

In Our Ecosystem, More Integration Means More Adoption

Newsletter #7- Week Ending August 23rd



This week, we're talking about the recent news of institutional adoption of digital assets and those who provide the services supporting them! Integration within the digital assets ecosystem is garnering the attention of bigger financial entities, and integration with government regulatory institutions is a big part of that. We also have our latest research report, an **Overview of Ecosystem Participants**, live on our site here!

Now, without further ado

Digital Assets in the UK

Another huge economy provided regulatory clarity as [Archax](#), a crypto assets exchange based in the UK, received the distinction of being the first exchange regulated by the FCA (Financial Conduct Authority), the financial regulatory body in the United Kingdom. More specifically, it's being regulated as a small-medium enterprise growth market, giving it the ability to provide channels for both primary and secondary capital raising. "The authorisation covers three key areas: MTF (Multilateral Trading Facility) permissions, to allow it to operate the first ever regulated digital securities marketplace in London; CASS custody permissions, to allow it to offer a regulated custody service for both digital assets and client cash; and brokerage permissions, to allow it to face off to the widest range of participants." This sort of traditional bank-level infrastructure is a very powerful signifier of the increasing faith that governments have in digital asset

service providers. It almost goes without saying that this government integration paves quite the road for institutional adoption.

More Good News for Archax, SPiCE, and the Digital Securities Ecosystem at Large

Tying in nicely with the news of Archax's FCA regulation this week is the fund it operates within- SPiCE. This week, SPiCE announced that it is [partnering with Coinbase Custody](#) to provide custodianship services for its SPiCE token. As we've covered in earlier newsletters, the vibrance of the digital securities ecosystem is itself vital to the success and continued, voluminous use of digital securities. So it comes as quite a great bit of news. It shouldn't be lost on anyone that Coinbase's custody platform is also offering custodianship to Blockchain Capital, a trailblazing blockchain-based VC firm.

More and More Integration!

Blockchange and Gemini, to provide what was termed an "institutional grade option for RIAs" in a [Yahoo! Finance article on the subject](#), have partnered to create a "secure one-stop-shop for buying, selling and storing digital assets." With Blockchange's digital asset investing platform and Gemini's crypto exchange and custodian services, the two are giving registered investment advisors the ability to avail the advantages of better returns and lower risks that come with digital assets on behalf of their clients. This partnership is already yielding adoption, as Quantum Capital Management, which takes care of more than \$125 million in assets, has said they plan to use the one-stop shop solution for the above mentioned benefits. This solution is less a situation where Blockchange and Gemini hope to lead and others follow, but rather one born out of sensing the growing want from wealth managers who themselves are "recognizing the opportunity for strong returns from digital assets". This sort of institutional need is something that is so valuable to the success of digital assets, and digital asset ecosystem players are definitely here to meet that need.

The Upshot:

- The UK is the latest country to provide close government integration, and thus regulatory clarity to the sector of digital asset exchange, with the **FCAs regulation of Archax**, a crypto assets exchange.

- SPiCE, an investment fund, has partnered with Coinbase's custody platform; the latest in news of **digital asset ecosystem integration**.
- Sensing an **institutional need for the greater returns and lower risks** that digital assets provide, Gemini and Blockchange have partnered to give registered investment advisors the ability to easily deal in digital assets through their combined custody, exchange, and digital asset investing solutions.