

Nasdaq Crypto Index™ Joins the Metaverse!

February 25, 2022

The Nasdaq Crypto Index (NCI™) will be adding two new constituent assets when its quarterly reconstitution goes effective at the market close on March 1, 2022. The new assets, The Sandbox's SAND and Axie Infinity's AXS, are coincidentally in the same family—both are ERC-20 tokens that are central to their respective blockchain-enabled, gaming ecosystems. What's more, both assets will be used to facilitate governance, and both play an instrumental role in enabling their own Play-to-Earn digital economies.

The following outlines key aspects of each ecosystem and its respective native token.

SAND Overview

The Sandbox is a virtual world (or metaverse) where players are empowered to create and animate their own 3D objects, which can then be used to create custom gaming experiences. Creators can also publish and/or monetize their own User Generated Content (UGC) as non-fungible tokens (NFTs) in ERC-721 and ERC-1155 formats.

SAND is the native, fungible token that enables interaction with The Sandbox metaverse and the users within it. The asset has fairly broad-based functionality, including:

- Payment for access to play games, acquire UGC, and purchase other in-game assets
- Payment and staking to purchase and enable passive revenue generation from LANDS (i.e., NFTs representing one of 166,464 specific physical spaces within the metaverse)
- Staking for access to a portion of transaction fees associated with ecosystem transaction activity
- Staking to facilitate participation in ecosystem governance (eventually)

The Sandbox was developed by Pixowl, Inc. and originally released in 2012. It was acquired in 2018 by Animoca Brands, a blockchain and traditional gaming company.

AXS Overview

Inspired by Pokémon and CryptoKitties, Axie Infinity is a blockchain-enabled metaverse where players can collect, train, breed, and battle pets known as Axies. The project strongly emphasizes the empowerment of its players—skilled players can earn considerable compensation for their efforts. The game has catalyzed enough on-chain activity to justify its own, purpose-built, layer 2 sidechain (i.e., a separate blockchain connected to Ethereum that allows for substantially increased throughput). As of the time of this writing, ecosystem [activity corresponds to over half](#) of that which occurs on Ethereum for all other purposes.

Axie Infinity Shards (AXS) are one of two native fungible assets in the Axie Infinity ecosystem. AXS tokens have the following functionality:

- Payment for the purchase of in-game NFTs via the marketplace
- Payment for the right to breed new Axies
- Staking to earn rewards from the Community Treasury
- Staking to facilitate participation in ecosystem governance (eventually)

Axie Infinity was developed by Sky Mavis and launched in 2018.

More information on the NCI™ is [available here](#).

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