

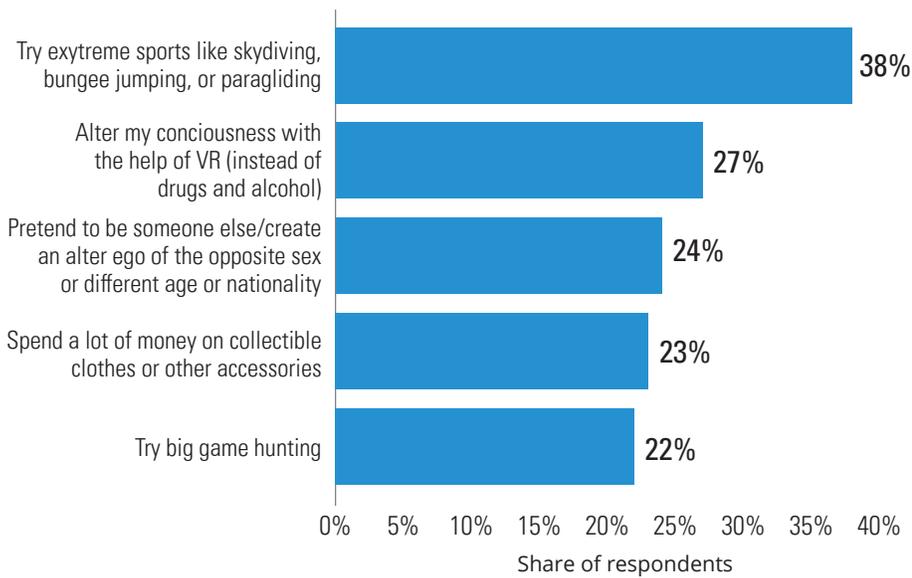
10 Things You Should Know About the Metaverse

3D virtual worlds beckon you for business and play. So, what's it all about?

- 1. Once Upon a Time** – The internet we're most familiar with arrived some 30 years ago during the era that's come to be known as Web 1.0—which brought us web browsers, email, and noisy dial-up modems. Soon afterward, broadband and mobile devices made the internet a lot more useful as technology companies developed interactive platforms and social media apps for the Web 2.0 era.
- 2. Enter the Metaverse, aka Web 3.0** – Think of the metaverse as the internet's next potential iteration: a batch of new virtual- and augmented-reality technologies designed to provide a gateway into dazzling new three-dimensional environments where you and your friends can work, play, interact, entertain, and do business with one another.
- 3. Just Add Wings** – Metaverse experiences aren't easy to describe, but we'll try. Imagine tumbling around on the International Space Station and enjoying the view of Earth, or maybe checking out the cool new winged avatars your work colleagues conjured up for your next virtual team-building exercise. Skydiving? Bull fighting? Sure, why not?
- 4. The Vision Thing** – OK, those virtual-reality (VR) headsets are really geeky, but they may significantly enhance your metaverse experience. Meta, the company formerly known as Facebook, hopes consumers will try its Oculus Quest VR headset (basic model: \$300). Microsoft is wooing corporate and enterprise clients with its \$3,500 HoloLens headset. These and similar headsets are mostly designed to operate as stand-alone devices or in conjunction with a smartphone app.
- 5. Déjà Vu All Over Again** – Remember Dungeons and Dragons? World of Warcraft? If so, you may have already experienced multiplayer proto-versions of the metaverse. In 2003, Second Life launched, featuring bespoke avatars that allowed users to live out fantasy lives in an adult virtual environment. In 2018, the futuristic film Ready Player One explored the virtual-reality world of gamers.
- 6. Start Here—No Wait, Start There** – A growing number of competing metaverse “worlds” are being launched. Thrillseekers may want to try Meta's Horizon World for its promised “wow” factor. You probably know a child who is creating or playing games in the Roblox metaverse. In Decentraland and The Sandbox, you can buy and sell digital real estate.
- 7. Location, Location, Location** – Sensing opportunity, big players have jumped onto the metaverse train. Snoop Dogg and Gucci have planted their flags in The Sandbox. An investor recently placed a \$4.3 million bet on several Decentraland digital parcels.¹ JPMorgan Chase CEO Jamie Dimon's virtual bank branch in Decentraland features his digital portrait in the lounge.²
- 8. Investment Opportunities** – A recent report predicts the metaverse/Web 3.0 economy may evolve into an \$8 to \$13 trillion total addressable market by 2030.³ Ways to play the metaverse could include hardware (think chipmakers and headset designers), metaverse platforms, or thematic ETFs. Finding real value may require help from a financial professional.
- 9. All Aboard?** – So, is it truly open for business, and is it free? Yes, and mostly no! For now, you can download platforms onto your computer, look around, and create your avatar for free. But to buy that boffo party accessory for your avatar or buy virtual “land,” you'll need to acquire the platform's native cryptocurrency.⁴
- 10. But Watch Your Wallet** – It's perhaps no surprise that the metaverse has also become a playground for grifters and thieves. Some investors who bought digital real estate were duped into clicking email links designed to mimic legitimate metaverse log-ins but were actually phishing sites that stole user credentials and drained cryptocurrency holdings from digital wallets.⁵

Client Conversations

Survey: Top Five Things People Say They'd Do in the Metaverse but Never in Real Life



Source: Statista, 2022

To learn more about metaverse-related investments,
talk to your financial professional.

¹ "The Sandbox Reports a New \$4.3 Million Land Sale to Republic Realm", beyondgames.biz, 12/6/21.

² "JPMorgan Bets Metaverse Is a \$1 Trillion Yearly Opportunity As It Becomes First Bank to Open in Virtual World", fortune.com, 2/16/22.

³ "Metaverse May Be Worth \$13 Trillion, Citi Says. What's Behind the Bullish Take on Web3", Barron's, 3/31/22.

⁴ Decentraland's native currency is called "MANA"; in The Sandbox, the currency is called "SAND". The most widely held cryptocurrency remains Bitcoin. See "10 Things You Should Know About Bitcoin" and "10 Things You Should Know About NFTs", hartfordfunds.com, 3/21.

⁵ "Cybercriminals Target Metaverse Investors with Phishing Scams," CNBC.com, 6/26/22.

Important Risks: Investing involves risk, including the possible loss of principal.

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