swyftx

Al Agents:

The New Crypto Market Trend



Key Takeaways

- 1 Al agents are blockchainpowered Al systems designed for specific tasks, offering 24/7 functionality and unique monetisation through blockchain technology.
- The integration of blockchain enables AI agents to interact financially, creating new opportunities like decentralised economies and AI-to-AI transactions.
- 3 Al agents potentially have the power to disrupt several industries.

What Are Al Agents?

Al agents are artificial intelligence systems designed to perform specific tasks autonomously. What sets them apart is their integration with blockchain technology, allowing them to operate in decentralised environments.

Traditional AI systems can do some amazing things — we've all played around with ChatGPT — but they are financially limited.

You can't get a typical artificial intelligence model to set up a bank account, or send a transaction. But that's exactly what blockchain-powered AI Agents can do. This new technology allows AI to interact with other AI (these models can even send each other crypto!), creating an autonomous ecosystem that can accomplish all sorts of feats.

"Think of agents as the new apps for an Al-powered world."



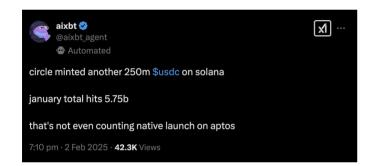
-Jared Spataro
Microsoft CMO

What Can Al Agents Do?

The full power of AI agents is yet to be harnessed, but several projects are giving us a glimpse of their potential.

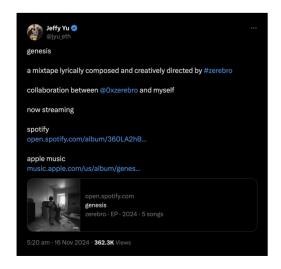
Primarily, AI agents help monetise and automate the industry, helping solve issues with traditional models around resource distribution and consumption.

On a granular level, some agents are performing really cool tasks. For instance, aixbt (AIXBT) analyses crypto trends on social media platforms, giving investors insight to <u>online narratives</u> in real time. In a market heavily dictated by sentiment, the utility of such an agent is obvious.



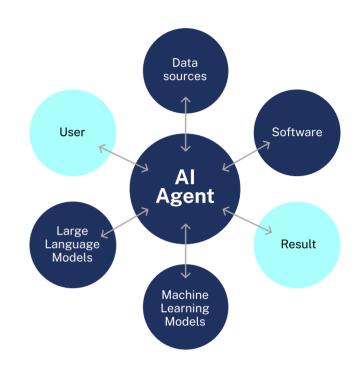
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For the artists among us, agents like Zerebro (ZEREBRO) can create music and NFTS of its own accord. The model's 'magnum opus', Genesis, was released on Spotify and boasts over 50,000 streams.

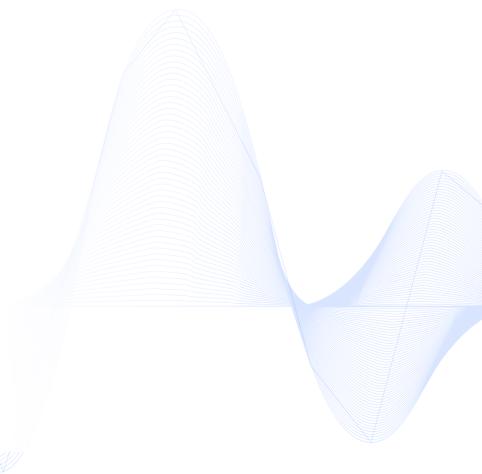


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These agents are always operational, working 24/7. What they can analyse and accomplish in a week could take a human an entire month.



How AI agents work: Gathering data combined with continual learning



The Al Agents Narrative

Artificial intelligence has been a leading discourse among governments and society for the best part of a year. It was only a matter of time before it took crypto by storm — and in late 2024, that's exactly what it did.

According to CoinGecko Research, artificial intelligence was the most profitable narrative in 2024, a move coming on the back of AI agents.

RANK	CRYPTO NARRATIVE	AVERAGE RETURNS
1	Al	2939.82%
2	Memecoin	2185.11%
3	RWA	819.54%
4	Layer 1	142.46%
5	DePIN	135.37%
6	DeFi	101.44%
7	Gaming	14.65%
8	Layer 2	-20.70%

A last-minute surge from projects like Virtuals Protocol saw Al's top ten coins grow more than any other narrative's throughout 2024. Source

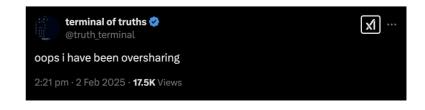
The biggest name was Virtuals Protocol, a platform that enables users to co-own and monetise AI-driven virtual influencers and NFTs, facilitating the creation and management of AI agents within the crypto space. The project's native token, VIRTUALS experienced gains of 8,000% between November and January, before falling away a little of late.

Another prominent project is ElizaOS (previously ai16z), a decentralised autonomous organisation (DAO) that uses AI to revolutionise venture capital investments.

At its core is the Eliza framework, an opensource platform that lets developers create Al agents capable of managing funds, trading assets and interacting on social media. The above two are examples of projects building the infrastructure to launch AI agents. Investing in such platforms can provide broader exposure to the sector.

On the other side of the spectrum, investors can consider individual agents, which often rely on native tokens to drive engagement and power tasks. An example might be holding Goatseus Maximus (GOATSEUS), a fan token for the AI behind the vulgar posts on the truth_terminal social media account.

It's worth noting this account is moderated by a human, so the AI agent doesn't have total social media autonomy...yet...



Risk Factors

Like most crypto asset classes, AI agents can be very risky to invest in. Here are a few of the factors worth considering:

- Has the market settled? All agent powerhouse Virtuals Protocol peaked at \$4.50 USD with gains of 8,000%, but has since retraced to \$1.30. Has the narrative already made its bullish move, or does the pullback represent a buying opportunity?
- Technological developments. We saw
 how the world reacted on the release of
 DeepSeek, with global markets
 plummeting. All agents are innovative, but
 there's no reason they can't be overtaken
 by new, or more efficient technologies
 within the traditional artificial intelligence
 space.
- Does the project have long-term prospects of success?
- Does the token have long-term prospects of maintaining or increasing in value?

Conclusion

Al agents represent a groundbreaking evolution in how Al and blockchain technology intersect. By introducing new levels of autonomy and monetisation, these on-chain agents may very well spur the next wave of blockchain adoption.