Gaming

The what:

Crypto gaming is a catch-all term describing games that leverage blockchain technology as well as the purpose-built blockchains and supporting infrastructure that enable these games. The extent to which crypto games use blockchain technology varies greatly. Most will use blockchains for aspects related to asset ownership and trading, whereas the core gameplay logic and graphics rendering will run on traditional servers.

BTC Snapshot	$ ('000)
12-month high	72.7
12-month low	24.8
Price (12 Mar 2024)	72.1

Key Market Metrics	
BTC Dominance	49.9%
ETH Price	$4,025.00
Total Crypto Market Cap	2.843T
Alt-Coin Market Cap	1.424T

The why:

Crypto games seek to overhaul the relationship between players and game creators, improving fairness and transparency. With regular video games, players do not truly own in-game items. Proponents of crypto games argue that gamers should be able to own and trade in-game items.

The who:

Gaming is among the most heavily populated sectors in the crypto market. Almost all blockchains, including layer-two chains, have their own gaming ecosystems. The most advanced belong to those blockchains that are purpose-built to support games. The leaders here are Immutable (IMX), Ronin (RON) and Beam (BEAM).

In terms of the crypto games themselves, the vast majority either already have a native token or plan to release one. Axie Infinity (AXS) and Illuvium (ILV) are among the notables to have already tokenised. (For context, hundreds of crypto games are currently under development.)

Modularisation

The what:

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The why:

Decentralised blockchains have yet to prove that they can sufficiently scale. By building modular blockchains that specialise in one function, transaction fees for end users should be able to fall by orders of magnitude, helping blockchains scale while maintaining decentralisation.

The who:

The recently launched Celestia (TIA) is the first truly modular blockchain. It is purpose-built to provide data availability to other blockchains, resulting in dramatically lower fees for their end users. Dymension (DYM) is another at the forefront of this fast-growing modularisation trend. It is fostering an ecosystem of modular blockchains, which it calls 'RollApps', that specialise in execution. These RollApps then delegate consensus and settlement to the Dymension Hub blockchain.

Liquid staking

The what:

Liquid staking refers to the act of depositing cryptocurrencies (e.g. ETH) into a protocol and receiving a tokenised claim on the deposit (e.g. stETH, rETH). At any time, these tokens can be traded back to the liquid-staking protocol for the deposit plus staking rewards earned and, usually, minus a fee. Liquid-staking protocols typically have a native token (e.g. LDO, RPL).

The why:

Liquid staking essentially lets you use staked cryptocurrencies while still being able to earn staking rewards. For example, you can utilise liquid-staking tokens in DeFi (e.g. borrowing, lending, providing liquidity) to earn an additional yield on top of your staking rewards. Further, for blockchains with minimum staking thresholds (e.g. 32 ETH for Ethereum), liquid staking allows more people to indirectly participate in staking (e.g. depositing 0.5 ETH to Lido).

The who:

Lido (LDO) dominates the liquid-staking market, dwarfing its competitors on Ethereum, which is the blockchain with the deepest support for liquid staking (by far). Notable liquid-staking protocols on other blockchains are Jito (JTO) and Stride (STRD).

Oracles

The what:

Blockchain oracles are third-party services or systems that transfer data between blockchains and real-world sources.

The why:

Blockchains are unable to independently access real-world data without compromising on decentralisation. Oracles solve this by securely providing smart contracts with information they require to function. Simply put, if oracles did not exist, the applications of blockchain technology would be extremely limited.

The who:

Chainlink (LINK) has been the dominant oracle project for several years. While still far behind the market leader, Pyth Network (PYTH) is clearly in outright second place, with its data connections more heavily represented in the Solana and Sei ecosystem. (While other oracle projects exist, they are all far behind Pyth Network, which itself trails Chainlink by an extensive margin.)