

THE IMPACT OF DIGITALIZATION ON FINANCIAL STABILITY AND THE ROLE OF INNOVATIVE BLOCKCHAIN TECHNOLOGIES

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Abstract: Starting from the concept of financial stability at microeconomic level, as presented above, and from its basic elements, it can be deduced that the risk of financial instability can, as sources, have the following elements:

- disturbing the financial equilibrium for a representative period, thus generating risks to asset adequacy in the direction of normal business activity, thereby causing changes in business cycles;
- financial impossibilities on the part of the company, represented by: insufficiency of financial assets; reducing the mobility of financial assets; changes in the value structure of financial assets;
- the inconsistency between the qualitative level of microeconomic management and its needs for action, as a result of the increase of the complexity of the administrative activity in the conditions of increasing the complexity of the risks;
- in these conditions and in the conditions of the activity in a market facing higher levels of risk and competition, there is an imminent risk of disturbing the liquidity rates against the optimal levels; indebtedness; asset management; profitability; growth; of the value of assets, which is likely to deepen the risk of financial instability of the firm.

As with the macroeconomic financial instability hypothesis, the discussion of the microeconomic case must take into account the permanent relationship between macroeconomic and microeconomic at the market level. Moreover, we are now increasingly witnessing innovative financial solutions, starting with blockchain financial technology and reaching crypto currencies that have now reached odds that have not been estimated in the world of research. In the paper we reflect both the theoretical aspects regarding the financial stability, but especially the current financial technologies and the evolution of cryptomodels globally.

Keywords: sustainability, cryptocurrency, blockchain and financial stability

1 INTRODUCTION

From this point of view, financial instability at the microeconomic level can be generated by: internal causes of the firm, market causes (specific to the market function and transmitted through the functional market system as a result of macroeconomic policy measures) and causes resulting from measures macroeconomic policy and transmitted directly to the microeconomic environment.

The reverse side of the problem is intended for the macroeconomic effects of financial instability at microeconomic level. Looking at the microeconomic environment as a puzzle made up of microeconomic entities, the financial instability at the microeconomic level can be correspondingly partial - with varying degrees of coverage - to the total, at the limit. From another point of view, microeconomic financial instability can be short, medium or long term (Manta O., 2017).

Whatever the degree or form of financial instability, it produces effects, albeit very poorly perceptible, or of minor importance, or adjustable by compensatory administrative measures.

In addition to this qualitative relationship, with regard to the main elements of microeconomic financial instability, there is also a quantitative influence - an influence that is, in fact, the main aspect of this type of correlation; respectively a way of analyzing these influences and correlations can be made by analyzing the significance of Fischer's equilibrium macroeconomic equilibrium: $M * V = P * T$ and accordingly the situations generated by the microeconomic financial instability can be: changes in the business cycle with changes in production ; there may be the following situations in the prices of the offered products (the increase in the prices for the total compensation of the losses suffered as a result of the changes in the business cycle, the increase in the prices for the partial compensation of the losses suffered as a result of the changes in the business cycle, from competitive incentives, unchanged prices, and the possibility of partial or total recovery of losses from the change in the business cycle, to resort to microeconomic policy measures).

Analyzing Fischer's equilibrium macroeconomic equilibrium and taking into account the condition for a developed economy $V \approx ct$, it can be concluded that changes in the business cycle, such as those due to microeconomic financial instability, risk the diminution of money in circulation, especially (according to the definition of the NBR, monetary aggregate M consists of: M1 represents the corresponding mass of money in a narrow sense and includes M0 - cash in circulation and current accounts, sight deposits M2 represents the intermediate monetary mass are included next to M1 , and deposits with an initial maturity of up to and including two years. M3 is broad money included in M2 and other financial instruments such as repo lending, money market fund shares / units, securities traded with maturity of up to two years including): M0, M1, M2, M3.

The question arises whether and under what conditions financial instability at microeconomic level influences financial stability at the macroeconomic level, causing instability.

Again calling on the main elements of macroeconomic financial stability, in connection with this subject, the instability situation can be determined, for example, by the drastic decline of the medium-term monetary average, respectively, as the influence of the situation of financial instability at

microeconomic level, returning to the puzzle model, in order for it to cause financial instability at a macroeconomic level, the following conditions must be fulfilled: the market scale, the microeconomic financial instability must be: caused by financial problems; be sufficiently expanded in the market so that the size of the deficit is significant, ie to overcome the absorption capacity as macroeconomic policy as an economic shock; to be carried out at a relevant time in terms of macroeconomic effects (Manta O., 2017).

As a comment on this, such a conjuncture would correspond to an economic crisis - in which case macroeconomic financial stability itself would be seriously called into question. Consequently, as a conclusion, the state of microeconomic financial stability is important for macroeconomic stability; the situation of microeconomic financial instability induces macroeconomic effects in order to change the state of stability; this risk produces its effects under the relevant scale of the economic shock created by microeconomic financial instability at the market level.

2 METHODOLOGY OF THE RESEARCH

In order to underpin the research methodology, the classical observation and examination instruments, research methods based on the basic principles of scientific research, namely: "competence, objectivity, truth, methodical, demonstration, correlation, evaluation of results, utility and psychomoral" (Ristea and Franc, 2013). It will use procedures based on factual analysis, intensive documentation at the level of domestic and international literature, using the databases and the scientific material existing in the endowment of the libraries of specific institutes in Romania and internationally.

The methodology of the paper has as direct instruments the collection of data and information from the literature and from the existing practice in public and private institutions, but especially scientific articles published on specialized research networks (Research Gate, Academia.edu, etc.), articles published in different journals, relevant books in the field of reference, legislation, analyzes and studies, official documents of various tax bodies, tax documents and interactive database of the National Bank of Romania, other relevant sources identified at the libraries: CCFM, Romanian Academy, INCE, IEN, BNR, National Library, INS, etc. Moreover, we analyzed the documents using the comparative, analytical, descriptive method, the nonparticipative and participatory observation, the use of a set of information sources, the collection of financial data in the established databases. Also, the paper will be based on annual reports, publications, consolidated statistical data provided by the National Bank of Romania, the European Central Bank (ECB), the International Settlement Bank (BRI), the European Commission, OECD, published annually, data to be processed in order to be able to provide a general and analytical picture of the most important changes taking place in the European Union as a whole, but also globally - considered to be representative of the understanding of the phenomena studied, and especially in Romania.

The information support of the research was provided by the monographs, books, scientific papers, materials of the scientific conferences, the balance sheets of SMEs during 2008-2017, as well as other materials, which are presented in the scientific papers and publications on the official pages of national and international research institutes, international financial institutions (research centers), etc.

3 RESULTS AND DISCUSSIONS

The main correlations between macroeconomic and microeconomic levels of financial instability - this type of correlation denies some theories that do not support the link between exogenous shocks and the severity of changing business cycles; in fact, is the point of inflection of the evolutionary trend of business cycle theories, having on the left the monetary and realist theories about the business cycle, and on the right the modern theories on the business cycle - theories that have their source in the dynamics and the complexity of the current economic relations, coexisting with the processes of economic globalization, as a result of which the dynamics, the importance and the role of the business cycles in the evolution of the macroeconomic system, as well as the correlations between them, acquire new dimensions.

Against the realistic and monetarist theories of the business cycle, which, in the current conditions, lack the fact that they rely only on the influence of the national macroeconomic on the business cycle - the influence seen also from the cyclical perspective, given the new structural and implicitly procedural evolutions in the global economic market, it is necessary to supplement these theories and the appearance of the influence of exogenous shocks on the business cycle; In such a situation, it is considered as the main source of the amendment of these theories, the multiple possibilities of evolution and propagation of the economic shocks in the global market, so that with respect to the existing theories it is considered necessary to revise, in the sense of conceptual completion, the following issues:

As a conclusion of the above analyzes, the indissolubility of the relationship between macroeconomic and microeconomic at market level, which in fact represents the central functional aspect of the evolutionary process of the economic market (whether it is a national market, a regional market, a process economic integration or globalization process), creates the following relationship of determination: financial stability at the most complete level of expression, ie with the lowest levels of internal market risks, implies the financial stability of the two indissolubly linked media at the evolutionary level of the market;

The financial instability of one of the two mediums may represent a risk to be taken into account to generate financial instability in the other medium; it is not about certainty but only about the possibility that the openness of the market, in its current evolution, gives the possibility of other forms attracted to the absorption of shocks, respectively, with the same necessary aspects of financial stability, the risks can become considerably more small in terms of administrative capacity but also considerably higher in relation to the many sources generating risks and the multitude of transmission and multiplication situations.

Blockchain Technology (2018) vs. Internet and Intranet Period of 1994 and 1996 respectively.”Similar to the evolution of the Internet that began on private Intranets, permissioned blockchains will give way to the permissionless blockchains once they successfully achieve scalability and privacy. The next generation of the internet will be a “stack” comprised of: (1) a decentralized transaction layer (the strongest of which I believe to be Ethereum); (2) a decentralized file storage

layer (IPFS and Swarm are early leaders); (3) a decentralized messaging layer (Matrix or Whisper are strong candidates); and (4) a high throughput computing resource (Golem is an example of attempting to accomplish this). As Jeremy Millar noted at the inception of the Enterprise Ethereum Alliance, blockchain technologies will be helped tremendously in 2018 through formal standardization processes similar to when Java evolved into Java 2 Enterprise Edition through standardization of database and web API's to be the most widely used software language on Earth.

Consumer Facing Applications

Early use cases of consumer facing Internet applications in the 90's were gambling, pornography, and games. Interestingly, we're seeing frontrunners on Ethereum in the same genres with Spankchain, Fun Fair, Virtue Poker, and Crypto Kitties consumer facing applications on Ethereum. The ecosystems with the most developers typically win. I don't see how permissioned blockchains that lack cryptoeconomic incentives will ever stand against public permissionless ecosystems. Ethereum already has a thriving developer community. Truffle, the smart contract developer framework, has 250,000+ developer downloads. Infura, which can be seen as an Akamai for Ethereum and IPFS, now handles over 2 billion requests per day and smoothly scaled to peak at 4.5 billion requests per day one day in December. MetaMask, which brings Ethereum seamlessly to browsers, has over 500,000 active users.

Blockchain will be a vessel of good.

As the world takes note of the societal implications of blockchain technology, we will see an uptick in humanitarian applications in 2018. In 2017 we saw the World Food Program employ Ethereum to distribute 1.4 million food vouchers to 10,500 Syrian refugees in Jordan. And it is aiming for one million transactions, per day. This innovative program, dubbed "Building Blocks", demonstrates how database efficiency will deliver tangible benefits to the most vulnerable. I applaud the World Food Program's efforts and believe that its success is a sign of great things to come.

Enterprises will take the training wheels off

As permissionless blockchains continue their scalability and privacy upgrade process, permissioned blockchains will continue to lose the developer mindshare and potentially lose their client base similar to how AOL, Prodigy, and CompuServe services lost out to the Internet. There will be narrow use-cases for intranet-like permissioned blockchains, just as SWIFT never touched the internet, but the long tail will be using permissionless protocols.

Intranets were great training wheels, until the Internet was pervasive. The same trajectory will occur with permissioned blockchains in 2018 and beyond.

Proof of Stake changes the blockchain consensus game

Benefits of proof-of-stake include:

The ability to reduce the large electricity consumption and hardware costs to secure a blockchain. It is estimated the Bitcoin electric consumption will trend toward equivalent consumption of the country of Denmark by 2020.

Due to reduced energy consumption, token issuance isn't necessarily intrinsic to the securitization of the network. Negative net issuance could occur, whereby tokens are actually burned thereby reducing the supply and increasing value per token.

51% attacks become exponentially more expensive, as you risk what you stake.

Token Fever—Not so fast on the SAFT.

As Earth continues to realize the advantages of natively digital assets for everything (natural resources, fiat, gold, music, loyalty points, Madonna concert tickets, software, real estate, IoT device registration, stocks, electrons, etc.) on global distributed ledgers, regulation will be necessary. Regulators will be empowered to create smart contract software specifications and develop tests that compliant companies must pass.

Token Foundry will be the first platform to allow regulatory compliant utility token launches without using a SAFT—meaning everyone (not just accredited people on Sand Hill Rd.) will be able to participate and purchase tokens in an initial sale, thereby continuing to democratize venture capital.

The blockchain ecosystem will ramp up their educational resources tremendously.

“Education is the most powerful weapon you can use to change the world.”—Nelson Mandela

Until recently, the ones learning have been software engineers, but in 2018 there will be customized educational programs for policy makers, lawyers, project managers, executives, and MBA's to understand the implications this technology has on their respective fields. ConsenSys Academy has rolled out many of these endeavors already, and has some exciting initiatives coming in the new year.

The IRS and their equivalents globally will be demanding their pound of flesh.

“Nothing can be said to be certain, except death and taxes.”—Ben Franklin

There is already a precedent in US vs. Coinbase Inc., et al. where an exchange has had to divulge their user-base's trading history. I expect similar outreach to other exchanges. Software like Balanc3 is being used to track the p&l of a person or company's digital assets as well as trading history. Pay your taxes.

People will take control of their online identities

We will continue to see the growing trend wherein people, companies, and machines manage their identity self-sovereignly rather than by a third party service provider like a bank, Facebook, or another internet service provider.

Interestingly, governments will increasingly find themselves as attestors to these self-sovereign identities, similar to how Zug, Switzerland is attesting to citizens identity usage with uPort, Ethereum leading self-sovereign identity solution.

In 2018, governments and regulatory bodies will mandate the use of blockchain to track and trace high value assets- “The supply chain stuff is really tricky”—Elon Musk

Companies and organizations will realize that for the first time, it is possible to offload basic track and trace infrastructure to the public chain. This will lead to a decrease in cost and regulatory burden, and an increase in customer brand loyalty. These two trends will set the stage for a shared track and trace infrastructure supported by the public chain.

Major Fortune 50 companies are already demanding public chain track and trace use cases for which they are using the Viant platform to build their solutions.

The evolution of law will continue to intersect computer science.

“The first thing we do, let’s kill all the lawyers”—Shakespeare

The lawyers of tomorrow will need to understand fundamental future aspects of computer science as much as legal precedent. Using OpenLaw, lawyers can create, deploy, and edit next-generation legal agreements relying on Ethereum and IPFS. Here are great examples of restricted stock grant purchase, standard agreement for equity, and an ERC20-token purchase agreement. Enterprise Ethereum Alliance has formed a working group with many of the leading law firms and legal schools to ensure the legal industry can adapt.

“For the first time, open source, peer-to-peer protocol developers can monetize their project on a protocol level”—Olaf Carlson-Wee

For the first time we’ll be able to incentivize and monetize open source work, which will feel like adding a match to nitroglycerin in a Cambrian explosion of new blockchain technology paradigms. With new tokenized projects like Bounties.Network and Gitcoin, we’re adding a cryptoeconomic layer to software engineering.

BUGS begone: smart contract audits will be a necessity in 2018

For decades software engineers created code with bugs, which was somewhat inconsequential as software primarily served as a communication mechanism. As we transition to an Internet of Value with digitally tokenized assets, bugs can mean potential loss of capital. We don’t need to re-dance the polka or revel in the DAO-Saster of 2017, and 2016 respectively to agree that smart contract security audits are necessary.

Superstars like Phil Daian and ConsenSys Diligence will become the heroes of smart contract security audit and this could be one of the largest niches/job markets within the blockchain ecosystem.

Don’t just regulate blockchain....regulate THROUGH the blockchain.

2018 will be the year of G-to-C and G-to-G (Government to Citizen and Government to Government)—laws, regulations, treaties written in smart contracts, making it 100x cheaper and more straightforward to comply with them and 100x cheaper and easier to do appropriate oversight without having to subpoena personal and company records.

Stablecoins are coming

Stablecoins are the basis of financial instruments for hedging and derivatives that will be necessary for this wild-west industry to cross the chasm to safe and more easily used financial products. Maker DAO, VariabL, and Basecoin are attempting this from the startup eco-system, but I think this is a great space for an enterprise banking incumbent to provide value, liquidity, and validity to the digital asset ecosystem. I predict we'll see a bulge bracket bank blockchain-based stablecoin in 2018 if they can get it through compliance.

Tangoing with Contango

After witnessing the first bitcoin futures products on regulated U.S. exchanges that are cash-settled in 2017, I foresee the market will evolve to physically settled offerings to avoid banging the close to manipulate futures. Moreover, we'll see other digital asset derivatives, such as ether.

These derivative contracts will provide forward pricing curves that are necessary to the genesis and evolution of digital asset exchange traded funds.

The total market cap of blockchain-based digital assets will exceed \$2 trillion U.S. dollars by January 1, 2019. "New Car, Caviar, Four Star Daydream"—Pink Floyd

The price of ether will exceed \$2,000 in 2018. Ether will continue to outperform bitcoin, and the total market cap of ether will exceed that of bitcoin in 2018. Bitcoin's governance issues, reluctance to evolve, and extremely high fees could lead it to its demise. Bitcoin Cash has a serious chance of eclipsing Bitcoin. The market cap of Filecoin will exceed that of bitcoin by 2023. There will be a crypto-winter, though not in '18, as the industry is in the spring of its youth.

Andrew is a co-founder of ConsenSys Capital, the financial services offering constellation at ConsenSys including ConsenSys Ventures, Token Foundry, and ConsenSys Capital Asset Management. Previously, Andrew served as head of global business development of ConsenSys and co-founded ConsenSys Enterprise, catalysed Enterprise Ethereum Alliance, and co-developed the Microsoft Ethereum global blockchain offering.

The most popular virtual currency appreciated by 0.7%, over \$ 8000, after the billionaire recently announced that he is ready to invest in the Cryptomonas market the "Soros effect" on Bitcoin. More The International Monetary Fund through Christine Lagarde talked about the benefits of cryptomonas and blockchain technology that can reduce the cost of transactions. "Crypto-assets allow quick and cheap financial transactions while providing some of the cash benefits. Some payment services are currently making transfers abroad over hours, not days. Crypto-asset-based technology - distributed ledger technology (DLT) can make financial markets work more efficiently. Intelligent contracts with

self-execution and application can eliminate the need for some intermediaries, "wrote Lagarde in a blog post. Comments coming in while some virtual coins give a sign of rebound: Bitcoin last week jumped more than 20 percent, weekly increases for the first time since 2017, and Ripple appreciated by more than 30% .The upward trend of Bitcoin was followed by Ether and Litecoin, while the European Union is imposing stricter measures to regulate cryptomonas, the IMF advocated for a more balanced approach, in the same register of major American banks, the most influential of them, Goldman Sachs, has already announced that it is exploring the possibility of launching new virtual touring operations, not Christine Lagarde at the end of last year that ignoring cryptomonas "is not wise".

4 CONCLUSION

The larger the size and complexity of the market, the higher both the microeconomic and the macroeconomic risks, the possibility of economic performance is growing, and the macroeconomic and the microeconomic interconditioning relations are intensifying, this being a necessity resulting in an increase in the number of economic policy instruments in the direction of evolution.

Economic stability at both macro and micro levels has the same fundamental elements, which, given the interrelationship between the two environments at the market level, is a natural and straightforward consequence to functionality.

Financial instability, as a risky event of financial stability, is also based on common elements at macro and micro level; moreover, the two types of financial instability influence each other, starting from the least disturbances of the stability state.

In the opposite direction, the financial stability of the two environments is a necessary objective for the evolution of the market. Moreover, as an important part of the organizational culture, the general and main objectives should be understood as being common to the two environments, and the specific objectives should be introduced, on a reciprocal basis, into the equations of the administrative models of the two environments.

In conclusion, I present some of the information presented in a special characterization of the big players in the cryptomonas market and belonging to Harry Hamburg, editor of Exponential Investor:

The Rockefellers- This \$350 billion dollar dynasty have made some of the most well timed investments in history. Starting their legacy in oil...

The Rockefeller's flagship investment firm Venrock moved its money towards aviation and technology.

Intel in 1969.

Apple in 1978.

StrataCom (now Cisco) in 1986.

In April this year, they partnered directly with a crypto investment ‘CoinFund’.

Their intention: to back “different crypto economies and crypto token-based projects.”

And they’re not the only mega-rich dynasty to wade into crypto...

The Rothschild’s

Table 1: Image of a transaction on the bitcoin exchange in 2018

ROTHSCHILD INVESTMENT INC	COM	091731108	210	539 SH	DFND
ROTHSCHILD INVESTMENT INC	COM	091731108	210	539 SH	DFND
BITCOIN INVT TR SHS	COM	091731108	210	539 SH	DFND
ROTHSCHILD INVESTMENT INC	COM	091731108	210	539 SH	DFND
ROTHSCHILD INVESTMENT INC	COM	091731108	210	539 SH	DFND
ROTHSCHILD INVESTMENT INC	COM	091731108	210	539 SH	DFND

Source: Exponential Investor, 2018

The image you see over there on the right...

Is straight from the Securities and Exchange Commission ‘13F FORM’ for the Rothschild Investment Corporation.

It shows the Rothschild’s stealthily making their first investment into crypto last summer.

Next up is one of the most famed, opportunists in financial history...

George Soros- His interest in crypto started in August last year when he invested in Overstock.com – the first ever retailer to start accepting cryptocurrencies.

In April this year he ordered his \$26bn family office to start planning to trade in crypto currencies. It’s not just these famous financial families moving into this space.

Some of the biggest banks in the world are claiming their stake too.

Goldman Sachs This banking heavyweight locked in their position as one of the big players in this roaring new market in February. First by backing a cryptocurrency startup called Circle... Using this vehicle investment, they bought out one of the biggest crypto exchanges on the market Poloniex.

J.P Morgan On 9th of February, J.P. Morgan released a document called ‘Decrypting Cryptocurrencies: Technology, Applications and Challenges’ This 60 page, in-depth break down of cryptocurrencies signalled their strategy into the crypto market.

And if there's one thing these wealthy families and banking giants like to do more than winning – it's making money.

These BUY signals from the world's richest entities are making waves in the market... and industry experts are already calling predictions all over the shop...

Pantera Capital CEO Dan Morehead went on record saying he 'rarely had such a strong conviction of timing' and see's Bitcoin heading to \$20,000.

Max Keiser sees Bitcoin's move to \$28,000 already 'in play' as of April this year.

Saxo Bank analyst Kay Van-Petersen is calling the shoot towards \$100,000 from here on out.

And investment mogul and CNBC host Brian Kelly joins \$5bn hedge fund manager Tim Draper for \$250,000 by 2022.

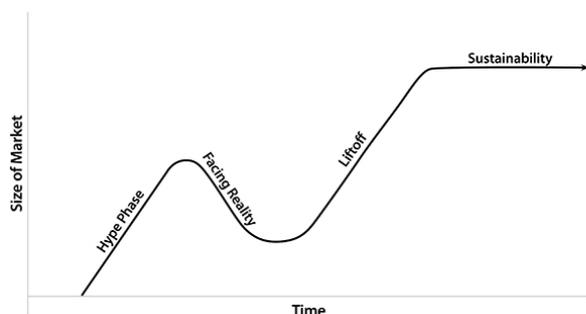


Figure 1:Technology to Market Curve

Source: Exponential Investor, 2018

This is Technology to Market Curve, and it has four phases.

Phase one is the hype phase. This is when a new technology comes to market and there's massive expectations for it... and they rush to invest in it.

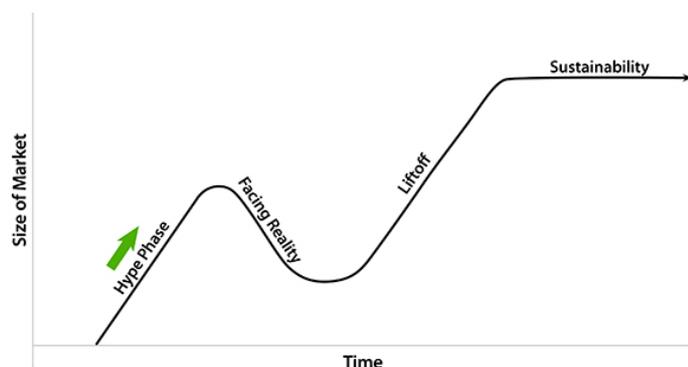


Figure 2:Technology to Market Curve (hypephase)

Source: Exponential Investor, 2018

Look familiar? Of course it does...

The last 12—18 months was the ‘hype phase’ for cryptos, seeing bitcoin fly from under \$1k to almost \$20k.

It’s the “make it or break it” phase for a new technology. Many never make it out of this phase because they never live up to the hype.

Phase Two is the “facing reality” phase.

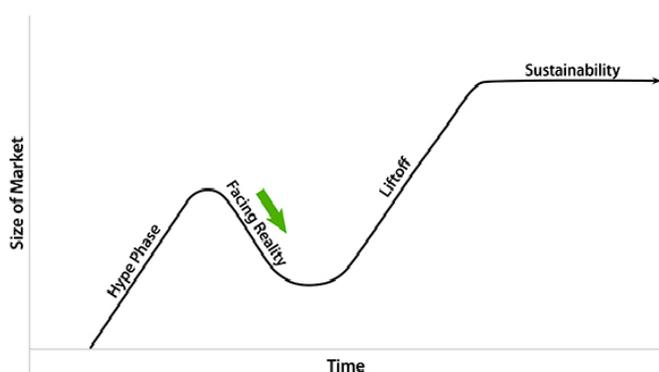


Figure 3.:Technology to Market Curve (facing reality)

Source: Exponential Investor, 2018

This is where investors hype dies down and there’s a lull, a trough if you will.

That’s where we are at right now with cryptos. You’ve probably read about the recent price drop yourself. As you can see from the above, this “trough” is part of a very common pattern.

What’s interesting about the trough is... typically, they don’t end until several key things happen:

First, there’s broad adoption of the technology.

Second, there’s compelling signs that mass adoption is imminent.

And finally, there’s a leader in the market that takes the technology out of the rough.

In the 1990s it was AOL leading the internet out of the trough... today it's bitcoin leading cryptocurrencies.

So – assuming the pattern continues as anticipated - what can we expect to happen next?

We are starting to see some huge moves firing out, over the last 7-days:

Table 2:The biggest gainers centralizer

Biggest Gainers*					
#	Name	Symbol	Volume (24h)	Price	% 7d
1	Bubble	BUB	\$67,813	\$0.087219	441.45%
2	Hexx	HXX	\$330,946	\$3.57	379.05%
3	MaxCoin	MAX	\$177,884	\$0.104515	374.19%
4	Pareto Network	PARETO	\$349,136	\$0.063517	314.85%
5	HODL Bucks	HDLB	\$76,586	\$0.158118	238.97%
6	MCAP	MCAP	\$590,878	\$0.183756	200.37%
7	Mithril	MITH	\$368,164,000	\$0.652717	163.70%
8	High Voltage	HVCO	\$65,259	\$0.772205	157.74%
9	BLUE	BLUE	\$59,982	\$0.265982	144.85%
10	BankToTheFuture	BFT	\$956,159	\$0.154163	132.42%
11	TokenPay	TPAY	\$372,857	\$3.61	121.26%
12	BlockCDN	BCDN	\$372,275	\$0.026871	116.51%
13	GoldMint	MNTP	\$751,938	\$4.93	115.64%

Source: Coinmarketcap.com – snapshot taken 12th April 2018

Past performance is not an indicator of future performance

A great example of this is Amazon.



Figure 3: Presentation of the evolution of Amazon in the period 1998 to 2018

Source: Exponential Investor, 2018

Past performance and 5 year figures. Amazon 5 year performance: 2013 +56.01% | 2014 -17.34% | 2015 +130.40% | 2016 + 32.34% | 2017 +42.46%

We saw **the hype phase** of Amazon in the late 1990s. Maybe you remember it...

The stock shot up to over \$100 a share, many people thought that was as high as it would ever go. Along with hundreds of other dot-com companies, it was flying. The only tech revolution you can compare this to is the rise of the internet over the last 25 years. I don't know if you were smart enough (or simply lucky enough) to reap profits from that bull market.



Figure 3: Presentation of the evolution of Google in the period 2005 to 2017

Source: Stockcharts

Google (Alphabet Inc): 2013 +55.48% | 2014 +3.72% | 2015 +55.09% | 2016 +21.50% | 2017 +21.42%



Figure 4: Presentation of the evolution of eBay in the period 1999 to 2017

Source: StockchartseBay: 2013 +5.58% | 2014 +8.65% | 2015 +22.91% | 2016 +28.87% | 2017 +16.11%



Figure 5: Presentation of the evolution of Amazon in the period 1998 to 2017

Source:

Stockcharts

Amazon: 2013 +56.01% | 2014 -17.34% | 2015 +130.40% | 2016 + 32.34% | 2017 +42.46%

Atul Adya, Paramvir Bahl, Jitendra Padhye, Alec Wolman, and Lidong Zhou. 2004. A multi-radio unification protocol for IEEE 802.11.

The current and future challenges of the global economy are multiple, which is why we economists appreciate, starting from the conceptual definitions of the digital finance, innovative financial instruments, we can propose models and application solutions for the present and future global economy.

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