

# Bear market? No problem! – WePlay's plan to weather the storm



The bear market is the Blockchain and Crypto industry's boogeyman, and even established companies, traders, and investors, let alone start-ups, shudder during such times. No one enjoys a bear market since it is a delicate moment that, if not handled properly, can result in disastrous occurrences. However, there are some steps that can be taken to ensure a safe passage through this storm, and we'll look at how WePlay aims to do so in this article.

But, before we go any further, let us first consider some key questions, such as: what caused this bear market? What is the current state of affairs and how is it affecting certain entities? What can be done in such a situation?

## What led to this bear market?

Since the Terra ecosystem [went underwater](#) in mid-May, the crypto market has been on edge, with regulators from all over the world issuing warnings and building punitive regulations to protect investors from such events in the future.

The latest market downturn was spurred by the crypto lender Celsius's decision to halt all withdrawals and transactions in order to avoid a deposit run. However, other macro factors contributed to it, such as the continued rising inflation in the United States, which [reached 8.6%](#) in May, the highest level since 1981, and the [expected interest rate hike](#), which, [according to](#) Federal Reserve Chairman Jerome Powell, could trigger a recession.

That said, Celsius is at the forefront of the ongoing cryptocurrency storm and market downturn. Celsius Network suspended all withdrawals, swaps, and transfers between accounts a few days ago, doing exactly what many had feared. The corporation says that "**acting in the interest of our**

**community is our top priority,"** thus users are effectively locked out of their assets. Moreover, they stated that they operated in this manner "**due to extreme market conditions.**"

Furthermore, it is worth noting that Bitcoin and other cryptocurrencies have tended to correlate with stocks and other risk assets. When these indices fall, crypto drops as well. The [fall](#) of US stock S&P 500 also had a ripple effect on the crypto market

All of these factors compounded what caused this bear market.

## The current situation and effects on some corporations

As many crypto companies begin to lay off employees, job security has been a significant concern. The significant shift in macroeconomic conditions has had an impact on companies, who are feeling the pinch from continued downward market pressure.

The CEO of cryptocurrency lender BlockFi, Zac Prince, [revealed on Twitter](#) that the company will be laying off about 20% of its employees. Coinbase joins in the same vein in announcing over 1000 employee layoffs.

Other well-known crypto firms have also laid off workers in recent weeks. Gemini, which was founded by the Winklevoss twins, laid off an estimated 100 individuals, or about 10% of its personnel, while Singapore-based cryptocurrency exchange Crypto.com cut 260 people, or about 5% of its workforce.

Even Altcoins were affected by the bear market; in fact, some of them had over 70 percent drawdowns from their all-time highs. Ethereum, Solana, Doge, Ripple, Binance token, Avalanche, and others are notable instances. Ethereum token (ETH) was trading at \$1,075, down 78 percent from its all-time high at the time of writing this article. Similarly, Solana's (SOL) has dropped from a high of \$259.90 to a low of \$30.8.

While the broader crypto market plummets, the ripple effect spreads across the NFT prices too.

During the market sell-off, the floor prices of some of the top NFT projects like Bored Ape Yacht Club (BAYC) and CryptoPunks, tanked significantly. The floor price of BAYC NFTs tanked to 74 ETH (\$92,223) registering a 25% drop in a single day. Similarly, the floor price of CryptoPunks NFTs dropped to 48 ETH (\$69,473).

The CEO of Permission.io told Blockworks that it is time capital investment are now being targeted at real application builders, in his words he said:

***"Way too much capital went into exchanges, layer-1 blockchains, market makers and crypto lenders. I believe we have way too much capacity here. The next wave of capital will go into real-world applications that make crypto easier to use"***

Silver believes the crypto business will continue to grow despite the market downturn: ***“The bear market will not affect the real builders. Price action should not be meaningful to the companies that are building useful applications and are creating valuable infrastructure.”***

A multibillion-dollar cryptocurrency corporation could go bankrupt if it lacks utility and a clear vision during times like this or if its funds are mismanaged.

## What can be done in such a situation?

As layoff and crash down announcements become the new normal, many crypto community members, users, investors, and workers are getting increasingly concerned about job security and their chosen projects — but a few organizations, such as [WePlay](#), have remained positive.

Binance founder Changpeng Zhao has expressed his positivity about this current bear market; he plans to take advantage in preparation for the next bull run by recruiting more staff. He said: ***“Now the markets are more balanced, so top talents are available, and we want to hire them.”***

A downward price action should not pose any negative effects to the companies that are building useful applications and are creating valuable infrastructure. WePlay is one of such companies.

## How WePlay weathers the storm

[WePlay](#), with its multitude of experienced and dedicated builders, has already devised a strategy for successfully delivering to our users during these trying times. We recognize that the market will not be perfect in the short term and have developed plans to make the best of any market conditions we encounter.

WePlay will use this bear market to do checks and balances in order to reverse the tides in our favor. ***“The best wells are drilled during the dry season,”*** according to a traditional adage. As a result, WePlay will employ similar strategies by boosting our commitment to guaranteeing a successful project and doubling our efforts to achieve strong and quality involvement with our communities.

We will educate our members on how they can stay afloat of these storms, and how they can take advantage of it as well. And when the bull market finally returns, the [WePlay](#) community will reap bountifully and way higher when compared to other project communities.

## Concluding Thoughts

In crypto, bear markets are inevitable but so are their recoveries. It is good to know that you will not suffer the misfortune of investing through good projects with strong fundamentals because projects like that of WePlay will always got you covered.

## About WePlay Project

[WePlay](#) offers a Social Network Metaverse where users will not only be able to walk and interact but drive as well as refuel their vehicles, buy wearable NFTs, allow their NFTs from other blockchains to be used as well as interact with all sorts of SocialFi, DeFi, and DAO protocols in a fun and visual way. On top of that, Users are allowed to mint and release their own NFTs in the WeVerse via WePlay NFTime.

The WeVerse also further gives WePlayers the ability to chat, talk and communicate with each other in a highly secure, encrypted, and decentralized way.

To stand a chance of being whitelisted for WePlay NFTs and getting more information about the NFT projects at large, do well to follow us on [Twitter](#) (@WePlayLabs) and also our spaces which are being held every Wednesday. Feel free to also join our [Discord](#).