# ResearchGate paper controversy causes volatility in AI crypto tokens



On 10 November 2023, at 9:00 AM UTC, the academic networking platform ResearchGate distributed a controversial paper entitled "The AI Health Revolution: Personalizing Care through Intelligent Case-based Reasoning," which was falsely attributed to Yann LeCun, a renowned artificial intelligence expert. This incident has generated significant discussion across academic and cryptocurrency communities, particularly affecting market sentiment around AI-related digital tokens.

The paper’s authenticity was questioned when it was revealed that over one-third of its citations referenced an individual named Shefiu Yusuf, casting doubts on the validity of the research and the motivations behind its dissemination, according to a TechCrunch report published at 11:00 AM UTC on the same day. Although the direct link to cryptocurrency markets may seem tangential, AI-driven blockchain projects were noticeably impacted.

Three AI-focused tokens—Fetch.ai (FET), SingularityNET (AGIX), and Ocean Protocol (OCEAN)—experienced substantial price fluctuations within 24 hours following the news. Fetch.ai’s token price fell by 3.2%, dropping from $0.52 at 12:00 PM UTC on 10 November to $0.503 by 12:00 PM UTC on 11 November, as documented by CoinGecko. SingularityNET’s AGIX similarly declined by 2.8%, moving from $0.24 to $0.233 over the same timeframe, while Ocean Protocol’s OCEAN token decreased by 1.9%, from $0.41 to $0.402, per CoinMarketCap data updated at 1:00 PM UTC on 11 November.

The reaction extended beyond price movements to trading volumes, which notably surged. FET saw a 15% increase in volume, reaching $28.5 million within 24 hours of the incident. AGIX’s volume rose by 12% to $15.3 million, and OCEAN’s trading rose by 9% to $10.8 million, highlighting increased market activity and volatility around these assets. This uptick coincided with a 10% rise in wallet transactions for Fetch.ai, as shown by on-chain data from Dune Analytics accessed at 3:00 PM UTC on 11 November, indicating heightened trader engagement and possibly panic selling.

By contrast, major cryptocurrencies such as Bitcoin (BTC) and Ethereum (ETH) remained relatively stable throughout this period. BTC’s price fluctuated only slightly, by 0.5% from $36,800 to $36,615, while ETH moved 0.3% from $2,050 to $2,044, according to CoinMarketCap data timestamped at 4:00 PM UTC on 11 November. This divergence suggests a market sensitivity specific to AI-based tokens in relation to trustworthiness concerns around artificial intelligence research and platforms.

Bloomberg reported at 10:00 AM UTC on 11 November that the ResearchGate event has prompted cautious sentiment among institutional investors interested in AI-blockchain integrative projects. For traders, however, the situation presents mixed prospects. The recent downward trends in FET, AGIX, and OCEAN could offer favourable entry points near historical support levels—approximately $0.49 for FET, $0.22 for AGIX, and $0.39 for OCEAN—if prices stabilise, based on TradingView data from 11 November at 11:00 AM UTC. Meanwhile, the surge in trading volumes and volatility creates opportunities for day traders using scalping strategies on trading pairs such as FET/USDT and AGIX/BTC on popular exchanges including Binance and KuCoin.

Technical indicators align with current market movements. Fetch.ai’s Relative Strength Index (RSI) fell to 42 on the 4-hour chart as of 3:00 PM UTC on 11 November, signalling oversold conditions near a possible reversal zone. Its Moving Average Convergence Divergence (MACD) shows a bearish crossover, reflecting short-term downward momentum. SingularityNET and Ocean Protocol display similar RSI readings of 45 and 43, respectively, with bearish MACD trends, reinforcing the observed price declines. Concurrently, Bollinger Band widths have expanded, further signalling increased volatility and potential breakout points for swing traders.

Community engagement remains robust despite the price dips. Glassnode data as of 1:00 PM UTC on 11 November recorded a 7% increase in active addresses for FET, while Santiment reported a 5% rise in social volume for both FET and AGIX at 6:00 PM UTC. This heightened public discourse likely stems from the ResearchGate incident and may influence future price directions. LunarCrush documented a 6% decrease in positive sentiment scores for AI-related tokens at 7:00 PM UTC on 11 November, reflecting growing investor concerns specific to the AI segment.

Google Trends corroborated this surge in interest, showing a 20% increase in searches for "AI crypto tokens" on 11 November at 8:00 PM UTC, illustrating rising public attention and potential for sentiment-driven market moves.

In summary, the distribution of a questionable AI research paper falsely attributed to Yann LeCun on ResearchGate has introduced volatility into the AI-focused cryptocurrency sector, impacting token prices, trading volumes, and investor sentiment. While major cryptocurrencies remained largely unaffected, the incident highlights the sensitivities of niche AI blockchain projects to news related to the credibility of artificial intelligence developments. Traders and investors are advised to monitor ongoing developments and technical indicators closely in this evolving landscape.

Source: [Noah Wire Services](https://www.noahwire.com)

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