

# Web3.0 Biweekly

22 July 2022 | AMTD Research

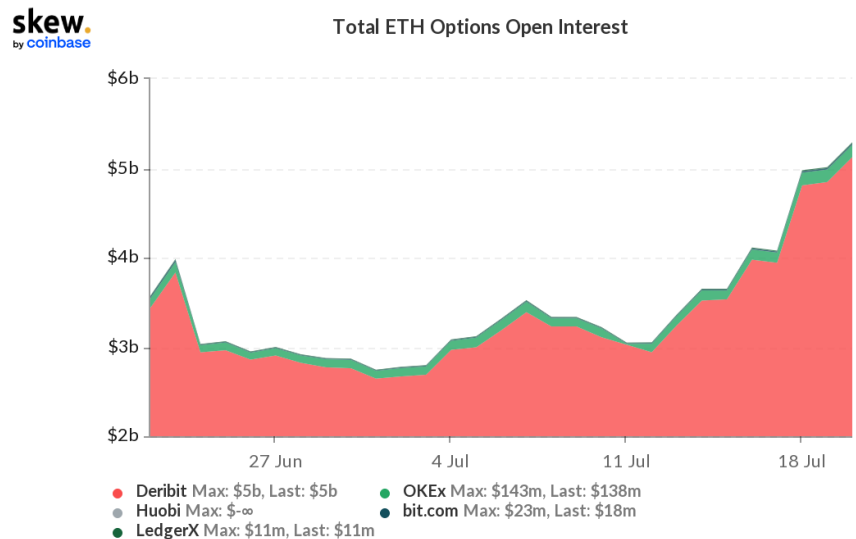


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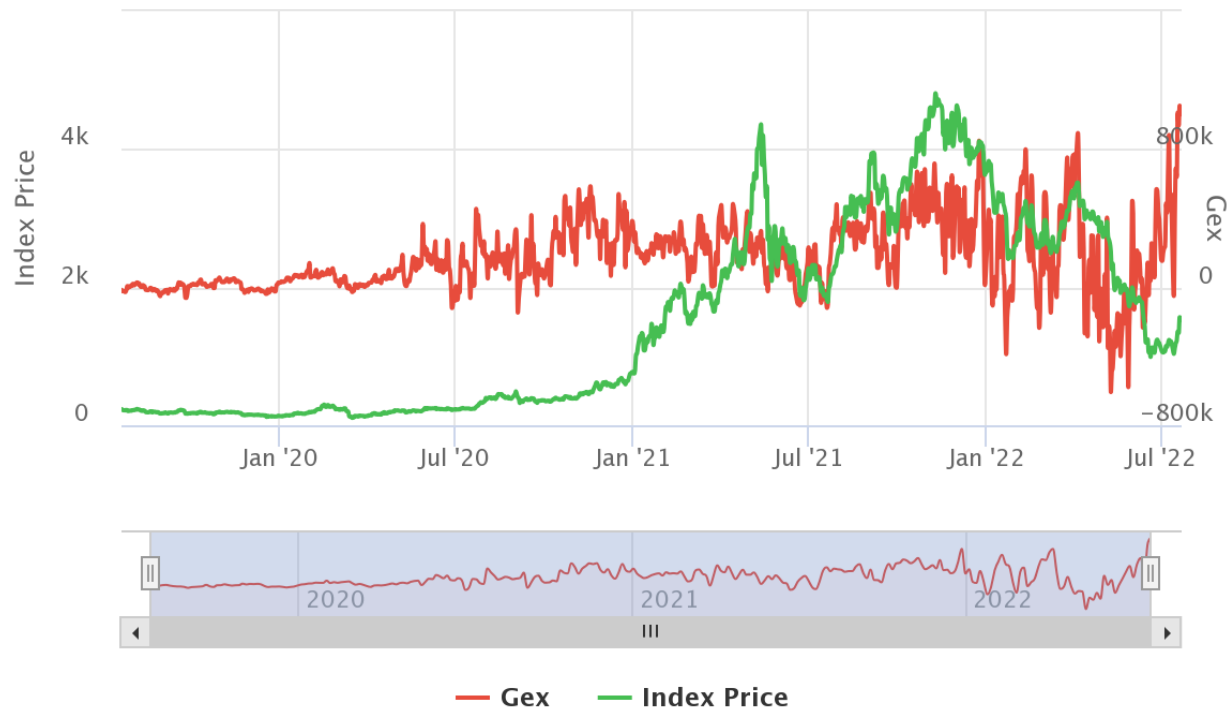
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## ETH rally could be due to gamma squeeze



- A total of nearly **US\$750 million in crypto (US\$470 million in ETH alone) were liquidated** in the **24 hours of July 19**, led by Ethereum which gained 41% in a week.
- The unexpected rally may be due to a **gamma squeeze**, as market makers hedge to buy spot ETH when writing call options.
- ETH gamma exposure (on Deribit) reached an all-time-high (>1 million) on July 19, suggesting heightened sensitivity to changes in ETH price.
- The shallow liquidity in crypto markers could have also helped to propel the ETH rally due to the demand for calls.

## ETH Gamma Exposure (GEX) Index



Published on laevidas.ch, 14:43:29 21Jul2022

Symbol Liquidations		
Period: 24 hours		
\$467.66M ≈304.44K ETH	\$150.94M ≈6.84K BTC	\$18.44M ≈724.49K ETC
\$12.85M ≈13.98M MATIC	\$11.61M ≈265.10K SOL	\$6.20M ≈1.06M APE
\$6.17M ≈5.83M GMT	\$3.98M ≈148.83K AVAX	\$3.45M ≈4.68M OP
\$3.27M ≈2.37M SAND	\$2.93M ≈382.59K DOT	\$2.88M ≈645.56K NEAR

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# Market Performance

# Summary

### 1. Prices

- **One-Year Price Recap**
- **Layer 1 Price Recap** (7 July – 20 July 2022)
  - AVAX leads overall market rally
  - ETH gained the most before retracing slightly as Ethereum developers set date for Merge (Sept 19); Gamma Squeeze has also likely contributed to the rally amid reduced Fed rate hike expectation
- **Protocol Price Recap** (7 July – 20 July 2022)
  - Liquid staking protocol LDO leads gains on the back of bullish news regarding Ethereum Merge, as well as introducing stETH on L2 solutions
  - AAVE rallies after announcement of the development of its native stablecoin GHO
  - UNI third in performance after listing by trading app Robinhood

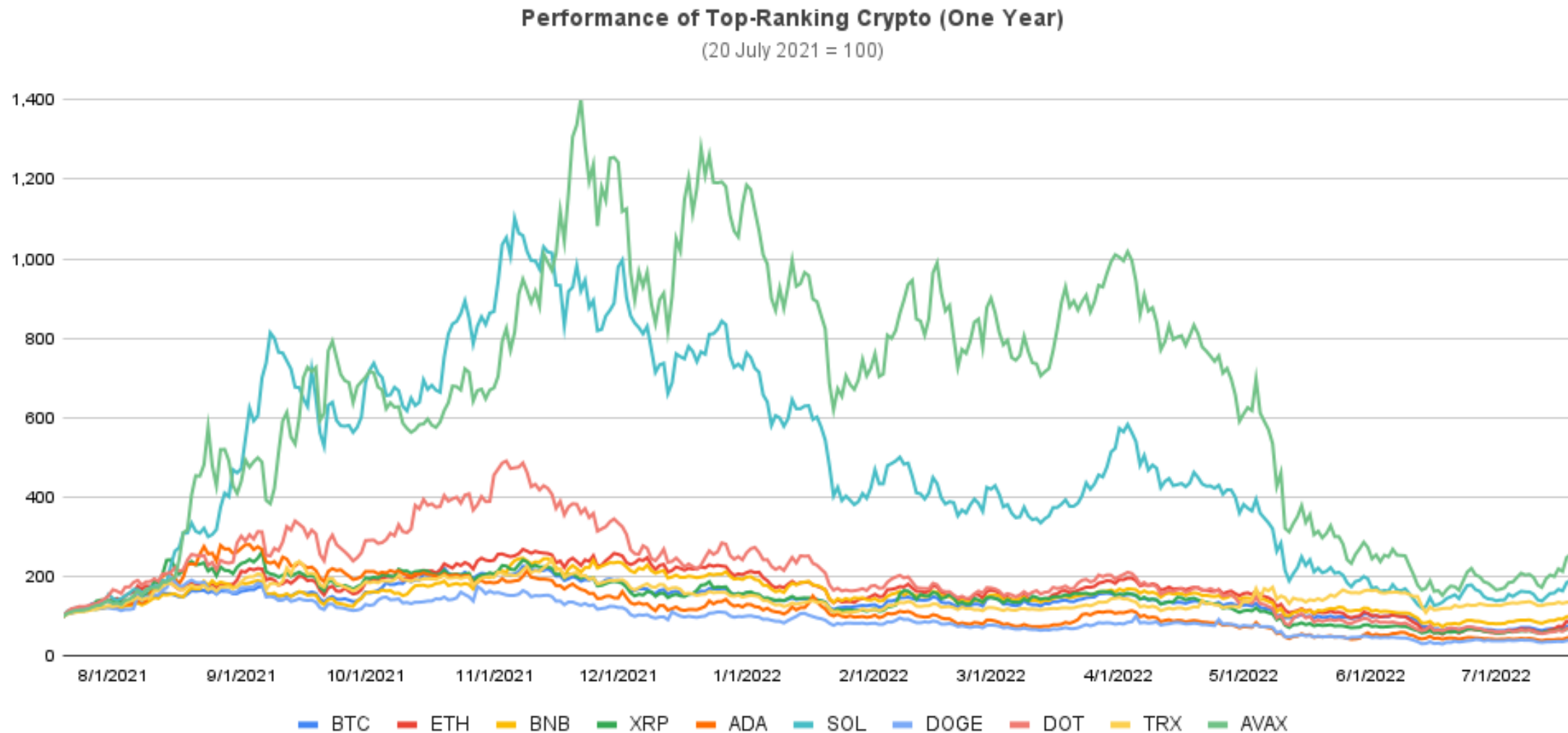
### 2. Valuation

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

### 3. Exchange Flows

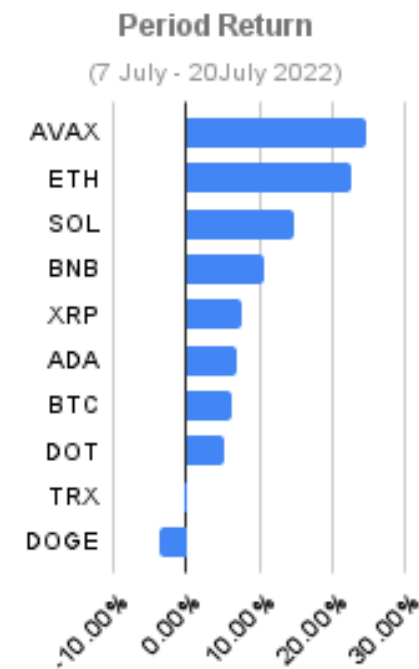
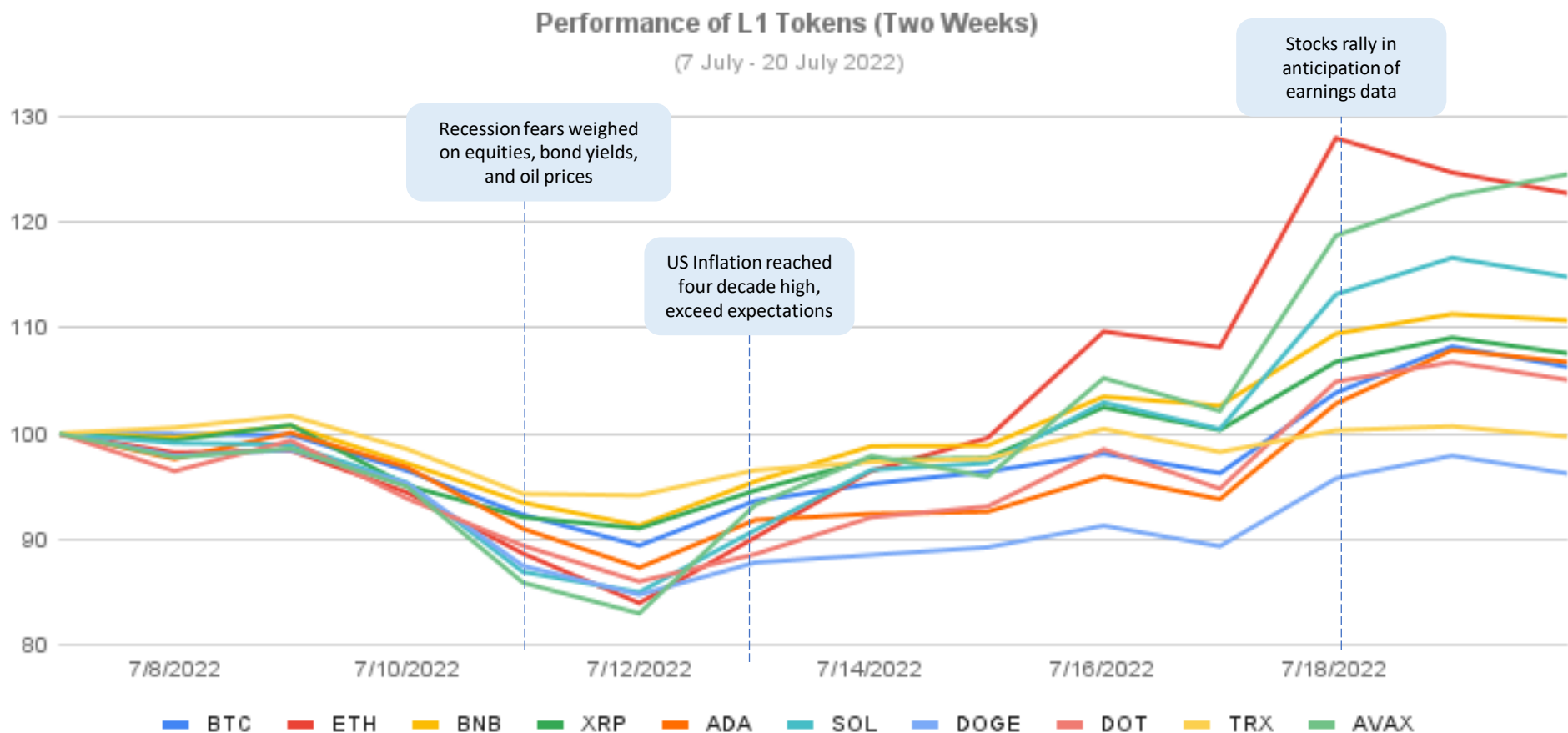
- Bitcoin - outflows narrowing, suggesting users potentially moving to exchanges to sell
- Ethereum - exchange position reverses, a bullish indicator as more are buying and moving off exchanges

## One-Year Layer-1 Price Recap



## Layer-1 Price Recap (7 July – 20 July 2022)

- **AVAX** leads overall market rally
- **ETH** gained the most before retracing slightly as Ethereum developers set date for Merge (Sept 19); Gamma Squeeze also likely has contributed to the rally amid reduced Fed rate hike expectation

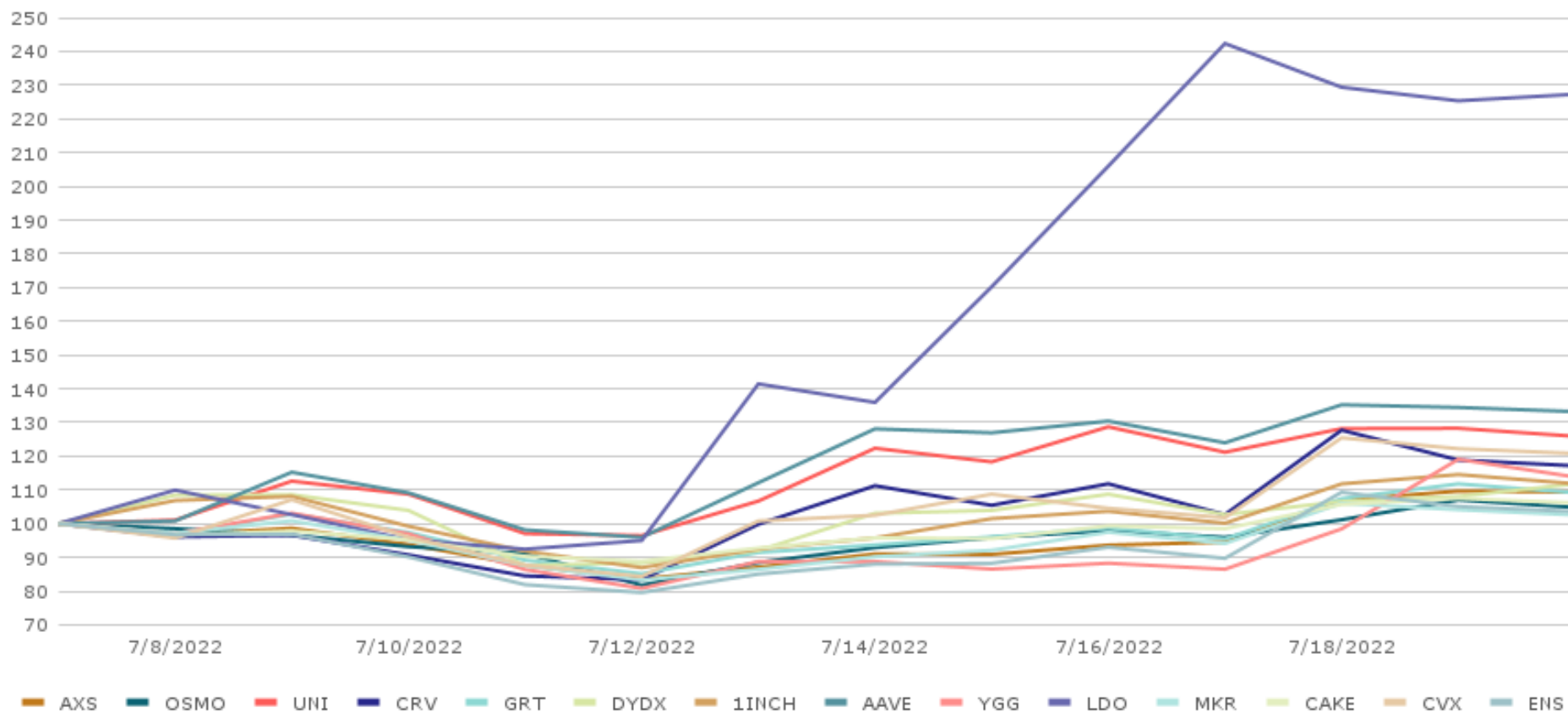


## Protocol Price Recap (7 July – 20 July 2022)

- LDO leads gains on the back of bullish news regarding Ethereum Merge, as well as introducing stETH on L2 solutions
- AAVE rallies after announcement of the development of its native stablecoin GHO
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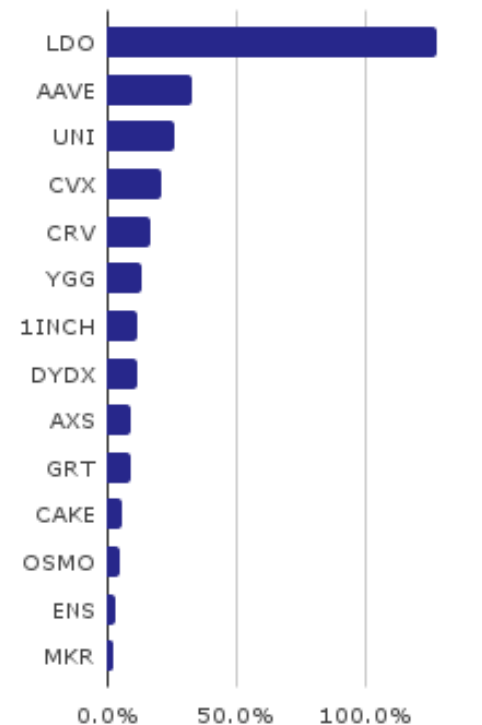
Performance of Protocol Coins (Two Weeks)

(7 July - 20 July 2022)



Period Return

(7 July - 20 July 2022)





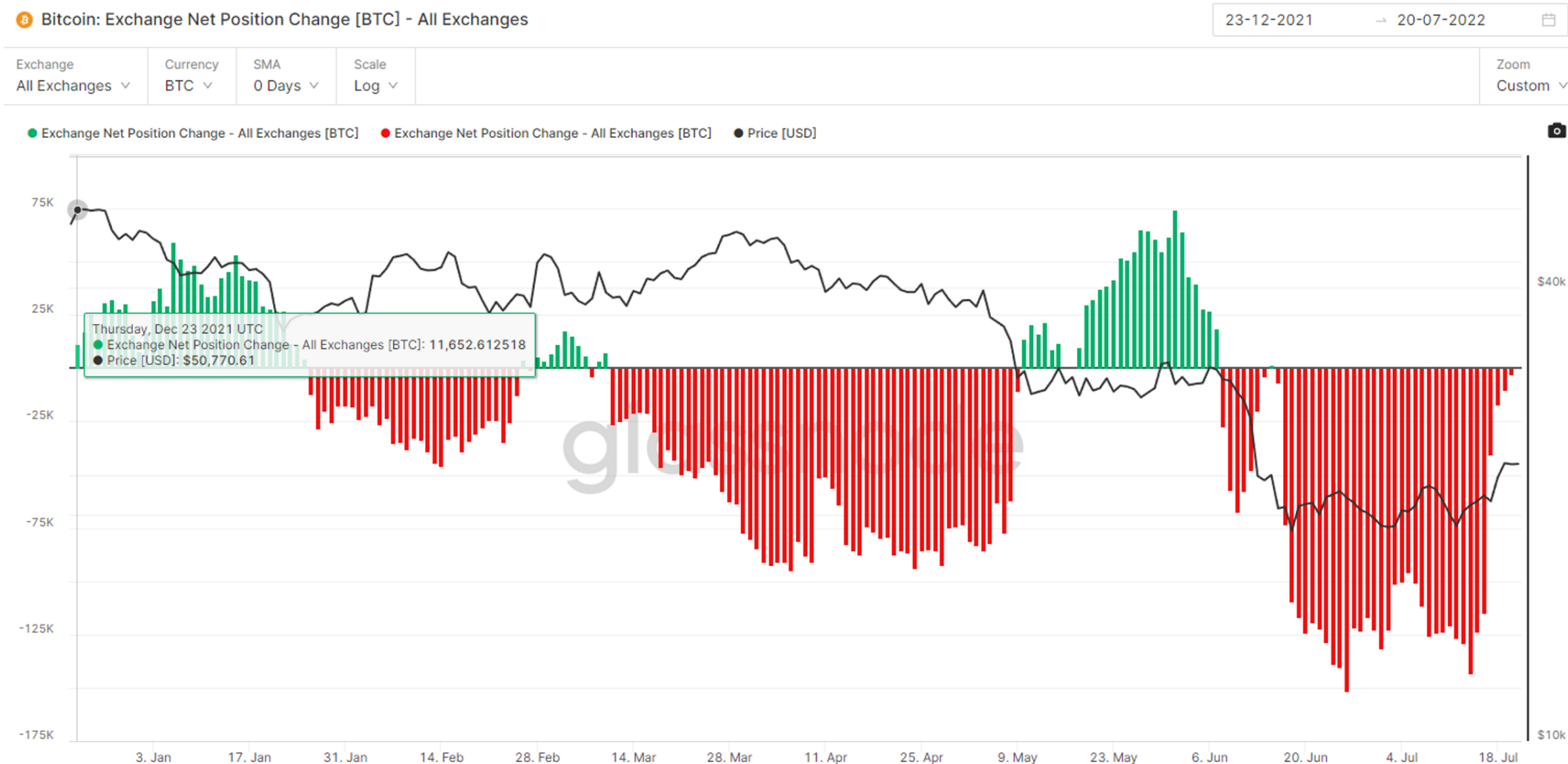
## Valuation – BTC and ETH Market Cap to Active Addresses



	BTC	ETH
<b>Valuation Multiple</b>		
2017-2018 Run	2.2x	7.1x
2020-2022 Run	5.6x	13.4x
<b>Network Usage</b>		
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.

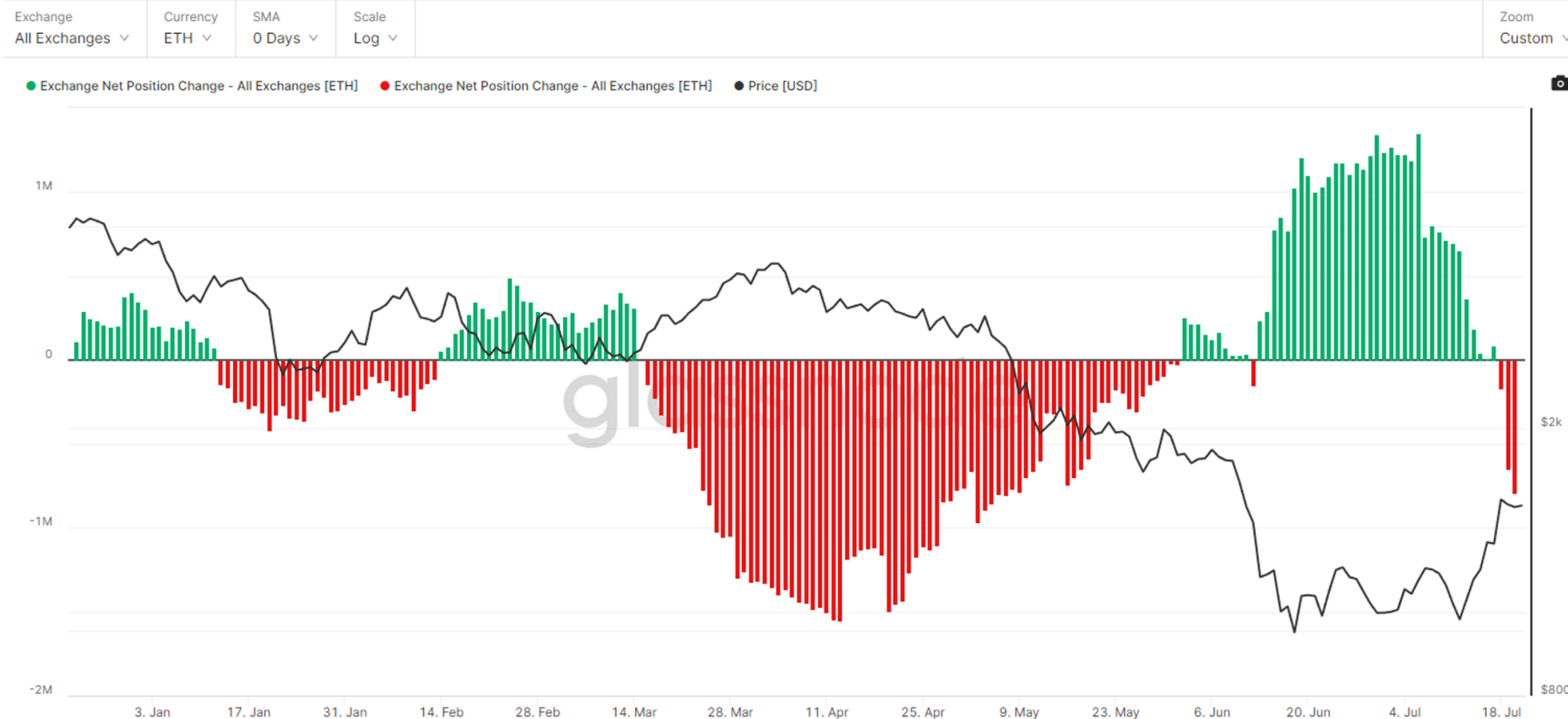
## Bitcoin – outflows narrowing, suggesting users potentially moving to exchanges to sell



# Ethereum exchange position reverses, a bullish indicator as more are buying and moving off exchanges

Ethereum: Exchange Net Position Change [ETH] - All Exchanges

23-12-2021 → 20-07-2022



- Ethereum's exchange position change has reversed its previous bearish trend, likely boosted by bullish Merge news which triggered the recent price rally.

# Layer-1 Blockchains

# Layer-1 Summary (7 July – 20 July 2022)

### 1. **Bitcoin (2W: 14.3%)/(YTD: -50.4%)**

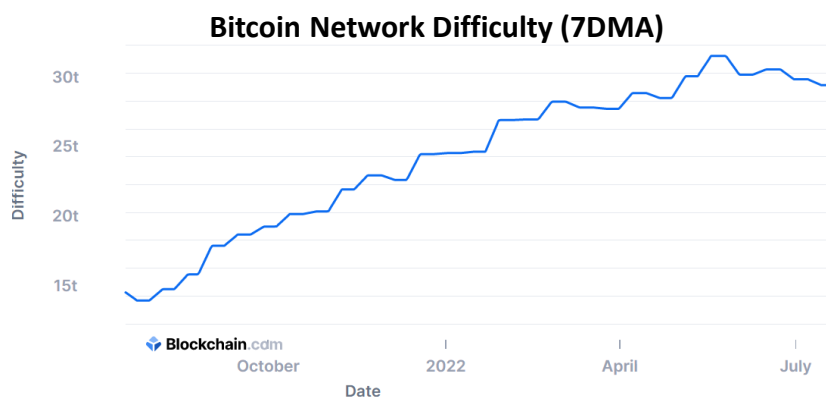
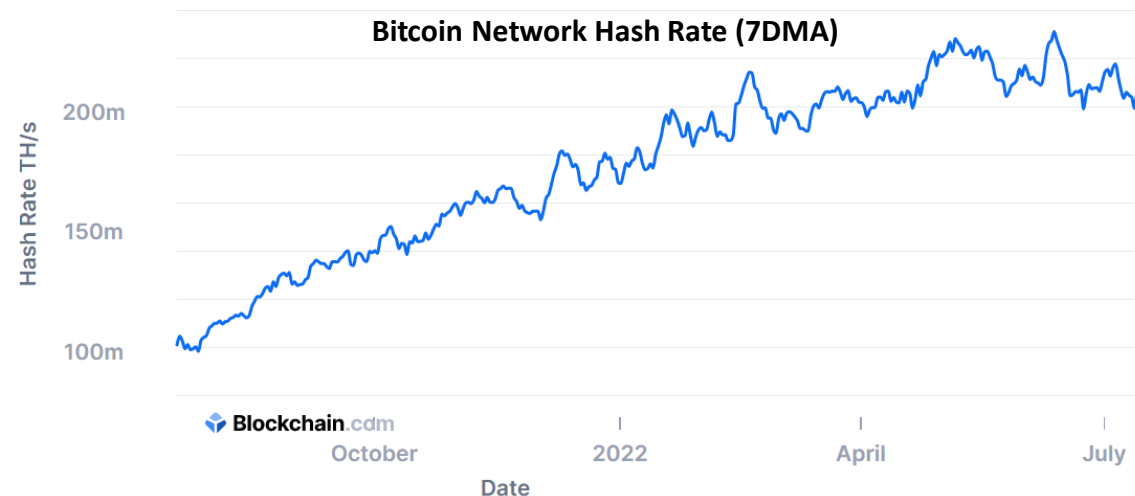
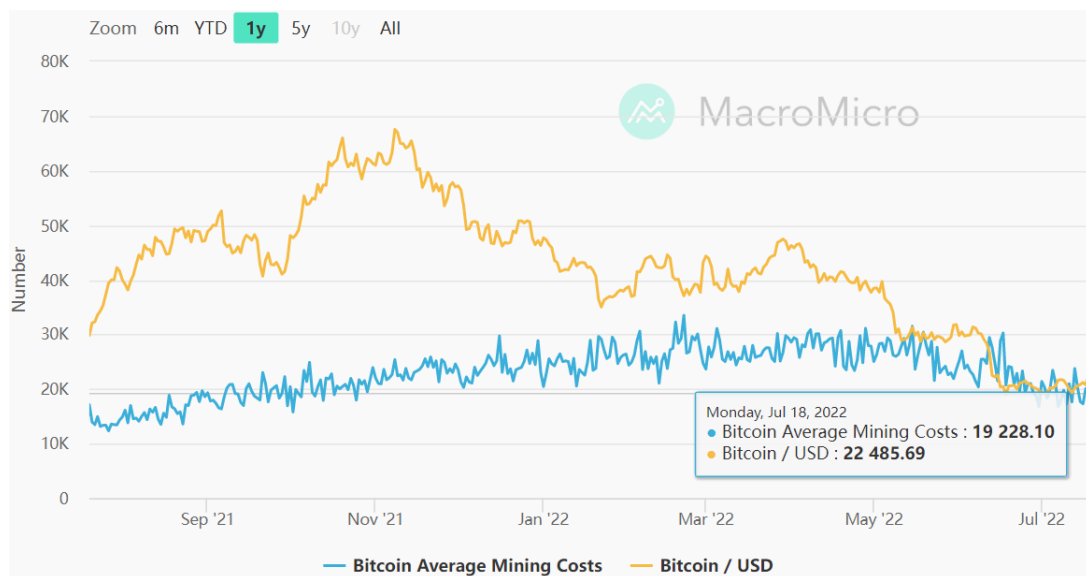
Mining costs, hash rate, and difficulty declines

### 2. **Ethereum (2W: 34.5%)/(YTD: -58.7%)**

Price rally on the Merge date announcement, whether it can be executed remains to be seen

### 3. **News and Headlines**

### Bitcoin – Mining costs, hash rate, and difficulty declines



- The average cost to mine bitcoin versus bitcoin's price has converged since the beginning of this year, and costs have exceeded price beginning in June. But costs to mine bitcoin is also beginning to decline as miners use more efficient mining setups amid declining profitability.
- Meanwhile, bitcoin hash rate peaked during May-June while mining difficulty was adjusted accordingly.

# Ethereum – Price rallies on the Merge date announcement; however, whether it can be executed remains to be seen

- Ethereum developers have set a **soft Merge date** for **September 19** In last week's Consensus Layer Call.
- The developer call suggested a schedule for the remainder of the work to be done until the main Merge. This paves the way for a hopefully mid to late September Merge date, though developers have cautioned that it is not a hard deadline and more of a guidance for coordination of all parties involved.
- The ultimate date is therefore **subject to further delays**, especially if TTD (Terminal Total Difficulty) is affected by network hash rate or if developers discover issues in the following testnet merge.

[Tim] Suggested time-line for discussion:

- Goerli/Prater client releases 27th or 28th of July.
- Announce 28th/29th.
- Prater Bellatrix on the 8th of August
- Goerli Merge on the 11th.
- ACD 18 August plan mainnet Merge:
  - Bellatrix early september;
  - Merge two weeks later (Sept 19th).

Could be more aggressive in places, e.g. could have off-schedule ACD to set mainnet TTD earlier. All would be subject to Goerli Merge not blowing up!

**Action:** Tim to make TTD proposal for Goerli on Monday. Will create a PR for comments/objections and merge it if no push-back.

- The decision on a date helped propel Ethereum price up 34.5% in the last two weeks.

ETHUSD 1M Chart



### News & Headlines

#### **Celsius Discloses US\$1.2b Deficit in Bankruptcy Filing**

The embattled crypto lender Celsius has disclosed a US\$1.19b deficit on its balance sheet in its disclosure for Chapter 11 bankruptcy, noting that it made poor asset deployment decisions due to the growth of the company. [[Bloomberg](#)]

#### **Celsius Pays Off Last of its Loans**

Bankrupt crypto lender Celsius has fully paid off the last of its loans for MakerDAO, Aave, and Compound, releasing over US\$1 billion in crypto assets in wBTC and stETH, helping it proceed on bankruptcy proceedings. [[CoinDesk](#)]

#### **Solana Labs Accused of Violating Securities Law**

A potential class-action lawsuit filed in California accused key players in the Solana ecosystem of illegally profiting from SOL, the blockchain's native token that, according to the suit, is an unregistered security. [[CoinDesk](#)]

#### **Korean Crypto Startup Loses 99% of Client Funds During Luna Crash**

AI-enabled automatic trading platform Uprise lost almost all of its client funds by shorting LUNA during its price crash, getting liquidated out of its position and lost ~US\$20 million as it was caught out during sudden price pumps while the token crashed in value. [[The Block](#)]

#### **Polygon Chosen to be Part of Disney Accelerator Program**

Disney announced that Polygon was selected to be a part of its 2022 Disney Accelerator program, a business development program to grow AR, NFT, and AI-related companies. It is the only blockchain to be selected in the program. [[Disney](#)]

#### **Gnosis Safe Rebrands as Safe After Fundraising**

The multi-signature protocol Gnosis Safe will rebrand as Safe after it raised US\$100m in a funding round led by 1kx. It will expand on using smart contract accounts to control web3 accounts, which can improve security, transaction experience, and recovery. [[Safe](#)]

#### **Multicoin Capital Announces Third Fund Worth US\$430 million**

Multicoin Capital announced that its third fund is worth US\$430 million, which was closed in January 2022. The fund's co-founders are its largest LPs, and a third of the capital has already been invested. [[The Block](#)]

#### **Swiss Post Office to Offer Crypto Services by 2024**

The Swiss post office, through its banking arm PostFinance, announced plans to support crypto trading and custody by 2024 due to increased demand from users. The bank currently offers crypto investment exposure to clients through its Yuh app. [[Finbold](#)]



### News & Headlines

#### **Plaid Integrates Crypto Exchanges**

Financial data network Plaid is now supporting major crypto exchanges BinanceUS, Gemini, Robinhood, and SoFi on its data network, which will allow users to securely share their account data with other applications and services. Users typically use these services to plan personal finances. [[CoinTelegraph](#)]

#### **3AC Liquidators Move to Secure Singapore Assets**

The liquidators of 3AC has hired a Singaporean law firm to convince the High Court to recognize the liquidation order issued in the BVI, which could help the liquidators to continue the liquidation process in the hedge fund's place of domicile. [[Decrypt](#)]

#### **DeFiance Capital was Materially Affected by 3AC**

The CEO of crypto hedge fund DeFiance Capital said that it had no visibility on 3AC's financial conditions prior to its public implosion. In its statement, it said that its business has been materially affected and prejudiced by 3AC's liquidation. [[@DeFianceCapital](#)]

#### **BNP Paribas to Provide Crypto Custody Services**

The French banking giant BNP Paribas, through a partnership with Swiss digital asset firm Metaco, is planning to enter the crypto custody space. Metaco has recently signed deals with Societe Generale and Citigroup for crypto-related securities custodial services. [[CoinDesk](#)]

#### **Christie's Launches VC Arm Targeting Tech and Crypto in Art**

Art auction house Christie's announced the launch of its in-house venture capital arm, Christie's Ventures, which will fund companies developing technologies related to the art market. It has already invested in LayerZero Labs, a cross-chain interoperability company. [[Christie's](#)]

#### **Genesis Capital Files US\$1.2b Claim Against 3AC**

Genesis Global Trading has filed a \$1.2 billion claim against 3AC according to a bankruptcy court filing. A Genesis affiliate made demands for breached 3AC loans totaling \$2.36 billion, of which it has liquidated the partly collateralized loan. [[CoinDesk](#)]

#### **Marathon Digital Signs Deals to Up Hashrate**

Bitcoin mining giant Marathon Digital (MARA) announced that it has signed a number of hosting agreements that will provide up with 254MW of power to support its target of achieving ~23.3EH/s of capacity for bitcoin mining by 2023. [[CoinDesk](#)]

#### **Polygon Announces L2 Scaling Solution**

Polygon announced its Polygon zkEVM, the first EVM-equivalent ZK L2 solution. It means that any smart contract that is used on Ethereum can be used on Polygon zkEVM, providing convenience through plonky2. [[Polygon](#)]

# Stablecoins

# Stablecoins Summary (7 July – 20 July)

## 1. **Centralized Stablecoins**

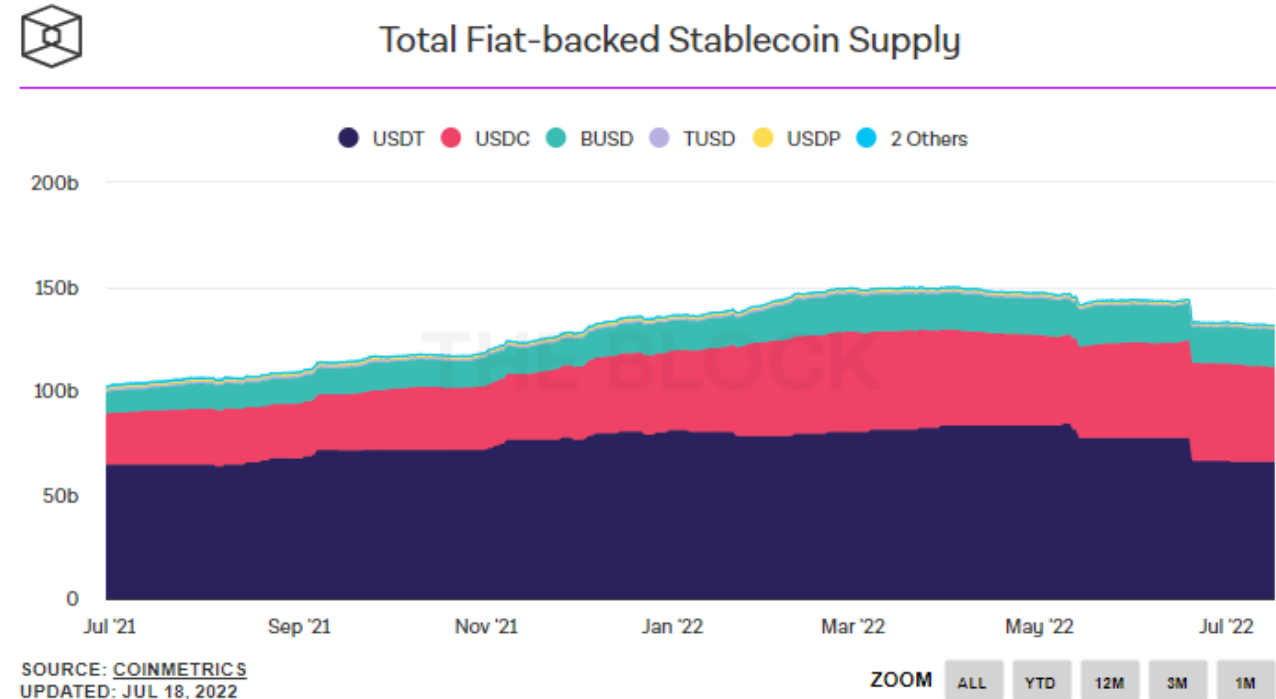
Supply Unchanged as Market Confidence Picks Up

## 2. **Decentralized Stablecoins**

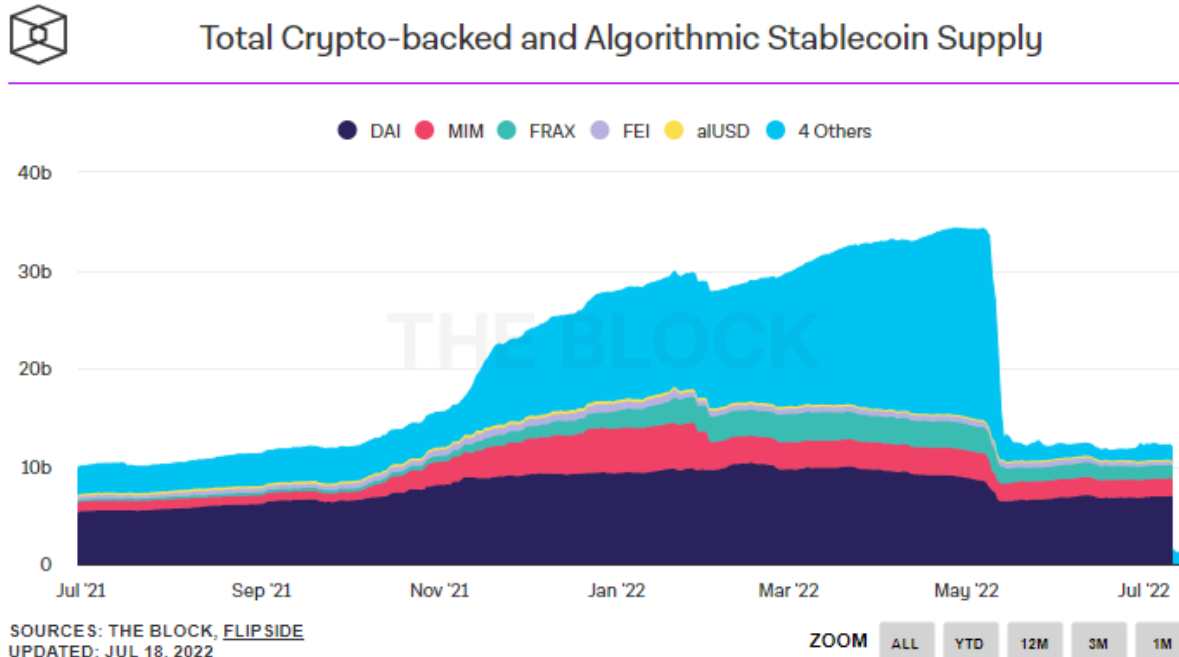
Aave and Shiba Both Announce Stablecoin Plans; DeFi protocols with native stablecoin may become the industry standard; more competition for decentralized stablecoin leader MakerDao

## Centralized Stablecoin Updates – Supply Unchanged as Market Confidence Picks Up

- In the past two weeks:
  - Total stablecoin supply decreased 1.5% to US\$142.1b, centralized stablecoin supply roughly unchanged at US\$131.2b.
  - USDT supply was unchanged at US\$65.6b, thus seemingly no large net redemptions since the beginning of July.
  - USDC supply declined 2% to US\$45.65b, likely affected by minor FUD that was spreading on Twitter earlier.



## Decentralized Stablecoin Updates – Aave and Shiba Both Announce Stablecoin Plans



- Aave announced plans for a stablecoin named GHO, a new decentralized, overcollateralized stablecoin governed by the Aave community.
- According to the proposal, Safety Module participants (stkAAVE holders) will initially be eligible for a discount on GHO.
- Separately, the lead developer behind the SHIB coin announced plans to launch a stablecoin for the SHIB ecosystem.
- The experimental protocol SHI is slated for release in 2022, along with a reward token called TREAT that will be tied to the Shiba card game.

# DeFi

# DeFi Summary (7 July – 20 July 2022)

### 1. TVL by Chain

- TVL gained following crypto price rally

### 2. TVL by Protocol

- Lido and Instadapp leads TVL gains as ETH rallies from Merge news
- Aave declines 4.7% driven by losses on Aave v2

### 3. DeFi Revenue

- Overall weekly DeFi activity rose, in line with market

### 4. DeFi Valuation – Uniswap and Curve relatively overvalued based on P/TVL and P/Revenue respectively

### 5. Top DEX Pools

- Liquidity slowly creeping up, boosted by ETH pools/pairs
- Higher activity observed on top SushiSwap pair, liquidity picks up after months of decline

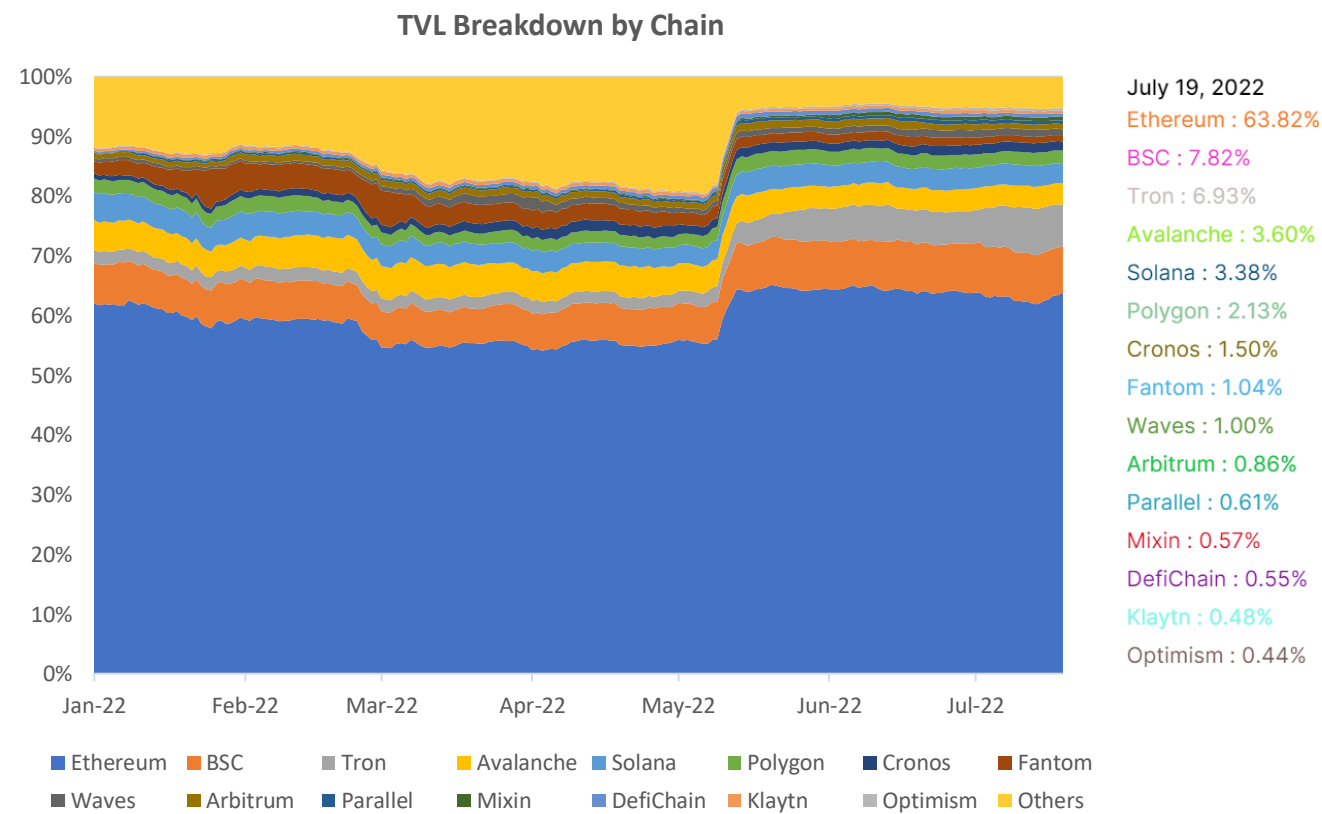
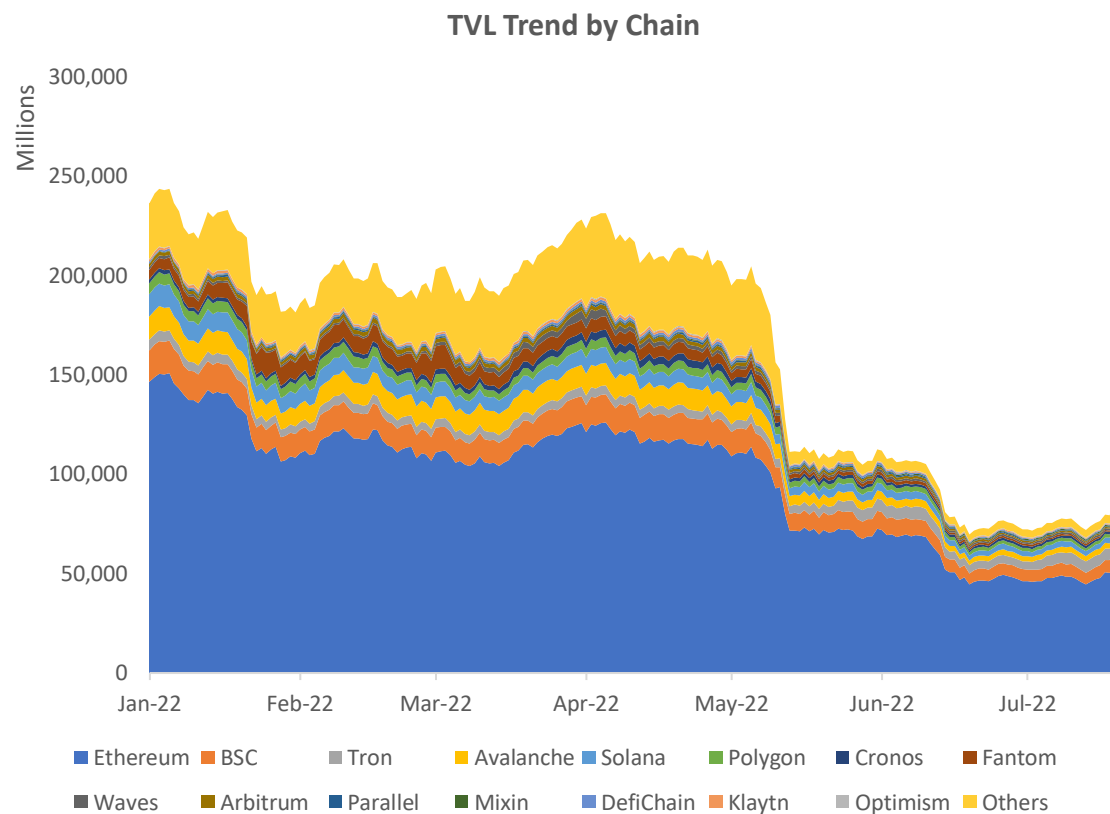
### 6. Top Pools in terms of TVL/APY - Yield Farming

- Yields on ETH pairs increase to compensate for heightened impermanent loss

### 7. Noteworthy DeFi Protocols (Arbitrum, MakerDAO)

- Uniswap phishing scam alarms Binance's CZ
- MakerDAO passes vote to introduce Real World Assets

## TVL Overview by Chain – TVL gained following crypto price rally



Total TVL gained 13% to US\$85.3 billion as crypto prices rallied, especially ETH. During the period, notable winners/losers were:

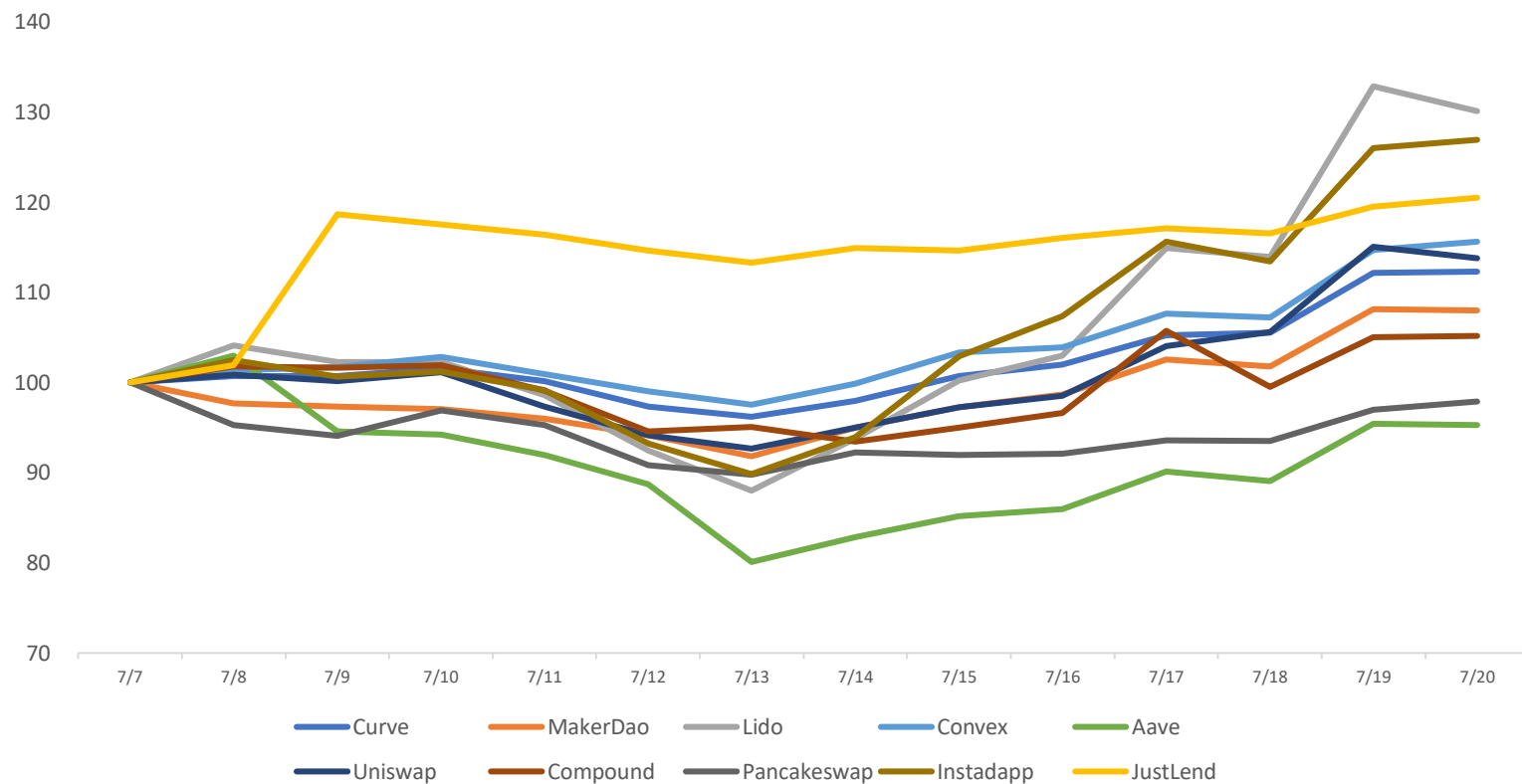
- TVL on most chains gained 10%-15% on average, boosted by crypto prices.
- Optimism TVL rose 28.8% in part due to a 360% TVL increase on the Velodrome DEX.
- TVL on Waves dropped 1% due to weak performance on the Neutrino algo-stablecoin protocol.



## TVL Overview by Protocols

- Lido and Instadapp leads TVL gains as ETH rallies from Merge news
- Aave declines 4.7% driven by losses on Aave v2

TVL of Top DeFi Protocols in Terms of TVL  
(7 July 2022 = 100)

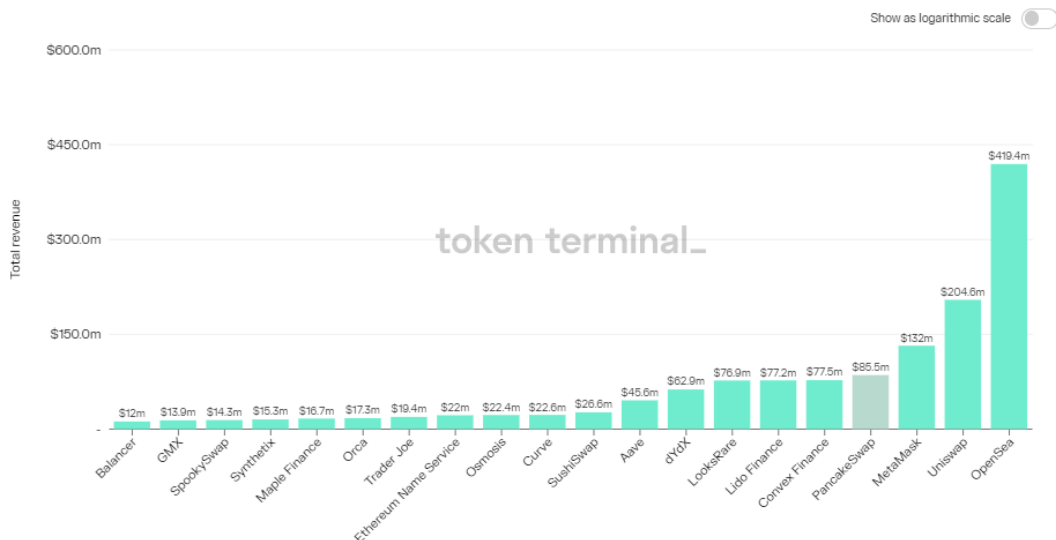


Protocol	7 July TVL (USD m)	20 July TVL (USD m)	Period Change
MakerDAO	7,919	8,550	8.0%
Uniswap	5,158	5,868	13.8%
Pancake	3,084	3,019	-2.1%
Compound	2,719	2,860	5.2%
Instadapp	1,562	1,982	26.9%
Lido	5,134	6,679	30.1%
Uniswap	3,362	3,887	15.6%
Curve	5,218	5,858	12.3%
Convex	3,362	3,887	15.6%
Aave	6,470	6,163	-4.7%
JustLend	2,795	3,368	20.5%

## DeFi Revenue - DeFi Protocols

- Overall weekly DeFi activity rose, in line with market.
- Synthetic continues its strong activity momentum, revenue up 124% for the week.
- Tornado Cash joins the top-20 list as hackers use it to obfuscate crypto trails for recent hacks.

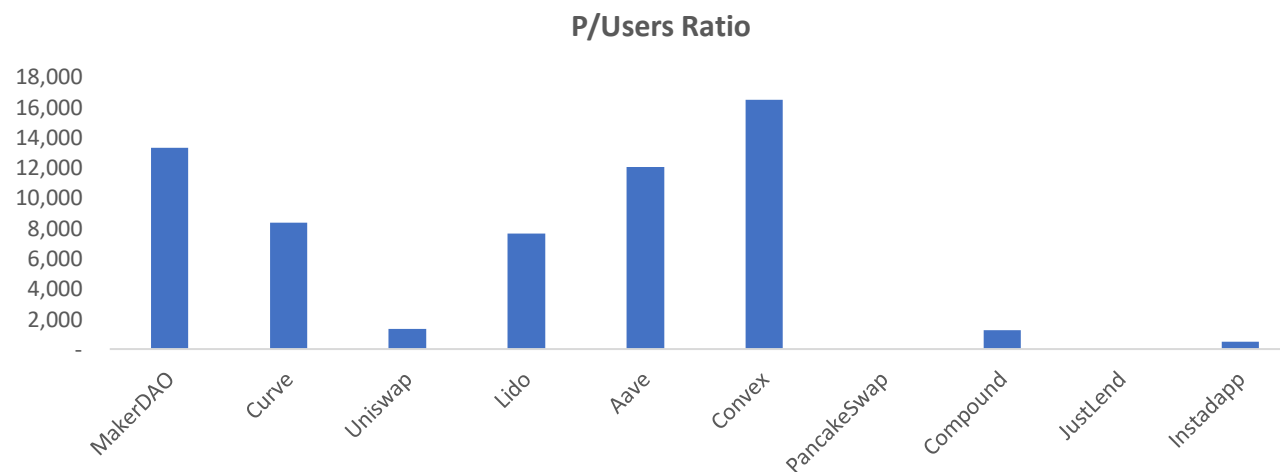
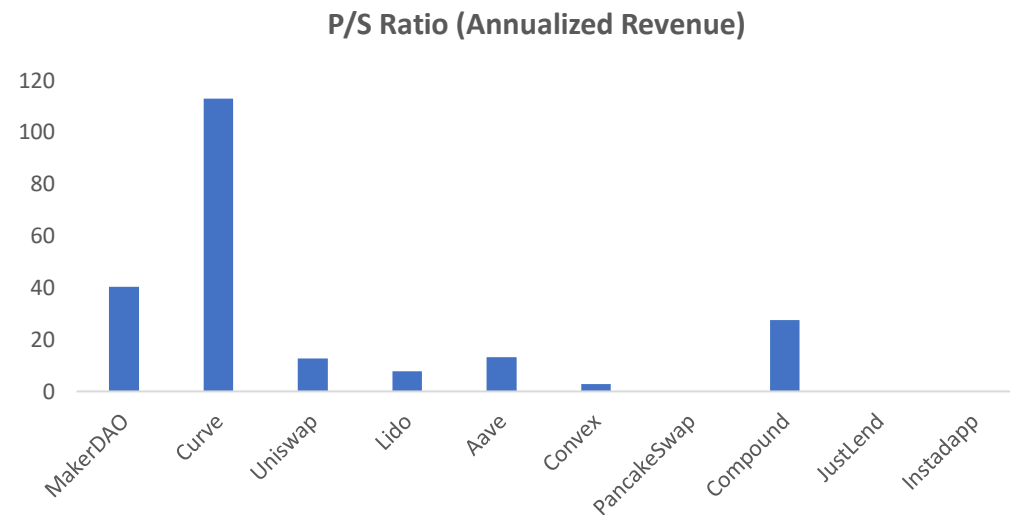
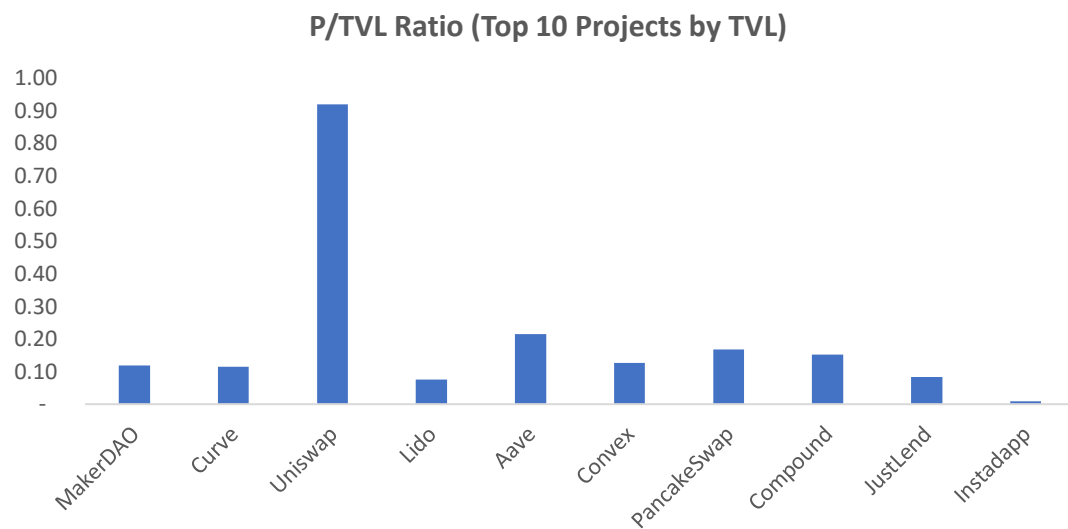
Top dapps based on cumulative total revenue in the past 90 days.



Project	Revenue 7d (US\$)	Revenue 30d (US\$)	Revenue 180d (US\$)	7d Change	30d Change
Uniswap	\$ 11.5m	\$ 45.3m	\$ 485.9m	30.8%	-25.2%
OpenSea	N/A	N/A	N/A	N/A	N/A
Convex Finance	\$ 4.7m	\$ 18.3m	\$ 220.0m	10.9%	-12.0%
Lido Finance	\$ 4.4m	\$ 17.3m	\$ 155.2m	6.0%	-30.9%
dYdX	\$ 5.2m	\$ 15.7m	\$ 218.7m	33.3%	-18.4%
Synthetic	\$ 2.7m	\$ 11.0m	\$ 19.6m	123.9%	213.1%
PancakeSwap	\$ 3.9m	\$ 10.4m	\$ 214.2m	95.0%	-65.1%
Aave	\$ 1.4m	\$ 8.9m	\$ 104.8m	-27.4%	-36.6%
LooksRare	\$ 1.4m	\$ 5.7m	\$ 480.6m	18.8%	-36.1%
ENS	\$ 0.9m	\$ 5.0m	\$ 31.7m	-32.3%	58.6%
Maple Finance	\$ 0.5m	\$ 4.7m	\$ 32.4m	-57.0%	-7.0%
SushiSwap	\$ 1.1m	\$ 4.2m	\$ 79.3m	47.8%	-39.1%
GMX	\$ 1.0m	\$ 3.3m	\$ 33.3m	34.7%	-31.5%
Curve	\$ 0.5m	\$ 2.6m	\$ 54.1m	37.1%	-56.9%
Balancer	\$ 0.9m	\$ 2.4m	\$ 26.0m	117.0%	-14.4%
Trader Joe	\$ 0.5m	\$ 2.3m	\$ 69.2m	25.7%	-54.4%
QuickSwap	\$ 0.7m	\$ 2.3m	\$ 24.2m	72.1%	-13.6%
SpookySwap	N/A	\$ 2.1m	\$ 82.3m	N/A	-30.4%
MakerDAO	\$ 0.3m	\$ 1.9m	\$ 31.0m	-16.8%	-35.1%
Tornado Cash	\$ 0.1m	\$ 1.7m	\$ 10.2m	7.6%	86.6%

Note: As of 20 July 2022

## DeFi Valuation



Note: As of 20 July 2022. Protocols with a ratio of 0 means insufficient data.

Source: TokenTerminal, Dune Analytics, CoinMarketCap

## Top DEX Pool Trends

- Liquidity slowly creeping up, boosted by ETH pools/pairs

## Curve

Top Pools ?

#	Pool	Liquidity	Volume	Fees	ROL
1	<a href="#">frax</a>	\$1.1b	\$2.03m	\$514.43	0.10%
2	<a href="#">steth</a>	\$1.05b	\$20.64m	\$5.65k	0.19%
3	<a href="#">3pool</a>	\$989.65m	\$103.87m	\$5.89k	0.22%
4	<a href="#">tricrypto2</a>	\$271.17m	\$184.74m	\$22.93k	3.28%
5	<a href="#">susd</a>	\$139.44m	\$48.11m	\$9.77k	2.55%
6	<a href="#">mim</a>	\$131.23m	\$507.88k	\$155.98	0.10%
7	<a href="#">alusd</a>	\$82.22m	\$187.29k	\$36.88	0.06%
8	<a href="#">tusd</a>	\$78.47m	\$1.4m	\$274.16	0.25%
9	<a href="#">seth</a>	\$76.12m	\$32.88m	\$6.6k	3.14%
10	<a href="#">compound</a>	\$67.03m	\$199.99	\$359.35	0.20%

## Liquidity Provided



## Uniswap

Top Pairs ?

#	Pair/Pool	Liquidity	Volume	Fees	ROL
1	<a href="#">DAI - USDC</a>	\$179.31m	\$270.25k	\$810.74	0.17%
2	<a href="#">USDC - ETH</a>	\$121.4m	\$30.41m	\$91.23k	27.43%
3	<a href="#">WISE - ETH</a>	\$112.56m	\$15.36k	\$46.07	0.01%
4	<a href="#">FXS - FRAX</a>	\$65.67m	\$6.19m	\$18.57k	10.32%
5	<a href="#">ETH - USDT</a>	\$30.6m	\$10.39m	\$31.16k	37.16%
6	<a href="#">FNK - USDT</a>	\$29.87m	\$0.000000	\$0.00	0.00%
7	<a href="#">MC - ETH</a>	\$27.52m	\$473.21k	\$1.42k	1.88%
8	<a href="#">UNI - ETH</a>	\$21.84m	\$1.75m	\$5.25k	8.77%
9	<a href="#">PAXG - ETH</a>	\$19.76m	\$1.36m	\$4.08k	7.54%
10	<a href="#">WBTC - ETH</a>	\$15.13m	\$696.58k	\$2.09k	5.04%

## Liquidity Provided



## SushiSwap

Top Pairs ?

#	Pair/Pool	Liquidity	Volume	Fees	ROL
1	<a href="#">ILV - ETH</a>	\$93.49m	\$1.53m	\$4.58k	1.79%
2	<a href="#">USDC - ETH</a>	\$48.7m	\$12.67m	\$38.02k	28.50%
3	<a href="#">OHM - DAI</a>	\$39.06m	\$1.41m	\$4.22k	3.94%
4	<a href="#">WBTC - ETH</a>	\$23.43m	\$1.41m	\$4.24k	6.60%
5	<a href="#">ETH - USDT</a>	\$22.62m	\$5.08m	\$15.24k	24.58%
6	<a href="#">OHM - ETH</a>	\$16.04m	\$879.8k	\$2.64k	6.00%
7	<a href="#">SUSHI - ETH</a>	\$14.25m	\$1.83m	\$5.48k	14.04%
8	<a href="#">TOKE - ETH</a>	\$14.11m	\$267.21k	\$801.63	2.07%
9	<a href="#">BIT - ETH</a>	\$13.21m	\$369.07k	\$1.11k	3.06%
10	<a href="#">AAVE - ETH</a>	\$11.05m	\$940.81k	\$2.82k	9.33%

## Liquidity Provided



## Top DEX Pool Trends – Higher activity observed on top SushiSwap pair, liquidity picks up after months of decline

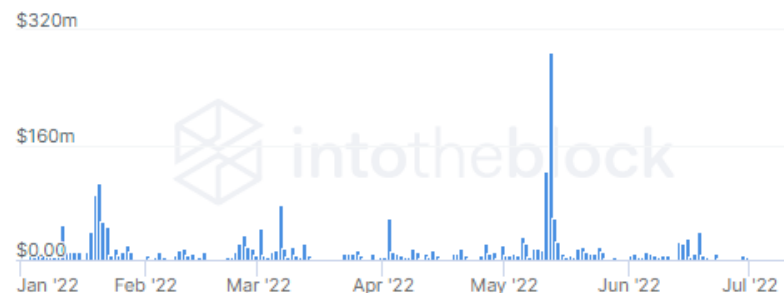
### Curve

**Top Pair Data:** frax

Total Liquidity, USD



Volume Traded



Fees per Liquidity



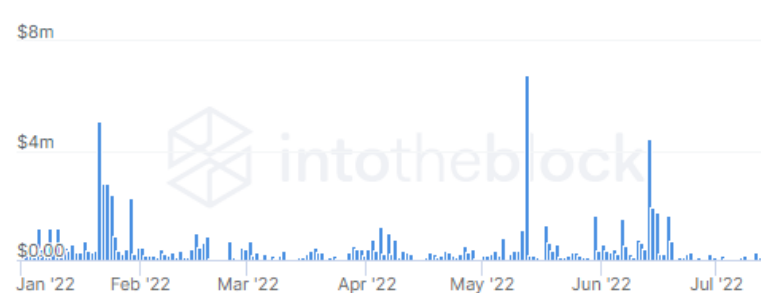
### Uniswap

**Top Pair Data:** DAI - USDC

Total Liquidity, USD



Volume Traded



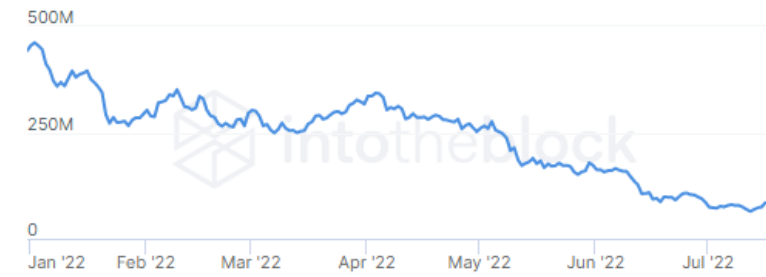
Fees per Liquidity



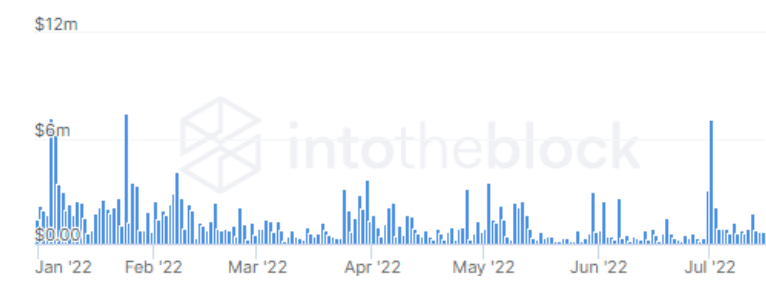
### SushiSwap

**Top Pair Data:** ILV - ETH

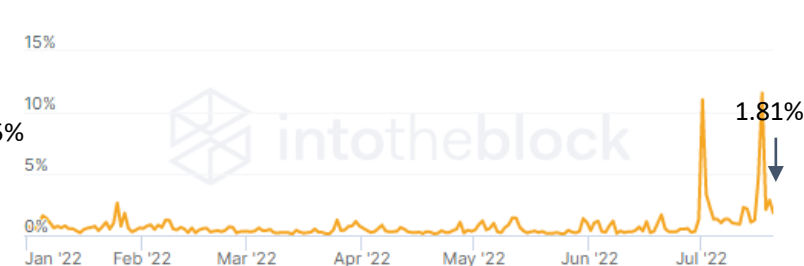
Total Liquidity, USD



Volume Traded



Fees per Liquidity



## Top Yield Farming Pools - TVL

#	Name	Protocol	Base APY	Reward APY	Rewards	APY	7d ago	TVL
1	ETH	Lido Ethereum	3.90%	-		3.90%	3.90%	\$6,633,275,593
2	USDC	Aave Ethereum	0.47%	-		0.47%	0.41%	\$1,181,572,511
3	WETH	Aave Ethereum	0.90%	-		0.90%	0.78%	\$1,179,647,260
4	fraxFRAx 3Crv	Convex Ethereum	0.10%	5.64%	CRV CVX FXS	5.74%	4.91%	\$1,104,600,000
5	ETH	Compound Ethereum	0.06%	0.09%	COMP	0.16%	0.24%	\$828,189,254
6	DAI USDC (0.05%)	Uniswap Ethereum	0.16%	-		0.16%	0.09%	\$773,272,253
7	stethETH stETH	Convex Ethereum	3.01%	-	CRV CVX LDO	3.01%	8.54%	\$771,000,000
8	DAI USDC (0.01%)	Uniswap Ethereum	0.10%	-		0.10%	0.08%	\$691,874,014
9	USDC	Compound Ethereum	0.56%	0.49%	COMP	1.05%	0.92%	\$686,114,465
10	WBTC	Aave Ethereum	0.02%	-		0.02%	0.01%	\$671,587,111

Lido pool TVL gains ~38% due to ETH rally

## Top Yield Farming Pools - APY

## Top APY pool (TVL &gt; 100m)

#	Name	Protocol	Base APY	Reward APY	Rewards	APY	7d ago	TVL
1	USDC WETH (0.05%)	Uniswap Ethereum	63.11%	-		63.11%	46.09%	\$263,077,380
2	USDN	Vires Waves	41.50%	0.06%	VIRE	41.56%	45.37%	\$639,813,801
3	USDC	Vires Waves	38.92%	0.07%	VIRE	38.99%	39.14%	\$287,241,654
4	WBTC WCRO	VS Cronos	0.60%	37.96%		38.56%	38.44%	\$120,450,000
5	USDT	Vires Waves	36.86%	0.07%	VIRE	36.93%	36.11%	\$254,378,394
6	WETH USDT (0.3%)	Uniswap Ethereum	36.83%	-		36.83%	22.54%	\$140,257,587
7	USDC WETH (0.3%)	Uniswap Ethereum	36.30%	-		36.30%	33.45%	\$338,932,406
8	WCRO WETH	VS Cronos	1.92%	31.42%		33.34%	32.38%	\$121,850,000
9	BTC DFI	DeFiChain DeFiChain	-	32.66%	DFI	32.66%	32.95%	\$160,413,099
10	WBTC WETH (0.05%)	Uniswap Ethereum	28.96%	-		28.96%	17.97%	\$101,333,390

## Top APY pool (TVL &gt; 10m)

#	Name	Protocol	Base APY	Reward APY	Rewards	APY	7d ago	TVL
1	VVS WCRO	VVS Cronos	1.44%	119%		121%	121%	\$41,590,000
2	USDC WETH (0.05%)	Uniswap Polygon	94.75%	-		94.75%	57.00%	\$10,770,132
3	WBTC USDC (0.3%)	Uniswap Ethereum	89.22%	-		89.22%	48.06%	\$65,935,654
4	HEX USDC (0.3%)	Uniswap Ethereum	80.47%	-		80.47%	49.19%	\$13,133,619
5	WETH LOOKS (0.3%)	Uniswap Ethereum	77.72%	-		77.72%	38.72%	\$17,550,550
6	USDC OSMO	Osmosis Osmosis	76.75%	-		76.75%	73.18%	\$24,200,000
7	CREAM WETH	Balancer Ethereum	5.40%	71.27%	BAL	76.67%	57.84%	\$10,871,427
8	USDC WETH (0.05%)	Uniswap Ethereum	63.11%	-		63.11%	46.09%	\$263,077,380
9	CRV (locker)	StakeDAO Ethereum	-	60.70%	CRV SDT 3CRV	60.70%	57.73%	\$19,372,372
10	WETH OSMO	Osmosis Osmosis	56.25%	-		56.25%	65.26%	\$11,900,000

Yields on ETH pairs increase to compensate for heightened impermanent loss

Note: As of 20 July 2022

Source: Coindix

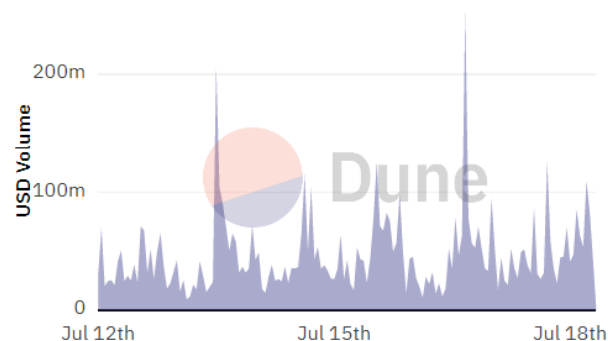
## Noteworthy DeFi Protocols – Uniswap phishing scam alarms Binance's CZ

UNI 1M performance



- A phishing scam, posing as an airdrop, robbed Uniswap users of ~US\$8 million.
- The scam promised a free airdrop of UNI tokens; when approved, the malicious contract would drain the user's wallet.
- According to Etherscan, over 73,000 wallets have interacted with the fraudulent smart contract.
- The scam was brought into the spotlight by CZ, CEO of Binance. However, he initially suggested that Uniswap v3 was potentially exploited. He tweeted later after confirming with the Uniswap team that it was indeed due to a phishing scam and the protocol itself was safe.

Hourly Volume and Fees Uniswap v3 Time Series



Our threat intel detected a potential exploit on Uniswap V3 on the ETH blockchain. The hacker has stolen 4295 ETH so far, and they are being laundered through Tornado Cash. Can someone notify @Uniswap ? We can help. Thanks



Connected with the @uniswap team. The protocol is safe.

The attack looks like from a phishing attack. Both teams responded quickly. All good. Sorry for the alarm.

Learn to protect yourself from phishing. Don't click on links. 🙏



## Noteworthy DeFi Protocols – MakerDAO passes vote to introduce Real World Assets

### MKR 1M performance

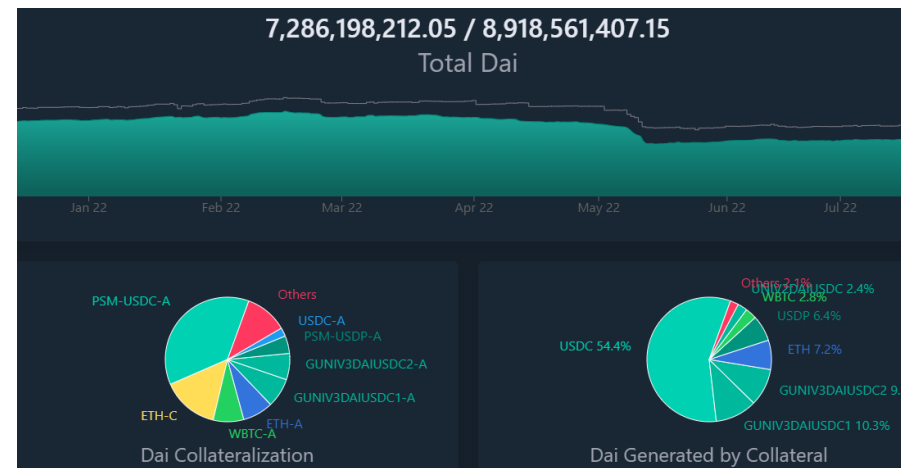
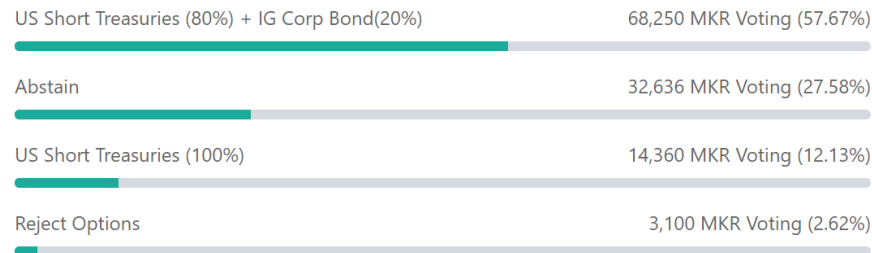


- The Maker Governance has passed a proposal to allocate 500 million DAI into **80% of US Short Treasuries and 20% IG Corporate Bonds**.
- The allocation will help MakerDAO capitalize on interest rates through its excess assets, as well as diversifying out of its USDC holdings. The investment will, in essence, cut out USDC as middleman since both will invest in US short-dated treasuries.
- The proposal is as a result of MIP65, which will activate a Real World Assets vault and invest the assets in high quality liquid bond strategies that will pay out yields.
- In addition, MakerDAO recently voted to create a RWA vault for Société Générale, which will be able to borrow up to 30 million DAI by depositing OFH tokens (covered bonds registered on Ethereum). It can currently loan up to 171 million DAI for RWAs.

WINNING OPTION: US SHORT TREASURIES (80%) + IG CORP BOND(20%) WITH 68,250 MKR SUPPORTING AS FIRST CHOICE.

### Vote Breakdown

RANKED-CHOICE POLL



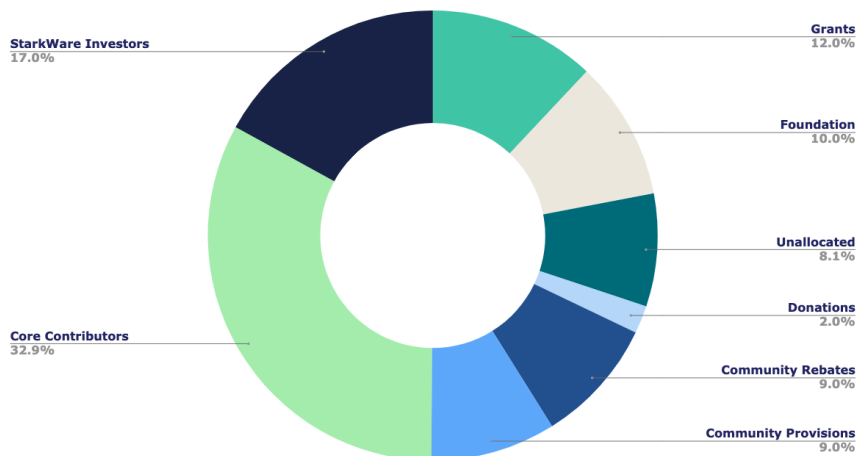
Total DAI outstanding reclaimed **7 billion**.

## Noteworthy DeFi Protocols – StarkWare introduces StarkNet token



- StarkWare announced the native token for StarkNet, which will be used for **governance**, **staking**, and **payment** for transactions.
- So far, it has minted 10 billion tokens distributed to StarkWare investors, team, developers, and the new StarkNet Foundation.
- StarkWare has added that airdrops to the community will be such that it would be hard to game through the filtering and exclusion of usage that is abusive or gamifies the network.
  - In other words, legitimate developers and users will be the ones who will receive such token allocations in the future.
- The announcement follows days after a post by 3AC co-founder Zhu Su, who alleged that the firm's liquidators failed to exercise the StarkWare token warrants which subsequently expired and caused the firm to "lose substantial value."

### Current StarkNet Token Allocation



Sadly, our good faith to cooperate with the Liquidators was met with baiting. Hope that they did exercise good faith wrt the StarkWare token warrants.

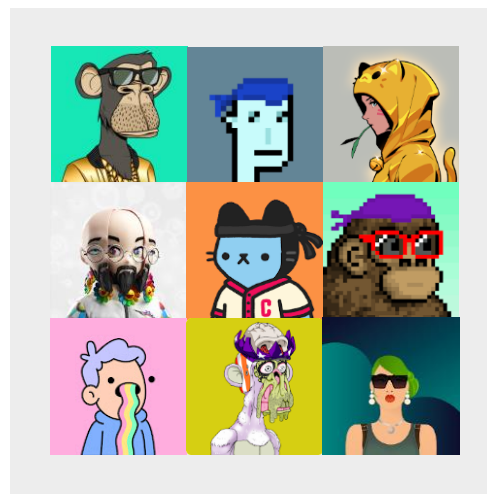
# NFT & Metaverse

## NFT & Metaverse Summary

1. **NFT Dashboard** – CryptoPunks leads volume in the past week, Art Blocks seeing volume driven by Squiggle
2. **NFT volume in ETH still flat despite rally in ETH price**
3. **Opposite trend for OpenSea and MagicEden daily users**
4. **GameStop NFT marketplace volume exceeds Coinbase's**
5. **GameFi & Play-to-Earn**  
Yuga Labs releases Otherside litepaper
6. **News & Headlines**

## NFT Dashboard

Project	Floor Price	14D	YTD
<b>"Blue Chip" Projects</b>			
Bored Ape Yacht Club	93.2Ξ	3.7%	46.5%
CryptoPunks	82.5Ξ	23.2%	27.7%
<b>Tier-A Projects</b>			
Azuki	10.8Ξ	-1.8%	208.3%
Clone X	10.0Ξ	-2.2%	150.7%
Cool Cats	3.8Ξ	-3.7%	-72.1%
CyberKongz Genesis	21.5Ξ	-18.3%	-62.9%
Doodles	11.6Ξ	-10.3%	76.2%
Mutant Ape Yacht Club	17.8Ξ	2.1%	52.5%
NFT Worlds	2.9Ξ	-16.5%	19.0%
World of Women	4.1Ξ	-3.4%	98.1%

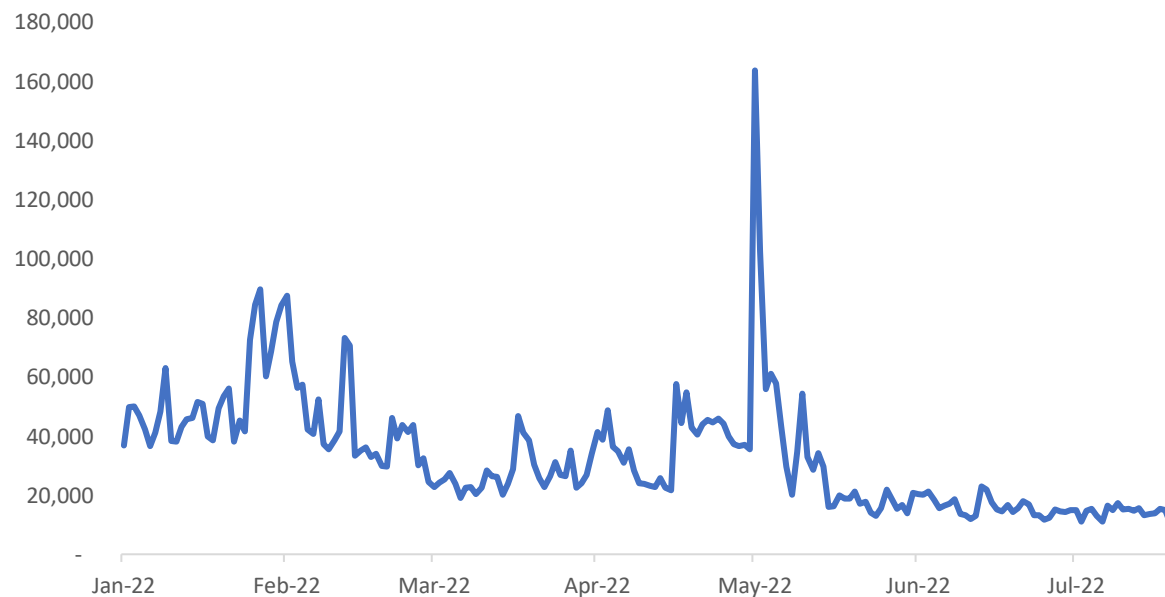


Top Sales of the Week*	Price
CryptoPunk #4156	2690.0Ξ
CryptoPunk #6137	350.1Ξ
CryptoPunk #7360	313.4Ξ
CryptoPunk #8191	310.0Ξ
CryptoPunk #5486	280.0Ξ
CryptoPunk #7338	200.0Ξ
CryptoPunk #387	219.0Ξ
CryptoPunk #9046	200.0Ξ
CryptoPunk #883	185.0Ξ
BAYC #8602	180.7Ξ

Top Collections of the Week* (by volume)	Volume (USD)
CryptoPunks	\$25.1m
Otherdeed	\$11.3m
Bored Ape Yacht Club	\$9.7m
Art Blocks	\$7.8m
Mutant Ape Yacht Club	\$3.9m
ENS	\$3.5m
CloneX	\$2.5m
Moonbirds Oddities	\$2.3m
NBA Top Shot	\$2.2m
Moonbirds	\$1.9m

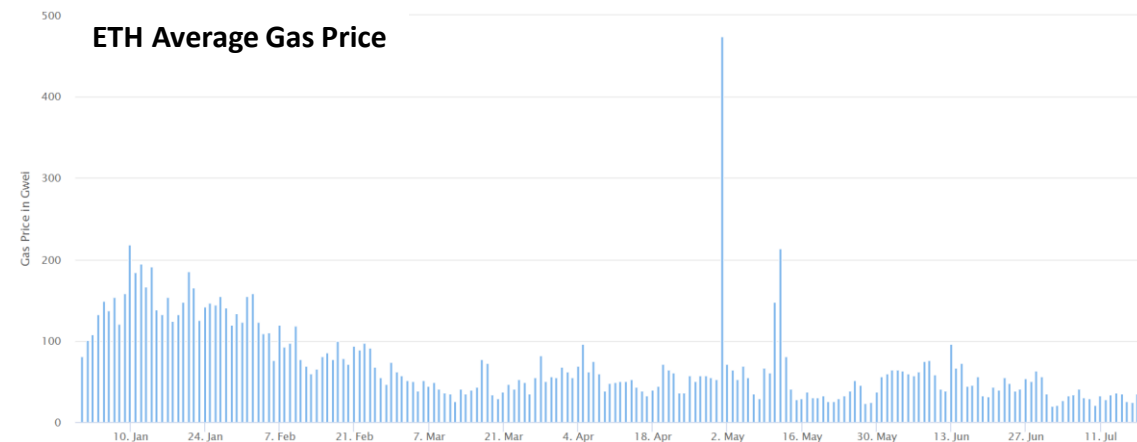
### NFT volume in ETH still flat despite rally in ETH price

Daily OpenSea Volume(in ETH)



- Daily NFT volume in ETH has been relatively flat since mid-May.
- Activity in blue chips like CryptoPunks have risen a bit, as evidenced by the top sales of the week.
- Art Blocks also saw significant volume the past week, rising to fourth in terms of volume.

ETH Average Gas Price



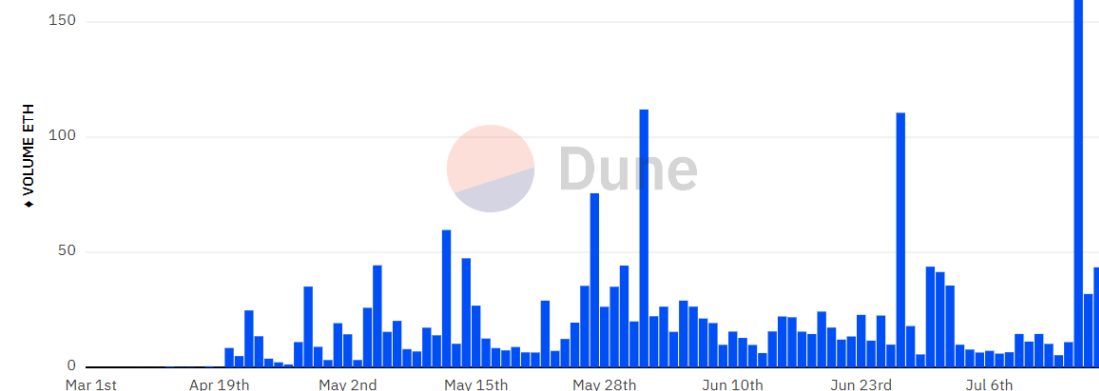
# GameStop NFT marketplace volume exceeds Coinbase's

- In a week since GameStop's NFT marketplace launched, it has generated **over 4,300 ETH** (top 50 collections) in volume, surpassing CoinbaseNFT's 1,990 ETH in lifetime volume.
- Approximately 30% of GameStop NFT's volume is attributable to the MetaBoy project, a collection with 10,000 gifs of Game Boy-themed art.
- Meanwhile, CoinbaseNFT has struggled to gain momentum since launch as it competes with OpenSea, which enjoys immense first-mover advantage.



CoinbaseNFT: Volume ♦

@cryptuschrist



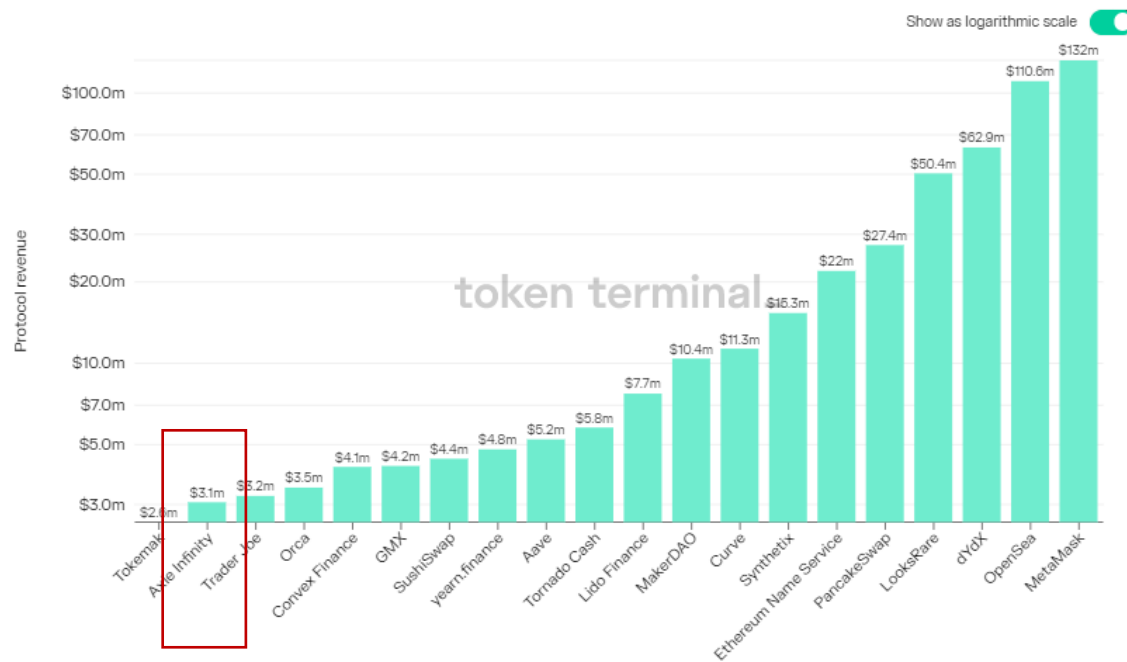
## GameFi & Play-to-Earn

### Yuga Labs Releases Otherside Litepaper

- Along with its tech demo, Yuga Labs released the “starter guide” to its “world-building metaverse platform.”
- The litepaper covers foundational principles of the platform, capabilities of its developers, and possibilities for community co-creation.
- The tech demo drew nearly 5,000 holders to try the demo out, with this session including an actual map of the game, although scripted.



### Dapp 90D Protocol Revenue





### News & Headlines

#### Reddit Launches NFT Marketplace

Social media platform Reddit launched an NFT marketplace where users can purchase blockchain-based avatars using fiat currency. The new NFT feature extends on its avatar tool and will give creators to earn profits from its art. [[Blockworks](#)]

#### OpenSea Announces Layoffs

OpenSea announced that it would be laying off around 20% of its workforce, citing a prolonged downturn amid crypto price collapse and broader economic instability. [[Bloomberg](#)]

#### Tencent Closes NFT Platform

Tencent has reportedly shut down one of its two NFT platforms due to lackluster sales as government policy prohibits secondary NFT sales, essentially removing NFT trading demand. [[CoinTelegraph](#)]

#### StepN Earned US\$122.5m in Q2 2022

Walk-to-earn game StepN announced that it earned US\$122.5 million from platform fees in the second quarter of 2022. It will allocate 5% to buying and burning GMT. [[The Block](#)]

#### Shanghai Allocates US\$1.5b to Metaverse Development Fund

Shanghai plans to establish a metaverse development fund of nearly US\$1.5 billion for metaverse investments that will drive the transformation and upgrading of various industries in the real economy. [[Blockworks](#)]

#### Champagne Sold for US\$2.5m, Includes NFTs

An NFT representing a Château Avenue Foch 2017 champagne with five NFTs printed on the bottle sold for US\$2.5m, which comes with the NFTs themselves. The NFT of the champagne itself can be traded until an owner claims the bottle. [[Forkast](#)]

#### US\$400K Stolen in NFT Hack

Hackers compromised popular NFT registration platform Premint, inserting malicious code to prompt users to approve transaction that will steal the user's wallet. The hackers have sold over US\$400,000 worth of NFTs thus far. [[Decrypt](#)]

#### Dubai Lays Out Metaverse Strategy

Dubai's crown prince announced that it would leverage the metaverse to create 40,000 virtual jobs and add US\$4 billion to its economy over the next five years. He also intends to increase the number of blockchain and metaverse companies by five times. [[The Block](#)]

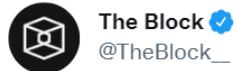
# Regulatory Updates

# Regulatory Updates

- The U.S. Treasury Department published a fact sheet outlining international crypto regulation, a framework published as a result of President Joe Biden's earlier executive order on crypto. The fact sheet highlights objectives for consumer, investor, and business protection, and an overarching goal to reinforce the country's global financial leadership.
- The Financial Stability Board (FSB) called for new global rules for cryptocurrencies and will submit a report to the G20 Finance Ministers and Central Bank Governors on regulatory and supervisory approaches to stablecoins and other crypto assets.
- U.K. Financial Conduct Authority head said that it will work with its U.S. counterparts to address a regulatory framework for cryptocurrencies.
- The former advisor to Ripple, Michael Barr, has been confirmed by the U.S. senate as Vice Chair for Supervision of the Federal Reserve and will also seek to influence policy on cryptocurrencies and stablecoins.
- Hong Kong Monetary Authority CEO Eddie Yue suggests that more scrutiny of stablecoins and crypto exchanges could help reduce risks from DeFi, and that he thinks crypto and DeFi won't disappear since the technology innovation behind it are likely to be important for our future financial system.
- Binance's Spanish subsidiary has obtained approval as a Virtual Asset Services Provider in Spain, which will allow Binance to offer crypto exchange and custody services in the country. The approval has been pending since January.
- Crypto trading app OKX has been granted a provisional virtual assets license to provide services to qualified investors in the UAE. It will also establish a regional hub in Dubai to contribute to developing the ever-expanding virtual asset ecosystem both in Dubai and globally.
- The Central African Republic will allegedly launch the Sango bitcoin sidechain in July, which will serve as a central hub for crowdfunding, distribution and community support efforts.
- Coinbase has been granted a crypto asset service provider license in Italy. It claims to be one of the first to meet the new requirements set in place by the Italian regulatory authorities.
- Crypto.com has also been approved by Italian AML authorities to effectively offer its products and services to Italian customers.

# Notable Tweets

## Tron founder helps bailouts?



**The Block** ✓  
@TheBlock\_\_

EXCLUSIVE: Justin Sun says he's ready to spend \$5 billion on acquisitions as crypto firms struggle

By @Yogita\_Khatri5

## CZ caused panic



**foobar**  
@0xfoobar

This seems not to be an exploit with Uniswap V3 itself, but a standard approval phishing. The attacker sent out mass batches of fake LP tokens to users hours ago, and a few probably fell for them. Just don't interact with any phishing token airdrops.

**CZ** ♦ **Binance** ✓ @cz\_binance · Jul 12

Our threat intel detected a potential exploit on Uniswap V3 on the ETH blockchain. The hacker has stolen 4295 ETH so far, and they are being laundered through Tornado Cash. Can someone notify @Uniswap? We can help. Thanks

[etherscan.io/address/0x09b5...](https://etherscan.io/address/0x09b5...)

[Show this thread](#)

6:55 AM · Jul 12, 2022 · Twitter for iPhone

18 Retweets 1 Quote Tweet 86 Likes



## Punk Trade Speaks Coinbase Volumes



**NFTstatistics.eth**  
@punk9059

Yesterday's ape punk traded for more ETH than all Coinbase NFT trades combined ever.

I do hope they stick to NFTs and come back stronger.



**#4464**  
2.5KΞ (\$2.6M)  
Jul 12, 2022

3:58 PM · Jul 14, 2022 · Twitter for iPhone

33 Retweets 1 Quote Tweet 280 Likes

## Not my keys



**db**  
@tier10k

[DB] Celsius Lost 35,000 ETH When Stakehound "Misplaced" Private Keys

2:55 AM · Jul 15, 2022 · IFTTT

81 Retweets 82 Quote Tweets 689 Likes

## Is the bull market back?



**Route 2 FI** ✓ @Route2FI · 1h

"The bull market is back"-tweets flooding on Twitter. You love to see it. Hehe.

41

13

183



## 3AC does the impossible



**Arthur** @Arthur\_Ox · 13h

It is not possible to go from \$2.3b NAV to negative \$2.5~\$3b in 1 month with 1.6b directional exposure and <1 debt/equity ratio when market moved less than 20% throughout the period.

32

27

463



**FreddieRaynolds** @FreddieRaynolds · 13h

3AC did the impossible

1

1

112



## Notable Tweets

### Will we be more diligent?



Cryptoyieldinfo  
@Cryptoyieldinfo

My main takeaway from 3AC and Celsius is:

Lenders to funds in next bull cycle will only do so with full visibility on chain at all times.

Very bullish for true defi in next cycle.

7:44 AM · Jul 19, 2022 · Twitter Web App

### The irony...



Zhu Su · Feb 8, 2019

Climate change talk is cheap, but sailing the seven seas on your yacht as an international fugitive is expensive.



Jho Low (Low Taek Jho) · Jan 4, 2016

Agree with this @wef piece – the #COP21Paris agreement was a necessary step to address #global #climatechange bit.ly/1OXN0KW

109

448

1,204



Cobie · @cobie

Replying to @zhusu

legend

1:11 PM · Jul 19, 2022 · Twitter Web App

### 3AC creditor relationship



Brett Harrison · @Brett\_FTX

3ac founders, investors, creditors, spouses



1:39 AM · Jul 19, 2022 · Twitter Web App

86 Retweets · 7 Quote Tweets · 1,239 Likes

### ETH bounce



MenaceToSociety · @NFTsAreNice · 18h

I should've spent all my parents' life savings on ETH at \$800, but all you mfs told me it's going to \$500

153

103

1,513



### Telsa sold 75% of its bitcoin...



Michael Saylor · @saylor

If you sell 75% of your bitcoin, you will only have 25% of your #bitcoin left.

4:39 AM · Jul 21, 2022 · Twitter Web App

### Make sure to cancel your WETH offers

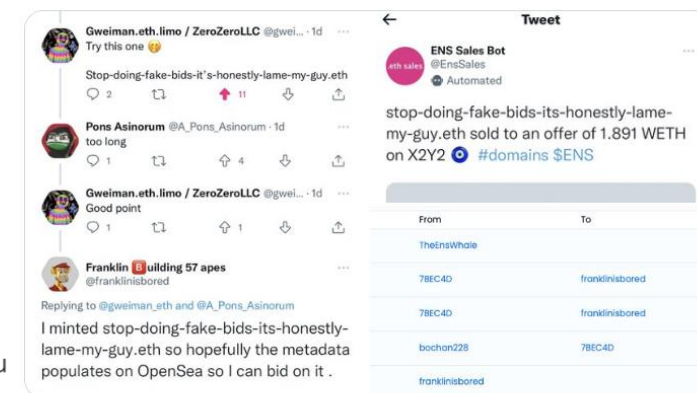


Bullkis.eth · @Bullkis1

When trying to outsmart the bots fail tldr:

@franklinisbored placed a fake 100 ETH bid on his own ENS and triggered a bot to offer him 1.891 that he accepted.

Big W turned into a big L when he forgot to cancel his own fake 100 bid before accepting the offer.



3:22 AM · Jul 21, 2022 · Twitter Web App



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