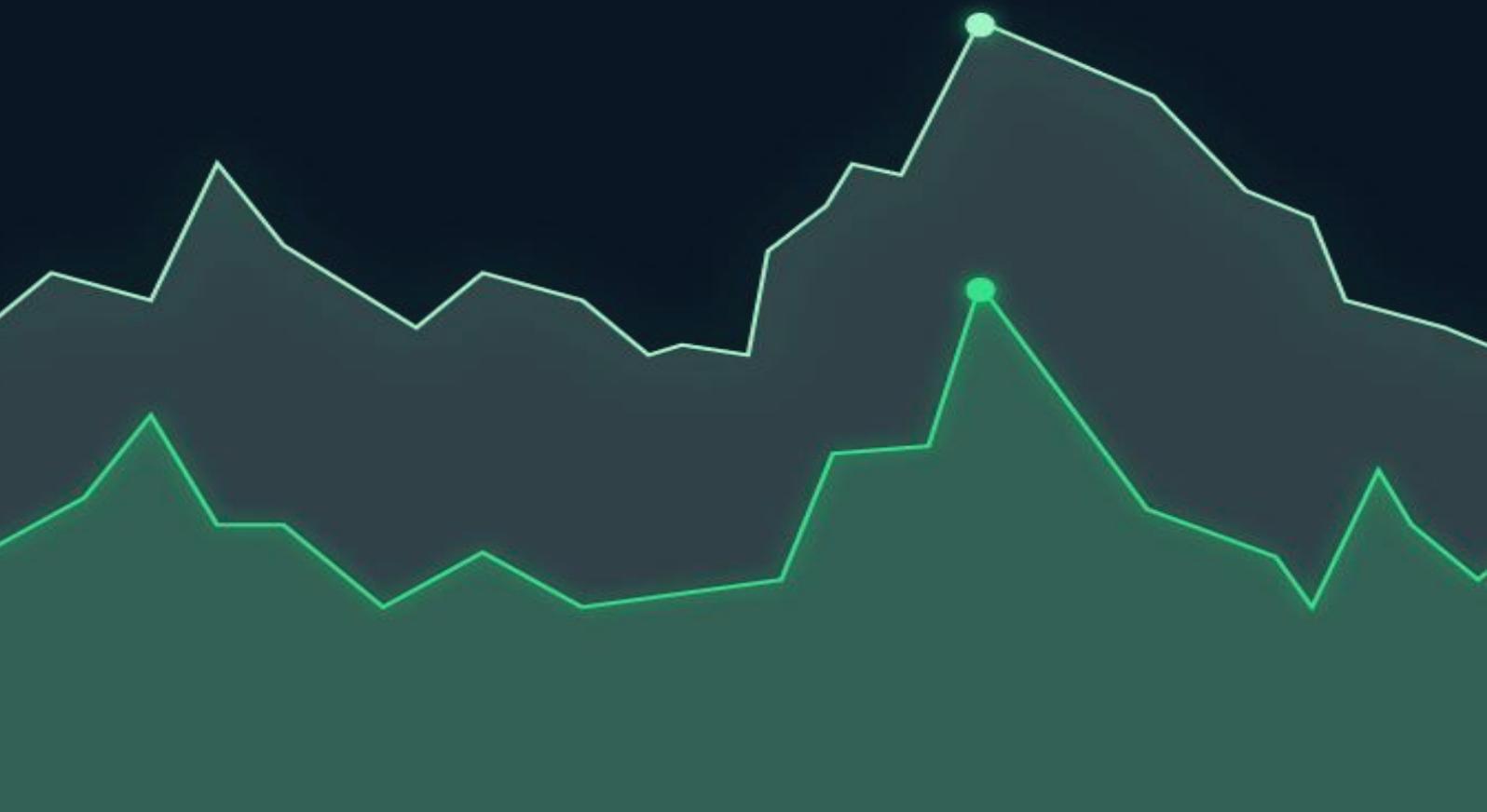




ASSET REPORT

May 2022



About CryptoCompare

CryptoCompare is an FCA authorised and regulated global leader in digital asset data, providing institutional and retail investors with high-quality real-time and historical data. Leveraging its track record of success in data expertise, CryptoCompare's thought-leadership reports and analytics offer objective insights into the digital asset industry.

About This Report

Cryptocurrencies were born in 2009 when Bitcoin was released as the first global decentralised currency. In the last 12 years, crypto has grown into an investable asset class of its own, with exchanges providing a platform to buy and sell thousands of different currencies. However, for most of its history, the asset class has mainly been fuelled by a purely retail investor base who have arguably left institutional investors and investment management professionals behind when it comes to grasping the opportunities in the cryptocurrency space. This began to change in 2020 when well-regarded investors and corporations started to pay more attention to this growing asset class.

A major challenge for institutional investors and other professionals looking into the sector is the lack of reliable data. This complicates the analysis of investment opportunities in cryptocurrencies, specifically when considering crypto as part of a wider investment portfolio. The Asset Report was initiated to tackle this challenge.

CryptoCompare's Asset Report aims to provide professionals in the financial services space, particularly the investment management industry, with a summarised analysis of the latest movements in cryptocurrency markets. The report frames cryptocurrencies as an investable asset that has a role to play in global investment portfolios. Thus, it compares major cryptocurrencies with traditional asset classes, as well as with each other. Finally, the report includes factsheets that dive into the latest developments of the five largest assets, including market updates, DeFi, scaling solutions, ownership concentration, and developer news.

This review is conducted on a monthly basis and caters to institutional investors, analysts and regulators interested in more specific analyses on the performance and risk metrics of the largest available cryptocurrencies.

For questions related to this research or any potential requests, feel free to contact CryptoCompare's research department at research@cryptocompare.com.

Disclaimer:

The content found in this report is for informational purposes only, you should not construe any such information or other material as legal, tax, investment, financial, or other advice.

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Featured Currencies

1. **BTC**

Bitcoin is the world's first decentralised cryptocurrency, having been released in 2009 by the pseudonymous developer(s) Satoshi Nakamoto. It utilises Proof of Work (PoW) mining to validate transactions between decentralised parties and to ensure the security of the blockchain network. It is the largest cryptocurrency by market capitalization, having reached a \$1T valuation for the first time in February 2021.



2. **ETH**

Ether is the native currency of Ethereum, an open-source blockchain created by Vitalik Buterin in 2014. It has a large range of decentralised applications facilitated via smart contracts, including peer-to-peer lending, insurance, and yield farming. While it currently uses PoW as a consensus protocol, it is transitioning to the alternative Proof of Stake (PoS) via Ethereum 2.0 upgrades.



3. **XRP**

XRP is a cryptocurrency built by Ripple Labs in 2012. It specialises as a payment system that supports real-time transfers of money across geographies, currencies, and assets. It aims to revolutionise the international banking and payment industry by acting as the common currency for international transfers.



4. **SOL**

SOL is the native token of the Solana blockchain, which was released in April 2019. It is a smart contract platform that saw incredible growth in 2021. It uses a combination of PoS and Proof of History to validate transactions and has grown to become one of Ethereum's biggest competitors in the Decentralised Finance space.



5. **ADA**

ADA is the cryptocurrency of the Cardano blockchain network, which was launched in 2017 by Charles Hoskinson, a co-founder of Ethereum. It is one of the largest PoS blockchains, which validates transactions by selecting validators on the blockchain proportionally to the amount of ADA they own and stake. It is an academically rigorous project, which launched smart contract functionalities in September 2021.



Key Market Insights

Bearish Sentiment Continues to hit Bitcoin

May followed April as another red month for Bitcoin. Bitcoin's price fell for 9 consecutive weeks for the first time in its history, falling from \$45,523 at the end of March to \$31,780 at the end of May. The decline has seen Bitcoin move below its 50-day and 200-day moving average, closing at \$34,810 and \$42,640 respectively. As a result of the price decline, market capitalization fell 15.5% to \$607bn from \$716bn. Due to an increase in market volatility, average daily volumes have risen sharply in May when compared to those in April, rising 48.2% to \$1.45bn.

SOL Experiences its Worst Monthly Decline as Outages Continue

SOL fell 46.0% to \$45.74 in May, its worst performing month since the token launched in 2020. While cryptocurrencies are in a bear market, Solana has been one of the worst performers year to date among the largest projects. It has fallen 62.8% in the last two months, and 82.4% since its peak in November 2021. The Solana network has suffered other challenges thus far this year, namely network outages, the latest being on the 1st of June, when the network was inactive for over four hours. This is the fifth outage for the blockchain this year. Having said this, the network still has an active and robust DeFi ecosystem, with the top five protocols taking under 50% of TVL market share. Furthermore, more SOL is being locked in DeFi smart contracts – increasing from 47.7mn at the start of the year to 62.5mn at the end of May.

Cardano Developer Activity Grows while Team Prepares for Vasil Hard Fork

Cardano's developer activity has been growing steadily over the last few months, according to data from Github. The project's main repository has seen 12% more contributors since the start of the year, while commits have grown from 5,314 to 5,939. This comes as the Cardano team prepares to launch the Vasil hard fork, currently scheduled for the 29th of June. The network upgrade is intended to assist in scaling the network by increasing throughput and number of transactions.

ETH Mining Ecosystem Sees a Shift Coinciding with Record Burn

Since creation, unknown Ethereum miners dominated the largest portion of hash distribution, only until coordinated pools (fronted by Sparkpool most notably), took off in 2017. In May however, the current top spot was reassumed by unknown miners as they surpassed Ethermine 28 days in May.

The Ethereum network also saw a huge deflationary spark alongside the launch of Yuga Labs NFT collection, 'Otherdeed for Otherside', a metaverse land sale. The minting saw over 55,800 ETH burnt, in the sixth largest source of Ethereum burning in history. This event accompanied with standard burning caused a total of 71,718 ETH to be removed from existence, totaling \$196mn.

Latest Crypto News

TOPIC	STORY	DATE
CARDANO	Cardano, Avalanche Lead Fed-Driven Crypto Rally, Traders Still Wary of Long-Term Recovery	May 5
BITCOIN	Bitcoin City: El Salvador president unveils layout of 'crypto utopia'	May 10
ETHEREUM	Ethereum on Track for Testnet Merge in June	May 19
SOLANA	Magic Eden Tops OpenSea in Daily Trading Volume as Solana NFTs Heat Up	May 19
RIPPLE	Ripple and FINCI introduce the benefits of on-demand liquidity to Lithuania	May 19
CARDANO	Cardano accelerator program Genius X ISPO nets \$105 million in ADA	May 20
SOLANA	Brave Adds Solana Support and Ramp Wallet Functionality in Latest Browser Update	May 24
RIPPLE	Crypto firm Ripple will explore IPO after SEC lawsuit ends, CEO says	May 25
ETHEREUM	Ethereum Beacon Chain experiences 7 block reorg	May 26
SOLANA	Solana's blockchain clock loses track of time, now running 30 minutes behind	May 27
BITCOIN	One River's Carbon Neutral Bitcoin ETF Rejected by SEC	May 27
BITCOIN	Bitcoin to set a new record 9-week losing streak with BTC price down 22% in May	May 29
ETHEREUM	Ethereum Transaction Fees Hit a 10-Month Low as Gas Costs per Transfer Sink Below \$3	May 30
CARDANO	Number of Active Cardano Pools Near 3,000 as Vasil Hardfork Approaches	May 30
RIPPLE	Ripple Says Has Bigger Ambitions Than Replacing Swift	May 31

Asset Performance & Market Metrics

Summary

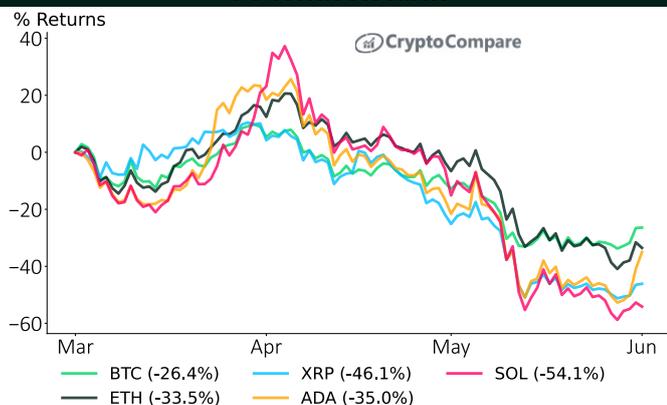
Both traditional and crypto markets had negative movements in May, with the exception of the S&P500 that remained flat. All crypto moved sharply downward this month with the hardest hit being SOL, ETH and XRP which returned -46.0%, -28.8%, and -28.0% respectively. BTC and ADA also saw losses of -15.6%, and -17.1% respectively. Following a turbulent month, volatility surged in May across all markets, ranging from a high of 173% (ADA) to a low of 82.2% (BTC).

S&P500 was the only market boasting a non-negative risk-adjusted return in May, with a Sharpe ratio of +0.00. The worst performance was from ETH (-0.30), followed by SOL (-0.29) and XRP (-0.25).

December	BTC	ETH	XRP	ADA	SOL	GOLD	S&P500	NASDAQ
EoM Price	\$31,780	\$1,941	\$0.42	\$0.63	\$45.74	\$1,848	\$4,132	\$12,081
Market Cap	\$607bn	\$235bn	\$20.2bn	\$21.2bn	\$22.3bn	\$11.9tn	\$36.7tn	-
Month Return	-15.6%	-28.8%	-28.0%	-17.1%	-46.0%	-3.66%	+0.01%	-2.05%
3 Month Return	-26.4%	-33.5%	-46.1%	-35.0%	-54.1%	-5.23%	-4.04%	-10.7%
YTD Return	-31.2%	-47.2%	-49.2%	-52.1%	-73.1%	+2.55%	-13.9%	-22.8%
EoM Sharpe	-0.21	-0.30	-0.25	-0.12	-0.29	-0.21	+0.00	-0.04
Month Volatility	82.2%	103%	121%	173%	170%	17.2%	39.5%	52.8%
Max Drawdown	-35.4%	-42.5%	-49.1%	-56.7%	-62.2%	-5.41%	-9.29%	-13.1%

3 Month Returns

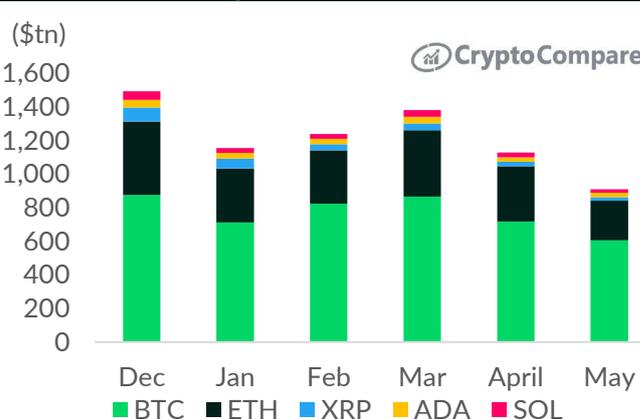
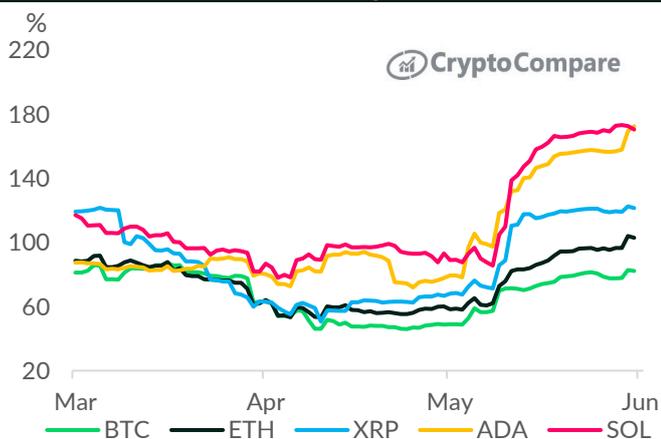
Monthly Sharpe Ratio



Over the last three months, all assets have erased their gains, with BTC faring the best down 26.4%, ending the month at \$31,780, and SOL suffering the most, falling 54.1% to \$45.74. XRP was also hit hard, falling 46.1%, and both ETH and ADA fell 33.5% and 35.0% respectively. All assets Sharpe ratios remained negative in May, compared to highs in April, with the highest being ADA (-0.12), followed by BTC (-0.21). The lowest Sharpe ratio was SOL (-0.29).

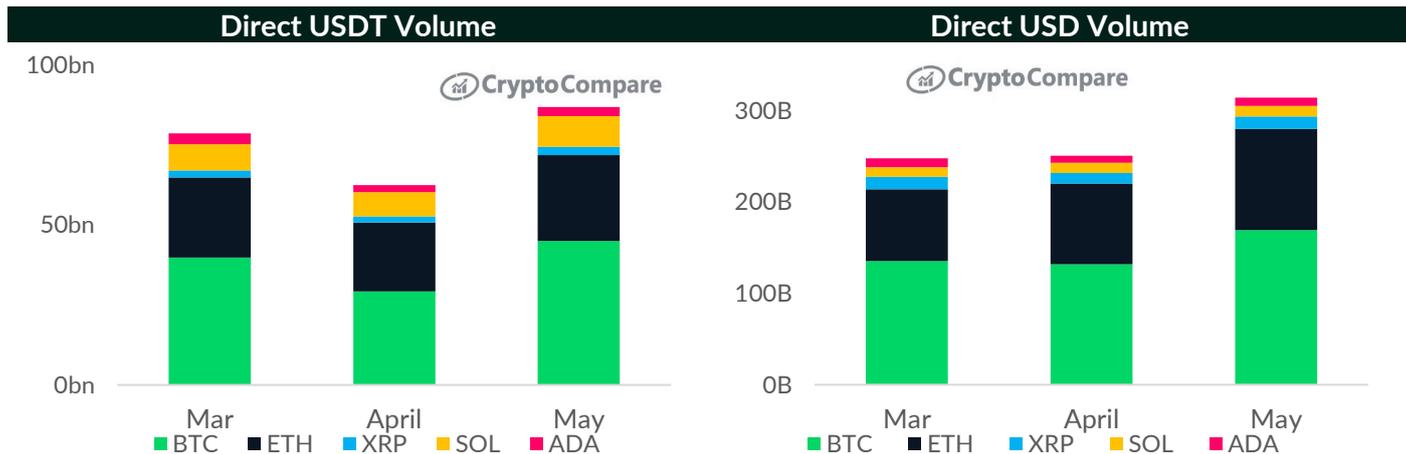
Volatility

Market Capitalisation Dominance



Volatility across the top 5 assets increased significantly during the month of May. BTC was the least volatile asset in the month with a volatility of 82.2%. SOL and ADA were the more volatile assets at 173% and 170% respectively, more than twice the volatility registered during April. Total market cap for the top 5 cryptocurrencies fell 19.3% in May to \$909bn.

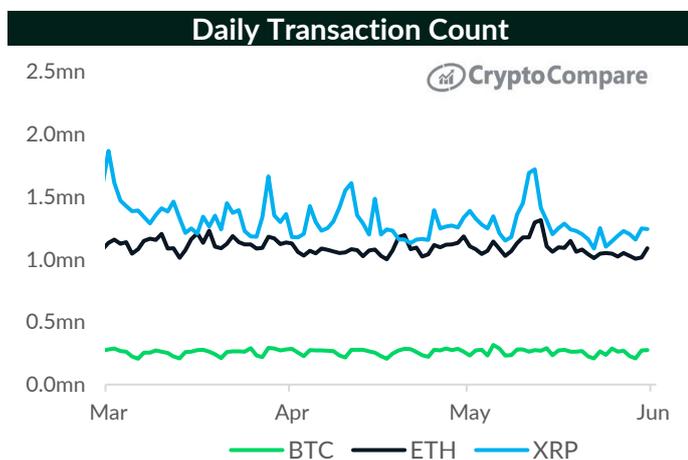
Volumes



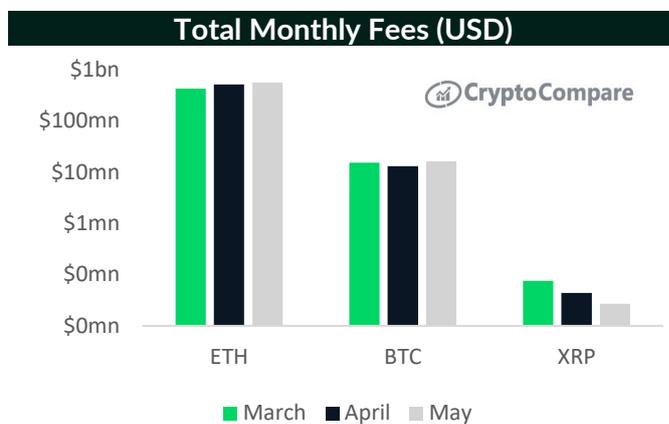
Volume (\$)	USDT			USD		
	Mar	Apr	May	Mar	Apr	May
BTC	135bn (+20%)	131bn (-2.6%)	169bn (+28%)	39.8bn (+3.3%)	29.3bn (-26%)	45.0bn (+54%)
ETH	78.7bn (-10%)	88.6bn (+13%)	111bn (+25%)	25.0bn (-14%)	21.5bn (-14%)	26.8bn (+25%)
XRP	13.5bn (-23%)	11.6bn (-15%)	13.6bn (+17%)	2.25bn (-8.6%)	1.95bn (-13%)	2.59bn (+33%)
ADA	10.0bn (-6.4%)	7.78bn (-22%)	9.30bn (+20%)	3.35bn (-13%)	2.20bn (-34%)	2.91bn (+32%)
SOL	10.5bn (-0.0%)	11.1bn (+5.9%)	11.3bn (+2.3%)	8.19bn (-5.2%)	7.56bn (-7.7%)	9.58bn (+27%)
Total Top 5	248bn (+3.8%)	251bn (+1.2%)	314bn (+25%)	78.6bn (-4.7%)	62.5bn (-21%)	86.9bn (+39%)

In May, total USDT volumes across the five assets rose by 25.3% to \$314bn. BTC and ETH experienced the most increase in USDT volumes, rising 28.4% and 25.2%, respectively. Most USDT volumes remain concentrated in the BTC and ETH pairs, which had volumes of \$169bn and \$111bn respectively. Total USD volumes also increased significantly by 39.1% to \$86.9bn in the month of May. BTC pair in USD increased the most by 53.8% to \$45.0bn.

On-Chain Activity



Txns	Feb	Mar	Apr
BTC	7.98mn	7.82mn	8.06mn
ETH	35.0mn	32.4mn	33.7mn
XRP	42.3mn	38.3mn	39.4mn



	Feb	Mar	Apr
BTC	\$15.2mn	\$13.0mn	\$16.2mn
ETH	\$424mn	\$513mn	\$560mn
XRP	\$75,912	\$43,648	\$27,028

In May, XRP remained the blockchain with the highest transaction volume, recording 39.4mn transactions (+3.02%). This was followed by ETH with 33.7mn (+3.93%) transactions. BTC transactions also rose to 8.06mn from 7.82mn (+2.98%).

Total fees incurred for all transactions in the Ethereum network increased by 9.13% to \$560mn in May, but still remain notably below fees incurred in January (\$1.34bn). BTC fees rose the most among the three assets with an increase of 24.3% to \$16.2mn. Meanwhile, the total fees incurred in the Ripple network fell by 38.1% to \$27,028 – the lowest figure recorded since July 2021.

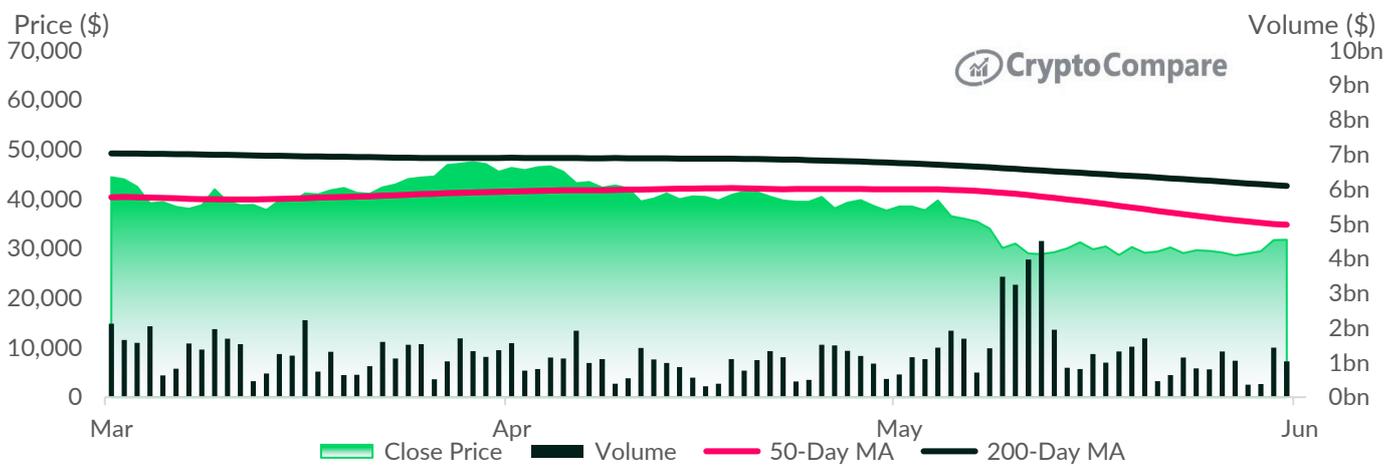
Bitcoin (BTC)

Summary

Bitcoin's price fell 15.6% in May to \$31,780, falling to a market capitalization of \$607bn at the end of the month. Bitcoin's Lightning Network, the primary scaling solution for the blockchain, continued to increase as capacity grew 3.58% from an average of 3,674 BTC in April to 3,806 BTC in May. Total fees paid for transactions increased by 24.3% to \$16.2mn, and average fee per transaction also increased from \$1.67 in April to \$2.01 in May.

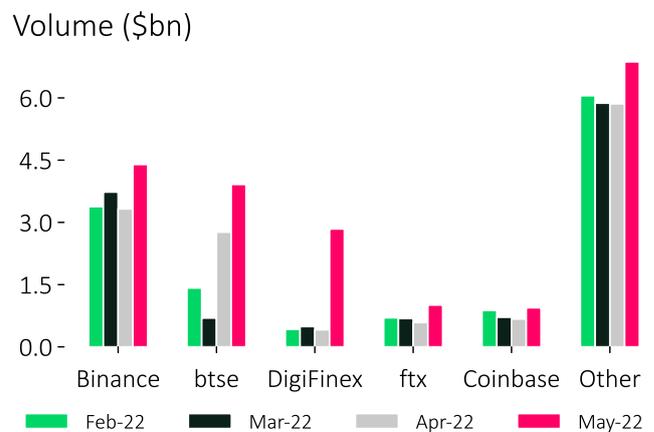
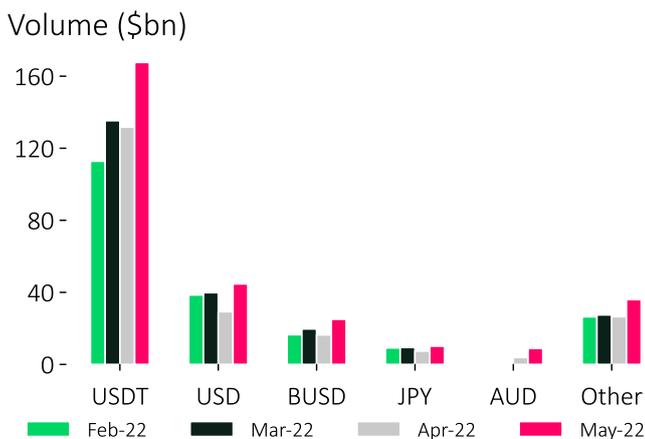
Market Activity:

Risk Metrics	Mar	Apr	May	Market Metrics	Mar	Apr	May
Avg Daily Volatility	11.3%	8.89%	14.8%	Market Cap	\$865bn	\$716bn	\$607bn
Monthly Volatility	63.0%	48.7%	82.2%	EoM Price	\$45,523	\$37,650	\$31,780
Max Drawdown	-22.9%	-20.7%	-35.4%	Monthly Returns	+5.40%	-17.3%	-15.6%
EoM Sharpe Ratio	+0.13	-0.28	-0.21	USD Volumes	\$39.8bn	\$29.4bn	\$45.0bn



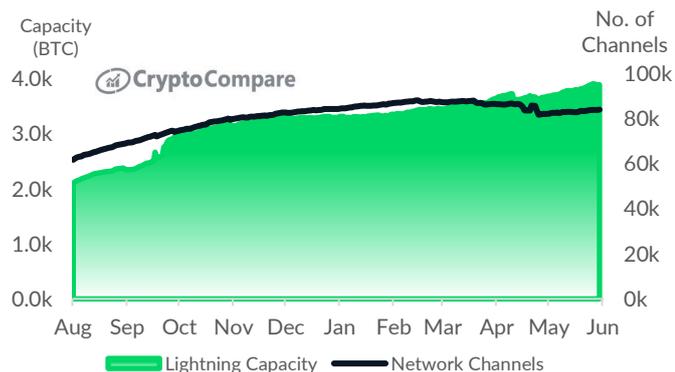
Bitcoin's price closed the month at \$31,780, a 15.6% decline from the month prior. The continued downward trend in Bitcoin's price saw the close price remain below its 50-day MA and 200-day MA, which closed the month at \$34,810 and \$42,640 respectively. Average daily volumes of BTC/USD increased 48.2% to \$1.45bn.

Volume Statistics:



Lightning Network and Scaling Solutions:

Scaling Summary



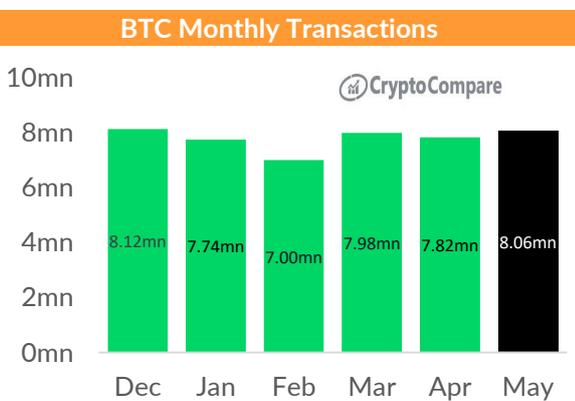
In May, the average daily capacity of the lightning network increased 3.58% to 3,806 BTC - another all-time high for the layer two solution.

Conversely, the number of transaction channels in the network marginally fell 2.16% to 83,184 channels. The average number of nodes interacting with the Bitcoin blockchain, and the Lightning Network in April also fell 11.1% to 16,745.

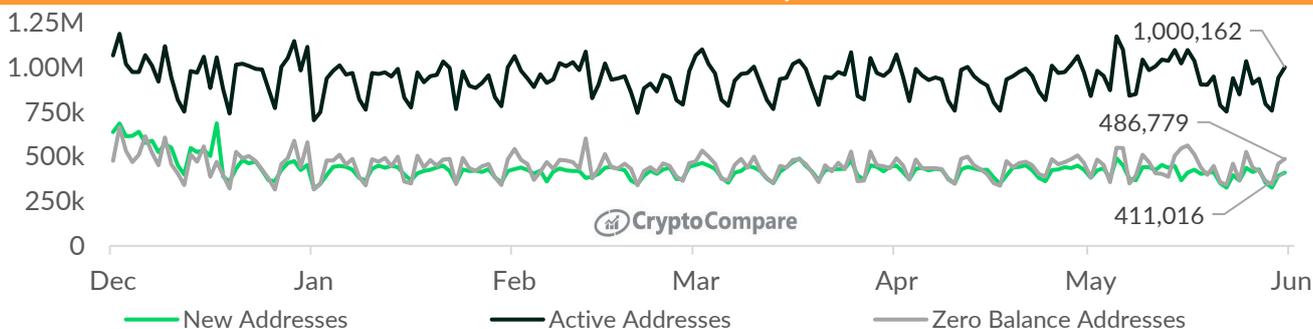
Lightning Network	Mar	Apr	May
No. of Open Channels	87.3k	85.0k	83.2k
No. of Nodes	20.6k	18.8k	16.7k
Capacity (BTC)	3,508	3,674	3,806

Network Metrics:

Network Metrics	Mar	Apr	May
Monthly Transactions	7.98mn	7.82mn	8.06mn
Blocksize (bytes)	1.18mn	1.16mn	12.4mn
Blocktime (s)	590	588	600
Hashrate (TH/s)	202mn	210mn	220mn
Difficulty	27.6tn	28.6tn	30.5tn
New Addresses	424,589	416,691	405,725
Active Addresses	943,118	931,904	949,564
Zero Balance Addresses	442,191	439,052	441,081
Total Monthly Fees	\$15.2mn	\$13.0mn	\$16.2mn
Average Fee	\$1.91	\$1.67	\$2.01



BTC Address Activity



Average daily active addresses in the Bitcoin network increased 1.90% to 949,564 in May. On the other hand, average new addresses in the network fell by 2.63% to 405,725.

BTC Fees

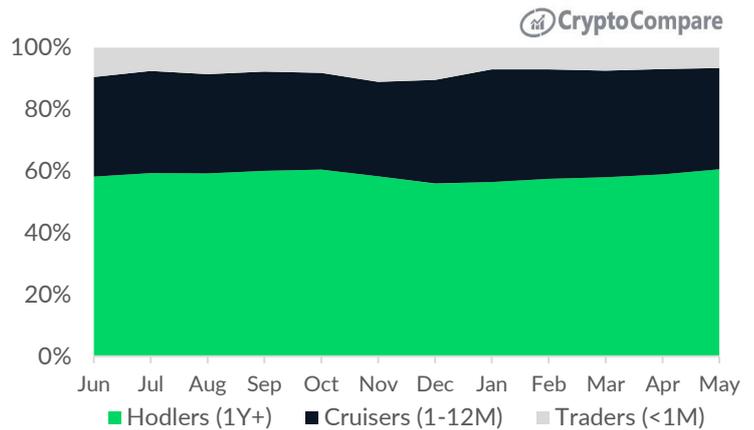


The total amount of fees paid in May rose from April, increasing 24.3% to \$16.2mn. This remains well below the all-time high fees paid in April 2021 (\$246mn).

Ownership Distribution:

Address Type	Mar	Apr	May
Hodlers	26.2mn (+2.95%)	27.0mn (+3.00%)	27.8mn (+3.21%)
Cruisers	15.6mn (-0.67%)	15.7mn (+0.46%)	15.1mn (-3.84%)
Traders	3.36mn (+8.89%)	3.17mn (-5.75%)	3.03mn (-4.44%)

The number of investors holding Bitcoin for over a year increased 3.21 % in May, to 27.8mn (60.6% of total holders), another all-time high for the network. The number of cruisers fell by 3.84% to 15.1mn - accounting for 32.8% of all investors. Lastly, the number of short-term traders fell from 3.17mn to 3.03mn wallets.



Developer News Statistics:

News Summary
 CheckoutHashVerify is a proposal that has gained much debate over the last month amongst the Bitcoin development community. The proposal would be implemented through a soft fork and would allow a user to restrict where a bitcoin can be transferred to – a process known as a covenant. Additionally, a user can create a vault, which is useful to prevent losses. The proposal has raised concerns over its consequences on Bitcoin's exchangeability.

Developer Statistics	Mar	Apr	May
Github Stargazers	62,910	63,787	64,392
Total Commits	33,223	33,707	34,083
Total Contributors	857	868	877
Total Forks	31,997	32,290	32,474

Investment Products, and Corporate and Government Holdings:

ETP Provider	BTC Held	AUM*	Product	Public Treasuries	Holdings	\$ Value
Grayscale (GTBC)	639,639	\$18.4bn	Trust	MicroStrategy Inc.	129,218	\$4.08bn
Purpose (BTCC)	40,920	\$1.29bn	ETF	Tesla	42,902	\$1.36bn
XBTPProvider Bitcoin Tracker EUR	22,959	\$725mn	ETC	Voyager Digital	14,817	\$468mn
XBTPProvider Bitcoin Tracker One	16,770	\$530mn	ETC	Galaxy Digital Holdings	10,040	\$317mn
3iQ CoinShares BTCQ	12,567	\$397mn	ETF	Square Inc.	8,027	\$254mn

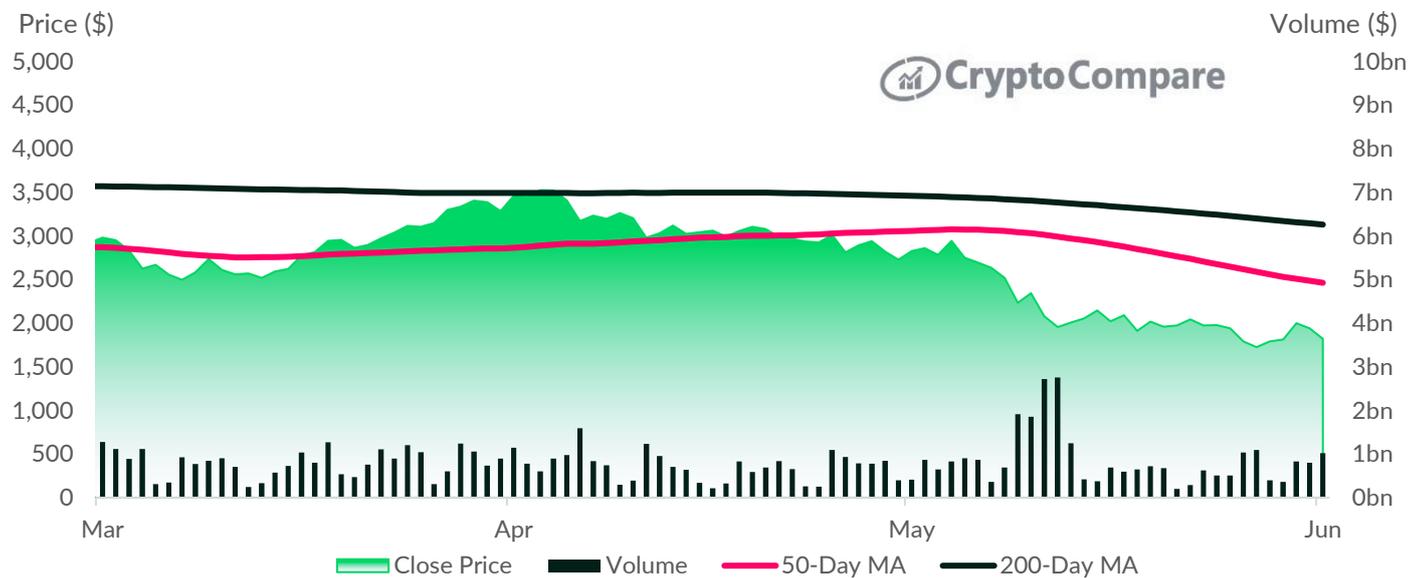
*Current ETP AUM values as of 6th June 2022
 For more information on Digital Asset Products, see CryptoCompare's Monthly Digital Asset Management Review

Summary

ETH's price fell 28.8% in May to \$1,941, closing the month with a market capitalization of \$235bn. Monthly volumes (ETH/USD markets) rose 23.3% to \$26.5bn, while 30-day volatility increased from 60.0% to 103%. Total Value Locked in DeFi declined 35.4% to \$72.6bn, mainly driven by decreases in token prices. At the start of May, the launch of NFT collection 'Otherdeed for Otherside' led to the largest daily burning of ETH, as users congested the network to attempt to mint the hyped NFT. A record 71,718 ETH was burnt on the 1st of May following this event.

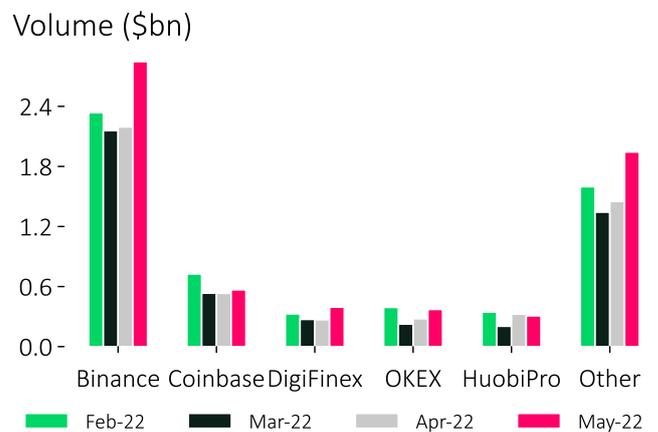
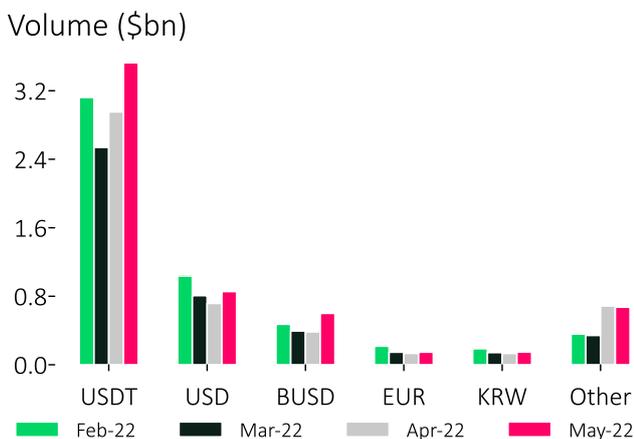
Market Activity:

Risk Metrics	Mar	Apr	May	Market Metrics	Mar	Apr	May
Avg Daily Volatility	11.2%	10.9%	18.5%	Market Cap	\$395bn	\$329bn	\$235bn
Monthly Volatility	62.1%	60.0%	103%	EoM Price	\$3,282	\$2,727	\$1,941
Max Drawdown	-29.6%	-24.1%	-42.5%	Monthly Returns	+12.4%	-16.9%	-28.8%
EoM Sharpe Ratio	+0.13	-0.28	-0.30	USD Volumes	\$25.0bn	\$21.6bn	\$26.5bn



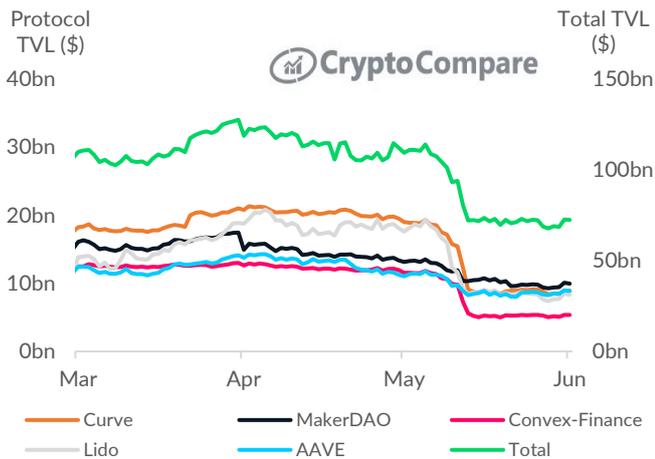
ETH's price closed at \$1,941 in May, ending the month down 28.8%. 50-day and 200-day moving averages closed the month down 18.5% and 9.25% respectively, at \$2,485 and \$3,142. The current price of ETH lies well below both 50-day and 200-day MA. Average daily USD volumes totalled \$26.5bn, above total April volumes by 23.3%.

Volume Statistics:



DeFi Protocols:

DeFi Summary



Total Value Locked (TVL) in the Ethereum Network fell 35.4% in May to \$72.6bn.

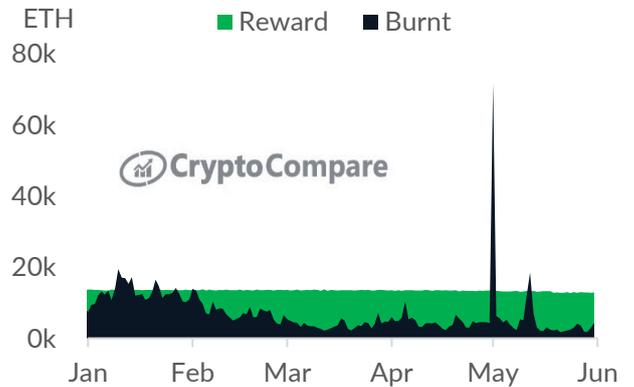
Following the collapse of stablecoin UST, MakerDAO (the protocol of the stablecoin DAI) became the largest protocol by TVL, down 24.5% to \$9.85bn. This was followed by Curve (an exchange liquidity pool designed for stablecoin trading) down 54.3% to \$9.00bn and AAVE (a non-custodial lending protocol) down 20.5% to \$8.65bn since April.

Statistics	Mar	Apr	May
Staking Rate	4.58%	4.42%	4.15%
% of Supply Staked	8.70%	9.32%	10.5%
Total Value Locked	\$128bn	\$112bn	\$72.6bn

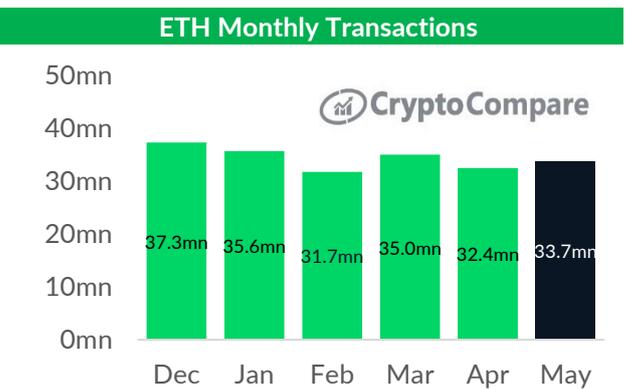
Network Metrics:

On May 1st, Yuga Labs released a new NFT collection named 'Otherdeed for Otherside', a metaverse land sale. The subsequent minting of the collection saw over 55,800 ETH burnt, as participants flocked the Ethereum network to attempt to mint the NFTs. This was the sixth largest source of Ethereum burning in history. Accompanied with standard burning, the network saw 71,718 ETH removed from the ecosystem, which totalled \$196mn.

The assets are currently trading for a median price of \$6,000, with the most expensive sale to date taking place for \$711k the day after launch.

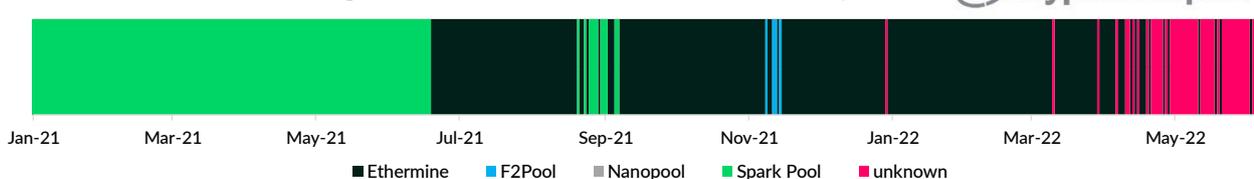


Network Metric	Mar	Apr	May
Total Transactions	35.0mn	32.4mn	33.7mn
New Addresses	97,535	89,020	89,133
Active Addresses	613,039	558,906	547,134
Zero-Balance	87,181	83,759	78,696
Daily Block Rewards	13,534	13,429	13,082
Daily Burned Fees	3,827	4,570	6,391
Total Monthly Fees	\$424mn	\$513mn	\$560mn
Average Fee	\$12.13	\$37.62	\$16.61



Mining Pool Distribution:

Largest Portion of ETH Hash Distribution Daily



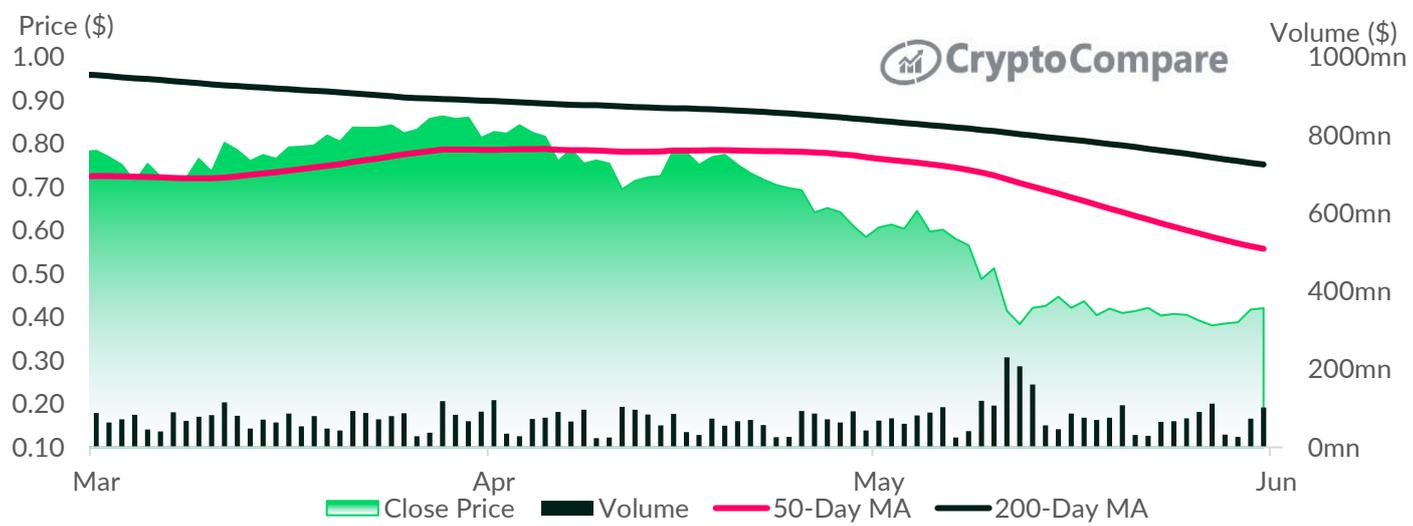
After seven months of controlling the largest portion of Ethereum's hashrate, the Ethermine mining pool was surpassed by unknown miners. Since the start of 2021, Ethermine and Spark Pool have historically been the dominant players in the mining of ETH.

Summary

XRP's price fell 28.0% in May to \$0.42, reaching a circulating market capitalization of \$20.2bn at the end of the month. This is the lowest price XRP has seen in over a year, as the cryptocurrency market continues to trend downward. Monthly USD volumes rose from \$1.95bn in April to \$2.56bn in May – a 30.6% increase amidst higher volatility, which itself rose from 66.7% to 121%. On-chain activity saw a slight tick upwards, although the long-term trend remains negative.

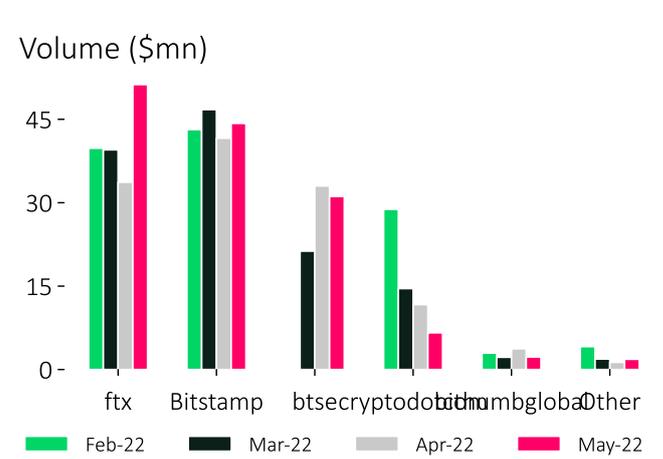
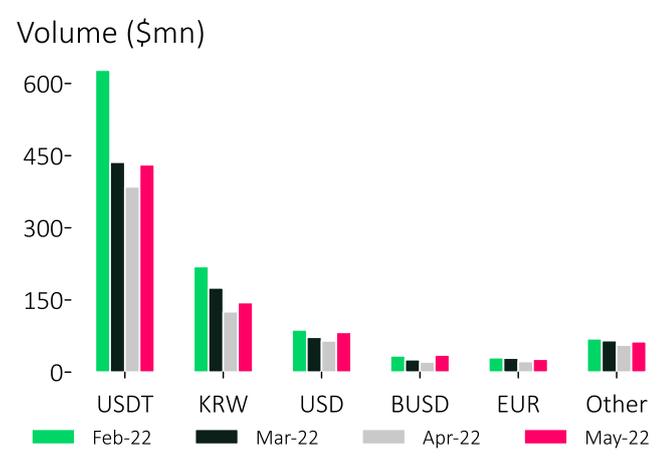
Market Activity:

Risk Metrics	Mar	Apr	May	Market Metrics	Mar	Apr	May
Avg Daily Volatility	11.4%	12.2%	21.8%	Market Cap	\$41.5bn	\$27.2bn	\$20.2bn
Monthly Volatility	63.3%	66.7%	121%	EoM Price	\$0.81	\$0.59	\$0.42
Max Drawdown	-23.6%	-33.3%	-49.1%	Monthly Returns	4.21%	-28.2%	-28.0%
EoM Sharpe Ratio	+0.06	-0.39	-0.25	USD Volumes	\$2.24bn	\$1.95bn	\$2.56bn



XRP's price closed at \$0.42 in May, ending the month down 28.0%, a continuation from the decline in April. Similar to competing cryptocurrencies, this is a 12 month low. XRP remains below its 50-day and 200-day moving average, which closed the month at \$0.56 and \$0.75 respectively. On the other hand, average daily USD volumes increased 28.1% to \$83.6mn.

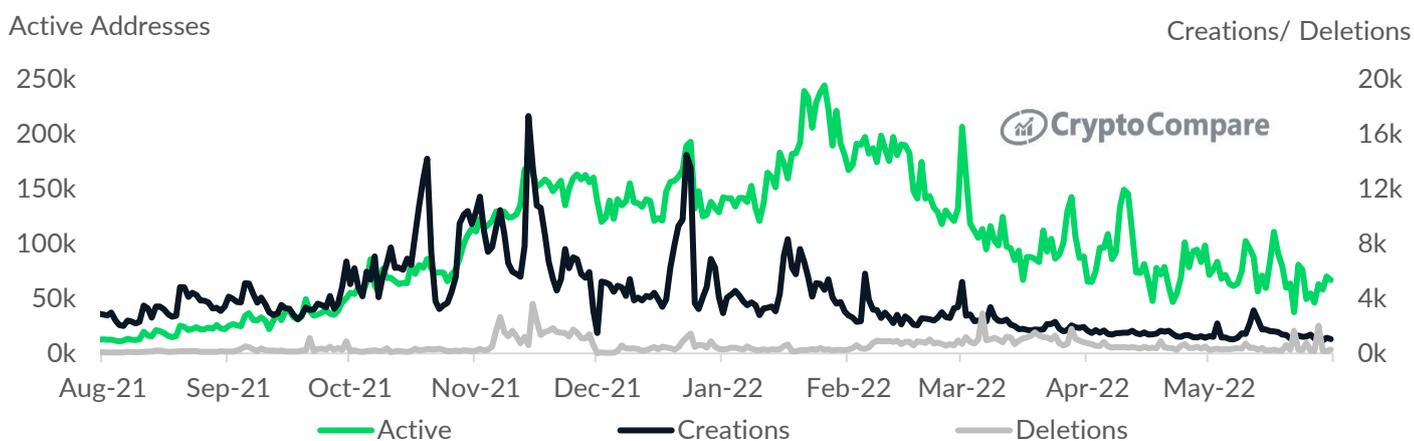
Volume Statistics:



Network Metrics:

Network Metric	Mar	Apr	May	XRP Transaction Count		
Total Transactions	42.3mn	38.3mn	39.3mn	60mn		
Txn per Ledger	1,921	1,737	1,781	50mn		
Account Creations	70.0k	43.1k	44.8k	40mn		
Account Deletions	33.9k	14.7k	13.1k	30mn		
Total Fees (\$)	75.9k	43.6k	27.0k	20mn		
Av. Transaction Fee	0.18c	0.11c	0.07c	10mn		

Activity on the Ripple network saw slight improvements in May. Total transactions saw a slight increase of 3.02% to 39.3mn. Similarly, account creations rose marginally to 44.8k. Total fees and average transaction fees saw a notable decline despite the increase in transactions.



Activity on the XRP blockchain has suffered since the start of the year. In January, the XRP network averaged just under 176k daily active users, an all-time peak for the cryptocurrency. Since then, active addresses have seen four consecutive months of declines, falling to an average of 70.8k in May – a 59.8% drop from its peak.

Similarly, account creations have decelerated since the peak in November. While there were 237k accounts created on the blockchain in November 2021, this has decreased to 44.8k in May. The monthly average number of accounts created thus far in 2022 is 75.2k, with a relatively consistent decrease month-on-month. This suggests further declines are likely for the blockchain.

Developer Updates and Statistics:

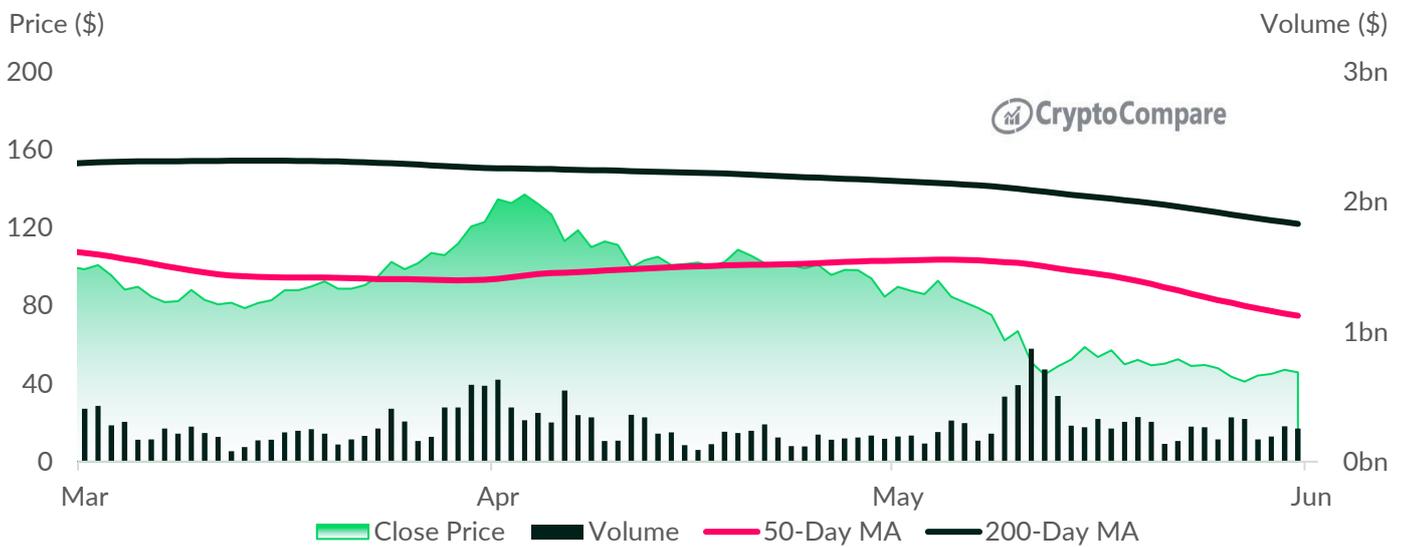
News Summary	Developer Statistics	Mar	Apr	May
On the 23 rd of May, Ripple released version 1.9.1 of the XRP protocol, which included multiple fixes and updates. Amongst these, an amendment to the network's NFTs code source, as well as an update that allows users to multi-sign contracts to up to 32 signers.	Github Stargazers	4,120	4,142	4,142
	Total Commits	12,613	12,644	12,644
	Total Contributors	94	96	96
	Total Forks	1,361	1,675	1,675

Summary

Solana's price fell 46.0% in May, the largest monthly decline recorded for the cryptocurrency. The Solana network also suffered an outage on the 1st of June, marking the fifth outage for the blockchain thus far this year. Market volatility increased notably in May, leading to a corresponding increase in SOL's price volatility from 93.1% to 170%. This also led to larger trading volumes – the SOL/USD pair saw a 25.5% increase in volumes to \$9.58bn.

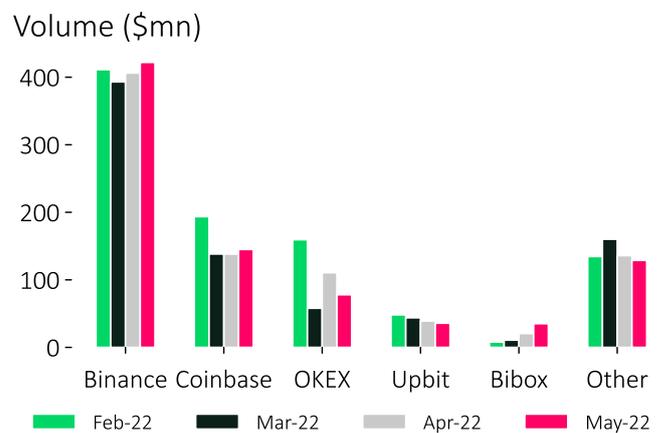
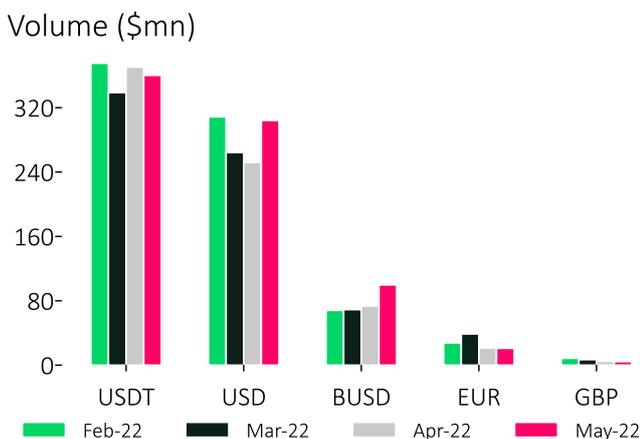
Market Activity:

Risk Metrics	Mar	Apr	May	Market Metrics	Mar	Apr	May
Avg Daily Volatility	14.7%	17.0%	30.6%	Market Cap	\$39.7bn	\$28.8bn	\$22.3bn
Monthly Volatility	81.8%	93.1%	170%	EoM Price	\$123	\$84.7	\$45.7
Max Drawdown	-39.8%	-42.9%	-62.2%	Monthly Returns	23.2%	31.1%	-46.0%
EoM Sharpe Ratio	+0.30	-0.37	-0.29	USD Volumes	\$8.20bn	\$7.56bn	\$9.58bn



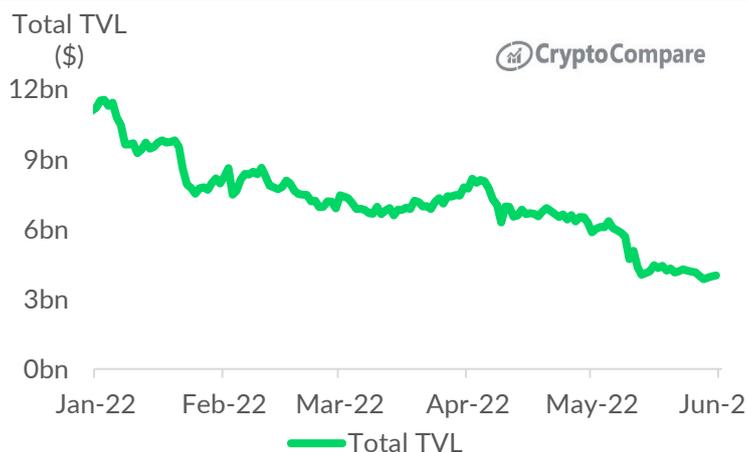
In May, SOL experienced its largest monthly decline after a 46.0% fall to \$45.7. This occurred amidst heightened market volatility. The token's price is now well below its 50-day and 200-day moving averages, which closed the month at \$74.8 and \$122 respectively. On the other hand, as a feature of higher market volatility, trading volumes increased notably – from a daily average of \$254mn in April to \$313mn in May, a 23.0% increase.

Volume Statistics:



DeFi Protocols:

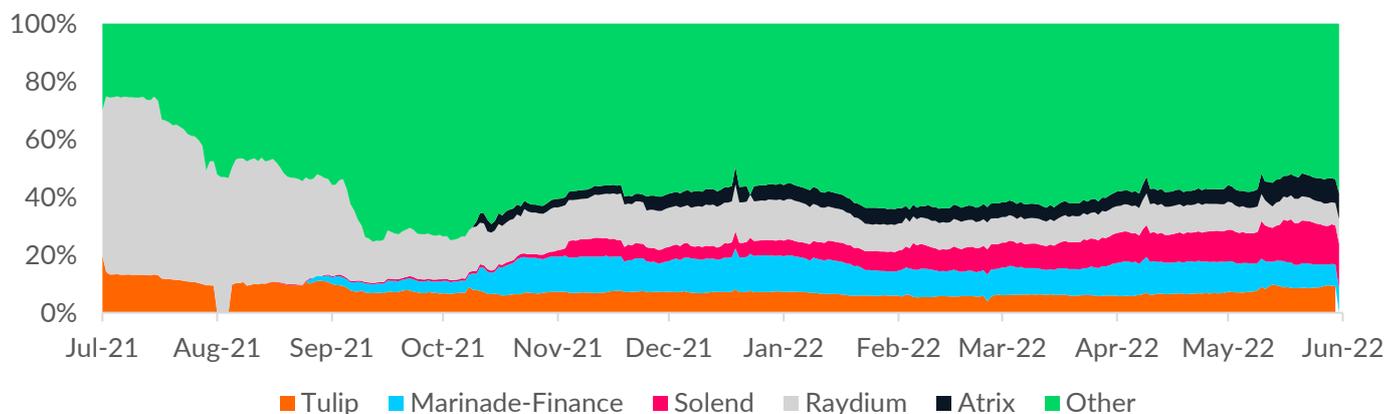
DeFi Summary



Total Value Locked (TVL) in the Solana blockchain fell another 36.0% in May to \$4.03bn, the lowest monthly close since August 2021.

This is largely due to declining price of SOL, which has seen a 62.8% decline over the last two months. After viewing the number of SOL holdings on the network, the picture does not look so dire – the number of SOL that is locked in DeFi smart contracts has increased from 47.7mn at the start of the year to 62.5mn at the end of May.

Statistics	Mar	Apr	May
Total Value Locked	\$7.81bn	\$6.29bn	\$4.03bn



Solana's protocol dominance remains evenly divided between a number of top protocols, suggesting a healthy ecosystem split between a range of different applications. This makes the network less vulnerable to idiosyncratic protocol risks. For example, the Terra ecosystem has been gravely damaged by the failure of the UST stablecoin, which made the Anchor protocol obsolete. Before the crash, Anchor had over 50% of all TVL in the Terra ecosystem.

The largest five protocols in Solana together account for 44.5% of TVL, while all other protocols take 55.5%. Solend, a borrowing and lending platform, is currently the protocol with the largest TVL - \$560mn (13.9% of total). This is followed by Tulip Protocol and Atrix at \$370mn and \$326mn (9.18% and 7.77% respectively), two decentralised exchanges.

Developer Updated and Statistics:

News Summary

On the 1st of June, Solana suffered yet another network outage, which lasted approximately four hours. This incident is the fifth outage of the network so far this year, leading to continued criticism of the network. SOL's price saw a 12.5% decline on the 24 hours following the outage.

Developer Statistics

	Mar	Apr	May
Github Stargazers	7,749	8,271	8,706
Total Commits	18,200	18,732	19,105
Total Contributors	307	335	348
Total Forks	1,823	1,968	2,101

Cardano (ADA)

Summary

Cardano's price fell 17.1% in the month of May to \$0.63, reaching a market capitalization of \$21.2bn at the end of the month. This is the lowest end-of month price ADA has seen in over 12 months. However, ADA/USD volumes increased 31.2% to \$2.91bn. The larger volumes came with a significant increase in volatility to 173%. The Cardano team is also currently working towards the Vasil hard fork, with the aim to improve the scalability of the network.

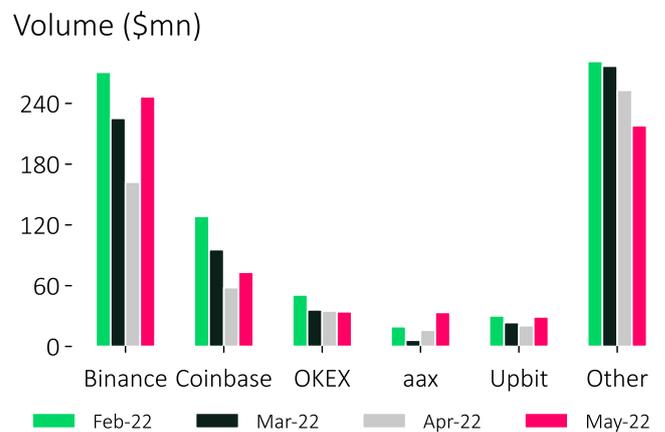
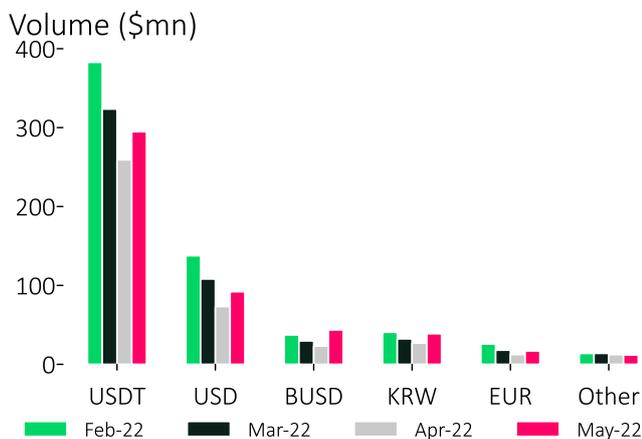
Market Activity:

Risk Metrics	Mar	Apr	May	Market Metrics	Mar	Apr	May
Avg Daily Volatility	14.5%	14.2%	31.0%	Market Cap	\$39.1bn	\$25.5bn	\$21.2bn
Monthly Volatility	80.9%	77.8%	173%	EoM Price	\$1.19	\$0.76	\$0.63
Max Drawdown	-37.8%	-40.8%	56.7%	Monthly Returns	+18.4%	-33.8%	-17.1%
EoM Sharpe Ratio	+0.23	-0.43	-0.12	USD Volumes	\$3.35bn	\$2.20bn	\$2.91bn



In May, ADA saw negative returns of 17.1%, continuing the downward trend thus far in 2022. The closing price of \$0.63 is the second consecutive month with a new low closing price over the last 12 months. Having said this, monthly USD volumes rose 31.2% from April to \$2.91bn, meaning increased activity on centralised exchanges. 50-day and 200-day moving averages closed the month at \$0.71 and \$1.09 respectively.

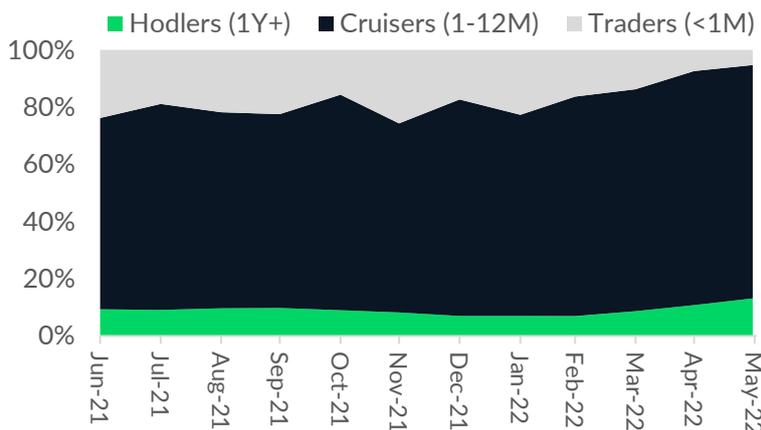
Volume Statistics:



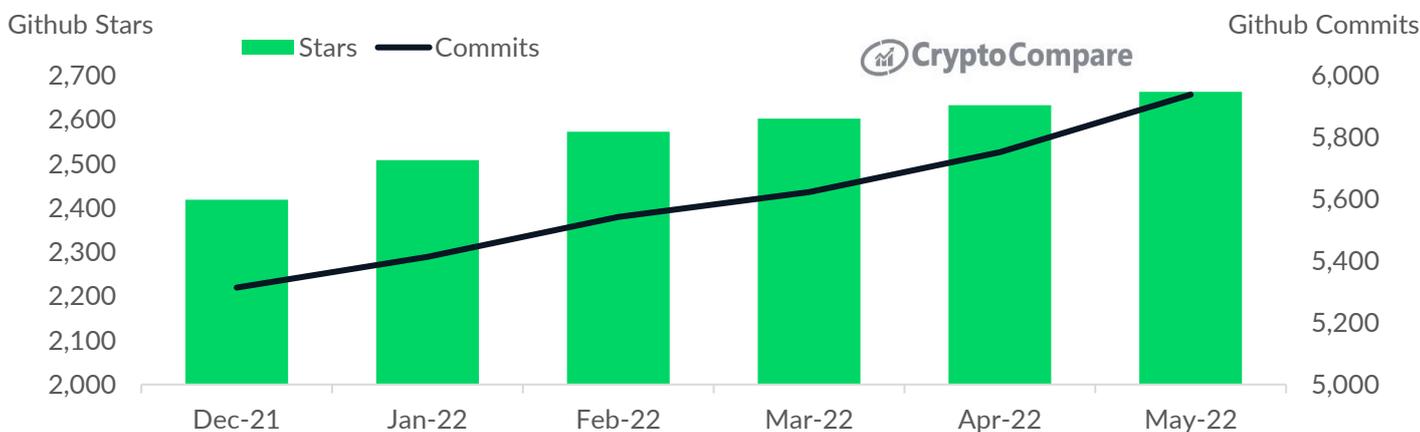
Owner Distribution:

Address Type	Mar	Apr	May
Hodlers	529k (+29.6%)	679k (+28.3%)	705k (+3.92%)
Cruisers	3.84mn (+6.10%)	4.14mn (+7.97%)	4.22mn (+1.84%)
Traders	682k (-11.5%)	377k (-44.6%)	275k (-27.3%)

The number of addresses holding ADA remained stable between April and May at 5.2mn. However, there has been a consistent trend upwards for 'Cruiser' holders, from 3.01mn at the end of 2021 to 4.22mn by the end of May. This implies that 'traders' turn into 'cruisers' after holding for more than 1 month. If this trend continues it is likely that the 'holders' group will accelerate as cruisers turn into holders.



Developer Updates and Statistics:



Developer News Summary

Cardano's developer activity has trended upwards in the last six months, from 2,419 project stars at year-end to 2,664 by the end of May.

This comes as Cardano prepares for a major upgrade to the network – the **Cardano Vasil Hard Fork**, scheduled for the 29th of June. The primary objective of this network upgrade is to increase throughput and allow for a larger number of transactions on the network. As of the latest [Cardano developer update](#), various teams in the Cardano ecosystem are working towards the fork, including node, ledger, and consensus teams.

Access More Of Our Research and Insights

As the digital asset markets continue to grow, so does the need for high-quality research that brings greater clarity and transparency to this rapidly evolving industry. CryptoCompare's suite of research reports provides market participants with trusted, high-quality data and analysis.

Recurring Reports:

Report	Description
Exchange Review	Captures key developments within the cryptocurrency exchange market — providing readers with an in-depth analysis of exchange volumes, trading activity, and derivatives open interest.
Digital Asset Management Review	Tracks and provides analysis of the most innovative institutional products in the industry, assessing volumes, assets under management (AUM), and product flow trends.
Exchange Benchmark	Brings clarity to the crypto asset exchange sector. Two years on, it has become the industry standard for assessing and evaluating cryptocurrency exchanges, with the methodology and rankings now being utilised to help create financial products and indices.
Asset Report	Provides professionals in the financial services space, particularly the investment management industry, with a summarised analysis of the latest movements in five of the largest cryptocurrencies.
Market Outlooks	A quarterly report that identifies the most important developments of the last quarter, which may thereafter set the tone for key trends to look out for in the following months. This includes references to the macroeconomic environment, DeFi, NFTs, stablecoins, and more.

Topic Deep Dives:

Report	Description
Liquidity Report	Created in collaboration with Bitstamp — a first of its kind report — it examines the intricacies of digital asset liquidity and compares it across top-tier exchanges to find the true liquidity of digital asset exchanges.
UST's Fall From Grace	Summarises the depegging of UST and subsequent debacle of LUNA and the Terra ecosystem, including analysis on the ripple effects of the event and where it situates the digital asset industry.

Glossary

METRIC	Definition/Methodology	Report Section	Factsheets
Block Rewards	The total amount of ETH rewarded to miners.	-	ETH
Block Size	Average size of a block in terms of data storage. Standard unit is megabytes (MB).	Proof of Work Metrics	BTC, ETH
Block Time	Average time taken for the next block to be mined, measured in seconds.	Proof of Work Metrics	BTC, ETH
Blocks Burnt	The total number of ETH burnt following transactions on the Ethereum blockchain. This was an update caused by the London Fork, which took place on the 5th of August 2021.	-	ETH
Cruiser	An investor who has been holding the underlying asset between 1 month and 1 year.	-	BTC, ETH, SOL
Difficulty	How difficult it is for miners to mine the next block in the blockchain. As difficulty increases, a higher hashrate is required to have the same probability of mining the next block.	Proof of Work Metrics	BTC, ETH
Github Stargazers	The number of likes/bookmarks the asset's Github repository has received.	-	ALL
Hashrate	The computational power used in mining operations. Standard unit is terahashes per second (TH/s).	Proof of Work Metrics	BTC, ETH
Hodler	An investor who has been holding the underlying asset for over 1 year.	-	BTC, ETH, SOL
Lightning Network Capacity	Measures the total number of Bitcoin that can be transacted via the lightning network at any one point in time.	-	BTC
Monthly Volumes	Monthly volumes represents the USD CCCAGG market volumes, as per CryptoCompare's aggregate index methodology.	-	ALL
Market Cap	This refers to circulating market capitalization rather than a project's fully diluted valuation.	Asset Performance & Market Metrics	ALL
Max Drawdown	Percentage difference between the monthly high and monthly low price for a given asset.	Asset Performance & Market Metrics	ALL
No. of Nodes	The number of computers that are currently running on the Bitcoin network and storing the entire historical blockchain.	-	BTC
No. of Open Channels	The number of open passages between Bitcoin nodes that allows for transactions to take place within that channel.	-	BTC
NVT Ratio	Ratio of an asset's market capitalization to the daily transaction volume of that asset, where daily transaction volume is equal to daily transaction count* daily average transaction value*close price.	Asset Performance & Market Metrics	ALL
Sharpe Ratio	30-day returns in excess of the risk-free rate per unit of volatility. Risk-free rate is assumed to be 0.	Asset Performance & Market Metrics	ALL
Staking Rate	The annualized return for an individual who stakes (participates in transaction validation) his/her tokens. It is a feature of Proof of Stake (PoS) cryptocurrencies.	Proof of Stake Metrics	ETH, SOL, ADA
Total Commits	The number of individual changes made to the underlying code.	-	ALL
Total Contributors	The number of individuals who have contributed to a project, but do not have collaborator access.	-	ALL
Total Forks	The number of copies made of the original code. It allows Github users to make changes to a project without affecting the original repository.	-	ALL
Total Value Locked	The total monetary value of assets deposited in a decentralised finance blockchain or protocol.	DeFi and On-Chain Activity	ETH, SOL
Trader	An investor who has been holding the underlying asset for under 1 month.	-	BTC, ETH, SOL
Volatility	Annualized, rolling 30-day standard deviation of log returns. Daily figures obtained by dividing this by square root of the days in month.	Asset Performance & Market Metrics	ALL

Additional Data Sources include: Etherscan.io, DeFi Llama, Messari.io, stakingrewards.com, xrpscan.com, bitcoinvisuals.com, Into The Block, Solana Beach