



## Will Blockchain Games Such as Axie Infinity Stage a Comeback in 2022?

### Description

In 2021, several [cryptocurrency](#) gaming tokens gained pace, as the prices of **Axie Infinity** ([CRYPTO:AXS](#)), **Decentraland**, and **The Sandbox** surged 15,600%, 10,900%, and 19,000%, respectively, last year.

A report from DappRadar and Blockchain Game Alliance stated the blockchain gaming industry grew by 2,000% in 2021. Further, around US\$2.5 billion was allocated towards blockchain gaming companies compared to total blockchain investments of US\$4 billion in the first quarter (Q1) of 2022.

In the March quarter, 1.17 million unique active wallets (UAW) connected to blockchain games daily, which was a decline of 2% sequentially.

### Sky Mavis is under the pump

Sky Mavis, the entity behind Axie Infinity, disclosed that 175,000 **Ethereum** tokens and 25.5 million USDC tokens were stolen due to an exploit suffered by the Ronin bridge in March. It was the second-largest cryptocurrency hack ever, resulting in a steep decline in blockchain activity on the Axie Infinity network.

According to on-chain data, Axie Infinity's daily UAW fell to 22,000 in March from 55,000 in January. Prior to the hack, the UAW's for the game were already falling due to changes made by Sky Mavis in its reward ratio.

However, the research report states that Axie Infinity is one of the most popular blockchain games, with a base of 1.5 million daily active users.

### Can Infinity Skies expand its user base by end of 2022?

Another blockchain game that is rising in popularity is Infinity Skies, which allows players to build, socialize, trade, and undertake multiple adventures. Players compete to build the most prestigious

castle in the region and collect rare NFT decorations as well as building components.

Players own an island in the sky and build castles that will be visited by other users. Building a castle allows players to garner votes on the social leaderboard and reap NFT rewards.

Infinity Skies is a game of the sandbox genre as players can set short-term and long-term goals. The token powering the game is Skyblock, which is an ERC-20 token. It is the primary currency used in the Infinity Skies ecosystem. Users can swap Skyblock for other cryptocurrencies on a decentralized exchange as well as with other players for NFTs.

Infinity Skies recently launched their demo and staking pools. But it may be a herculean task for developers to grow and engage their user base, given the bear market sentiment surrounding cryptocurrencies.

## The Foolish takeaway

Blockchain games are well poised to gain significant traction in the upcoming decade. While the demand for blockchain games may remain tepid in the next year, several decentralized gaming applications are driving on-chain activity.

According to the DappRadar report, “The support for a decentralized and interoperable metaverse where blockchain games will be foundational is imminent. VCs and investors are throwing capital at Web3 game projects at a record rate.”

Blockchain gaming, along with non-fungible tokens and other decentralized applications, will play a key role in bringing cryptocurrencies mainstream.

Alternately, security issues similar to the Ronin bridge attack have brought back focus on challenges associated with interoperability, suggesting widespread adoption is yet to gain momentum.

### CATEGORY

1. Cryptocurrency
2. Cryptocurrency

### TICKERS GLOBAL

1. CRYPTO:AXS (Axie Infinity)
2. CRYPTO:MANA (Decentraland)
3. CRYPTO:SAND (The Sandbox)

### PARTNER-FEEDS

1. Business Insider
2. Flipboard
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#### **PP NOTIFY USER**

1. araghunath
2. kduncombe

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#### **Author**

araghunath

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