

ICO predictions for 2019

The world of cryptos seems to always be in flux. There's a lot of doom and gloom talk about the cryptoverse and how it is all set to collapse at any point in time. For all that, though, some cryptos are proving to be more resilient than the opponents predict.



Source: pixabay.com

It's never really been a field where smooth sailing has been the course of the day though, so is it any surprise that there have been so many market upheavals?

For now, though, it's enough to say that it's an exciting time for this nascent tech, with many people striving to get a hand on it.

It seems that even regulators aren't entirely sure how to handle this industry. The SEC has been coming down hard on some ICOs that it deems to be in violation of the US security regulations but hasn't made many firm strides in providing rulings with regards to stricter regulations.

Now, while South Africans are not subject to SEC rulings per se, it is still interesting to watch the SEC's movements in this regard as a lot of countries will follow the lead set by this body.

Some countries, such as India, have taken firm steps towards ending the confusion. In India's case, regulation took a somewhat drastic turn with the country banning virtual currencies.

Does that mean that cryptos are becoming an endangered species? Are the death knells sounding? What about ICOs going forward? We don't have a crystal ball, so we can't say that the bubble will never pop, but it does look like ICOs will carry on in one form or another at least into 2019.

What can we expect for ICOs in 2019?

1. Expect more security tokens being issued

In the early days, ICOs were completely unregulated. Those days are gone. Now investors face a risk from an unexpected source – if regulatory bodies deem that the ICO they have invested in is guilty of security fraud, they could lose their investment.

As a result, 2019 could very well see the general replacement of traditional ICOs with security tokens. Those companies making offerings in the United States next year are expected to start acting in accordance with the SEC's security regulations.

Companies outside the United States might very well be forced to follow suit as a way of coaxing more investors into the fold.

2. It will get worse before it gets better

You'd better hold onto your hats in 2019, if the CEO of Vellum Capital, Eric Kovalak, is to be believed. He and many other experts are of the opinion that cryptos and ICOs are bound to take a knock in price in the coming year.

Kovalak does believe that the prices will recover and rise to new heights, but be prepared for a bumpy ride until then.

3. Decentralised exchanges will make a stronger showing

We've just started to get used to the concept of decentralised currencies, but already there's another new idea to wrap our heads around. Decentralised exchanges have been plagued by issues such as transaction limitations and functionality.

In 2019, we can expect to see teething problems starting to work themselves out. Buying into ICOs should, therefore, become easier, quicker, and safer.

4. Big business and ICOs

There is no denying that ICOs offer startups a way to raise capital quickly and easily. Could big businesses also start considering this route as a way of raising capital for new projects? Quite possibly, blockchain tech is becoming a lot more widely accepted and instituted; it's not a big leap to think that big business might use some form of ICO as a fund-raising endeavor.

5. An end to scalability issues?

The scalability issue is something that has stifled the crypto industry for many years now. It is believed that we are very close to a workable solution for this issue and that it could present itself in 2019. If that does happen, the whole industry, ICOs included, will receive a boost.

Conclusion

Will all these things come to pass in 2019? With the shifts in the industry, it's difficult to say for sure. However, one thing is certain – we can expect some big changes in 2019. 2018 was the year that many blockchain-based apps moved from the planning stage to the practical stage.

This sets the stage for wider acceptance of the tech. That, in turn, could lead to a better understanding of the cryptoverse in all its incarnations – including ICOs.

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