Alchemist Council Report
February 2022

The Alchemist Council spent its first month in session evaluating the state of Alchemist as an incubator. We looked at the current challenges and performance of incubated projects, assessed what changes we need to make to further help founders and builders within the Alchemist community, and established a strategy for how we plan to improve the Alchemist incubator as a service.

Before the Alchemist incubator journey can fully begin we first need to establish a baseline for where we are.

Value accrued / Inflation (VI Ratio)

The most important metric to track for the Alchemist community is how the value of consumed monthly inflation measures up against the value accrued to MIST by incubated projects within the same time period. At the time of finalizing this report MIST had experienced a low of $13.14 USD and has since recovered to $15.39 USD. That would value our next two inflation cycles (26,295 MIST) at a total of $345,516 – $404,680 USD given the most recent price action. According to publicly verifiable data from Token Terminal, incubated projects have produced ~$405,800 USD worth of value for the month of February, which means that at current prices Alchemist's VI ratio is:

$$VI = \$405,800 / \$404,680 \sim= 1$$

Or at recent $MIST price lows:

$$VI = \$405,800 / \$345,516 \sim= 1.2$$

If you've been previously tracking this information independently you'll know that this is the first time since Alchemist's inception that the revenues of incubated projects have surpassed the value of MIST inflation.

Active incubated projects (AIP)

We define active incubated projects as those that are consuming inflation. There are currently 4 active incubated projects within Alchemist:

3 value accruing active incubated projects (VAIP)
    Crucible (@CrucibleNFT) – Non-custodial, staking smart wallet and NFT
    mistX Labs (@mistXLabs) – MEV protected DEX aggregator
    Copper (@CopperPlatform) – Open, transparent, and user-friendly
                                  participation in Balancer Liquidity
                                  Bootstrapping Pools

1 under development active incubated projects (UDAIP)
[REDACTED]

Maintaining a healthy balance between value accruing projects and under development ones is another key goal for the incubator. We want to make sure that we're resilient enough to support our operations going forward by pushing projects to get to value generation quickly (VAIP/AIP ratio), while also making sure that we incubate enough new projects to maintain our growth (UDAIP/VAIP ratio).

Our current VAIP/AIP of 0.75 and UDAIP/VAIP of 0.3 tell us that Alchemist has reached a decent level of stability, and it's now time to ramp up our incubation of new projects. You will see some proposals from the Council regarding a strategy for accelerating these efforts within the next few weeks.

Project KPIs/goals

In less than a year, the Alchemist incubator has managed to attract 4 teams of incredibly talented builders to experiment within our community. We are here to help them grow and achieve their goals while continuing to improve our incubation offering in the process.

The Council will hold monthly syncs with the project teams and periodically share progress updates on key points that we believe are most relevant for the Alchemist community. Any information that is deemed potentially sensitive will be temporarily redacted and become "declassified" at a later time.

Crucible

- Raise minimum of ███████ per month using ██████████████████
- Complete marketplace contracts and implement frontend
- Crucible traits exchangeable on the marketplace
- 3 new Crucible trait launches per month
- ██
- ██████████████████████████████████████; This will grow the Crucible audience outside of the Alchemist community
- Give MIST utility through marketplace contracts flow
- Crucible is going multi-chain starting off with ████████ and ████████

Copper

- Grow average monthly funds raised relative to January by 100%; to $43 million per month (currently at ~$20 million)
- Increase funds raised on L2s by 200%, to $40 million funds raised over the duration of the quarter
- Add one new chain by the end of the quarter

- Unify the experience on the platform to serve a multi-chain world
- Increase number of unique monthly LBP participants by 50%; from 4600 unique monthly active users to 9200 unique monthly active users
- ███████████████████████████████

mistX Labs
- Release limit orders functionality
- 0x order matching
- Increase average successful transactions per day from 60 txs a day in January to ████ a day by the end of the quarter.
- Maintain the percentage of users w/ successful transactions above 90%

████████████
- Release MVP for internal testing
- Alpha release within the Alchemist community

At current MIST prices levels if the above goals are successfully achieved by the end of the quarter (end of April), both the Crucible and mistX Labs teams should be able to break even in terms of the monthly value returned back to community relative to the amount of MIST funding received through inflation.

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We hope you've found our initial report valuable. We look forward to contributing to the Alchemist incubator's growth and evolution. To provide any feedback, apply to the Alchemist incubator, or further engage with the Alchemist community please join us in our Discord.

Yours in alchemy, the Alchemist Council,
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    Cryptographic
    Joeh
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