

Web3.0 Biweekly

24 June 2022 | AMTD Research



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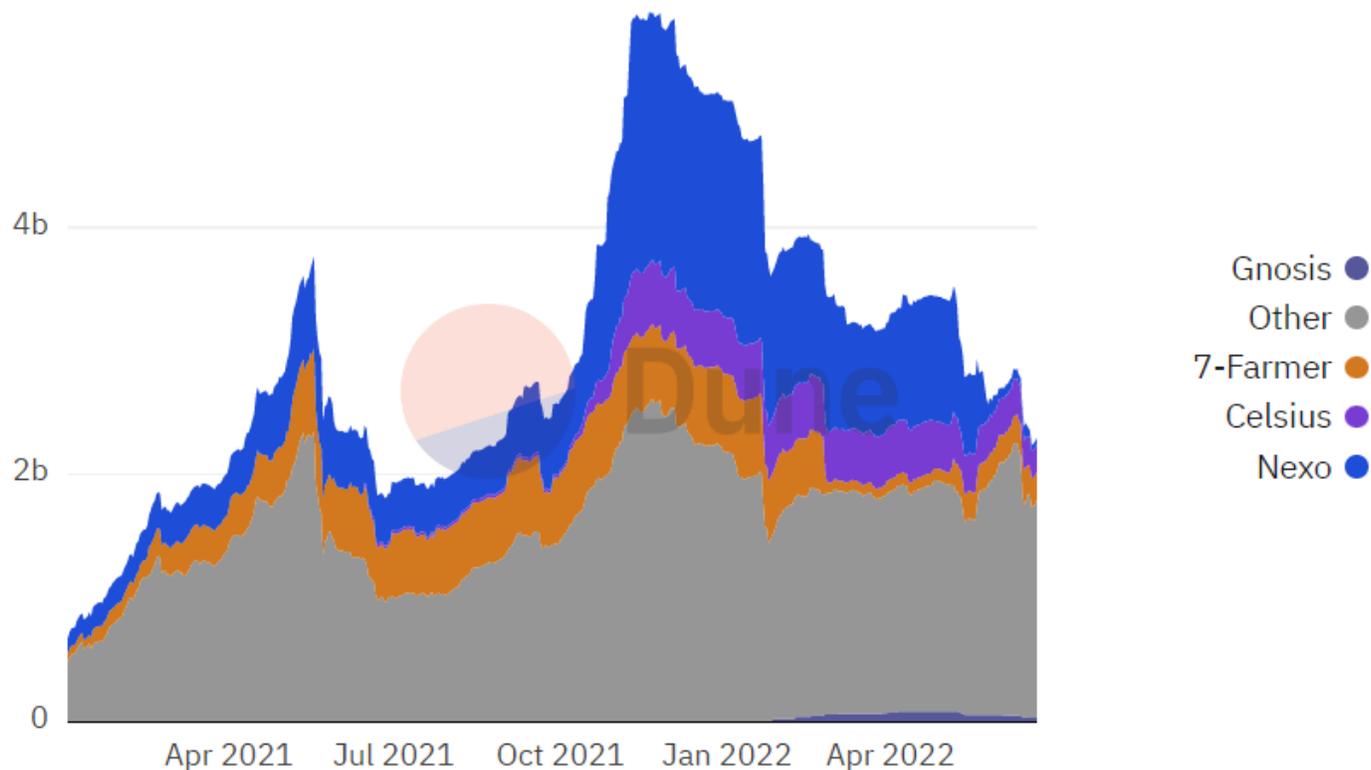
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MakerDAO Borrower Concentration

- On-chain liquidation risks for CeFi lenders seem to be nearing an end, but unsure about potential user bank run

Assets per borrower MakerDAO - Assets per borrower

@SebVentures



WBTC-A Vault 25977

Liquidation Price

\$13,605.50

34.96% below current price

Collateralization Ratio

222.95%

219.82% on next price

Collateral Locked

\$501,301,717.68

23,962.63112 WBTC

- Celsius has been slowly paying back its DAI as well as adding collateral to its WBTC vault to avoid liquidation.
- Nexo's borrowings of >US\$1 billion in the beginning of May has been reduced to US\$50 million.

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Prices, Valuation, and Exchange Flows

2 **Sector Updates**

a **Layer-1 Blockchains** – CeFi faces solvency and liquidity troubles, BTC/ETH exchange position diverges

b **Stablecoins** – Supply declines nearly 8%, USDC daily transactions on Ethereum flips USDT

c **DeFi** – TVL continues sharp decline due to fall in prices and liquidations

d **NFT & Metaverse** – CryptoPunks volume spikes ahead of announcement, NFT.NYC 22 this week

e **Regulatory Updates** – Powell says digital dollar should be government-issued, not private

f **Notable Tweets**

Market Performance

Summary

1. Prices

- **One-Year Price Recap**
- **Layer 1 Price Recap** (9 June – 22 June 2022)
 - ETH, BTC lead losses amid CeFi and DeFi solvency and liquidity troubles
 - SOL relatively outperforms as lending protocol Solend makes headlines
- **Protocols Price Recap** (9 June – 22 June 2022)
 - AAVE leads losses amid market sell-off which led to mass liquidations on the platform
 - CVX underperforms as market prepares for imminent unlock of $\frac{1}{4}$ of token supply

2. Valuation

- Market Cap to Active Addresses – ETH's price rally driven more by multiple expansion than network usage

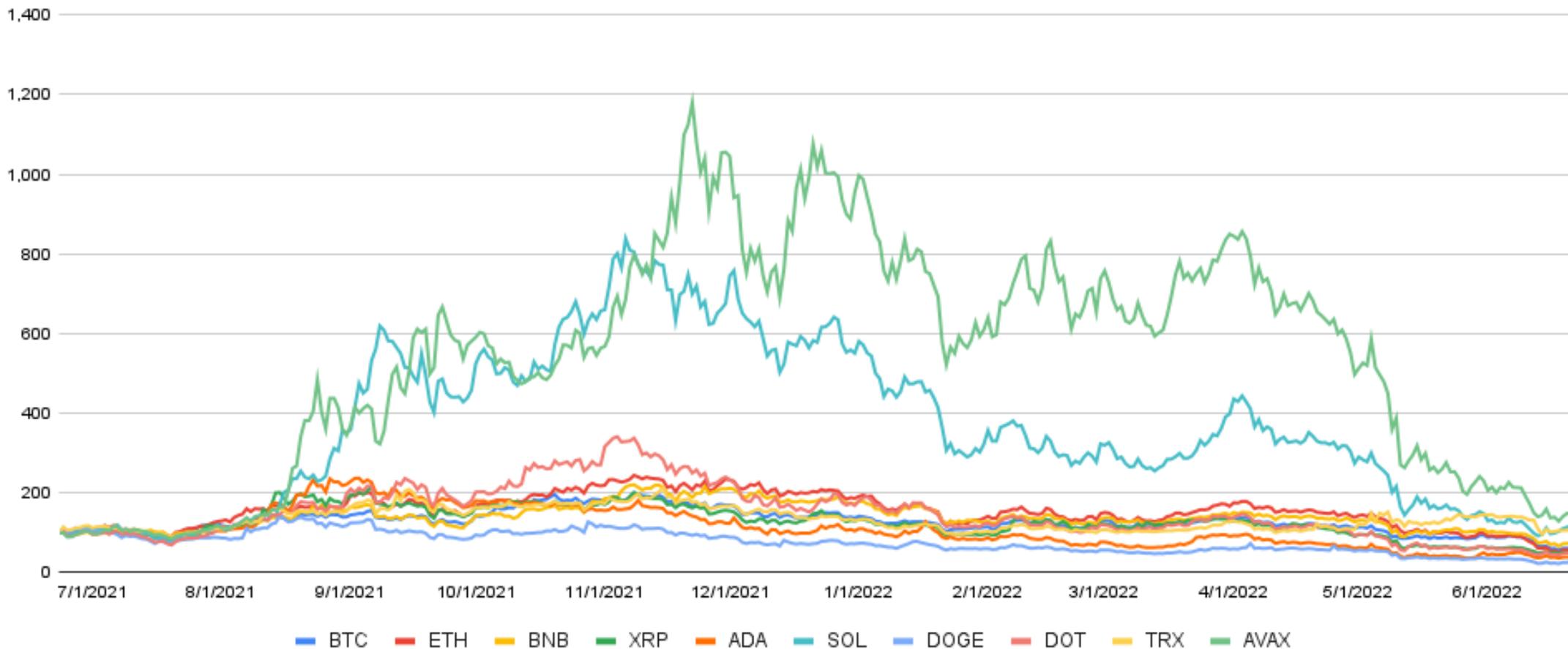
3. Exchange Flows

- Bitcoin moves out of exchanges as users move to protect funds
- Ethereum exchange net position rises, suggesting desire to sell

One-Year Layer-1 Price Recap

Performance of Top-Ranking Crypto (One Year)

(22 June 2021 = 100)

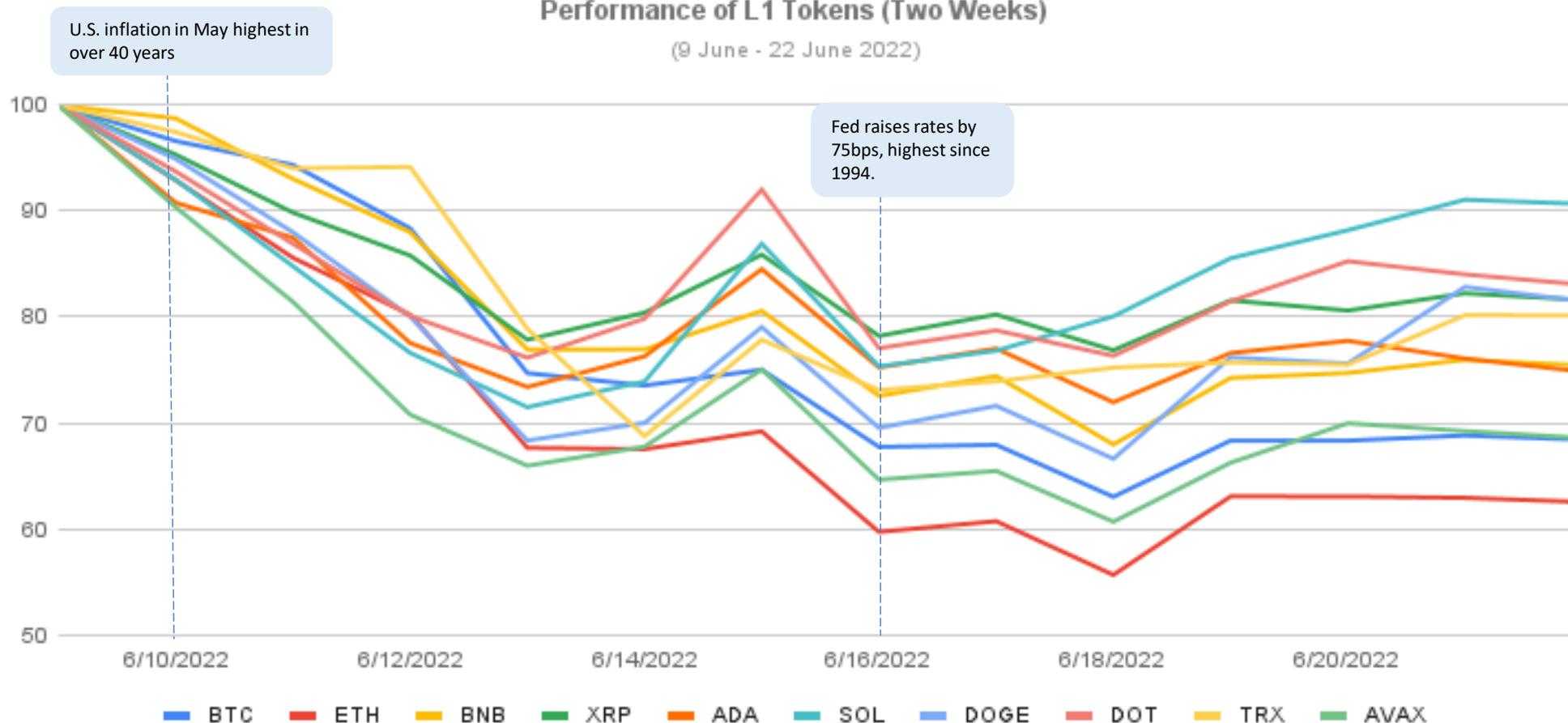


Layer-1 Price Recap (9 June – 22 June 2022)

- ETH, BTC lead losses amid CeFi and DeFi solvency and liquidity troubles
- SOL relatively outperforms as lending protocol Solend makes headlines

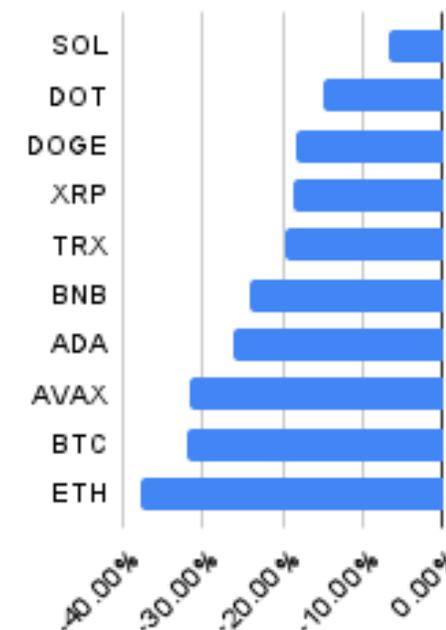
Performance of L1 Tokens (Two Weeks)

(9 June - 22 June 2022)



Period Return

(9 June - 22 June 2022)

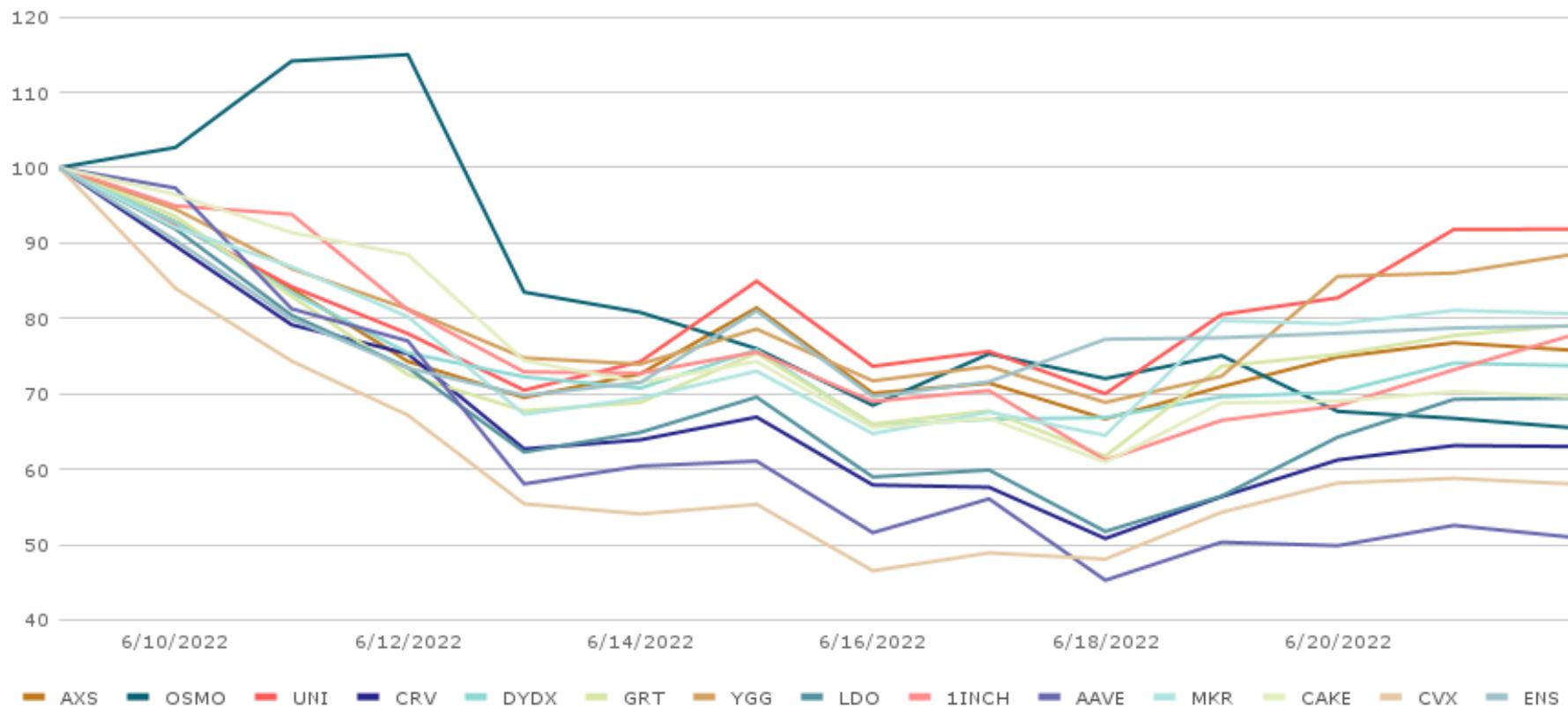


Protocol Price Recap (9 June - 22 June 2022)

- AAVE leads losses amid market sell-off which led to mass liquidations on the platform
- CVX underperforms as market prepares for imminent unlock of ¼ of token supply

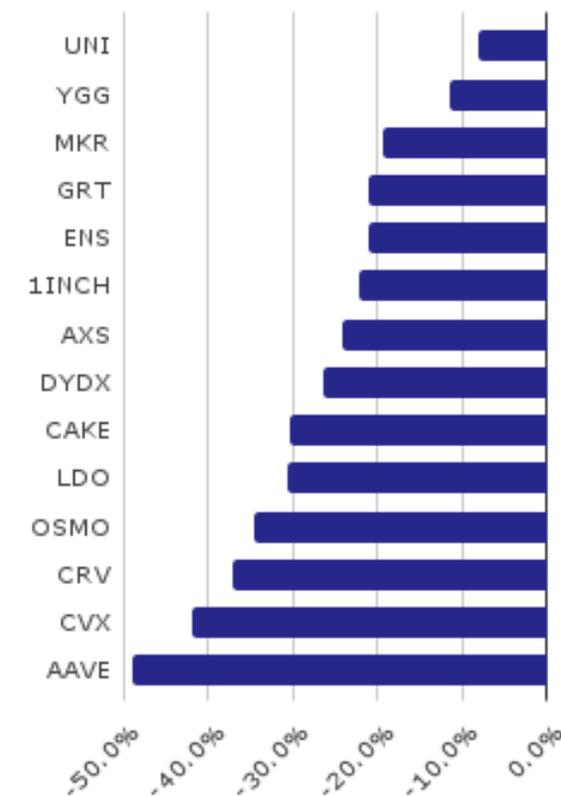
Performance of Protocol Coins (Two Weeks)

(9 June - 22 June 2022)



Period Return

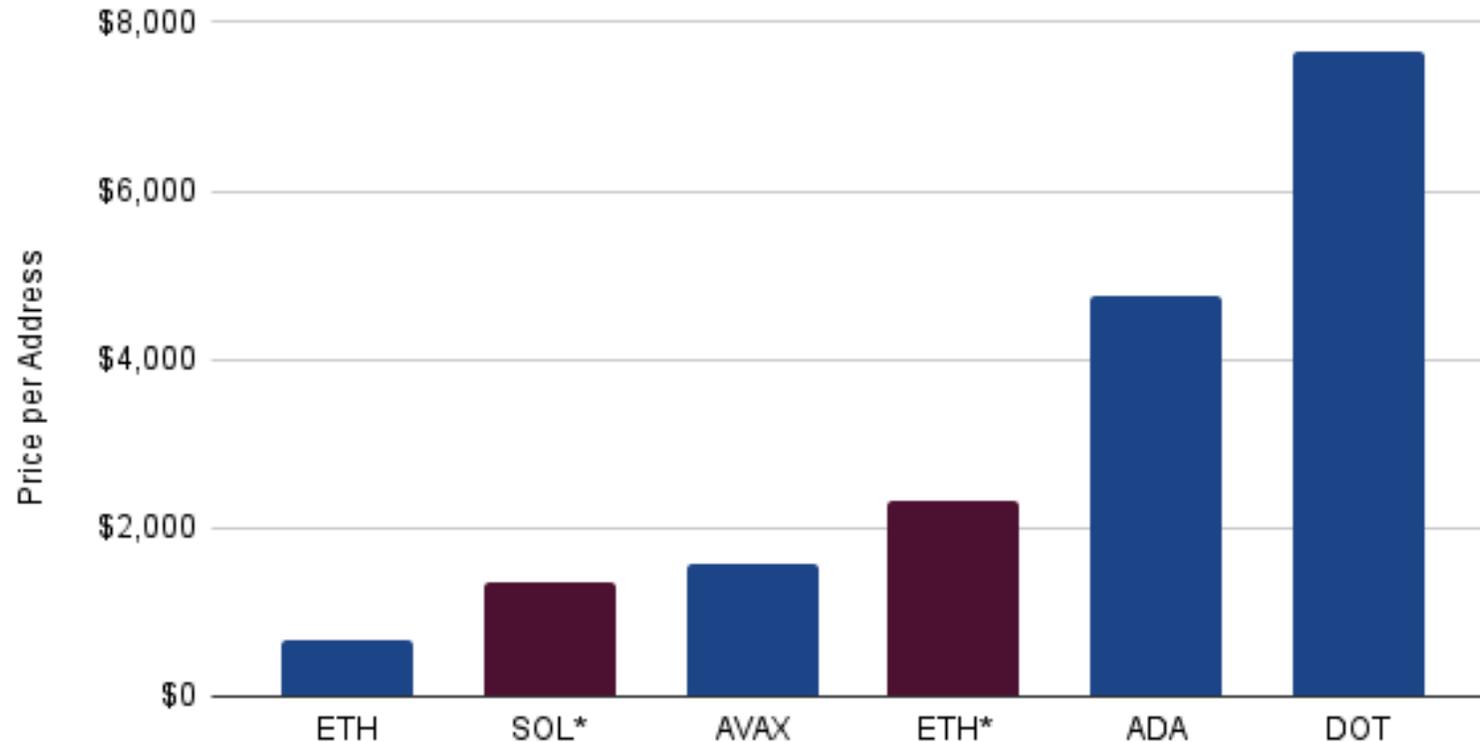
(26 May - 8 June 2022)



Valuation - Price Per Unique Address

Price per Address

As of: 22 June 2022

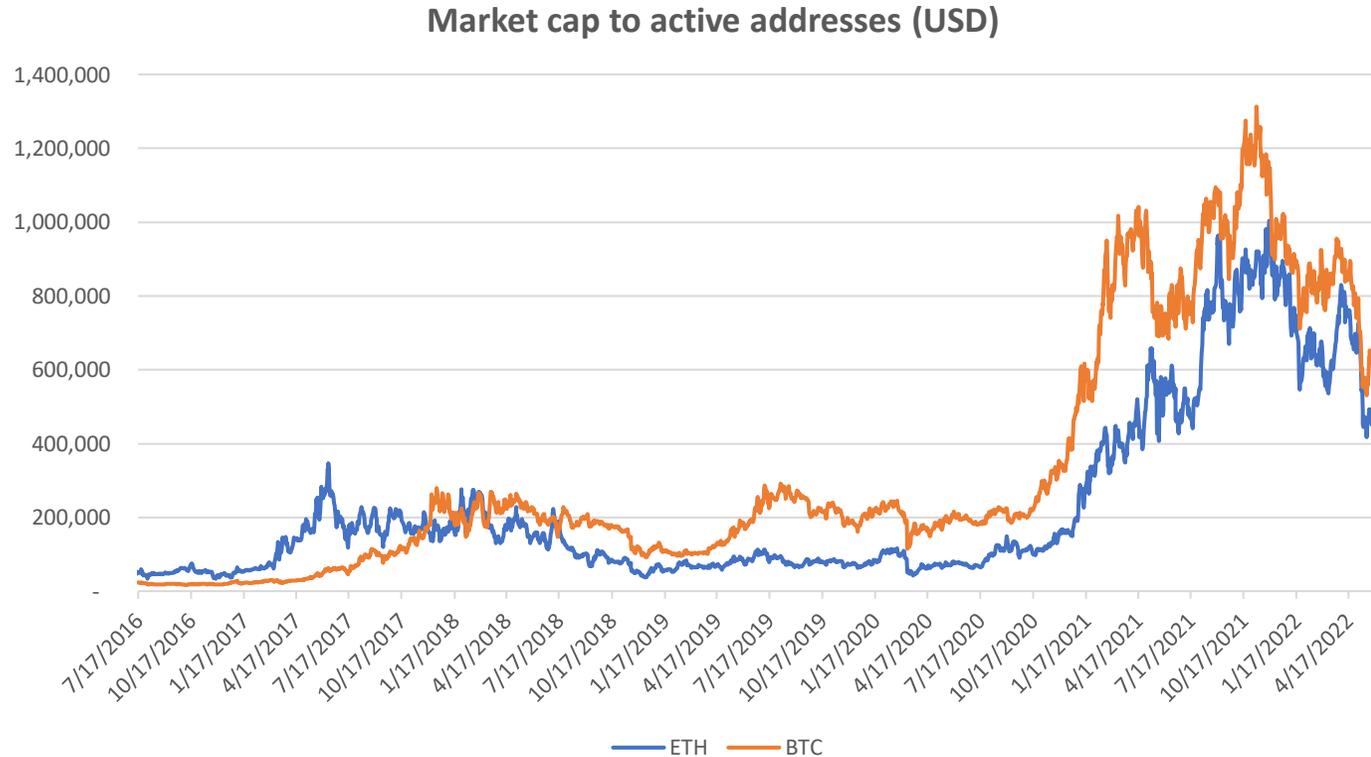


*Price per non-zero address

Overall price per address has fallen due to declining crypto prices, but ETH price per address gained slightly due to a decline in non-zero addresses.

Note: Number of wallets per user could vary different across different Layer 1 networks.

Valuation – BTC and ETH Market Cap to Active Addresses

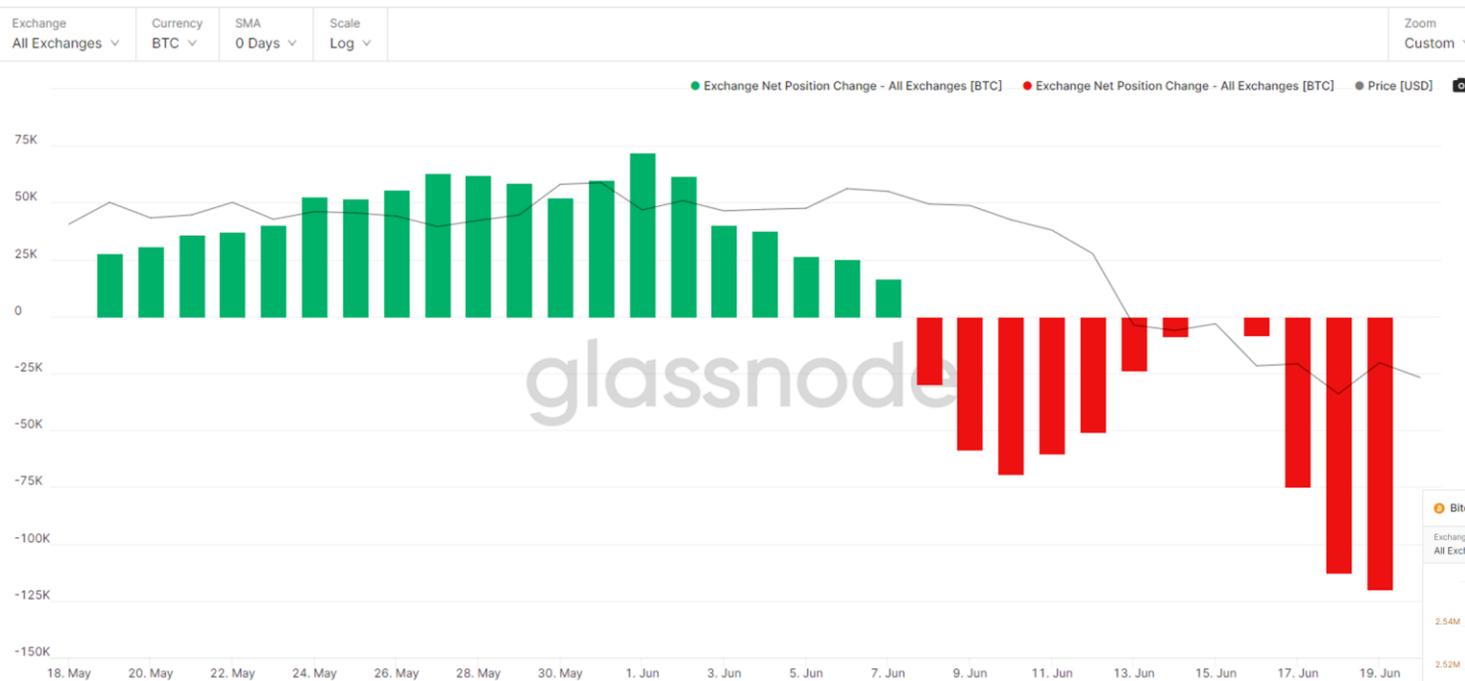


	BTC	ETH
Valuation Multiple		
2017-2018 Run	2.2x	7.1x
2020-2022 Run	5.6x	13.4x
Network Usage		
2017-2018 Run	1.3x	7.0x
2020-2022 Run	1.5x	2.8x

- Ethereum’s price rally (30x+) in the 2020-2022 cycle was driven more by valuation multiple expansion (13x) than network activity increase (3x).
- Due to Ethereum’s more cyclical network usage (i.e., DeFi and NFTs), Ethereum’s price will face a sharper contraction compared to Bitcoin.

Bitcoin moves out of exchanges as users move to protect funds

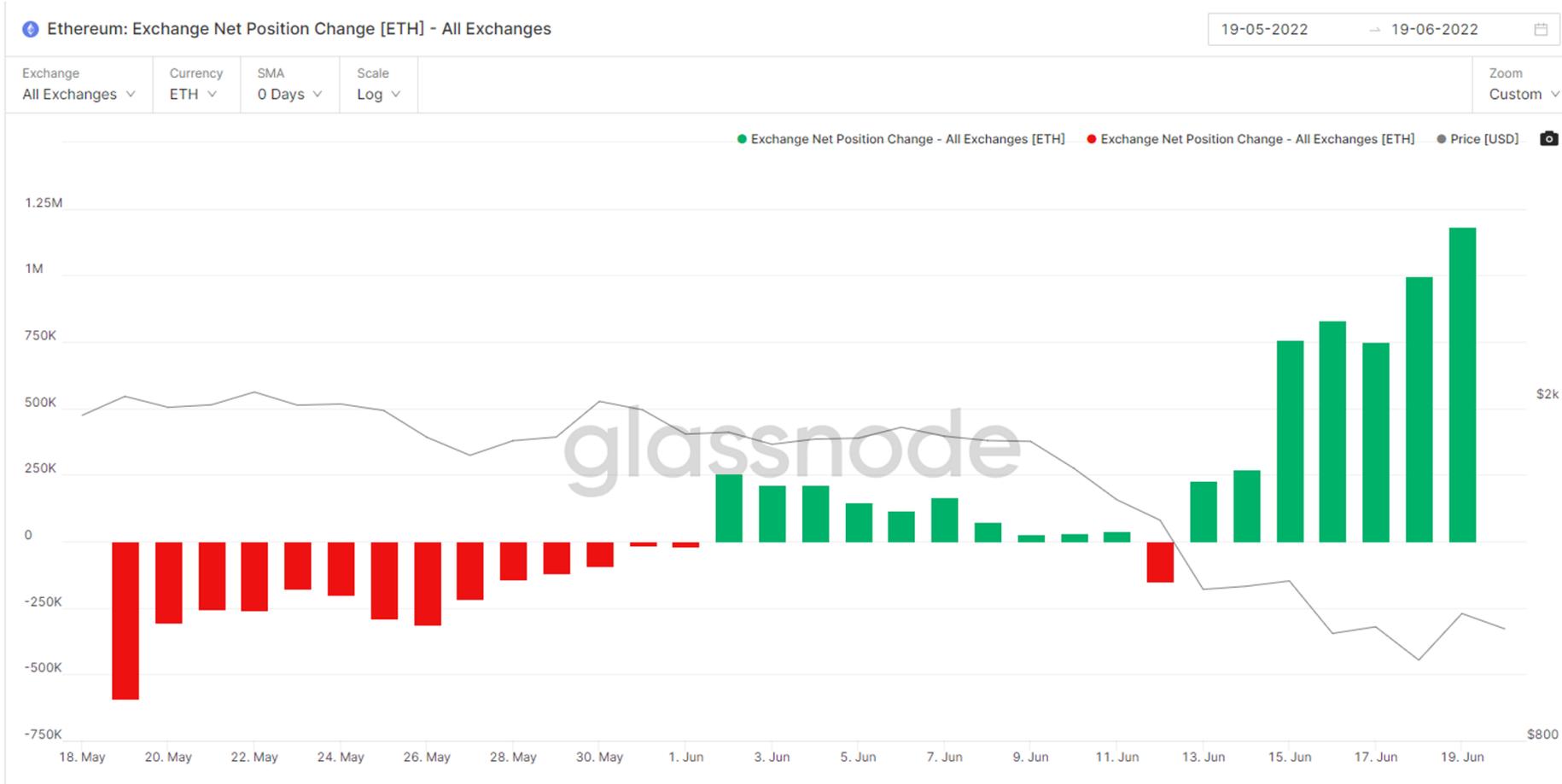
Bitcoin: Exchange Net Position Change [BTC] - All Exchanges



Bitcoin: Balance on Exchanges [BTC] - All Exchanges



Ethereum exchange net position rises, suggesting desire to sell



- Exchange position change for Ethereum is trending upwards, deviating from Bitcoin's pattern.
- This suggests that while people are moving Bitcoin out of exchanges to protect from platform risk, users are moving Ethereum onto exchanges to potentially sell it.

Layer-1 Blockchains

Layer-1 Summary (9 June – 22 June 2022)

1. Bitcoin (2W: -31.8%)/(YTD: -55.7%)

Jack Dorsey's Web5: an extra decentralized web platform

2. Ethereum (2W: -37.4%)/(YTD: -69.8%)

Difficulty bomb delayed but Merge should still be on schedule

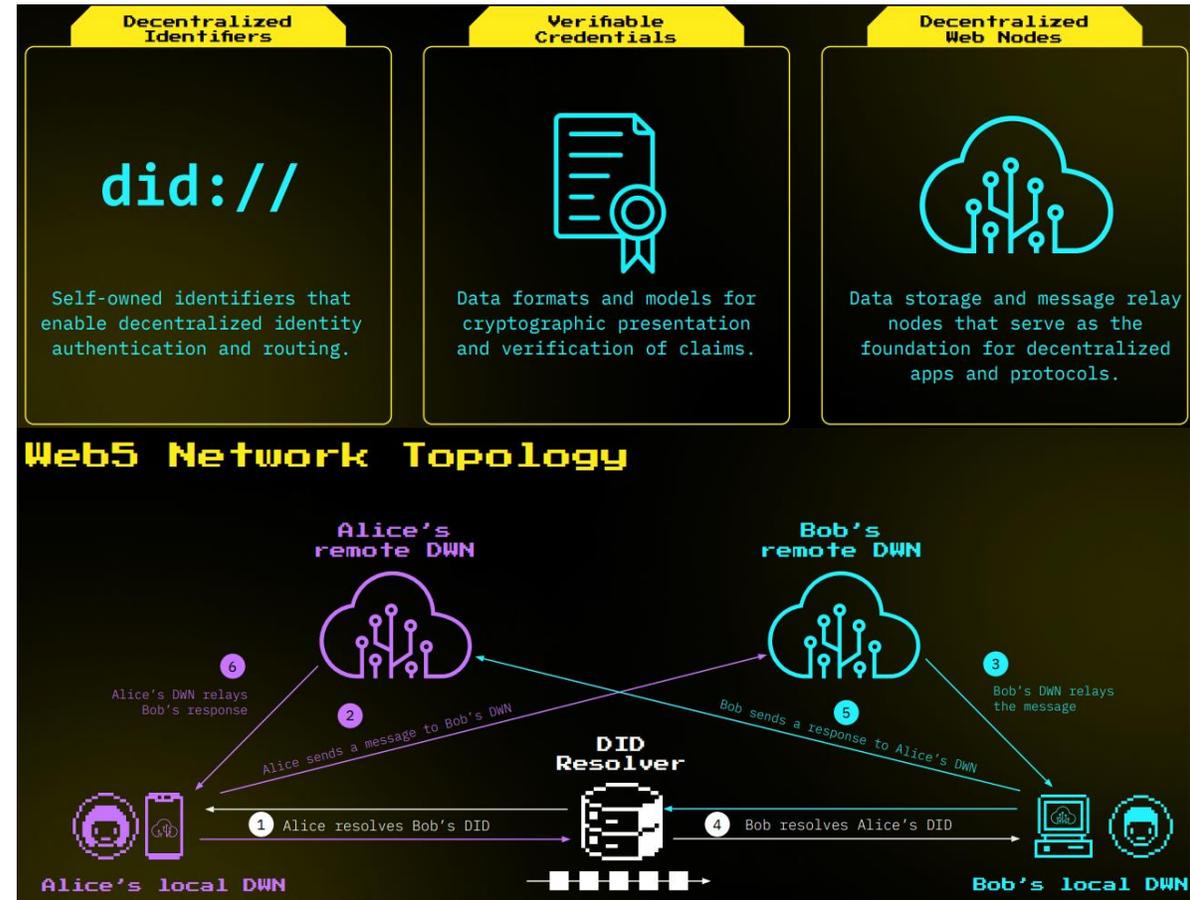
3. Celsius's Aave wallet snapshot shows continuous increase in collateral and improvement in health factor.

4. Three Arrows Capital the top stETH seller in past week as it was being liquidated, but effect of contagion to portfolio companies remains to be seen.

5. News and Headlines

Bitcoin – **Jack Dorsey's WEB5: AN EXTRA DECENTRALIZED WEB PLATFORM**

- TBD, a Bitcoin-focused subsidiary of Jack Dorsey's Block, announced a new project called Web5, an “extra decentralized web platform” that aims to help users maintain control of their data and identity.
- Web5 uses ION, an open and permissionless Layer 2 Decentralized Identifier (DID) network on the Bitcoin blockchain.
- Decentralized Web Nodes (DWN) replaces centralized data servers for encrypted or public data storage or messages which can be linked to each entity's DID.
- Decentralized Web Apps (DWAs) take advantage of DIDs and DWNs (and more technical components like the Self-Sovereign ID Service which handles credential verification) for a better user experience. For instance, a hotel and airline app can be granted access to write data to a user's trip-related data stack in the DWN; and a travel app can then read such travel data to visualize their itinerary.



Ethereum – Difficulty Bomb Delayed

- Ethereum core developers decided to delay the difficulty bomb by 100 days, per the “Gray Glacier Network Upgrade,” following a number of bugs that were revealed by the Ropsten testnet merge.
- The difficulty bomb, which has been delayed five times before, is an important component in the Merge because it increases the block difficulty exponentially, making it near impossible for miners who reject proof-of-stake to mine new blocks, thereby forcing miners to stop mining on the Ethereum network.
- Should the difficulty bomb be activated too soon or at the wrong time, it could put the network to a halt before the Merge is complete.
- As a result of the delay, the Merge will be scheduled for mid to late September; a specific date cannot be set since the scheduling is done via block number.



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@evan_van_ness

THE MERGE:

Scheduled for mid to late September.

Troubled Times for Celsius

- Celsius's Aave wallet snapshot shows continuous increase in collateral and improvement in health factor.
- Liquidity issues surrounding the centralized platform where users can borrow, lend, and buy crypto, were made public on June 13 when it halted all withdrawals, swaps, and transfers.
- The lender is finding difficulty in meeting obligations to users and creditors among rapidly declining crypto prices.
- Fueling Celsius's large asset-liability mismatch is due to its exposure to stETH (staked ETH on Lido), where it further used as collateral on other DeFi protocols. The stETH pool on Curve was heavily imbalanced and not sufficient for Celsius to convert fully back to ETH, and it risks further downward pressure given stETH trading at a discount relative to ETH (~0.94).
- In addition, it was extremely close to having its Maker WBTC vault liquidated and was repeatedly adding collateral to avoid margin calls – it has lowered liquidation price from US\$18,400 to US\$13,600.
- Celsius has hired Akin Gump Strauss Hauer & Feld LLP and Citigroup for restructuring and financial advisory.
- Investors in Celsius's Series B funding round last year is unlikely to provide more capital to bail it out, according to the Wall Street Journal.

Celsius Aave Wallet Snapshot

Lending		\$406,103,855.36	↑
Health Factor: 1.99 ↑			
stETH	\$1,056.35 - 0.000% APY	\$432,651,814.51	↑
WBTC	\$20,472.00 - 0.008% APY	\$115,616,051.17	↑
WETH	\$1,117.30 - 0.506% APY	\$61,196,895.98	↑
LINK	\$6.86 - 0.820% APY	\$44,984,743.43	↑
SNX	\$3.34 - 3.933% APY	\$22,039,505.52	NEW
BAT	\$0.37 - 0.118% APY	\$2,145,555.63	NEW
xSUSHI	\$1.55 - 0.000% APY	\$892,179.00	NEW

USDC	\$1.00 - 1.887% APR (variable)	\$218,455,694.30	↓
DAI	\$1.00 - 2.897% APR (variable)	\$54,899,369.77	↑
REN	\$0.11 - 3.625% APR (stable)	\$67,825.82	↑

Celsius's on-chain status shows that they are slowly improving and no longer in imminent liquidation risk. It has fully repaid their LINK Maker position (~US\$37m) and added it to their Aave wallet. It has also added SNX, BAT, and xSUSHI.

Health Factor has risen to 1.99 from ~1.4 over the weekend by (1) paying off debt; (2) add collateral; and (3) rise in crypto prices.

Three Arrows Capital Liquidated, Contagion Spreads

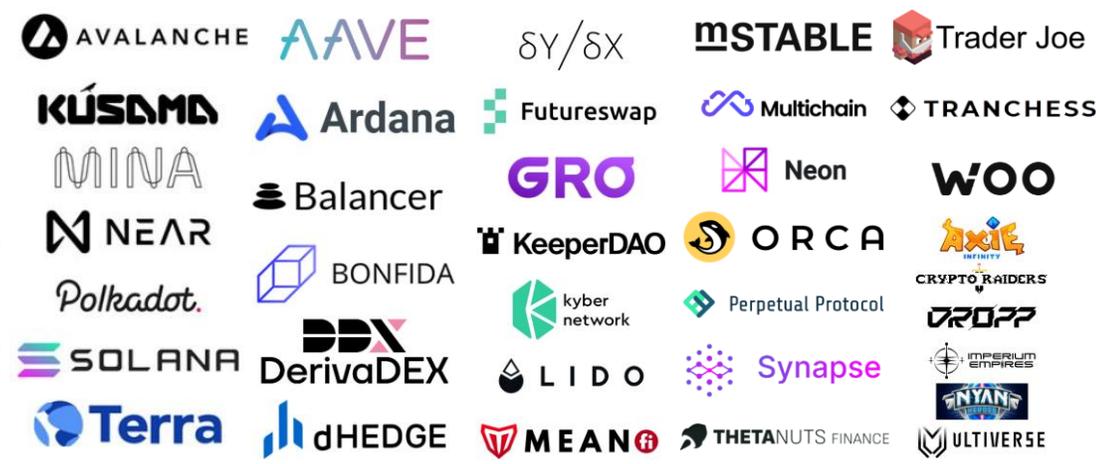
- **3AC dumped 88k+ stETH while it was being liquidated, but effect of contagion to portfolio companies remains to be seen.**
- 3AC is a crypto fund that is well-known in the space. It was unable to meet margin calls from major crypto lenders such as BlockFi and Genesis.
- According to reports, BlockFi and Genesis have liquidated 3AC as it failed to meet obligations. Crypto exchanges FTX, Deribit, and BitMEX have also allegedly liquidated 3AC's positions after its failure to meet margin calls.
- With 3AC's guaranteeing a return for treasury management for its portfolio companies, some treasuries of these companies are feared to be gone. Finblox, which 3AC is invested in, is pausing reward distributions and reduced withdrawal limits.
- Crypto platform Voyager said it has over US\$650 million in exposure to 3AC, which it has given less than a week to repay. After which will be constituted as an event of default.
- Some bad bets they have made:
 - LUNA – At least US\$200m loss in LUNA, rumors say US\$560m loss
 - GBTC – Currently trades at ~30% discount to BTC. It traded at a premium prior to 2021 which offered funds arbitrage opportunities.
 - stETH – Current discount to ETH 0.94, Curve pool imbalanced at 82%
 - Other project tokens with prices that has declined up to 86% YTD, e.g., Solana and Axie Infinity.

Top Transactions (Last 7 days) ⓘ

From	To	Value ↕	Time ↕
Three Arrows Capital	Zero Address	39,500	4h ago
Zero Address	Token Millionaire	38,421	4d ago
Three Arrows Capital	Zero Address	28,800	4h ago
First Mover Staking	Zero Address	18,811	28h ago
Token Millionaire	Zero Address	17,035	22h ago
Three Arrows Capital	Zero Address	11,842	4h ago
Medium Uniswap V3 LP	Zero Address	11,054	22h ago
Zero Address	Token Millionaire	10,598	3d ago
Zero Address	Token Millionaire	10,430	3d ago
yaemiko.eth	Zero Address	10,004	21h ago
Zero Address	yaemiko.eth	10,002	53h ago
Celsius: Trading Wall	Zero Address	10,000	5d ago
Celsius: Trading Wall	Zero Address	10,000	6d ago
Celsius: Trading Wall	Zero Address	10,000	6d ago
Celsius: Trading Wall	Zero Address	10,000	6d ago
Celsius: Trading Wall	Zero Address	10,000	6d ago
Celsius: Trading Wall	Zero Address	10,000	5d ago
InstaAccountV2	Zero Address	10,000	4d ago
Zero Address	Medium Uniswap V3 LP	10,000	4d ago
Three Arrows Capital	Zero Address	10,000	4h ago

The top seller of stETH in the past week is 3AC at over 88K stETH, while Celsius is also on the list.

3AC Select Investment Portfolio



News & Headlines

Major Crypto Exchanges Announces Layoffs

Amid rising interest rates and crypto market downturn, major crypto exchanges are laying off workers to survive in the bear market. Exchanges like Gemini, Coinbase, Crypto.com, and BlockFi are among those that are laying off between 5% to 20% of their workforce, while other smaller regional exchanges are doing the same as well. [[Decrypt](#)]

BNB Chain Goes Open Source

BNB Chain, which was transitioned as the Binance Smart Chain earlier this year, announced that it will open-source BNB Beacon Chain and Binance DEX, making it more accessible for developers to use and build on. It will also open its validator set so external parties can become validators. [[BNB Chain](#)]

Farfetch to Accept Crypto Payments

Online luxury fashion marketplace Farfetch, following the footsteps of fashion retailers like Gucci, is planning to accept crypto payments later in 2022. It will initially accept seven cryptocurrencies including Bitcoin (BTC), Ethereum (ETH), Binance Coin (BNB), among others. [[Farfetch](#)]

Babel Halts Withdrawals

Following the footsteps of Celsius, Hong Kong-based lender Babel Finance has suspended withdrawals and redemptions as it faces liquidity pressures. [[CoinDesk](#)]

Nexo Offers to Acquire Celsius Assets

Following Celsius's liquidity troubles, Nexo announced that it is operating normally due to its prudent risk management model. In order to support the market under stress, it has offered to buy qualifying assets of rival Celsius, and that it is "in a solid liquidity and equity position" to do so. [[@Nexo](#)]

Binance, Kraken and Polygon Hires as Industry Cuts

Crypto exchanges Binance and Kraken, as well as Ethereum sidechain Polygon, have stated that they are looking to add hires as many crypto-related companies announced job cuts. Binance is hiring for 2,000 open positions globally in order to take advantage of an opportunity to "gain access to some of the industry's best talent." [[CoinDesk](#)]

Nansen Announces Crypto-native Messaging App

Nansen has launched Nansen Connect, a crypto-native messaging app that is linked to a user's crypto wallet. Users can join different chat groups based on crypto holdings and on-chain behaviors, as well as real-time data/collection statistics in the app. [[Nansen](#)]

BlockFi Secures US\$250 million from FTX

BlockFi announced that it has secured a US\$250 million revolving credit facility with FTX to further bolster its balance sheet and platform strength. BlockFi was one of the lenders that liquidated Three Arrows Capital after it failed to meet a margin call on its loan. [[The Block](#)]

News & Headlines

Texas, Alabama Investigating Celsius

Regulators of several U.S. states, including the Texas State Securities Board and Alabama Securities Commissions, said that it has begun investigations in Celsius's decision to halt withdrawals. [\[CoinDesk\]](#)

Huobi Thailand to Close After License Revoked

Huobi Thailand will shut down its operations on July 1, marking a short-lived presence in the country with one of the highest DeFi adoption rates. The exchange was launched using Huobi Cloud, had its operating license revoked after it found deficiencies and insufficiency in the management structure and work systems. [\[TechCrunch\]](#)

Interactive Brokers Launches Crypto Services in Hong Kong

Interactive Brokers, in partnership with OSL (the only SFC-regulated digital asset platform), will begin to offer professional clients virtual assets services. [\[Blockworks\]](#)

Goldman Sachs Executes Ether-Linked Derivative Trade

Goldman Sachs has begun trading its first Ethereum non-deliverable forward, which offers institutional investors indirect exposure to the cryptocurrency. [\[CoinDesk\]](#)

Circle Acquires Web3 Infrastructure Platform

Circle, the issuer of the USDC stablecoin, has agreed to buy infrastructure platform Cybavo which focuses on custody and blockchain application development for an undisclosed amount. It will allow Circle to offer "IaaS" for companies looking to build on web3. [\[CoinDesk\]](#)

AmEx Introduces Crypto Rewards Credit Card

American Express, in partnership with crypto wealth manager Abra, announced its first crypto rewards credit card that will offer crypto back on any purchase. The card will combine the cryptocurrencies supported by Abra with no annual fees, and the benefits offered from the American Express Network. [\[Forbes\]](#)

Elon Musk Sued for US\$258 Billion

Elon Musk, Tesla, and SpaceX are being sued for US\$258 billion for allegedly being part of a racketeering scheme to promote Dogecoin. The lawsuit is seeking to recoup the money lost in trading Dogecoin since April 2019 for a group of people, asking for US\$86 billion in damages plus triple damages of US\$172 billion. [\[Bloomberg\]](#)

Binance US Looking to Fundraise at US\$4.5 Billion Valuation

The U.S. arm of the exchange giant is looking to raise up to US\$50 million at a US\$4.5 billion as a continuation of the exchange's seed round. The company previously closed a US\$200 million seed round at the same valuation in April. [\[CoinDesk\]](#)

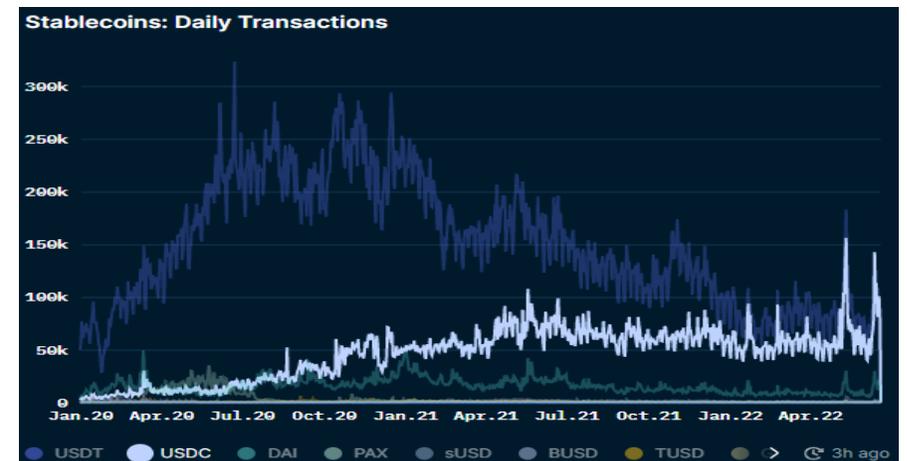
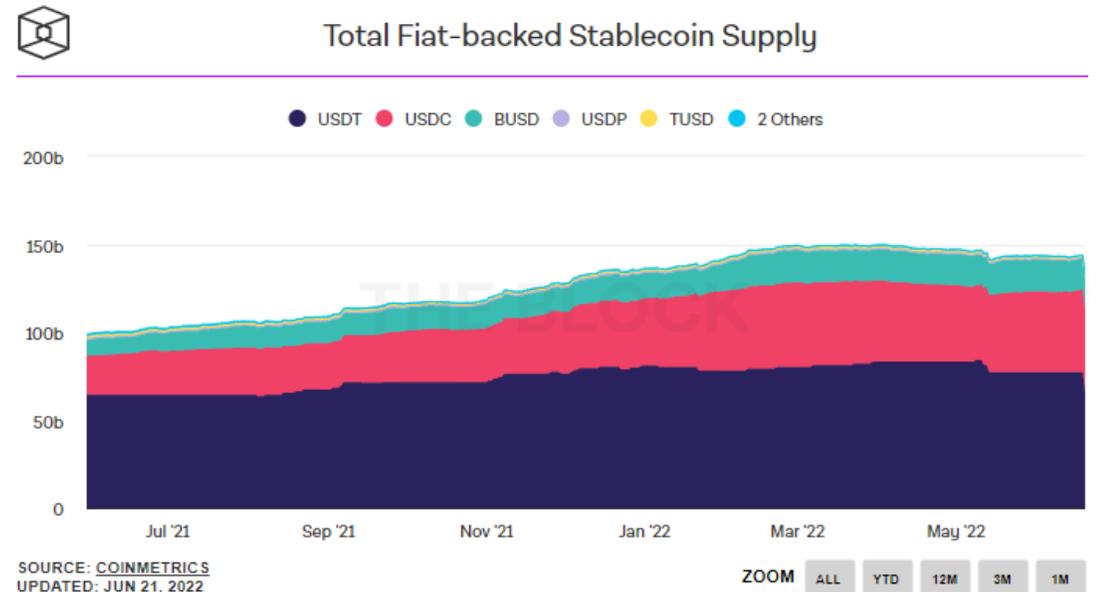
Stablecoins

Stablecoins Summary (9 June – 22 June)

- 1. Centralized Stablecoins**
Supply declines 7.8%, USDC daily transactions on Ethereum flips USDT
- 2. Decentralized Stablecoins**
Tron DAO Reserve's weeklong battle against USDD depeg

Centralized Stablecoin Updates – USDC Transactions Flips USDT on Ethereum

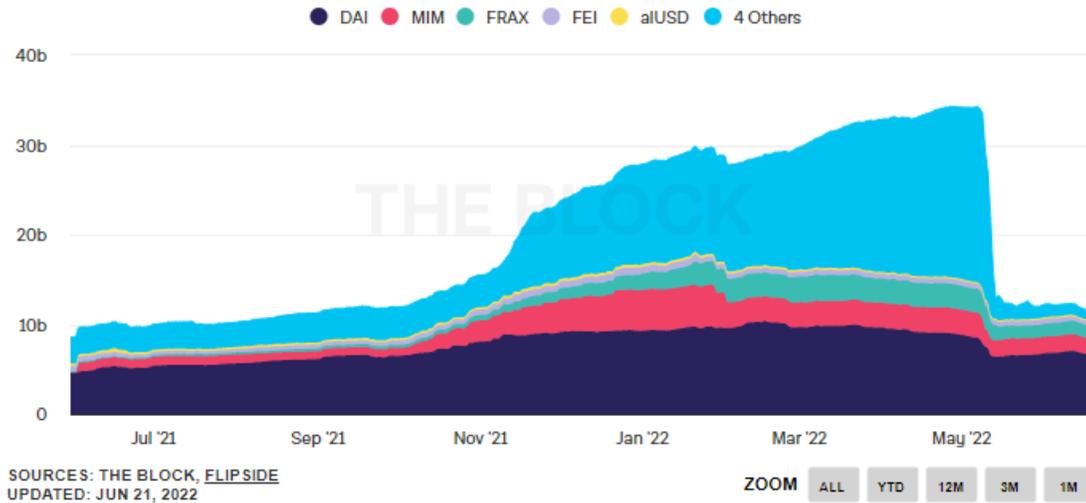
- In the past two weeks:
 - Total stablecoin supply decreased 7.7% to US\$143.3b, centralized stablecoin supply down 7.5% to US\$132.4b.
 - Most of the decline was due to USDT, which dropped 14.4% to ~US\$66.1b as its wave of redemptions continue.
 - USDC daily transactions on Ethereum has exceeded USDT for the first time on June 12 and is now neck and neck.
- Circle, issuer of USDC, announces Euro Coin, fully backed by Euro reserves within the U.S. regulatory perimeter.
 - EUROCOIN joins a few euro-backed stablecoins including Tether's EURt, and EURS by Stasis.



Decentralized Stablecoin Updates – USDD’s Fight Against Depeg



Total Crypto-backed and Algorithmic Stablecoin Supply



USDD to USD Chart



- USDD fell off peg on June 13 and has struggled to recover despite earlier recovery efforts by the Tron DAO Reserve. It announced plans to deploy US\$2 billion to fight against USDD shorts.
- Between June 13 and 17, the TDR announced that it received in total 1.5 billion USDC to defend the peg, bringing its collateralization rate above 300%.
- It has also announced repeated measures to purchase and remove TRX from exchanges, so far in excess of 5 billion TRX.
- However, the USDD peg is still depegged at 0.97. The TDR has stated that a 3% deviation is acceptable due to market conditions. TRX is trading flat, down 16% over the last month.
- If we omit TRX in TDR’s collateral, the collateralization ratio is 208%, which is an improvement from 82% from last the biweekly issue.

DeFi

DeFi Summary (9 June – 22 June 2022)

1. TVL by Chain

- TVL continues sharp decline amid week of liquidations

2. TVL by Protocol

- All protocols declined amid brutal week with coins dropping ~20-40%
- JustLend led losses as USDD stablecoin remains depegged

3. DeFi Valuation – Uniswap and Lido relatively attractive based on P/Revenue and P/Users

4. Top DEX Pools

- Liquidity extends decline as price decline leads to large-scale liquidations

5. Top Pools in terms of TVL/Top APY pool - Yield Farming

- Top pool by TVL (Lido) drops from US\$7.6b to US\$4.5b as ETH declines nearly 40%

6. DeFi Revenue

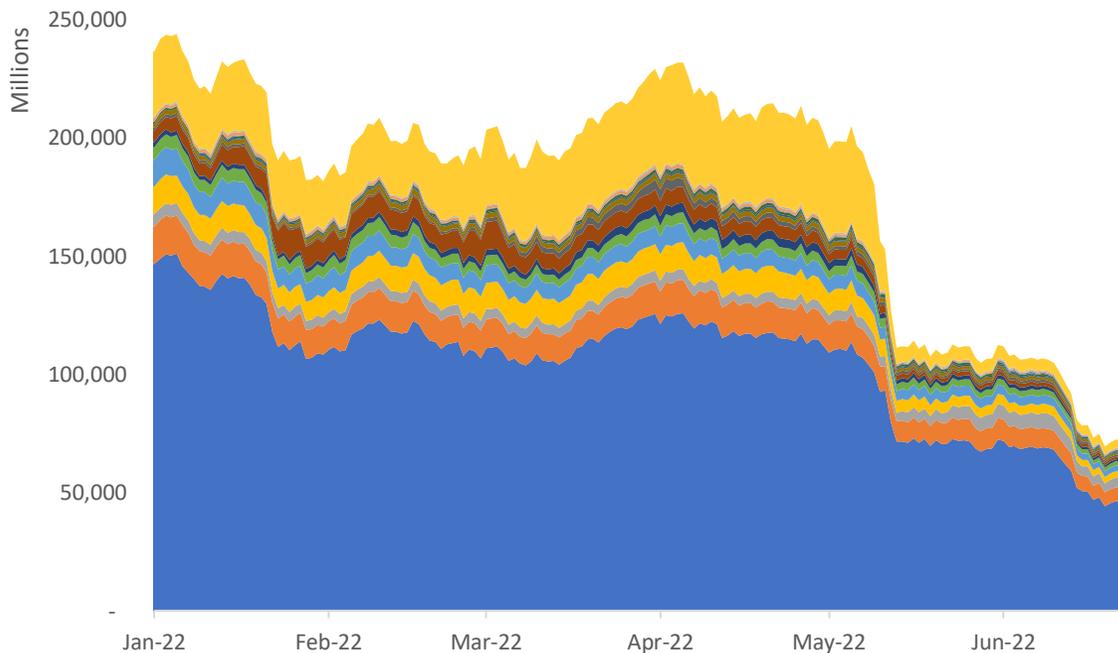
- Most DeFi activity continues to fall, Synthetix volume skyrockets after enabling atomic swaps and improving trade speeds

7. Noteworthy DeFi Protocols (Solend, Bancor)

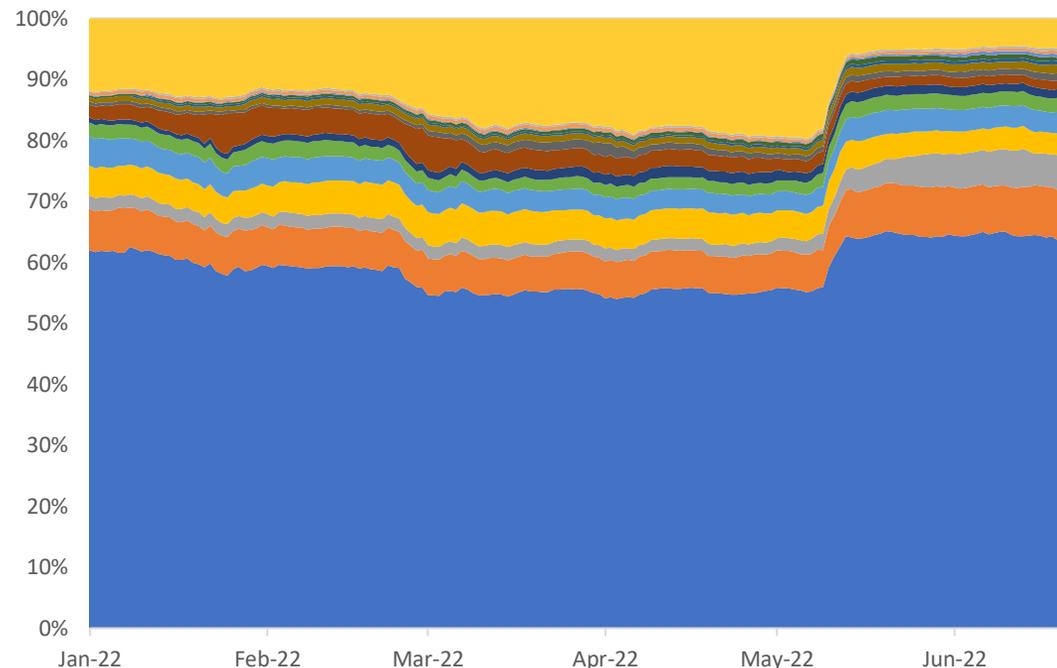
- Solend's Governance Drama
- Bancor Pauses Impermanence Loss Protection

TVL Overview by Chain – TVL continues sharp decline amid week of liquidations

TVL Trend by Chain



TVL Breakdown by Chain



June 22, 2022

- Ethereum : 63.77%
- BSC : 8.16%
- Tron : 5.61%
- Avalanche : 3.64%
- Solana : 3.52%
- Polygon : 2.28%
- Cronos : 1.53%
- Fantom : 1.34%
- Waves : 1.28%
- Arbitrum : 1.05%
- Parallel : 0.67%
- DefiChain : 0.61%
- Mixin : 0.58%
- Klaytn : 0.47%
- Kava : 0.43%

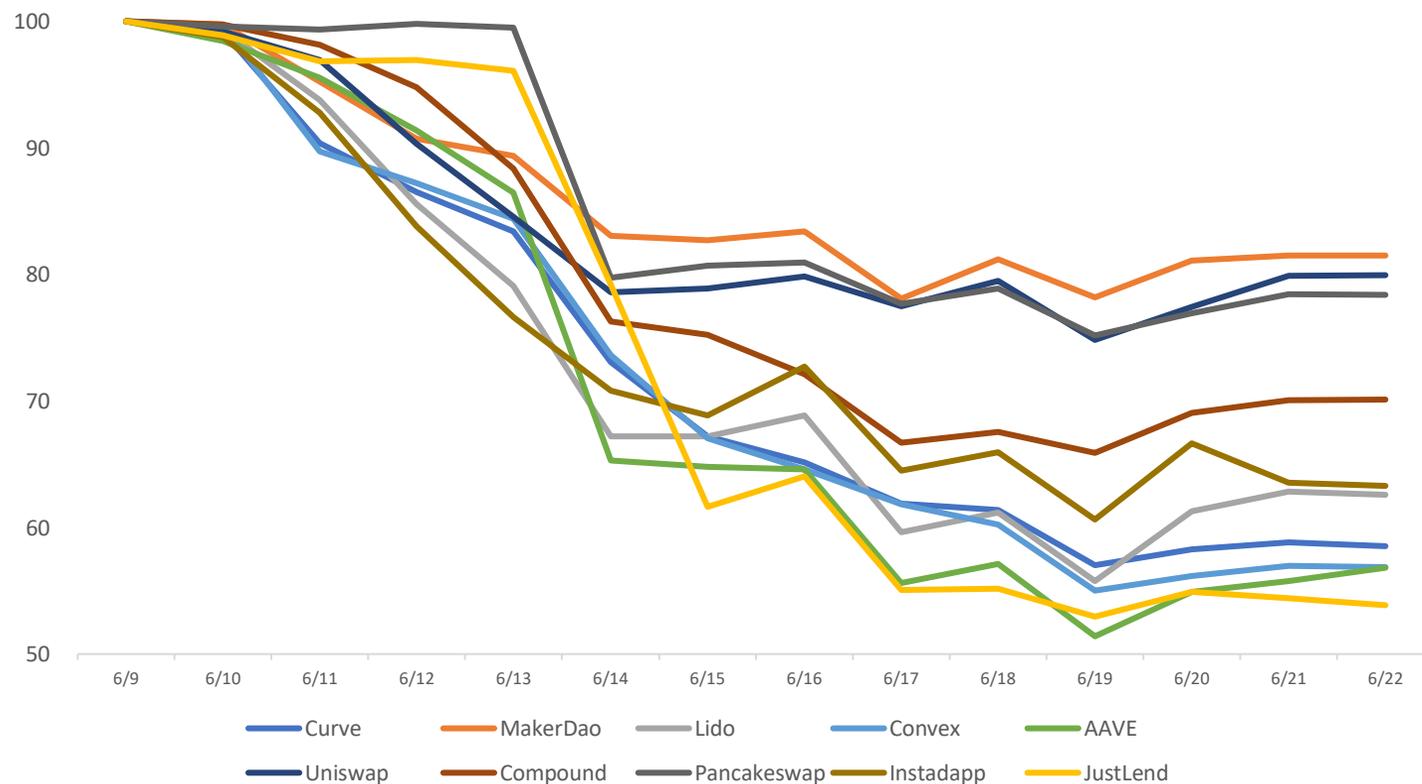
Total TVL declined to ~US\$72.3 billion, a 31% decrease from two weeks ago due to declining prices as well as loan liquidations. During the period, notable winners/losers were:

- TVL on most chains dropped between ~20%-40%, with Arbitrum leading a 41.2% decline partly due to a 85% TVL drop on SushiSwap.
- Parallel declined the least at 4.2% with steady performance across all products on the Parallel Finance platform.

TVL Overview by Protocols

- All protocols declined amid brutal week with coins dropping ~20-40%
- JustLend led losses as USDD stablecoin remains depegged

TVL of Top DeFi Protocols in Terms of TVL
(9 June 2022 = 100)

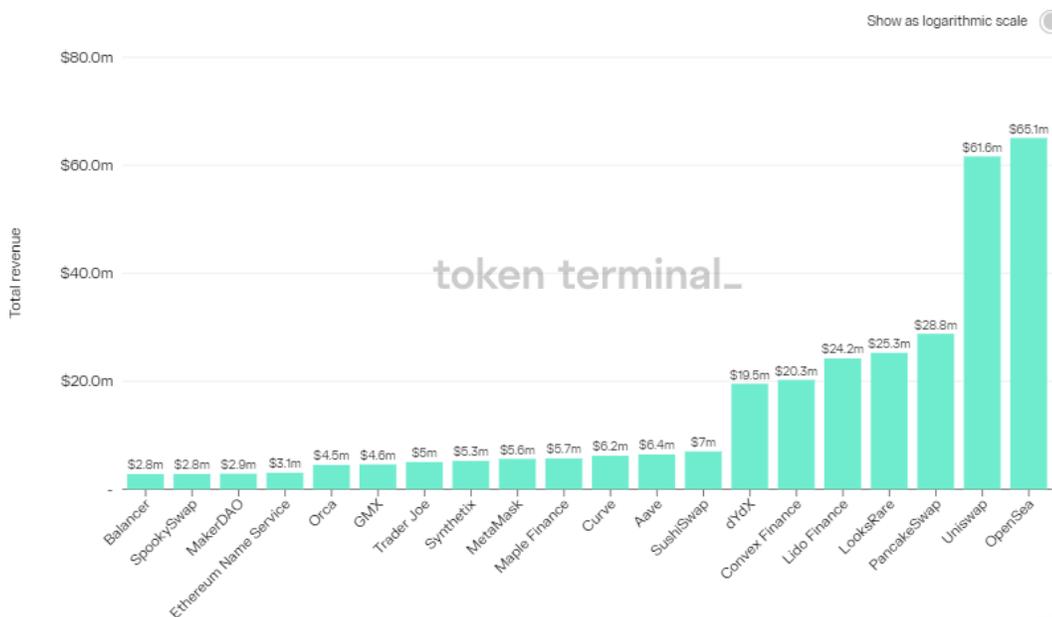


Proccolot	9 June TVL (USD m)	22 June TVL (USD m)	Period Change
MakerDAO	9,549	7,784	-18.5%
Uniswap	6,014	4,808	-20.1%
Pancake	3,783	2,966	-21.6%
Compound	4,023	2,821	-29.9%
Instadapp	2,476	1,567	-36.7%
Lido	7,659	4,796	-37.4%
Uniswap	5,241	2,980	-43.1%
Curve	8,652	5,067	-41.4%
Convex	5,241	2,980	-43.1%
Aave	8,229	4,678	-43.2%
JustLend	3,035	1,635	-46.1%

DeFi Revenue - DeFi Protocols

- Uniswap revenue almost catches up to OpenSea; but this is likely due to TokenTerminal data yet to account for OpenSea's transition to Seaport.
- Synthetix joins the list with US\$5.3m in 30-day revenue; it has recently passed a proposal to improve trade speed and allowing for atomic swaps, while integration to 1inch also contributed to volume.

Top dapps based on cumulative total revenue in the past 30 days.

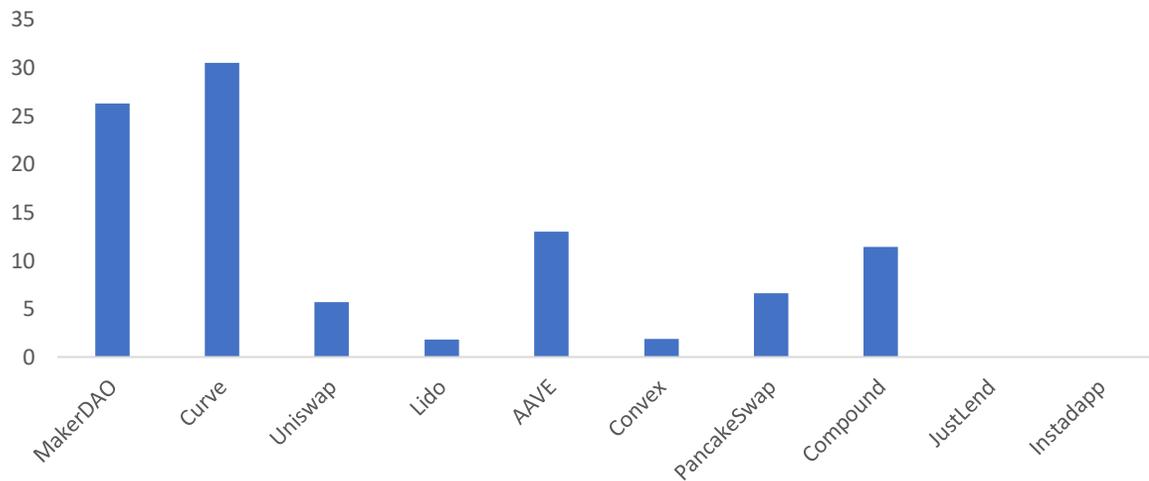


Project	Revenue 7d (US\$)	Revenue 30d (US\$)	Revenue 180d (US\$)	7d Change	30d Change
OpenSea*	\$ 3.9m	\$ 65.1m	\$ 1,724.1m	-74.5%	-78.9%
Uniswap	\$ 20.6m	\$ 61.6m	\$ 539.7m	20.6%	-31.2%
PancakeSwap	\$ 6.2m	\$ 28.8m	\$ 260.6m	8.7%	-34.3%
LooksRare	\$ 15.9m	\$ 25.3m	\$ 624.6m	744.1%	-60.6%
Lido Finance	\$ 3.8m	\$ 24.2m	\$ 162.6m	-32.3%	-26.6%
Convex Finance	\$ 3.1m	\$ 20.3m	\$ 290.0m	-24.8%	-43.7%
dYdX	\$ 5.8m	\$ 19.5m	\$ 233.5m	-2.8%	-26.5%
SushiSwap	\$ 1.9m	\$ 7.0m	\$ 108.9m	-10.0%	-51.2%
Aave	\$ 1.0m	\$ 6.4m	\$ 106.3m	-36.0%	-53.7%
Curve	\$ 3.0m	\$ 6.2m	\$ 65.0m	78.6%	-54.6%
Maple Finance	\$ 1.5m	\$ 5.7m	\$ 31.3m	-10.6%	1.5%
MetaMask	\$ 1.7m	\$ 5.6m	\$ 71.9m	-1.4%	-65.7%
Synthetix	\$ 3.8m	\$ 5.3m	\$ 11.1m	309.8%	591.2%
Trader Joe	\$ 1.1m	\$ 5.0m	\$ 89.7m	-18.5%	-55.8%
GMX	\$ 0.9m	\$ 4.6m	\$ 35.2m	-43.3%	-19.2%
Orca	\$ 0.8m	\$ 4.5m	\$ 27.4m	3.4%	-59.5%
ENS	\$ 0.7m	\$ 3.1m	\$ 30.9m	22.0%	-77.8%
MakerDAO	\$ 0.6m	\$ 2.9m	\$ 40.1m	-12.6%	-44.5%
SpookySwap	\$ 0.5m	\$ 2.8m	\$ 98.7m	-25.9%	-67.1%
Balancer	\$ 0.8m	\$ 2.8m	\$ 28.8m	-21.6%	-51.4%

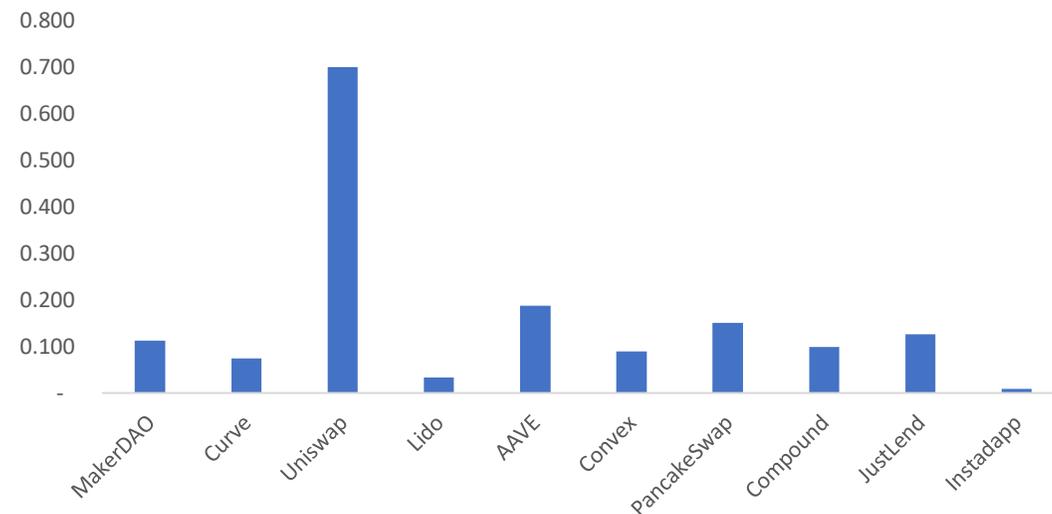
Note: As of 22 June 2022; *data may be distorted due to OpenSea's transition to Seaport.

DeFi Valuation

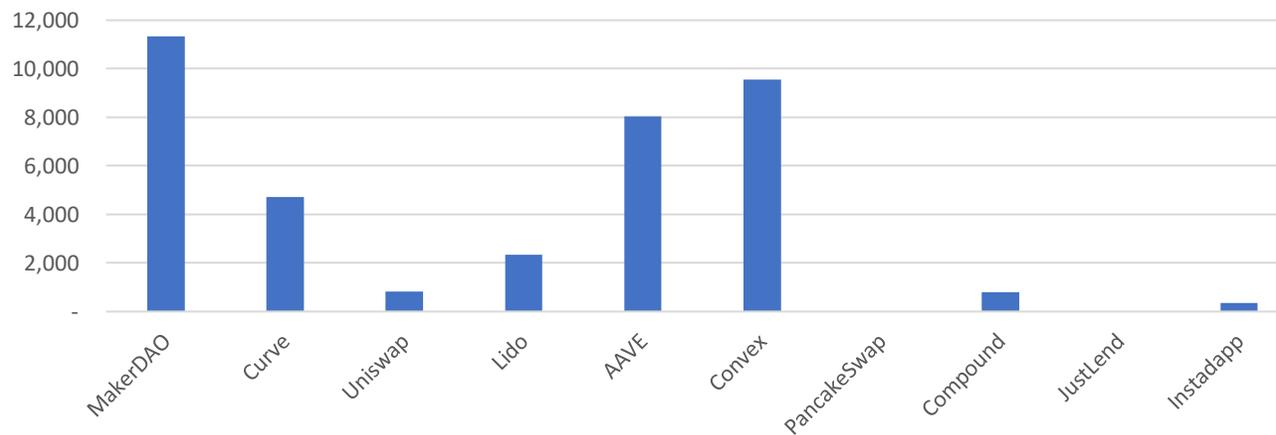
P/S Ratio (Annualized Revenue)



P/TVL Ratio (Top 10 Projects by TVL)



P/Users Ratio



Note: As of 22 June 2022. Protocols with a ratio of 0 means insufficient data.

Source: TokenTerminal, Dune Analytics, CoinMarketCap

Top DEX Pool Trends

- Liquidity extends decline as price decline leads to large-scale liquidations

Curve

Top Pools ?

#	Pool	Liquidity	Volume	Fees	ROL
1	frax	\$1.24b	\$6.4m	\$1.53k	0.16%
2	3pool	\$1.03b	\$157.91m	\$8.69k	0.30%
3	steth	\$673.96m	\$65.34m	\$12.31k	0.65%
4	tricrypto2	\$240.92m	\$147.28m	\$23.24k	3.40%
5	susd	\$119.93m	\$52.15m	\$10.98k	3.40%
6	tusd	\$78.36m	\$0.000000	\$0.00	0.19%
7	mim	\$76.62m	\$1.37m	\$767.12	0.40%
8	compound	\$74.31m	\$0.00	\$6.95	0.00%
9	alusd	\$70.25m	\$161.58k	\$34.89	0.09%
10	ren	\$64.88m	\$1.09m	\$254.61	0.14%

Liquidity Provided

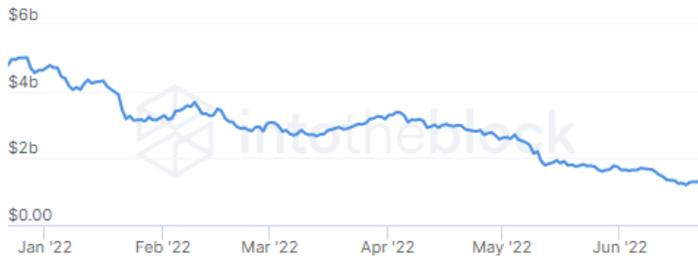


Uniswap

Top Pairs ?

#	Pair/Pool	Liquidity	Volume	Fees	ROL
1	DAI - USDC	\$227.02m	\$140.59k	\$421.77	0.07%
2	USDC - ETH	\$107.39m	\$17.47m	\$52.4k	17.81%
3	FEI - TRIBE	\$90.8m	\$226.77k	\$680.31	0.27%
4	WISE - ETH	\$80.04m	\$4.26k	\$12.78	0.01%
5	FXS - FRAX	\$57.1m	\$5.98m	\$17.95k	11.48%
6	FNK - USDT	\$29.85m	\$0.000000	\$0.00	0.00%
7	ETH - USDT	\$26.44m	\$5.05m	\$15.15k	20.92%
8	MC - ETH	\$18.59m	\$153.98k	\$461.93	0.91%
9	PAXG - ETH	\$17.06m	\$1.97m	\$5.91k	12.65%
10	USDC - USDT	\$15.47m	\$348.95k	\$1.05k	2.47%

Liquidity Provided

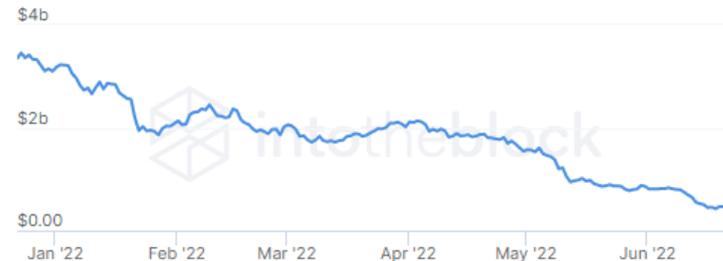


SushiSwap

Top Pairs ?

#	Pair/Pool	Liquidity	Volume	Fees	ROL
1	ILV - ETH	\$95.64m	\$349.89k	\$1.05k	0.40%
2	USDC - ETH	\$44.15m	\$7.97m	\$23.91k	19.77%
3	OHM - DAI	\$32.11m	\$1.54m	\$4.63k	5.27%
4	ETH - USDT	\$22.36m	\$2.89m	\$8.66k	14.13%
5	WBTC - ETH	\$20.12m	\$495.72k	\$1.49k	2.70%
6	TOKE - ETH	\$13.61m	\$45.08k	\$135.24	0.36%
7	SUSHI - ETH	\$10.94m	\$2.02m	\$6.07k	20.26%
8	BIT - ETH	\$10m	\$575.64k	\$1.73k	6.30%
9	OHM - ETH	\$9.16m	\$921.41k	\$2.76k	11.01%
10	AAVE - ETH	\$7.58m	\$3.83m	\$11.49k	55.35%

Liquidity Provided



Top DEX Pool Trends – Top pools on Uniswap and Curve replaced by DAI-USDC and Frax respectively

Curve

Top Pair Data: frax  NEW

Total Liquidity, USD



Volume Traded



Fees per Liquidity



Uniswap

Top Pair Data: DAI - USDC  NEW

Total Liquidity, USD



Volume Traded



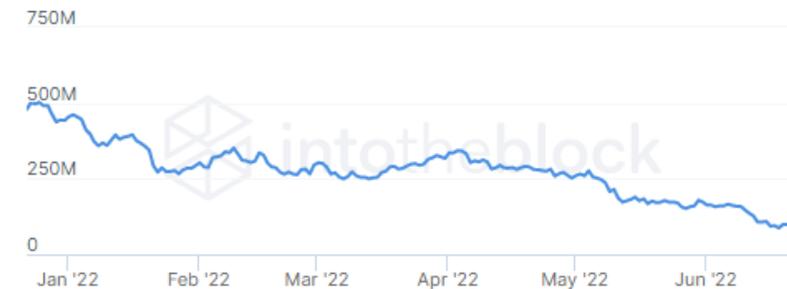
Fees per Liquidity



SushiSwap

Top Pair Data: ILV - ETH

Total Liquidity, USD



Volume Traded



Fees per Liquidity (ILV - ETH)



Top Yield Farming Pools - TVL

Name	Protocol	Base APY	Reward APY	Rewards	APY	7d ago	TVL
ETH	Lido Ethereum	4.00%	-		4.00%	4.00%	\$4,537,751,965
USDC	Aave Ethereum	0.75%	-		0.75%	0.93%	\$1,356,049,256
fraxFRAX	3Crv Convex Ethereum	0.23%	4.21%	CRV CVX FXS	4.44%	4.61%	\$1,249,000,000
WETH	Aave Ethereum	0.51%	-		0.51%	0.52%	\$922,875,819
ETH	Compound Ethereum	0.05%	0.07%	COMP	0.11%	0.09%	\$706,891,980
USDC	Compound Ethereum	0.25%	0.36%	COMP	0.61%	0.95%	\$674,127,200
USDN	Vires Waves	61.66%	0.07%	VIRES	61.73%	65.19%	\$668,547,772
WBTC	Compound Ethereum	0.04%	0.07%	COMP	0.11%	0.10%	\$667,096,392
DAI	USDC (0.01%) Uniswap Ethereum	0.08%	-		0.08%	0.35%	\$640,146,003
USDC	Maple Ethereum	5.67%	4.29%	MPL	9.96%	9.49%	\$518,000,400

Lido drops from US\$7.6b to US\$4.5b as ETH declines nearly 40%

Top Yield Farming Pools - APY

Top APY pool (TVL > 100m)

Name	Protocol	Base APY	Reward APY	Rewards	APY	7d ago	TVL
USDN	Vires Waves	61.62%	0.07%	VIREN	61.69%	65.19%	\$668,551,371
WBTC WETH (0.05%)	Uniswap Ethereum	60.00%	-		60.00%	98.05%	\$107,289,391
USDC WETH (0.3%)	Uniswap Ethereum	46.58%	-		46.58%	148%	\$313,425,763
USDC	Vires Waves	43.33%	0.07%	VIREN	43.41%	43.41%	\$291,655,992
USDT	Vires Waves	42.60%	0.07%	VIREN	42.67%	43.41%	\$251,891,634
WBTC WCRO	WS Cronos	1.62%	37.96%		39.58%	40.00%	\$100,130,000
USDC WETH (0.05%)	Uniswap Ethereum	37.23%	-		37.23%	123%	\$189,125,531
BTC DFI	DefiChain Defichain	-	36.03%	DFI	36.03%	40.46%	\$133,908,497
WETH USDT (0.3%)	Uniswap Ethereum	31.00%	-		31.00%	93.04%	\$116,827,019
MEK EGLD	Maia Cronos	0.13%	20.87%	MEK	21.00%	29.00%	\$118,370,486

Uniswap pools climb in APY

Top APY pool (TVL > 10m)

Name	Protocol	Base APY	Reward APY	Rewards	APY	7d ago	TVL
HEX USDC (0.3%)	Uniswap Ethereum	175%	-		175%	104%	\$11,290,187
VVS WCRO	WS Cronos	2.14%	119%		122%	122%	\$31,750,000
HEC	Hector Fantom	-	107%	HEC	107%	103%	\$25,418,691
BNB USDT	Alpaca BNB Chain	125%	12.95%	ALPACA	106%	87.49%	\$10,885,846
BNB BUSD	Alpaca BNB Chain	78.37%	18.93%	ALPACA	83.32%	69.91%	\$47,190,718
WETH LOOKS (0.3%)	Uniswap Ethereum	69.45%	-		69.45%	97.23%	\$11,576,915
USDC OSMO	Osmosis Osmosis	66.85%	-		66.85%	106%	\$22,500,000
USDN	Vires Waves	61.62%	0.07%	VIREN	61.69%	65.19%	\$668,551,371
WBTC WETH (0.05%)	Uniswap Ethereum	60.00%	-		60.00%	98.05%	\$107,289,391
WBTC USDC (0.3%)	Uniswap Ethereum	55.91%	-		55.91%	199%	\$63,805,844

Noteworthy DeFi Protocols – Solend’s Governance Drama



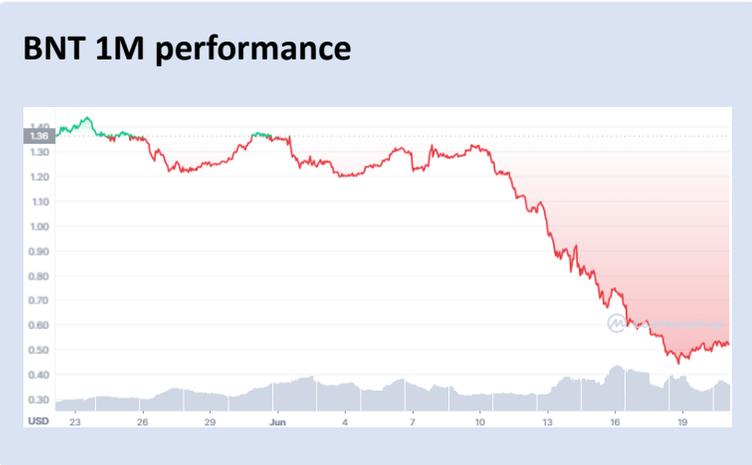
- Solend is a borrowing and lending protocol on Solana with US\$280 million in TVL.
- The protocol alerted the community when its largest user – who represented 95% of entire SOL deposits pool and 88% of USDC borrows – was nearly at risk of liquidating 20% of the whale’s collateral amid declining crypto prices.
- The Solend team was concerned that the ~US\$21m liquidation would have huge sell impact on Solana DEXes and even bring the Solana network down. It thus launched the SLND1 proposal – to grant emergency powers to Solend to take over the whale’s account to liquidate OTC. It passed with 97.5% after a six-hour governance voting time.
- It caused widespread criticism as it supposedly goes against the Decentralized part of DeFi. As a result of the backlash the Solend DAO proposed SLND2 – to invalidate SLND1, increasing voting time to 1 day, and to think of a better proposal to solve the crisis.

- 5.7M SOL deposited (\$170M)
- 108M USDC and USDT borrowed
- 25% of TVL
- 95% of SOL deposits (Main Pool)
- 88% of USDC borrows (Main Pool)
- A liquidation price of \$22.30
- The last on-chain activity from the whale was 12 days ago

The screenshot shows a Twitter thread with the following content:

- ThePeoplesDegen.eth** (@ThePeoplesDegen) · 19h: Replying to @cobie
 - 1 wallet contributed to 98% of the yes voting power
 - 'DAO' was spun up less than 24-hours ago
 - Gave users less than 6-hours to vote
- Emin Gün Sirer** (@el33th4xor) · 19h: Congratulations, gentlepeople of Solend, you've reinvented TradFi, but with more steps and more frequent and unpredictable interruptions.
- Byzantine General** (@ByzGeneral) · Jun 20: Got into crypto out of disgust for banks who control your money so now I use DEFI where random devs control my money 😏
- Watcher.Guru** (@WatcherGuru) · Jun 20: JUST IN: #Solana-based protocol Solend has voted to temporarily control the largest whale's account to mitigate liquidation risks. [Show this thread](#)

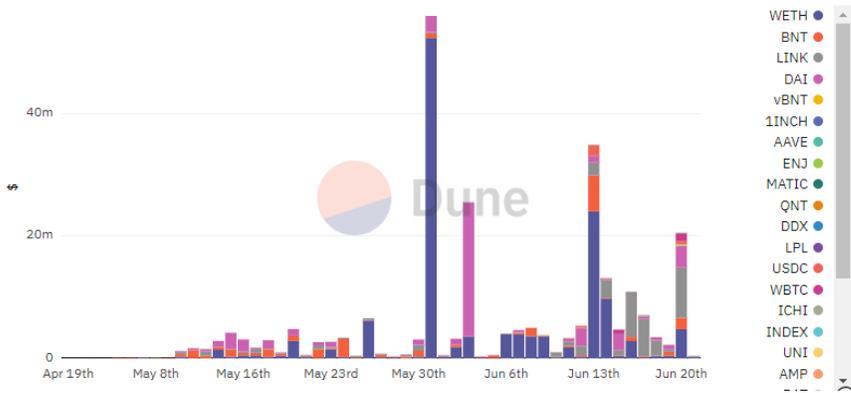
Noteworthy DeFi Protocols – Bancor Pauses Impermanence Loss Protection



- Bancor, a DEX and staking protocol known for its single-sided staking and impermanent loss (IL) protection, has temporarily paused its IL protection feature due to hostile market conditions just when it was most needed.
- The Bancor announcement mentioned that the “recent insolvency of two large centralized entities” (suggesting 3AC and Celsius?) have previously been farming large amounts of BNT liquidity mining rewards and have withdrawn and sold their BNT positions, while a party opened a short position on a CEX.
- The result of this pause caused some in the community to highlight that, while Bancor’s IL’s protection compensates through fees earned from the protocol, it pays out newly minted BNT tokens if there weren’t enough from trading fees.
- The result of a supposedly unlimited supply could potentially cause a downward spiral due to token inflation, leading to additional IL to other pools. The protocol has had steady BNT minting but jumped sharply mid-June.

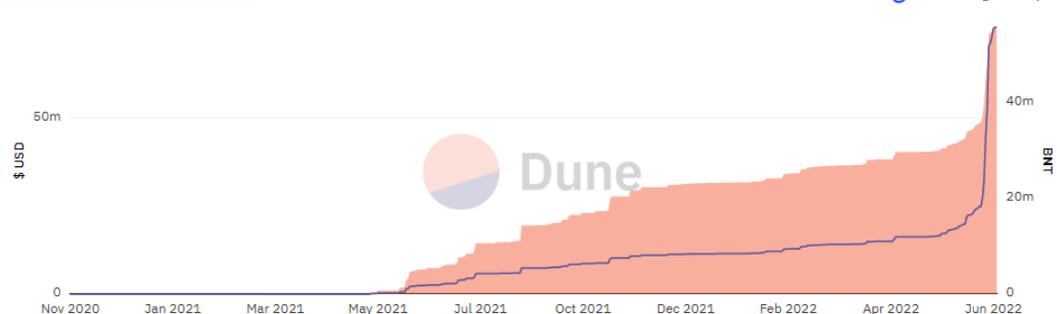
Bancor 3 TKN PendingWithdrawals by Start Date

@ChainsightAnalytics



BNT Minted for IL Protection (Culm.)

@ChainsightAnalytics



NFT & Metaverse

NFT & Metaverse Summary

1. NFT Dashboard – CryptoPunks gain as volume spikes before announcement of new Brand Lead

2. ETH Volume Continues to be Flat

3. Daily Active Users Volatile

3. CryptoPunks Pumps Ahead of Announcement

4. NFT.NYC 2022

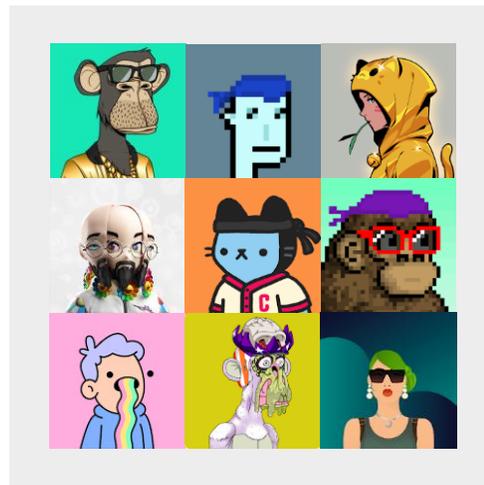
5. GameFi & Play-to-Earn

Merit Circle DAO and Yield Guild Games Ends Relationship

6. News & Headlines

NFT Dashboard

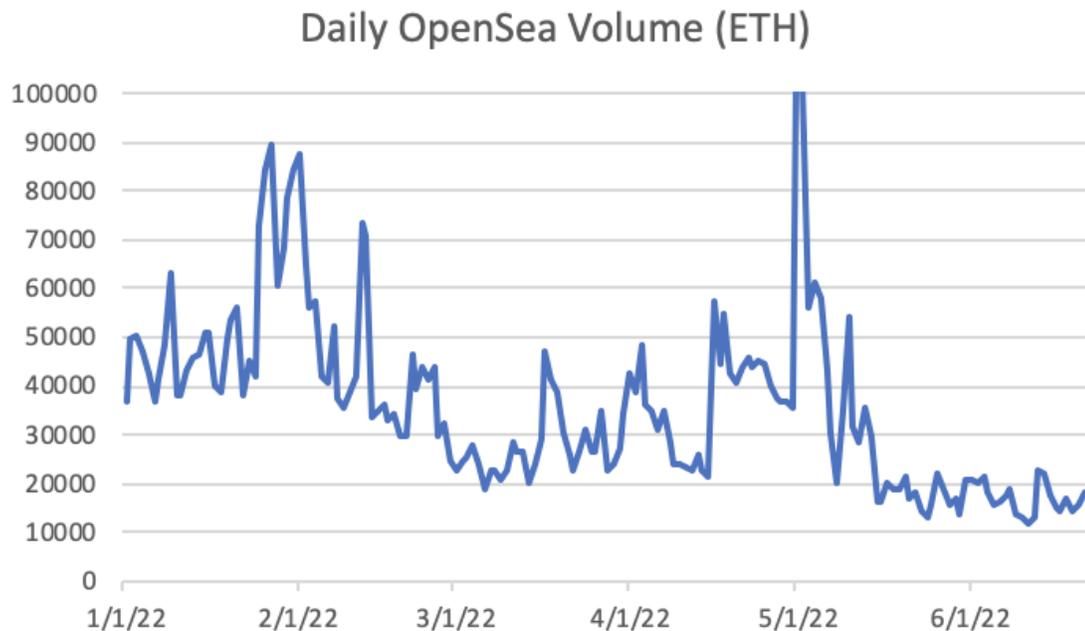
Project	Floor Price	14D	YTD
“Blue Chip” Projects			
Bored Ape Yacht Club	84.0Ξ	-6.9%	32.1%
CryptoPunks	67.0Ξ	39.8%	3.6%
Tier-A Projects			
Azuki	10.7Ξ	-1.6%	205.4%
Clone X	9.9Ξ	-8.9%	149.2%
Cool Cats	4.5Ξ	23.1%	-67.3%
CyberKongz Genesis	26.9Ξ	3.5%	-53.6%
Doodles	14.9Ξ	17.6%	126.2%
Mutant Ape Yacht Club	17.7Ξ	-5.4%	51.8%
NFT Worlds	4.0Ξ	-12.6%	66.7%
World of Women	4.8Ξ	23.7%	134.8%



Top Sales of the Week*	Price
BAYC #7537	1024.0Ξ
CryptoPunk #2964	444.0Ξ
CryptoPunk #6634	350.0Ξ
V1 PUNK #2711	250.0Ξ
BAYC #8522	233.3Ξ
CryptoPunk #8713	230.0Ξ
The Eternal Pump #11	215.0Ξ
CryptoPunk #512	199.7Ξ
CryptoPunk #3022	190.0Ξ
BAYC #2882	169.0Ξ

Top Collections of the Week* (by volume)	Volume (USD)
CryptoPunks	\$23.5m
Bored Ape Yacht Club	\$15.8m
Otherdeed	\$7.5m
Mutant Ape Yacht Club	\$6.3m
Clone X	\$5.0m
Art Blocks	\$3.7m
Doodles	\$3.6m
Moonbirds	\$3.2m
Azuki	\$2.9m
goblintownNFT	\$2.7m

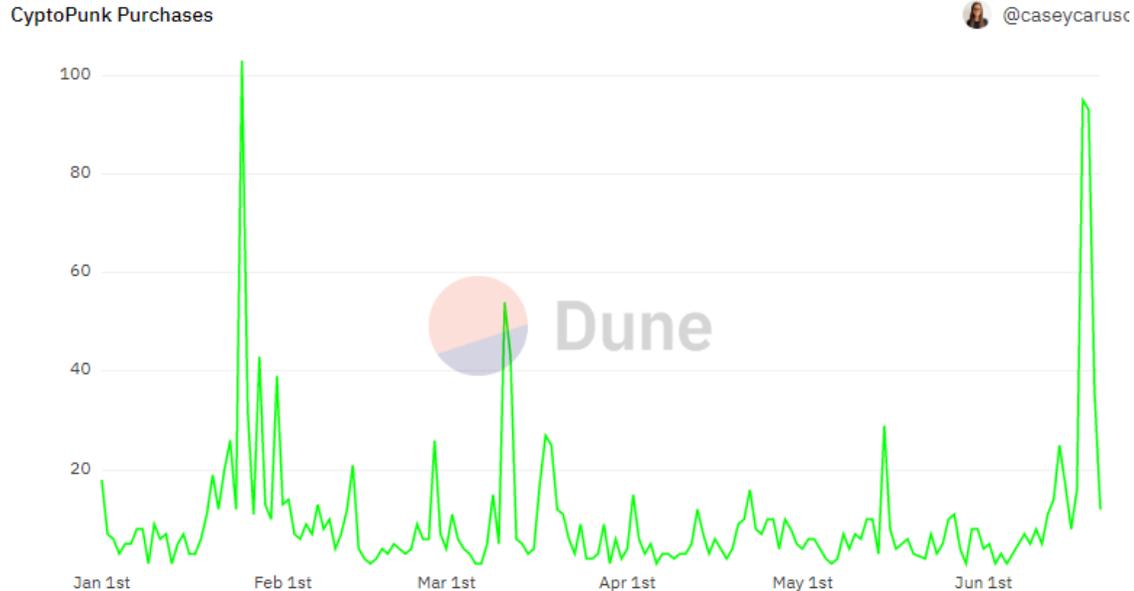
ETH Volume Continues to be Flat



- Daily NFT volume remains flat after the activity spike on Otherdeed launch. However, this could be a positive sign since volume did not waver much despite broader CeFi/DeFi crisis.
- Major data aggregators and sources have yet to account for OpenSea's shift to the Seaport protocol.



CryptoPunks Pumps Ahead of Announcement



- Yuga Labs-owned CryptoPunks saw a sudden spike in trading volume over the weekend. While number of daily purchases average below 10, it jumped up to 95, prompting the market to speculate either manipulation or insider trading.
- The timing was particularly convenient as Christie’s Head of Digital Sales Noah Davis announced that he would be joining Yuga Labs as Brand Lead of CryptoPunks shortly after sales of the collection skyrocketed.
- According to various analyses of CryptoPunks transactions, there were a select few wallets that was suspicious:
 - A freshly funded wallet bought 8 CryptoPunks prior the announcement
 - Influencer @beaniemaxi came out of a 3-month hiatus and purchased 4 CryptoPunks before the announcement

NFT.NYC 2022

- The fourth annual NFT.NYC event began on June 20, welcoming more than 1,500 crypto experts to speak at the three-day conference on NFT gaming, film, blockchain, music, and more.
- The event will have speakers covering 16 different wider topics, taking place across seven venues in Manhattan, New York.
- Some notable events/speakers include:
 - NFT Awards, which attracted 18,500 votes.
 - Web3 founders like Alex Svanevik, CEO of Nansen; Justin Sun, Founder of Tron; Stani Kulechov, Founder of Aave; Alex Salnikov, Cofounder of Rarible.
 - NFT project founders like
- There are also NFT-related events taking place concurrently, including:
 - Ape Fest 2022, BAYC's exclusive party taking over NYC's Pier 17
 - Enter The Valley, Azuki's event for Azuki holders with a daytime portion open to the public
 - And many more, such as Moonbirds, Doodles, Cool Cats, Pudgy Penguins, Karafuru, Invisible Friends, LVCIDIA by FVCKRENDER, Madonna at WoW, etc

NFT NYC



GENERAL	NFT NYC
ART	NFT NYC
FILM	NFT NYC
MUSIC	NFT NYC
GAMING	NFT NYC
SPORTS	NFT NYC
SOCIAL	NFT NYC
FASHION	NFT NYC
COLLECTOR	NFT NYC
LEGAL	NFT NYC
TICKETING	NFT NYC
FINANCE	NFT NYC

Doodles2

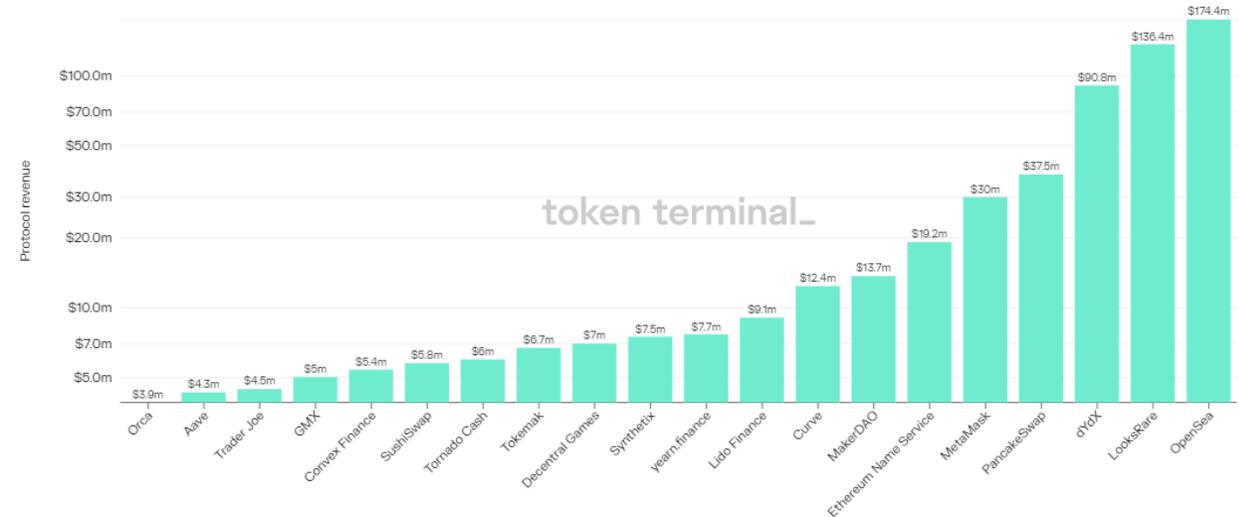


GameFi & Play-to-Earn

Merit Circle DAO and Yield Guild Games Ends Relationship

- After an eventful month where members of the Merit Circle DAO claimed that Yield Guild Games (YGG), aside from its initial US\$175,000 investment, did not add much value to Merit Circle, the two parties have agreed to formally terminate the relationship between Merit Circle and YGG.
- Initially, YGG claimed that the contractual agreement did not include value-added services, and suggested to refund YGG's investment and remove them from the project (with no profit),
- The community vote placed the Merit Circle Ltd entity in a legal predicament since it would be a contractual breach, but also that they were obligated to carry out the DAO's decisions.
- The wider crypto community was worried that this would set a precedent for DAOs to be able to renege on a legal obligation, tarnishing the reputation of such organizations.
- Ultimately, both parties agreed to split amicably, granting YGG a 10x return, though still less than the potential return if they were allowed to stay.

Dapp 90D Protocol Revenue



News & Headlines

“Father” of Metaverse Launches Metaverse Blockchain

Neal Stephenson, the author who first coined the term “metaverse” 30 years ago, has co-founded a new layer-1 blockchain called LAMINA1 along with former Bitcoin Foundation chairman Peter Vessenes. The blockchain is planned to be the base layer for the Open Metaverse. [[CoinTelegraph](#)]

RTFKT Partners With Byredo for Metaverse Fragrance

RTFKT, the company behind the Clone X collection and subsidiary of Nike, has partnered with fragrance and makeup brand Byredo. It will feature wearable auras – customized “digital and physical scents.” The custom scents can then be produced and delivered to users. [[Vogue Business](#)]

Magic Eden Achieves Unicorn Status

Nine-year old Solana NFT marketplace Magic Eden recently raised US\$130 million in a Series B round led by Electric Capital and Greylock Partners. The round values the company at US\$1.6 billion. [[TechCrunch](#)]

OpenSea Migrates to Seaport Protocol

The new protocol will save an estimated US\$460 million in fees for users, as well as the ability to make collection offers, no setup fees, and additional work-in-progress features like bulk listing. [[OpenSea](#)]

Uniswap Acquires Genie

Decentralized DEX Uniswap announced that it has acquired NFT aggregator Genie. NFT trading functionality will be integrated on the Uniswap web app, as well as integrating NFTs into its APIs. It will conduct a USDC airdrop. [[CoinDesk](#)]

Mastercard Allows Direct Purchase of NFTs

Mastercard, working with Immutable X, Candy Digital, The Sandbox, Mintable, Spring, Nifty Gateway, and infrastructure provider MoonPay, is allowing its cardholders to buy NFTs without first needing to purchase crypto. [[CoinDesk](#)]

Meta Launches Digital Fashion Store With Major Brands

Meta is partnering with Balenciaga, Prada, and Thom Browne in selling fashionable avatars on Meta’s new digital fashion marketplace called the Avatars Store. The avatars will be able to be displayed on Instagram, Facebook, and Messenger. [[The Block](#)]

Regulatory Updates

Regulatory Updates

- U.S. Federal Reserve Chairman Jerome Powell stated that the digital dollar should be issued by the government rather than by a private company.
- A Senior Deputy Governor of the Bank of Canada has expressed that crypto regulation needs to keep pace with the rapidly growing ownership of cryptoassets in the country, though the challenge is how it will be done.
- Bermuda's Premier David Burt announced that licensed crypto firms in the territory have joined hands to form its first digital asset association, named Next. The association's mission is to help shape the territory's digital asset legislations.
- Terraform Labs, the team behind the collapsed Terra network, has lost its appeal against the US SEC and thus will have to respond to the SEC's subpoenas relating to Mirror Protocol in November 2021. This will also have ramifications on the legal jurisdiction over the firm with reports emerging that the SEC is also investigating the collapse of UST.
- South Korea's ruling party is reportedly weighing new legislation for blockchain-based platform in the wake of recent market turbulence.
- Panama's President has vetoed a crypto legalization bill that would have legalized cryptocurrency for daily purchases as well as recognizing DAOs. The bill is back to the National Assembly for debate as the President wanted guarantees that the law would comply with global AML standards.
- The Bank of Israel and the Hong Kong Monetary Authority is working together on a trial to test a new digital currency, including against cyber security risks. The BIS Innovation Hub will also take part in this trial.

Regulatory Updates

- South Korean prosecutors have reportedly banned current and former Terraform Labs employees from leaving the country as it continues investigations. The report also suggests that South Korean prosecution may consider invalidating CEO Do Kwon's passport as well.
- The Bank for International Settlements (BIS) Innovation Hub announced its cryptocurrency market intelligence platform, a need that has been highlighted by the collapse of many stablecoins and decentralized finance lending platforms.
- A Russian institute facilitating the country's exports is considering employing digital assets as an alternative approach to international settlements under being sanctioned.
- The Congress of Colombia has approved a bill to regulate the behavior of crypto exchanges, a first step in the country. If approved, exchanges in Colombia will have to register to provide services and banks will allow the direct connection between fiat accounts and crypto exchanges.
- The Iowa Insurance Division recently issued a consent order against BlockFi after it offered and sold securities in Iowa that were not registered or permitted for sale in Iowa. BlockFi was ordered to pay a fine of \$934,496.
- Former U.S. Commodity Futures Trading Commission Chairman Timothy Massad expressed that crypto lending platforms should have stronger regulation, especially after Celsius froze withdrawals. He suggested that many retail investors were not aware of the risk that they were taking.

Notable Tweets

Notable Tweets

Bear Stearns 2.0?



What in the Bear Stearns meets Robinhood meets crypto is going on here

Celsius @CelsiusNetwork · 5h
.@CelsiusNetwork is pausing all withdrawals, Swap, and transfers between accounts. Acting in the interest of our community is our top priority. Our operations continue and we will continue to share information with the community. More here: link.medium.com/w9VZMLOyOqb

11:07 AM · Jun 13, 2022 · Twitter for iPhone

Sounds familiar?



Deploying more capital - steady lads

10:09 PM · Jun 14, 2022 · Twitter Web App

2,216 Retweets 956 Quote Tweets 9,902 Likes

Twitter gives alpha

...  **Frank Chimparro** @fintechfrank · Jun 14
So what's gonna happen when Celsius opens withdrawals?
131 28 498

 **turnip** @CryptoTurnip
...

Replying to @fintechfrank

ppl gonna withdraw

6:24 PM · Jun 14, 2022 · Twitter for iPhone

Doop Snogg

 **Kevin Collier** @kevincollier · 14h
I'm at the **NFT NYC** conference again in Times Square, and Snoop walked by, flanked by security. I grabbed his handler, said I'm a reporter, would love a few minutes. The guy said actually that's an impersonator, legally can't say it's him, they hired him to drum up excitement.
198 2,540 18.9K

3AC ghosts everyone



11) What we learned is that they were leveraged long everywhere and were getting margin-called. Instead of answering the margin calls, they ghosted everyone. The platforms had no choice but to liquidate their positions, causing the markets to further dump.

8:03 AM · Jun 16, 2022 · Twitter Web App

GM?

 **6529** @punk6529 · Jun 15
gm
597 21 987

 **foobar** @Oxfoobar
Replying to @punk6529
is it tho
1:44 PM · Jun 15, 2022 · Twitter Web App

Binance is doing OK

 **CZ**  **Binance**  @cz_binance · Jun 15

It was not easy saying no to Super bowl ads, stadium naming rights, large sponsor deals a few months ago, but we did.

Today, we are hiring for 2000 open positions for #Binance 🤖.



4,150 7,400 52.9K

 **Cobie**  @cobie

Replying to @cz_binance

wait just realised... did u photoshop ur own head onto a stock photo of someone waiting to shake hands? ROFL

1:39 AM · Jun 16, 2022 · Twitter Web App

Rough week

 **Watcher.Guru**  @WatcherGuru

JUST IN: 121,553 #cryptocurrency traders were liquidated in the past 24 hours totaling \$422 million.

9:41 AM · Jun 15, 2022 · Twitter for iPhone

449 Retweets 63 Quote Tweets 3,104 Likes

Diversification is key

 **Cole**  @cole0x

Really proud at how I diversified my assets throughout this cycle:

- 1/4: 3AC fund investment
- 1/4: Anchor UST
- 1/4: Celcius stable farms
- 1/4: Mix of ETH and DeFi blue-chips

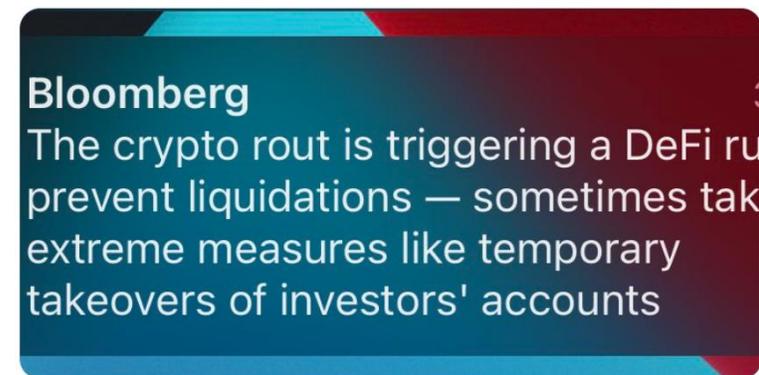
Diversification is crucial, never put all your eggs in one basket!

10:17 AM · Jun 19, 2022 · Twitter for iPhone

Solend goes mainstream

 **Alex Svanevik**  @ASvanevik

great job guys



3:17 PM · Jun 20, 2022 · Twitter for iPhone

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