Oracles

Overview

Blockchain oracles are third-party services or agents that provide smart contracts with external information and serve as bridges between blockchains and the external world. Because blockchains cannot access external data (outside of their network) due to their secure and deterministic nature, oracles are used to fetch, verify, and relay real-world data to smart contracts in a way that's trustworthy.

Use Cases

Decentalized Finance (DeFi)

Oracles provide price feeds, enabling DeFi platforms to calculate token values, manage collateral, and execute liquidations. By sourcing data from various exchanges and financial platforms, oracles contribute to the robustness of DeFi applications.

Gaming

Blockchain-based gaming and betting platforms use oracles to determine the outcomes of events, such as sports matches or random number generation. By connecting to various data sources and verifying results, oracles ensure fair and transparent gaming experiences.

Insurance

Oracles can be employed in the insurance industry to automate claims processing and underwriting. They can fetch data related to weather conditions, flight delays, or health records, enabling insurers to create parametric insurance products. This reduces fraud and ensures quicker payouts based on predefined triggers.
and much more...