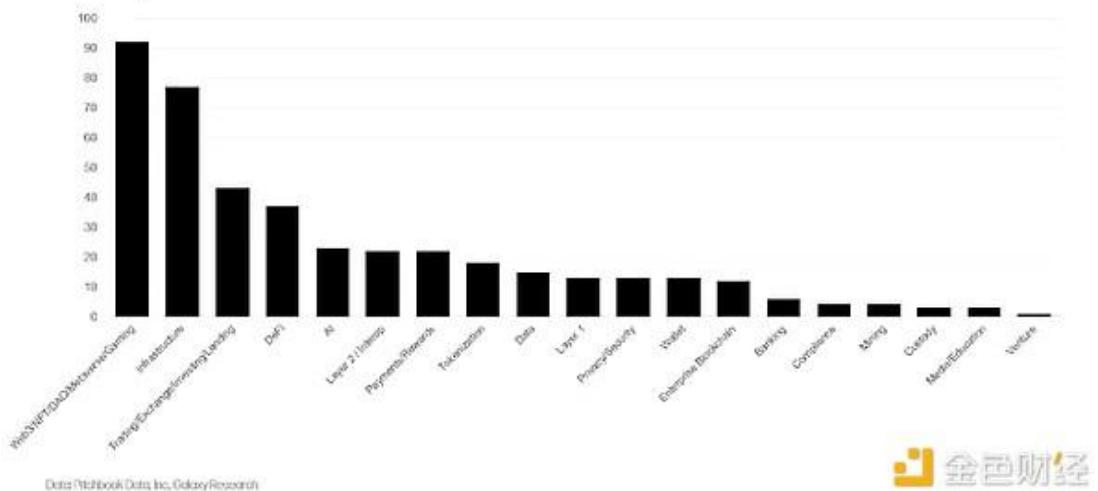
If we break down the broad categories in the chart above into more granular segments, crypto projects building stablecoins raised the largest share of crypto VC funding in Q4 2024 (17.5%), totaling \$649 million across 9 tracked deals. However, Tether's \$600 million deal represents the majority of total capital invested in stablecoin companies in Q4 2024. Crypto startups developing infrastructure raised the second-most VC capital at \$592 million (16%) across 53 tracked deals in Q4 2024. The top three crypto infrastructure deals were Blockstream, Hengfeng Group, and Cassava Network, which raised \$210 million, \$100 million, and \$90 million, respectively. After crypto infrastructure, Web3 startups and exchanges ranked third and

fourth in terms of funding raised from crypto VCs, totaling \$587.6 million and \$200 million, respectively. Notably, Praxis was the largest Web3 deal and second largest deal in Q4 2024, raising a whopping \$525 million to build an “internet-native city.”



In terms of transaction count, Web3/NFT/DAO/Metaverse/Games accounted for 22% of transactions (92), with 37 Game transactions and 31 Web3 transactions being the driving factors. The largest Game transaction in Q4 2024 was Azra Games, which raised \$42.7 million in Series A funding. It was followed by Infrastructure and Trading/Exchange/Investing/Lending, with 77 and 43 transactions respectively in Q4 2024.

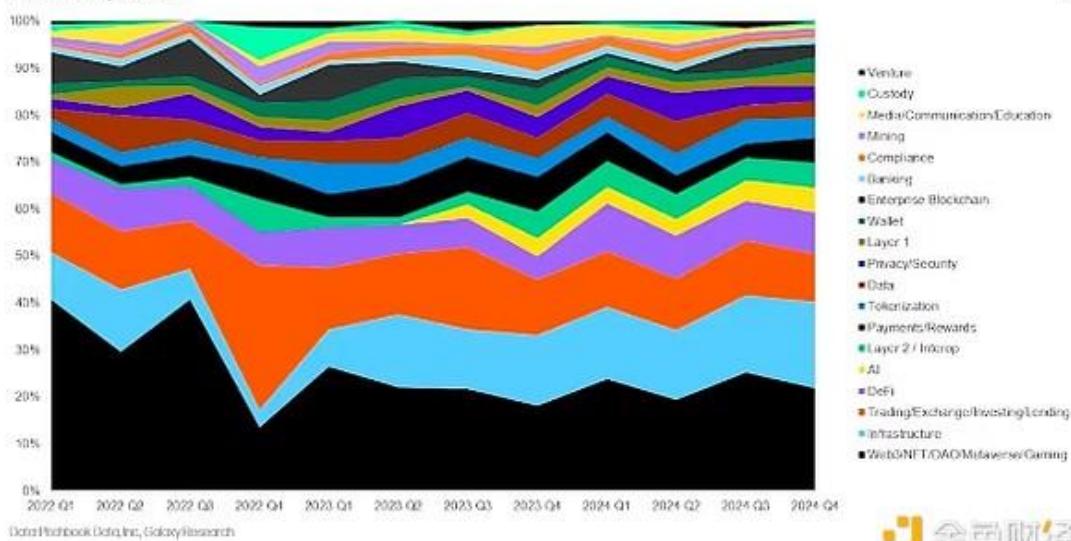
Crypto VC Deal Count by Category Q4 2024
Source: Galaxy Research



Projects and companies providing crypto infrastructure ranked second in terms of deal count, accounting for 18.3% (77) of total deals, up 11 percentage points month-over-month. Following crypto infrastructure, projects and companies building trading/exchange/investing/lending products ranked third in terms of deal count, accounting for 10.2% (43) of total deals. Notably, crypto companies building wallets and payment/rewards products saw the largest month-over-month increases in deal volume, at 111% and 78%, respectively. While these month-over-month increases are large in percentage terms, wallet and payment/rewards startups only accounted for 22 and 13 deals, respectively, in Q4 2024.

Share of Crypto VC Deal Count by Category

Source: Galaxy Research



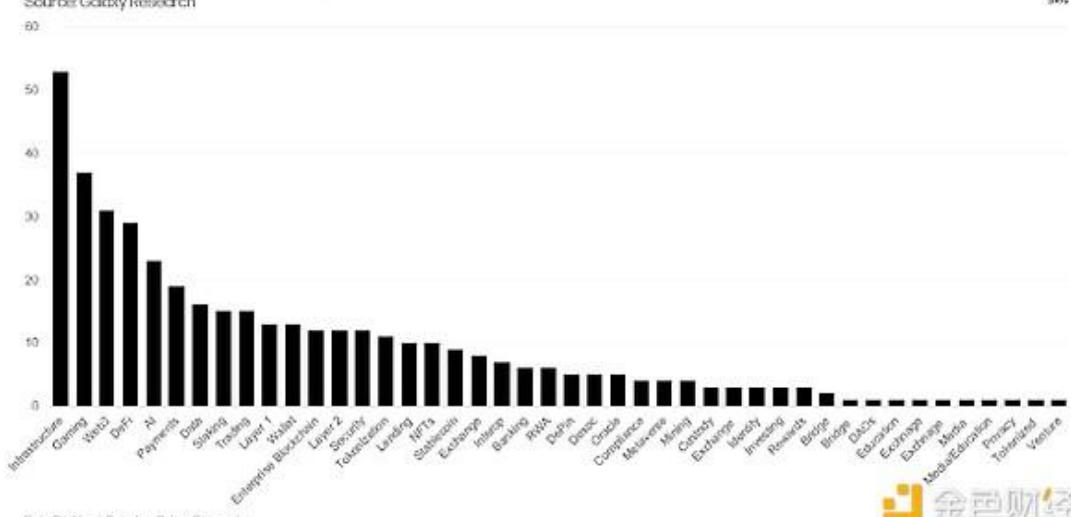
Data: Pitchbook Data Inc., Galaxy Research



Breaking down the broad categories in the above chart into more granular parts, projects and companies building crypto infrastructure had the highest number of deals (53) across all industries. This was followed closely by gaming and Web3-related crypto companies, which completed 37 and 31 deals respectively in Q4 2024, almost in the same order as in Q3 2024.

Crypto VC Deal Count by Segment Q4 2024

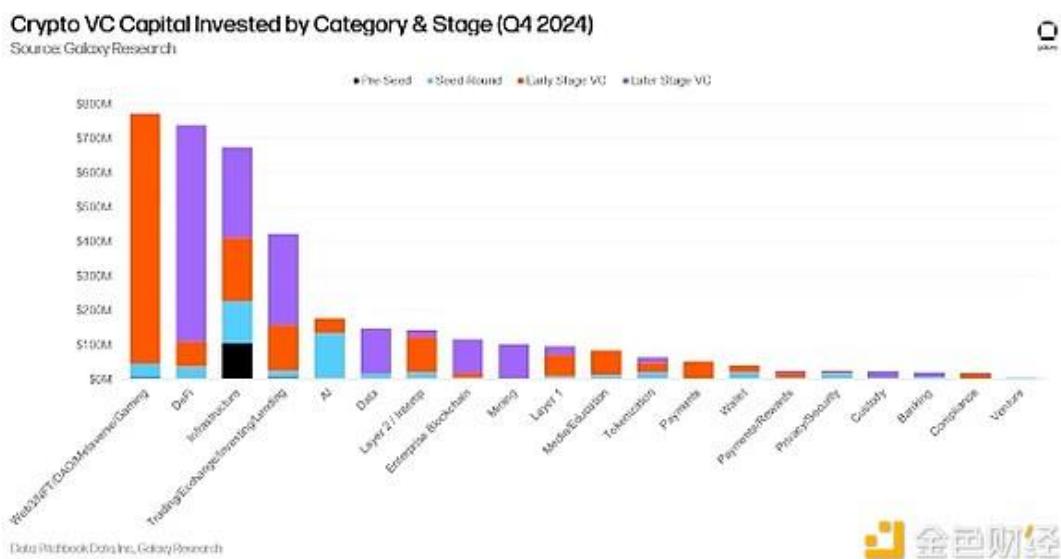
Source: Galaxy Research



Data: Pitchbook Data Inc., Galaxy Research



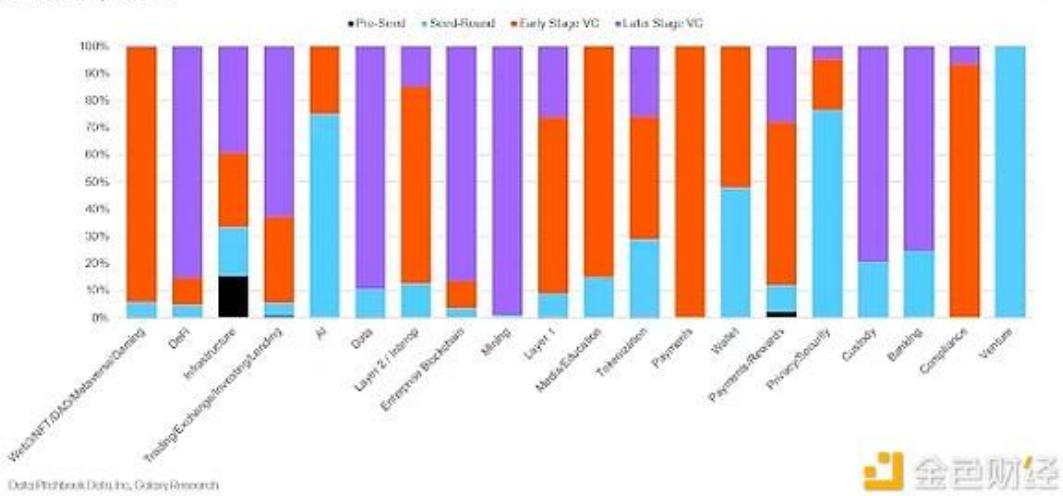
Breaking down investment capital and deal count by category and stage provides a clearer picture of what types of companies in each category are raising capital. In Q4 2024, the vast majority of capital in Web3/DAO/NFT/Metaverse, Layer 2s, and Layer 1s went to early-stage companies and projects. In contrast, a large portion of crypto VC funding invested in DeFi, Trading/Exchanges/Investing/Lending, and Mining went to late-stage companies. This is to be expected given the relative maturity of the latter compared to the former.



Analyzing the distribution of investment capital at different stages within each category can reveal the relative maturity of various investment opportunities.

Share of Crypto VC Capital Invested by Category & Stage (Q4 2024)

Source: Galaxy Research



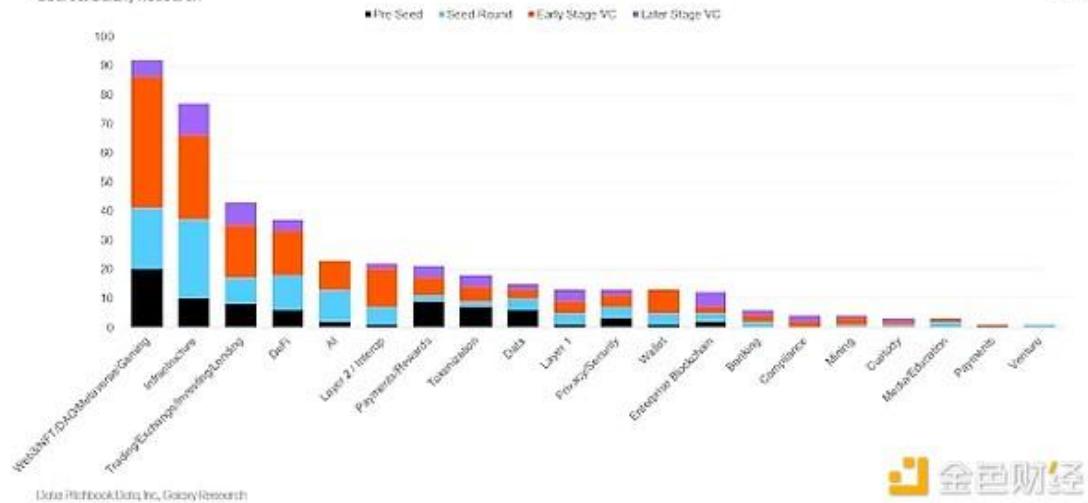
Data: Pitchbook Data, Inc., Galaxy Research



As with the crypto VC capital invested in Q3 2024, a large portion of the deals completed in Q4 2024 involved early-stage companies. Crypto VC deals tracked in Q4 2024 included 171 early-stage deals and 58 late-stage deals.

Crypto VC Deal Count by Category & Stage (Q4 2024)

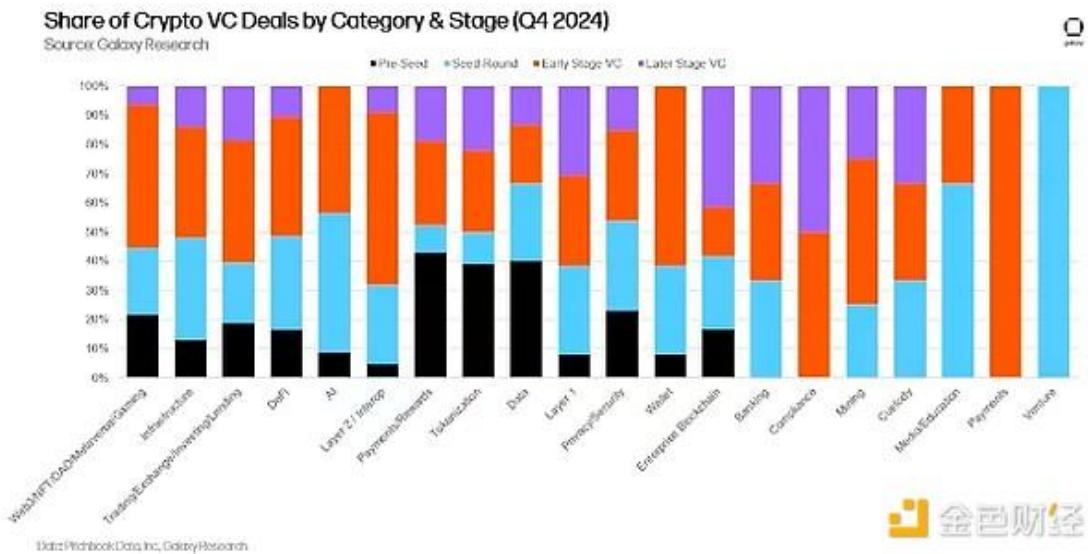
Source: Galaxy Research



Data: Pitchbook Data, Inc., Galaxy Research

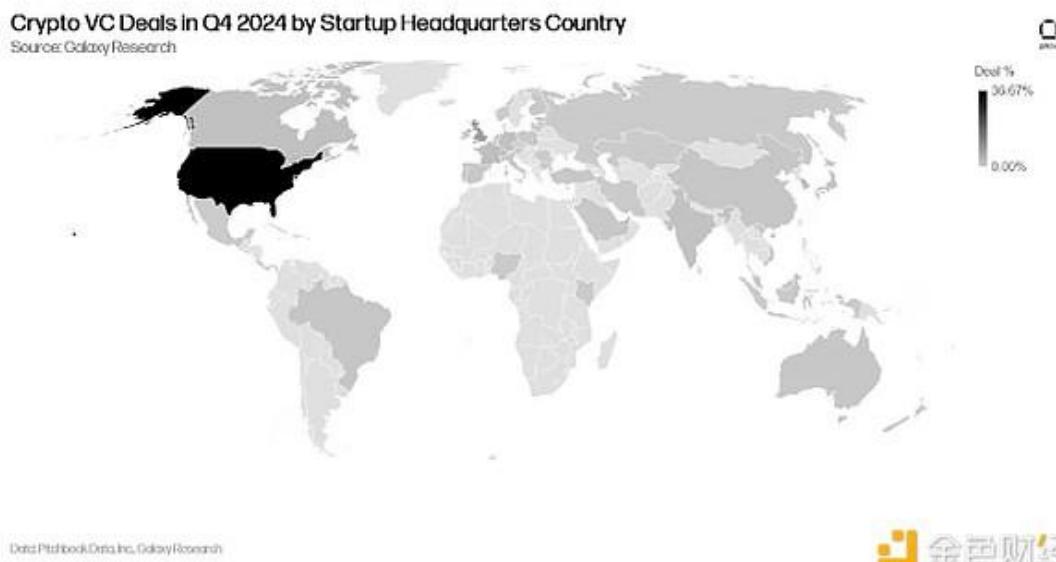


Examining the share of deals completed by stage within each category provides insight into the various stages of each investable category.



Investment by Geography

In the fourth quarter of 2024, 36.7% of deals involved companies headquartered in the United States. This was followed by Singapore (9%), the United Kingdom (8.1%), Switzerland (5.5%), and the United Arab Emirates (3.6%).



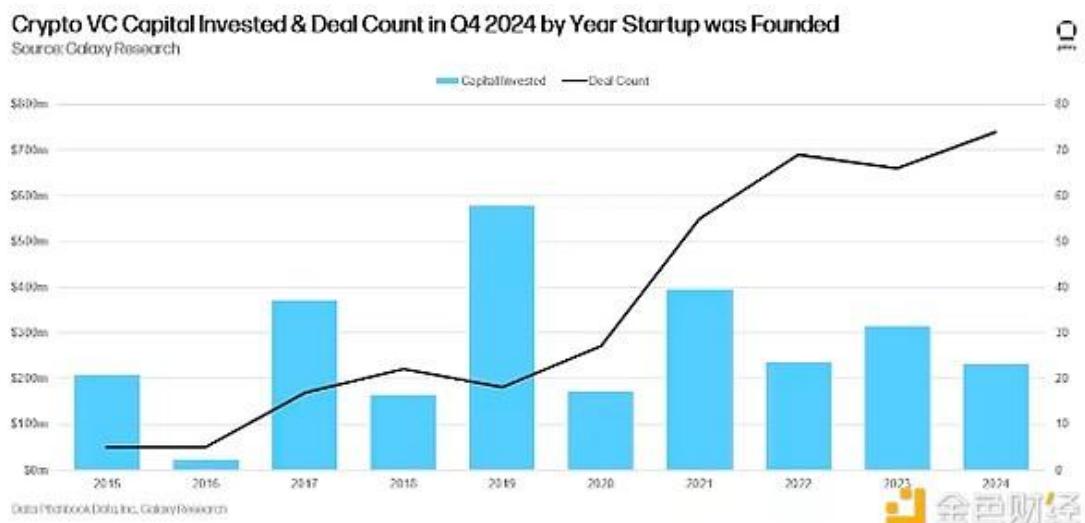
Companies headquartered in the United States attracted 46.2% of all venture capital, down 17 percentage points from the previous month.

As a result, venture capital capital allocation to startups headquartered in Hong Kong increased significantly, reaching 17.4%. The United Kingdom was 6.8%, Canada was 6%, and Singapore was 5.4%.



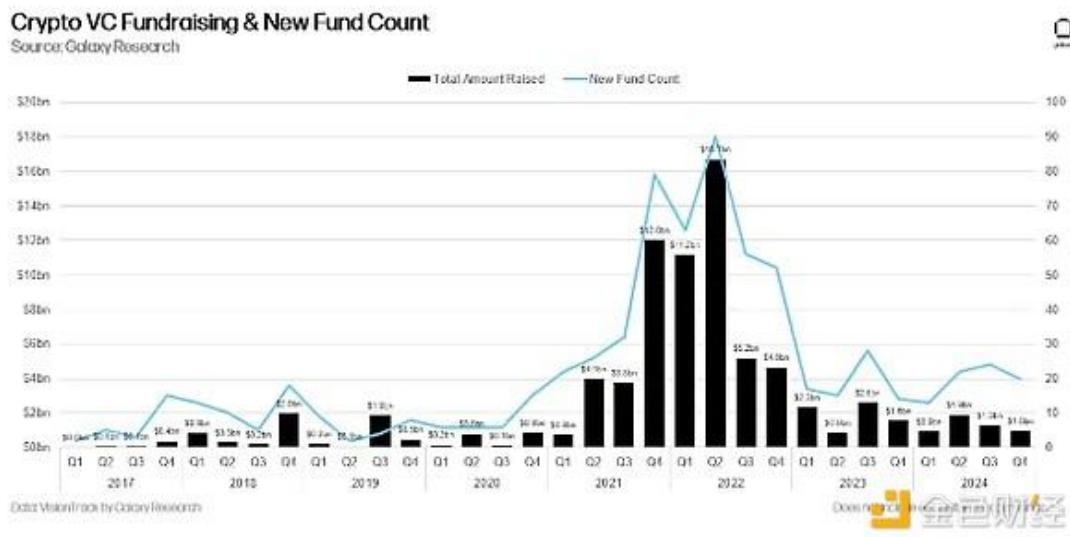
Group Investment

Companies and projects founded in 2019 accounted for the largest share of capital, while those founded in 2024 saw the highest number of deals.

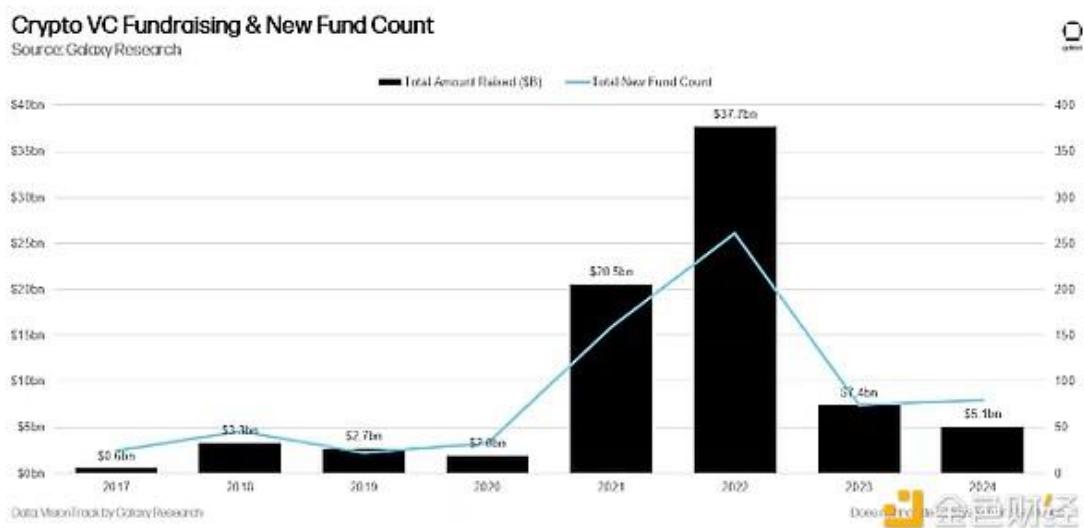


Venture Capital Financing

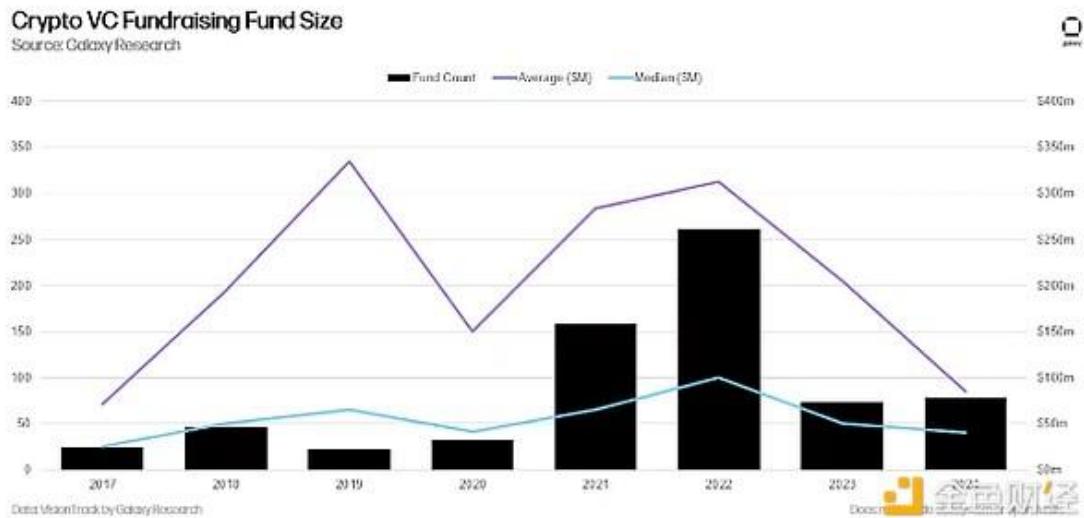
Fundraising for crypto venture funds remains challenging. The macro environment and crypto market volatility in 2022 and 2023 have made some allocators reluctant to make the same level of commitment to crypto venture investors as they did in 2021 and early 2022. At the beginning of 2024, investors generally believed that interest rates would fall significantly in 2024, although the rate cuts did not begin to materialize until the second half of the year. Total capital allocated to venture funds has continued to decline month-over-month since the third quarter of 2023, despite an increase in the number of new funds throughout 2024.



On an annualized basis, 2024 was the weakest year for crypto venture capital fundraising since 2020, with 79 new funds raising \$5.1 billion, well below the frenzy of 2021-2022.



While the number of new funds did increase slightly year-over-year, the decline in allocator interest also resulted in smaller funds raised by venture capital firms, with the median and average fund sizes in 2024 reaching their lowest levels since 2017.



At least 10 cryptocurrency venture funds actively investing in cryptocurrency and blockchain startups raised more than \$100 million for new funds in 2024.

Crypto VC Funds that Raised \$100m+ In 2024

Source: Galaxy Research

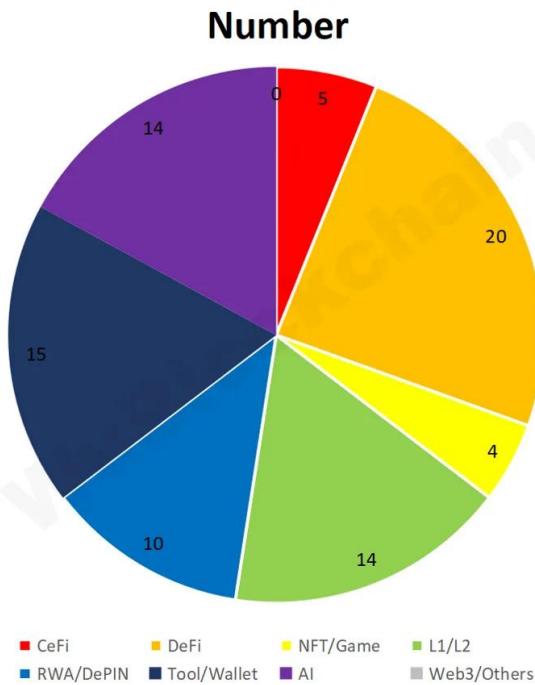
Manager	Fund Name	Month Raised	Amount Raised
Paradigm	Fund III	June 2024	\$850,000,000
Uncorrelated Ventures	Crypto and Software Fund	January 2024	\$315,000,000
Bilkraft Ventures	Fund 3	April 2024	\$275,000,000
Accolade Partners	Accolade Blockchain III	November 2024	\$202,000,000
Hack VC	Fund II	February 2024	\$150,000,000
ParaFI Capital	ParaFI Capital Fund	August 2024	\$120,000,000
Galaxy Digital	Galaxy Ventures Fund I LP	July 2024	\$113,000,000
Golden Ventures	Fund V	February 2024	\$100,000,000
Gate Ventures, The Blockchain Center in Abu Dhabi	Falcon Gate Ventures	August 2024	\$100,000,000
Borderless Capital	DePIN Fund III	September 2024	\$100,000,000

Source: Galaxy Research



Financing

According to RootData statistics, there were 82 Crypto VC public venture capital projects in January 2025, a decrease of 23.4% from the previous month (107 projects in December 2024) and a decrease of 37.4% from the previous year (131 projects in January 2024). Note: Since not all financing is announced in the same month, the above statistics may increase in the future. The number of projects in each sector in January this year is as follows:



Among them, CeFi accounts for about 6.1%, DeFi accounts for about 24.4%, NFT/GameFi accounts for about 4.9%, L1/L2 accounts for about 17.1%, RWA/DePIN accounts for about 12.2%, Tool/Wallet accounts for about 18.3%, and AI accounts for about 17.1%.

The total financing amount in January 2025 was US\$776 million, a month-on-month increase of 3.1% (a total of US\$753 million in December 2024) and a year-on-year increase of 10.7% (a total of US\$701 million in January 2024). Among them, the top 10 rounds in terms of amount are as follows:

Name	Round	Amount	Category
Helio	M&A	\$175,000,000	Payment
Phantom	SeriesC	\$150,000,000	Wallet
Alteryia	M&A	\$150,000,000	Safe
Komainu	SeriesB	\$75,000,000	Infra
Syignum		\$58,000,000	CeFi
0G		\$30,000,000	AI
D3 Global		\$25,000,000	Web3/Others
Irreducible	SeriesA	\$24,000,000	ZK
SOON		\$22,000,000	L1/L2
ElastosELA		\$20,000,000	DeFi

Cryptocurrency payment platform MoonPay has acquired blockchain payment processor Helio for \$175 million, aiming to expand its payment infrastructure and integrate Helio's technology to support cryptocurrency transactions on platforms such as Shopify and Discord. The acquisition is MoonPay's largest to date and is expected to accelerate the development of decentralized finance (DeFi).

Phantom Wallet has raised \$150 million in a Series C round at a \$3 billion valuation, led by Sequoia Capital and Paradigm, with participation from a16z and Variant.

Blockchain analysis company Chainalysis has acquired fraud detection startup Alteryia for \$150 million. Founded in 2022, Alteryia uses AI technology to detect fraud for financial and cryptocurrency companies. Alteryia has raised \$9.8 million in seed funding from Battery Ventures, Y Combinator, and others. Its customers include Coinbase, Square, and Binance, and the company's valuation has reached \$8.6 billion.

Komainu, a digital asset services provider and custodian, announced a \$75 million strategic investment from Blockstream Capital Partners, subject to regulatory approvals. Komainu is backed by Laser Digital, a Nomura company.

Switzerland and Singapore-based cryptocurrency bank Sygnum has raised \$58 million in an oversubscribed strategic growth round, valuing the company at over \$1 billion, making it a unicorn. Fulgur Ventures was the lead investor in the round, with participation from other new and existing strategic and financial investors. The funding comes less than a year after Sygnum last raised \$40 million at a \$900 million valuation in January 2023. Previously, Sygnum raised \$90 million in a Series B round in January 2022, with participation from Asian investors including Sun Hung Kai Properties, Animoca Brands and SBI Holdings. International strategic growth plans.

0G Foundation has raised more than \$30 million by selling nodes for its decentralized artificial intelligence platform. The company sold nearly 85,000 nodes to about 8,500 operators at a price of about \$360 each. The sale marks the second-largest node sale in Web3 history and the third-largest financing in the decentralized AI space, bringing 0G's total funding to about \$400 million. 0G has previously raised venture capital funding in pre-seed and seed rounds. The intersection of blockchain and AI is attracting more and more interest from crypto

venture capital firms, which invested about \$213 million in AI-related startups in the third quarter of 2024, according to Messari data.

Startup D3 Global has raised \$25 million to support the development of infrastructure using blockchain technology for the registration and trading of website domain names. Coinbase Ventures, Polygon Labs co-founder Sandeep Nailwal, HubSpot founder Dharmesh Shah and Namecheap CEO Richard Kirkendall also participated in D3's financing.

Crypto startup Irreducible (formerly Ulvetanna) has raised \$24 million in a Series A funding round aimed at accelerating zero-knowledge proof (ZKPs) technology to make it faster and more cost-effective. The round was co-led by Paradigm and Bain Capital Crypto, with participation from Fenbushi Capital, L2 Iterative Ventures and Robot Ventures, and angel investors including Anna Rose, Sina Habibian, Varun Srinivasan, and Polygon Zero co-founders Brendan Farmer and Daniel Lubarov. The financing process began in August 2023, the lead investor was determined in September, and it was completed last month. Similar to the \$15 million seed round in early 2023, the Series A round was also in the form of equity. The company's valuation after the seed round was \$55 million, and the valuation after the Series A round was not disclosed.

Solana Optimistic Network, or SOON for short, has raised \$22 million through NFT sales in preparation for its mainnet launch. SOON is an Ethereum extension layer built using the Solana Virtual Machine (SVM). The round was led by Hack VC, with other participants including ABCDE, Hypersphere, SNZ Capital, Anagram, ArkStream Capital, GeekCartel, PAKA, Web3Port, and MH Venture. SOON has previously received support from key members of the Solana ecosystem, including network co-founder Anatoly Yakovenko, Solana Foundation President Lily Liu, and Wormhole Foundation co-founder Robinson Burkey. Celestia Labs co-founder Mustafa Al-Bassam is also one of the supporters.

Decentralized infrastructure provider Elastos has raised \$20 million in funding to expand its Bitcoin DeFi protocol BeL2, which aims to develop it into a utility layer for the Bitcoin blockchain. The round was led by private investment firm Rollman Management.

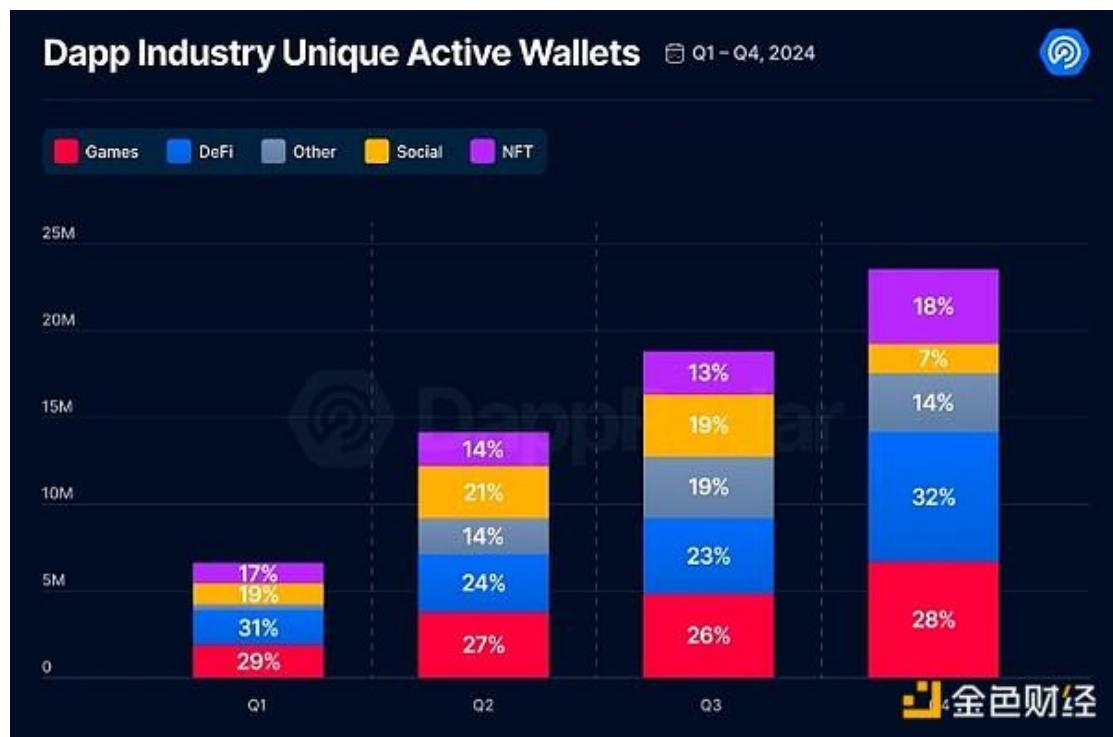
4. Crypto Market Performance

DEFI Section

Defi market capitalization ranking top 10

2025.01.01——2025.02.01

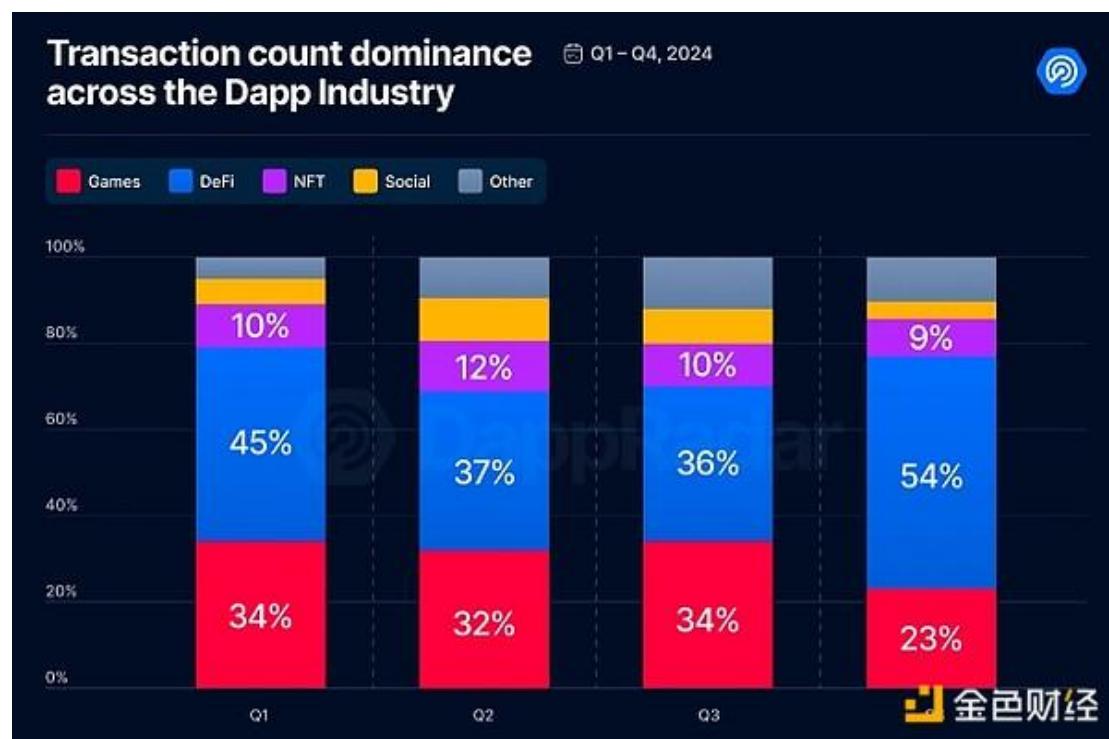
#	Coin	Price	1h	24h	7d	24h Volume	Market Cap	Last 7 Days
10	Lido Staked Ether STETH	\$2,751.98	▲ 1.5%	▲ 1.8%	▼ 11.7%	\$172,054,296	\$26,188,607,111	
13	Chainlink LINK	\$19.85	▲ 0.4%	▼ 1.2%	▼ 14.1%	\$1,260,266,564	\$12,696,502,055	
14	Wrapped stETH WSTETH	\$3,287.83	▲ 0.1%	▲ 2.2%	▼ 12.4%	\$126,310,031	\$11,207,187,847	
22	Hyperliquid HYPE	\$26.43	▲ 2.2%	▲ 6.8%	▲ 14.9%	\$291,682,571	\$8,798,753,932	
32	Uniswap UNI	\$9.39	▲ 1.4%	▲ 1.8%	▼ 19.7%	\$412,313,584	\$5,651,847,365	
36	Aave AAVE	\$270.73	▲ 2.0%	▲ 5.8%	▼ 8.7%	\$857,917,362	\$4,085,631,821	
42	Dai DAI	\$0.9993	▲ 0.1%	▼ 0.1%	▲ 0.0%	\$302,206,615	\$3,457,011,070	
52	Jupiter JUP	\$0.9372	▼ 0.2%	▼ 1.2%	▼ 14.7%	\$497,660,983	\$2,474,059,807	
64	Ethena ENA	\$0.59	▲ 0.4%	▼ 5.7%	▼ 12.9%	\$448,691,003	\$1,849,736,112	



DeFi came in second with a 532% increase in activity, ending the year as the most dominant category with 7 million UAWs per day and a 32% market share in Q4 2024. This was driven by memecoins and AI agent coins, which generated a lot of buzz throughout the year.

Meanwhile, blockchain games ranked third with a 421% increase. Although DeFi's dominance fluctuated between 26-29% throughout the year, in the first and fourth quarters of 2024, DeFi overshadowed games.

The NFT sector grew 412%, driven by the airdrop narrative, while the social sector (still emerging) saw a 70% increase in activity. Although the increases are modest, social dapps are likely to gain more attention in 2025.



Transaction analysis reveals a different picture. Social dapps saw the highest transaction growth, up 455%, mainly due to task platforms, where users must complete tasks on or off-chain to receive rewards. Game transaction volume has dropped 16% since the beginning of

the month, but still achieved more than 5 billion transactions this year.

This shift may indicate that games are moving more off-chain rather than on-chain.

DeFi has seen over 8 billion transactions this year, up 66% from the previous year, dominating total volume at 54%. This is consistent with trends we've observed — meme transactions, newly launched on-chain tasks that promise rewards, and a notable uptick in activity last quarter as rumors of a new bull run began to gain traction.

Blockchain Performance: Emerging Stars and Top Blockchains in 2024



Among these chains, opBNB has become the most used chain, which uses Optimistic Rollup technology to enhance scalability and reduce transaction costs. Particle Network is the leading dapp on this chain.

Newcomers Matchain and Base also found success. Matchain moved up the rankings with the LOL dapp being its top performer, while Base hit a new all-time high with \$15.65 billion in Uniswap V3 volume in 30 days.



While the largest blockchains always steal the spotlight, we're also seeing a ton of growth in smaller ecosystems. Above we list the six blockchains that have seen the largest increases in average daily unique active wallets. This list includes Oasys, Internet Computer, Core, WEMIX 3.0, and SKALE. Dapps like video game app ChainArena on Oasys, social email platform Dmail Network on ICP, and gaming

platform Pixudi on Core contributed to these increases, reflecting the diverse growth of the ecosystem.

However, as DappRadar aims to be the global Dapp store, we decided to look at some metrics to see what the trends have been this year and what we will see next year. DappRadar approved 5,138 dapps through its developer dashboard in 2024, a 72% increase from 2023, which is consistent with the fact that we have seen more and more dapps enter the mainstream this year. Games accounted for 31.1% of them, followed by DeFi at 18.7%, highlighting their dominance as the main trend this year.



The top dapps in 2024, based on page views from DappRadar, are dominated by games. Their continued presence in the rankings highlights the strength and engagement of their communities.



2. DeFi is approaching its all-time high: TVL reaches \$214 billion in 2024

This year, the DeFi sector has become a cornerstone of the dapp industry, as highlighted in Chapter 1. DeFi has been the strongest

performer, with total value locked (TVL) growing 211% to \$214 billion by the end of 2024, just \$47 billion shy of its December 2021 peak.



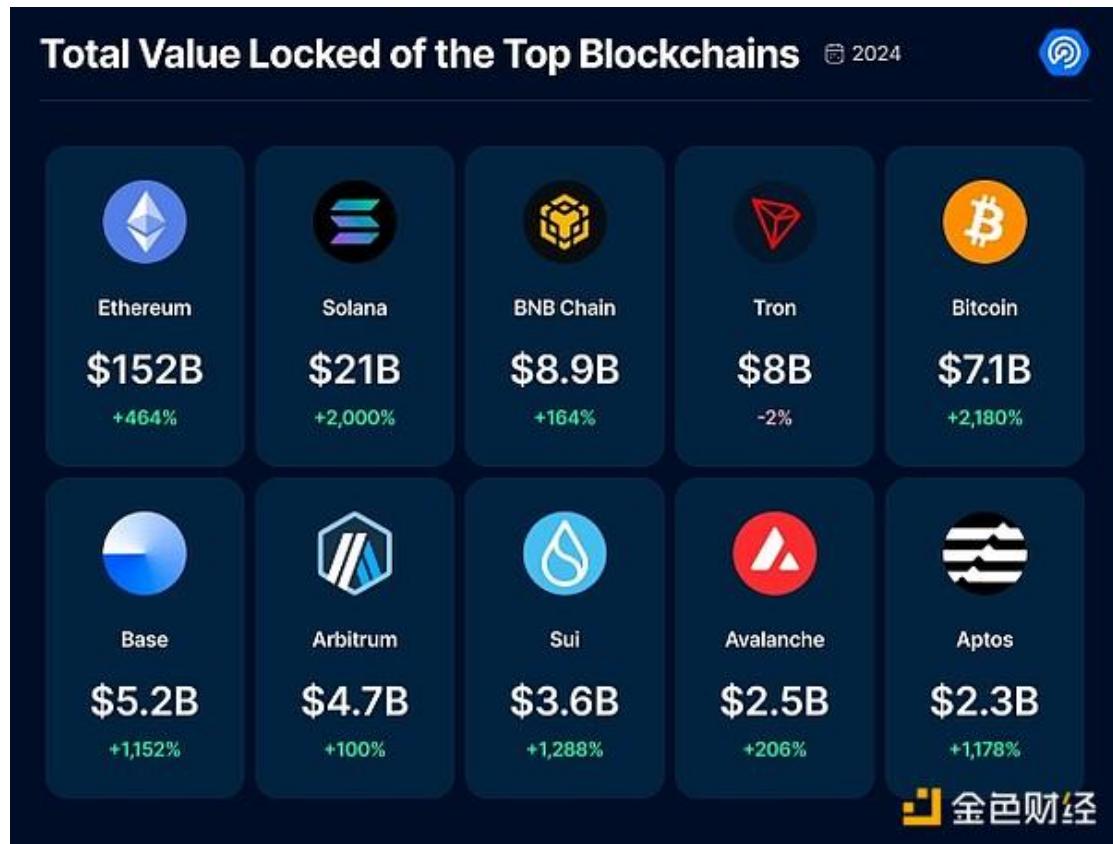
There are several key factors that have contributed to the remarkable success of DeFi this year. First, the hype of Meme coins played an important role. The rise of Meme coins such as GOAT and PEPE brought a surge in trading activity and liquidity to DeFi platforms, attracting the attention of traders and speculators.

The introduction of AI agents in the second half of the year brought a transformative layer to the ecosystem. These AI-driven agents facilitate tasks such as trading and governance, streamlining operations and driving user engagement. This innovation is likely to

be further explored and expanded in 2025, positioning AI as a core component of DeFi's development.

Finally, the Fed's rate cuts have reignited interest in DeFi lending protocols. In a low-interest environment, investors have turned to platforms like Aave and Compound to earn higher returns, leading to a significant increase in lending activity.

In addition, driven by major regulatory milestones, Bitcoin hit an all-time high of \$108,000 in mid-December 2024. In January of this year, the U.S. Securities and Exchange Commission (SEC) approved multiple spot Bitcoin ETFs, including BlackRock's iShares Bitcoin Trust (IBIT). As of January 19, 2024, IBIT quickly became the first spot Bitcoin ETF with a trading volume of more than \$1 billion. On this basis, the SEC subsequently approved a spot Ethereum ETF, and institutions such as Fidelity also launched their own products.



Newer blockchains such as Sui, Base, and Aptos had an outstanding year, launching multiple updates and nabbing the spotlight. However, Solana stole the show, rebounding from a challenging 2023 to achieve an astounding 2,000% growth in TVL, becoming the second-largest blockchain by TVL. This recovery solidifies Solana's redemption arc and highlights its resilience.

Major trends that will impact DeFi in 2024

Memecoins: Memecoins such as GOAT, PEPE, and ShibaDoge have reignited retail interest and driven liquidity and activity on DeFi

platforms in 2024. These highly speculative tokens often serve as a gateway for users exploring DeFi for the first time.

AI Agents: The rise of AI-driven agents has revolutionized DeFi by automating complex operations such as yield farming, arbitrage, and governance voting. These agents increase efficiency, reduce human error, and allow users to optimize returns with minimal effort.

Tokenization of Real World Assets (RWAs): DeFi continues to bridge traditional finance with decentralized systems, unlocking new liquidity and investment opportunities through tokenized assets such as real estate and commodities.

Layer2 solutions: Optimism, zkSync, Arbitrum, and Base have gained greater traction by addressing scalability and reducing transaction costs.

Bitcoin Layer2 Solution: The development of the Bitcoin network has promoted the creation of dapps on Bitcoin, expanding its functionality beyond value storage.

Points and Airdrops: Projects use points systems and airdrops to incentivize user participation and promote community engagement and loyalty in the DeFi ecosystem.

Sustainability: DeFi platforms have adopted environmentally friendly protocols that comply with ESG standards, attracting environmentally conscious investors.

Cross-chain interoperability: Seamless transfers across networks expand the functionality of DeFi. Interoperability solutions enable users to access a variety of liquidity pools and decentralized services without being restricted by a single chain.

NFT market performance hits new low since 2020

The NFT market in 2024 has experienced significant volatility. At the beginning of the year, trading volume surged to approximately \$5.3 billion in the first quarter, a 4% increase compared to the first quarter of 2023. However, this momentum was short-lived, as trading volume fell to \$1.5 billion in the third quarter before rebounding to \$2.6 billion in the fourth quarter. Despite these fluctuations, a closer look at NFT sales tells a different story: the number of sales is lower than in 2023, highlighting that NFTs are generally more expensive in 2024, consistent with rising token prices, especially ETH.



On an annual basis, NFT trading volume fell 19% compared to 2023, and NFT sales fell 18%. This makes 2024 one of the worst performing years in terms of trading volume and sales since 2020.



Top NFT Collectibles: A Shift in Dominance

Pudgy Penguins leads the pack in terms of volume, but sales are down 44%. Interestingly, their base price is up 114%, reflecting the impact of a significant effort made in 2024. They have launched plush toys in major retailers such as Walmart, Walgreens and Target across the US, as well as Selfridges and Argos in the UK. In May 2024, they partnered with Mythical Games to develop a blockchain mobile game that aims to merge their popular penguin characters with a high-quality gaming experience. In September 2024, Pudgy Penguins partnered with Spanish football club CD Castellón to become the first PFP NFT to appear on a professional football team jersey. This reinforces the idea that NFTs with real-world utility continue to perform well.

Top NFT Collections by Volume

2024



Yuga Labs' series, while still one of the most traded, has seen a decline in dominance, and FP has also been severely impacted. Despite the challenges, Yuga Labs has plans for 2025 to focus on its immersive metaverse platform Otherside and launch new projects in partnership with PP Man. This commitment to innovation will likely shape their future trajectory.

Gaming industry dominates NFT sales

Top NFT Collections by Sales Count

2024

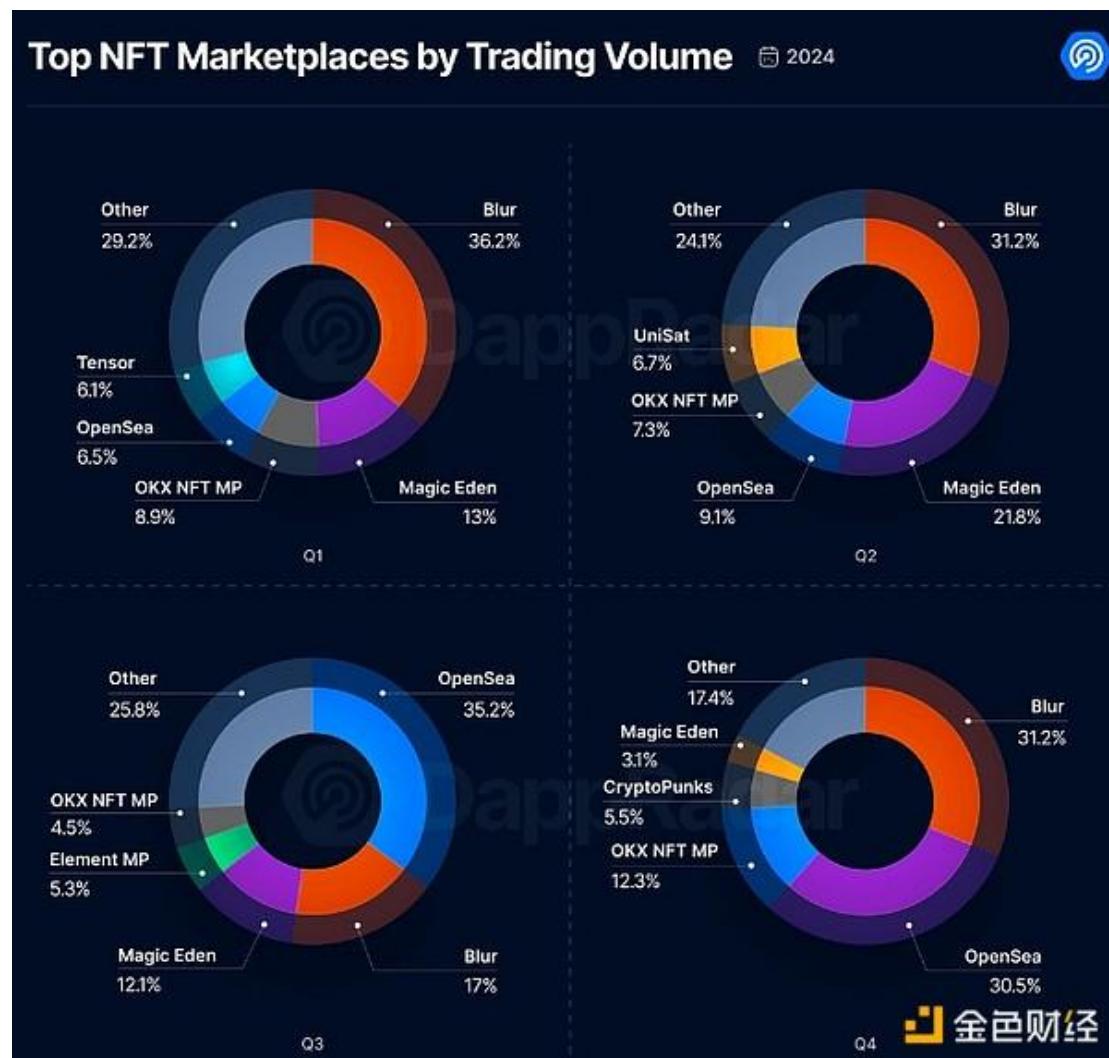


In terms of sales volume, gaming-related NFTs clearly dominate. This trend reflects the growing adoption of NFTs in the gaming industry, which allow players to truly own in-game assets and promote player-driven economies.

Platform performance: Blur and OpenSea

Talking about platforms, Blur has maintained its market dominance throughout 2024 (except for Q3). By Q4, Blur and OpenSea were neck

and neck in market share. Blur's success was due to multiple airdrops and its zero-fee trading model, which attracted cost-conscious traders.



OpenSea has had a challenging year. In August 2024, the U.S. Securities and Exchange Commission (SEC) issued a Wells Notice to OpenSea, citing concerns about unregistered securities. Coupled with a declining market and fierce competition, OpenSea announced large-scale layoffs in November, reducing its headcount by 56%. The

company is currently focusing on "OpenSea 2.0" to regain market share and revitalize its platform, while hinting at the possibility of launching a token.

Meanwhile, Magic Eden outperformed OpenSea. Magic Eden initially focused on Solana but later expanded to include Ethereum, Polygon, Bitcoin, and emerging networks such as Base and Arbitrum. On December 10, 2024, Magic Eden launched its native ME token and conducted a \$700 million airdrop to enhance its ecosystem.

5. Market News

1. Hashrate Index released the top ten most competitive Bitcoin mining machines in 2025, including: Antminer S21 Pro, Bitdeer Sealminer A2, Whatsminer M60S, Antminer S19j Pro, Whatsminer M30S++, Avalon A1566, Antminer S21 XP Hydro, Antminer S19k Pro, Whatsminer M66S Immersion, Avalon A1566 Immersion.

2. Bitcoin mining company Bitfarms released its December 2024 production report. The company's computing power increased by 97% year-on-year to 12.8 EH/s. The mining volume in December was 211 BTC, earning an average of 6.8 BTC per day, and a total of 2,914 BTC mined in 2024. The company mined 4,928 BTC in 2023. In addition, Bitfarms announced that it expects to complete the acquisition of

Stronghold Digital Mining in Q1 2025. This move will significantly enhance its energy layout and PoS/HPC expansion capabilities in the United States, with a target expansion capacity of 1.6 GW.

3. BitFuFu announced that it has signed a two-year framework agreement with Bitmain (BITMAIN), planning to purchase up to 80,000 S-series mining machines (including models such as S21 XP and S21 Pro). The mining machines will be used for self-operated mining business and provide mining machine sales, cloud mining and hosting services according to market demand. According to the agreement, BitFuFu can place orders in batches and can choose to pay part of the payment with company stocks, and at the same time, defer payment of part of the cash without interest after the delivery of the mining machine to optimize fund management and operational flexibility. The agreement will support the company's plan to expand its mining infrastructure, with the goal of adding 1 GW of computing capacity by the end of 2026.

4. Listed mining company MARA released an update on Bitcoin production and mining operations in December 2024. 249 blocks were mined in December, setting a record for the second-most blocks mined in a single month in history. The active hash rate rose to 53.2

EH/s and mined 890 BTC. MARA acquired 22,065 BTC at an average price of \$87,205 in 2024, and mined an additional 9,457 BTC. It now has a total of 44,893 BTC, worth \$4.2 billion, and has lent 7,377 BTC to third parties.

5. Canaan Technology released an unaudited Bitcoin mining update report as of December 31, 2024, which disclosed that mining produced 62 BTC in December 2024, and held a total of 1,293 Bitcoins by the end of that month. In addition, Canaan Technology also disclosed that its preliminary forecast for total revenue in fiscal year 2025 is between US\$900 million and US\$1.1 billion, but actual results may differ from these expectations.

6. Canaan Technology announced that it has signed an agreement with a US customer to purchase its Avalon A15XP mining machine. Canaan US Inc. will provide customers with 2,800 air-cooled Avalon A15XP mining machines with a hash performance of 207 TH/s, scheduled for delivery in the first quarter of 2025.

7. Listed mining company Core Scientific announced that it will produce 6,595 BTC in 2024, including 974 BTC in the fourth quarter. As of the end of the month, its data center operated about 171,000

Bitcoin mining machines for self-mining and hosting, with a total hash of 20.1 EH/s.

8. CleanSpark, a Nasdaq-listed Bitcoin mining company, released an unaudited Bitcoin mining and operations report as of December 31, 2024, disclosing its mining output of 668 BTC in December and its total Bitcoin holdings of 9,952 BTC as of December 31. In December 2024, the company's average hash rate was 35.52 EH/s, the average queue efficiency was 18.06 J/Th, and an average of 21.56 Bitcoins were mined per day. The highest single-day total was 22.46 Bitcoins. The company sold 12.65 Bitcoins at an average price of approximately \$101,246 during December 2024.

9. Bitdeer released the latest unaudited mining and operation update report, which disclosed that the self-mining output in December 2024 was 145 BTC, which was a decrease from the mining output of 150 BTC in the previous month. In addition, Bitdeer also disclosed that it had fully repaid the outstanding principal balance of US\$10 million of the senior secured notes issued to the seller when it announced the acquisition of TROLL HOUSING AS and TYDAL DATA CENTER AS.

10. Chinese Bitcoin mining company BIT Mining announced that it has signed a \$14 million agreement with Ethiopia to acquire 51 MW facilities and approximately 18,000 mining machines in the country. Ethiopia's ultra-low electricity prices provide BIT Mining with the opportunity to transfer old mining machines to the local area, thereby extending the life of the equipment and improving the return on investment. In addition, Ethiopia's electricity standards are similar to those of China, and it has abundant hydropower resources. Although Ethiopia has been in social unrest for a long time, BIT Mining believes that the local area is stable after many inspections and chooses to purchase existing facilities to avoid potential risks.

11, listed company Canaan Technology (Canaan) recently released two innovative Bitcoin mining devices for individual users, Avalon Mini 3 and Avalon Nano 3S, at the CES 2025 exhibition in Las Vegas. These two devices combine home heating with crypto mining, aiming to lower the threshold for mining and promote the development of sustainable and multifunctional technologies. Avalon Mini 3 has a computing power of 37.5 Th/s, which not only supports efficient Bitcoin mining, but also provides home heating functions; Avalon Nano 3S features a computing power of 6 Th/s and a portable design, and is positioned as an entry-level low-power device suitable for

individual users. Both devices are now available for pre-sale, with Nano 3S priced at \$249 and Mini 3 priced at \$899.

12, DWF Labs announced a partnership with StarsHash and TON Ventures to redefine the token distribution mechanism through community-driven mining on the Telegram platform. Starshash is a mining-based applet on Telegram that uses a tweaked Ethash algorithm to ensure that users can mine tokens through personal devices or dedicated servers.

13BITMAIN, a giant mining machine manufacturer, announced an important cooperation with Alps Blockchain, a well-known Italian mining company. Alps Blockchain will purchase more than 10,000 ANTMINER S21+ Hyd. liquid-cooled mining machines with a computing power of 319T and an energy efficiency ratio of 15.0J/T and matching ANTSPACE HK3 liquid-cooled containers to build a new 70MW Bitcoin mine in Iowa, USA. The official announcement stated that this is an important layout of Alps Blockchain in the North American market.

14, Tether is suing financial services company Swan Bitcoin over a dispute over a bitcoin mining joint venture. It is reported that the

lawsuit involves 2040 Energy, a joint venture established by the two parties in 2022. Tether owns 80% of the shares and provides financing, while Swan holds 20% of the shares. Profit distribution must be made after Tether recovers all its investments. Tether accused Swan of major violations of the agreement and has been forced to take legal action to protect its investment. Swan confirmed that it had received the notice of the lawsuit and said it would actively respond. The case escalated the legal dispute in September last year when Swan sued former employees and contractors for allegedly stealing bitcoin mining business.

15, Arkansas lawmakers have introduced a new bill that would ban crypto mining within 30 miles of any U.S. military installation in the state. The Senate bill (SB 60) was introduced on January 15 by Senator Ricky Hill and House Speaker Brian Evans to amend the Arkansas Data Center Act of 2023 to separate crypto mining facilities from military installations. However, the bill contains a specific exemption that would allow facilities that were built and in operation before December 31, 2023 to continue operating.

16According to Matthew Sigel, director of digital asset research at VanEck, Bitcoin mining company RIOT announced that it would

suspend its expansion plan for the world's largest Bitcoin mine, a 600 MW mine in Corsicana, and accelerate its approach with potential partners in the field of artificial intelligence/high-performance computing (AI/HPC). The company expects capital expenditures to decrease by \$245 million in 2025.

17Auradine, a US Bitcoin mining chip design company, announced that semiconductor industry veteran Lip-Bu Tan has joined its board of directors. Tan previously resigned from Intel's board of directors in August 2024, allegedly due to strategic and cultural differences with the company's management. He has 40 years of hardware and software experience and has held leadership positions at several technology companies, including SambaNova Systems, Schneider Electric, and Cadence Design Systems.

18, Brazil's national oil company Petrobras announced that it will launch a research and development project to enter the field of Bitcoin mining. Petrobras intends to use the associated gas produced during oil extraction as energy to power Bitcoin mining, aiming to improve energy efficiency and reduce carbon emissions in this way.

19, Russia's largest power grid company Rosseti plans to use power supply centers with low load prospects to develop cryptocurrency mining business, and intends to become a coordinating operator for the deployment of mining infrastructure. Rosseti said that by introducing mining business, it can improve the utilization rate of idle power resources, increase the load of power supply centers, and promote the growth of the company's electricity bill income and the improvement of local economy and taxation. Currently, Rosseti is discussing measures to participate in the development of mining and stimulate demand for low-load power supply centers, including the possible introduction of a separate electricity fee category as a demand management tool. Previously, Rosseti President Andrei Rumin had sent a letter to Russian Prime Minister Mikhail Mishustin, hoping to obtain the authority to coordinate the deployment of mines in various regions of Russia.

20, Bitcoin mining company Hive Digital acquired a Paraguayan mine from Bitfarms for \$85 million, including paying \$56 million for the mine itself and assuming another \$29 million in obligations. Hive said the acquisition will more than triple Hive's hash rate to 25 Eh/s by September.

21, DCG is setting up a new mining subsidiary called Fortitude Mining, which will focus on mining Bitcoin and other "high-growth digital assets." The subsidiary was originally a semi-independent part of DCG's first mining project, Foundry, and has focused on "autonomous mining" for the past five years. Andrea Childs, Foundry's former senior vice president of operations and marketing, will lead the company, and Mike Colyer will remain as Foundry's CEO.

22According to people familiar with the matter, well-known quantitative hedge fund DE Shaw has established a position in Bitcoin mining company Riot Platforms (RIOT.O) and may push the company to transform. This is the second radical shareholder of Riot after Starboard Value. DE Shaw manages \$70 billion in assets. DE Shaw may push Riot to reform and encourage it to use excess power capacity for AI.

23, Bitcoin mining company Cipher Mining (CIFR) announced that it has received a \$50 million investment from SoftBank, which will purchase 10.4 million shares of the company. Cipher Mining said it will use the funds to support the development of high-performance computing (HPC) data centers.