



# LykkeTimes

#8/2016



Dear Lykke friends,

*The regulatory environment mood has shifted from curiosity to cautious optimism. The timing for the release of the Lykke Wallet and Lykke Exchange couldn't be better.*

## International News

---



US-based online retailer Overstock has announced the public shares offering on its own t0 blockchain platform. Overstock will issue 1 million blockchain preferred shares as part of the project, out of a total of 25.29 million shares. Overstock will be using a permissioned ledger to manage shares, but transactions will be batched and hashed against the bitcoin blockchain for additional transparency.

Overstock.com Announces  
Historic Blockchain Public  
Offering  
[Read News](#)

ICAP's Post Trade Risk and Information division has completed own proof of technology test case for blockchain technology. The ICAP's multi asset messaging and matching system Harmony was connected to a private blockchain, provided by US-based start-up Axoni. Bilaterally executed spot/forward foreign exchange block trades were exported from Harmony and converted in real time to blockchain-based smart contracts. The smart contracts were then distributed to nine representative participant nodes on the blockchain network, where trades were permissioned for additional services such as valuation, compression and reporting.

ICAP's Post Trade Risk  
and Information division  
announces completion  
of a blockchain proof of  
technology  
[Read News](#)

The proof of technology was targeted to demonstrate the potential to

- provide a common golden source of user transaction and reference data across asset;
- enrich and enhance the accuracy and timeliness of data by users and attach further information;

- continuously update copies of the data to be stored locally on users' servers;
- securely code messages to be viewed only by permissioned participants;
- reduce operational risk and improve reconciliation and operations processes, and
- realise multiple back office and technology cost savings.

It is yet another attempt in a sequence of financial industry experiments with distributed ledgers, where 'permissioned' blockchain is used as distributed tamper-proof database validated by a single entity.

University College of London has drafted the plan encouraged by the Bank of England to come up with a radical design for a secure digital currency – so called RSCoin. The RSCoin is believed to gain more mass acceptance than Bitcoin since the ledger would remain exclusively in the hands of the central bank, with the 'trust' factor of state authority. A national pilot project could be up and running within 18 months if a decision was made to launch it.

Central banks beat Bitcoin at own game with rival supercurrency

[Read News](#)

The Bank of England's Deputy Governor Ben Broadbent advocated idea of a "central bank digital currency" (CBDC) at his speech delivered at London School of Economics on March 2. He expressed the view that CBDC might not only replicate cash, but become a form of retail deposits and reserve money, allowing introduction of materially negative interest rates and becoming a monetary policy instrument. This digital currency could greatly widen the balance sheet of a central bank, so that ordinary people could by-pass the commercial banks and hold balances directly with the Bank of England. In addition the CBDC can be used to cover government services, tax collection, and benefit payments, as well as the settlement of bonds and equities, and for exchanges and clearing houses. "It's hard to know the combined cost of these services, but a recent study estimated that, in the G7 countries, the cost of clearing and settling securities was \$54bn a year. These are the economic resources it requires to transfer the assets, verify who owns what, and reconcile the various records. The hope is that, by displacing these various middlemen, a distributed ledger would result in a cheaper and more secure system for providing these services."

Central banks and digital currencies - speech by Ben Broadbent

[Read News](#)

## Local News

---

At the end of March our dev team delivers Lykke Wallet beta, which will be available for the first users on the waiting list and soon expected to be released publicly on the App Store.

Lykke Wallet will allow to:

- onboard easy
- deposit and withdraw funds in bitcoins
- trade colored coins for major currencies, including EUR, USD, GBP, CHF, JPY, as well as Lykke Corp shares secured on blockchain
- settle and prove ownership on blockchain
- pay 0% commission for cash in, cash out and trading

## BLOCKCHAINS AND SMART CONTRACTS

**Nick Szabo**

pioneer of Bitcoin

🕒 April 1, 18:00

📍 MoneyMuseum, Zurich

 **Lykke** Money Museum

Lykke gives a start to a series of open education seminars *Future of the World Economy* featuring innovative industry practitioners and forward-looking academics.

The first seminar led by Nick Szabo will take place in the MoneyMuseum in Zurich on the 1st of April (not a joke :)).

Nick will discuss the key challenges of the modern economy and driving forces for its change:

- The future of finance and laws
- Markets open to everyone
- Maximizing security and privacy
- Blockchain as a disruptive technology

Please join us online on YouTube at 6.00 pm CET April, 1:

<https://www.youtube.com/channel/UCmMYipGdKMF0kzfaE-PXsNQ>

## Lykke Welcomes New Citizens

---

We welcome the following citizens:

*Ishak Kalkovan* has joined Lykke community from Turkey. Thank you for your contribution to create a better trading platform.

*Maksim Kucher* is on the Lykke design team to stand out and make design work for our innovative concept.

---

### **More news are coming soon,**

Richard Olsen and Sergey Ivliev,  
Founders of Lykke