

THE principle of blockchain

THORCHAIN

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Group 5



OUTLINES

1. Team: What is THORChain?
2. Timeline: Roadmap of THORChain
3. Technology
4. Tokenomics

GLOSSARY

- Burn tokens: Burning tokens decreases the total supply of tokens and the balance of the account the tokens are burned from.
- Token: A token is a standardized smart contract called by a transaction.
- Custodian: A custodian is a financial institution that holds clients' tokens / securities for safekeeping to prevent them from being stolen or lost.
- ERC20: Token standard on the Ethereum blockchain
- liquidity: the availability of liquid assets to a market or company.
- DeFi liquidity pool: is a smart contract that locks tokens to ensure liquidity for those tokens on a decentralized exchange. Users who provide tokens to the smart contract are called *liquidity providers*.

TEAM-THORCHAIN

THORChain is a Coin Swappable exchange and an independent Blockchain, Cryptocurrency, and Crosschain distributed (Dex) Exchange. Its protocol was built on COSMO or "Internet of Blockchain".

- Made in Contest (2018)
- Native Coin = RUNE
- The total supply of THORChain's coin is 500 million
- THORChain currently supports the following non-RUNE assets: BTC, ETH, BNB, BCH, and LTC.



QUICK UNDERSTANDING

- As the number of users on blockchain networks is rapidly growing, the demand for cross-network liquidity likewise increases.
- Thorchain is a protocol that aims to meet this need by enabling the trading of crypto assets across various blockchains in a completely decentralized way.



Timeline – Roadmap of THORChain

- 1 IN 2018
THORChain was created
- 2 JUNE 2020
TestNet was Launched
- 3 JULY 2019
RUNE Vault - Supply Distribution
- 4 APRIL 2021
ChaosNet was Launched
- 5 APRIL 2021
MainNet was Launch



THORCHAIN

THORChain the leaderless
vault manager



BIFRÖST PROTOCOL

1-way State Pegs

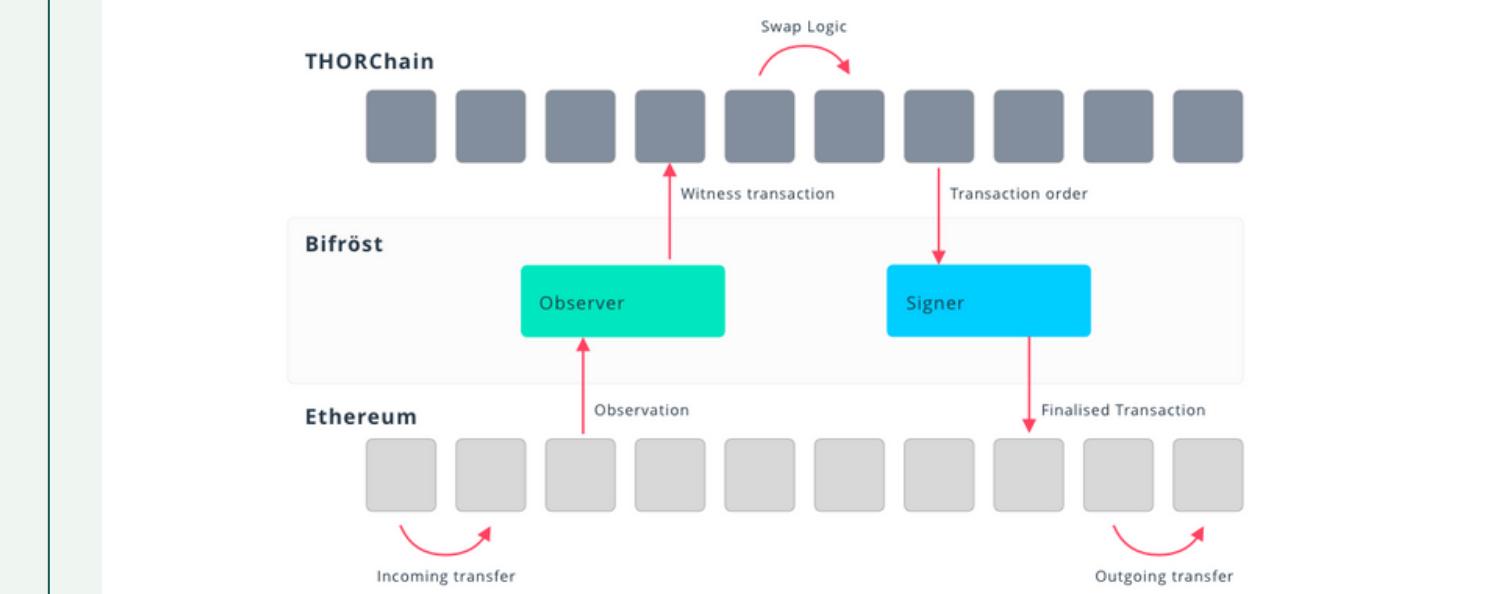
- connects with external chains, nodes are synced, vault address is checked
- If there's an inbound it's converted to THORChain witness transaction
- Each transaction is observed
- If majority of nodes agree from the consensus, the transactions turns into a finalized state

Signer and TSS Protocol

- The txOut item is loaded and serialized to the right destination, then sends it to TSS Protocol
- the TSS module coordinates key-signing, the final signed transaction is sent to its chain.

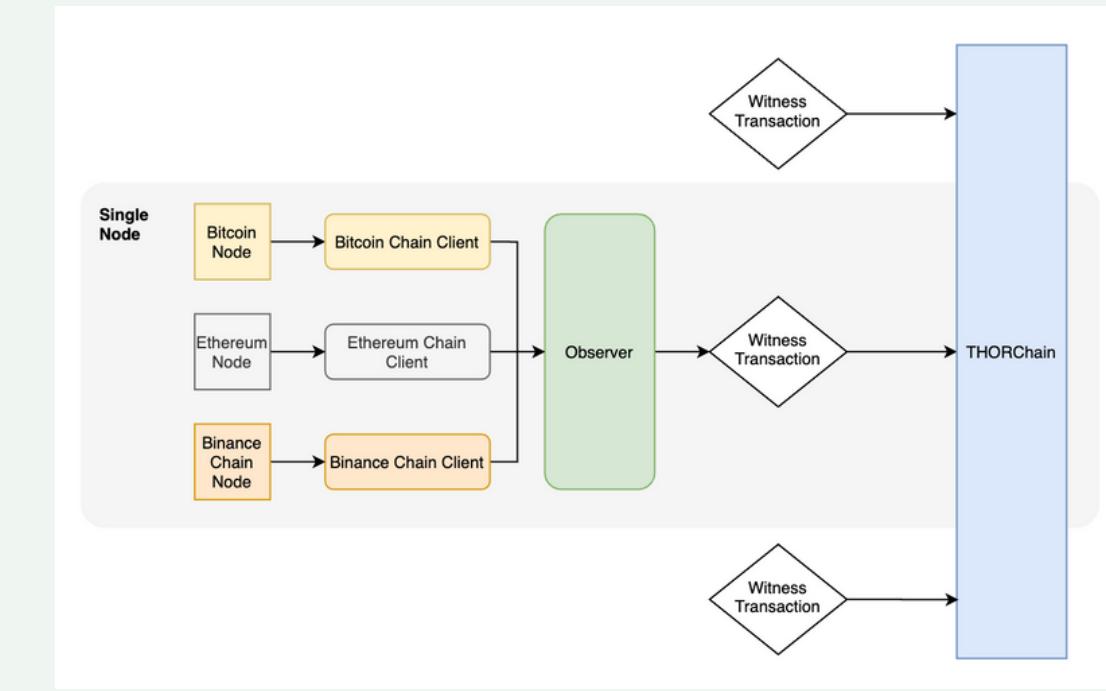
THORChain State Machine

- Finalized transaction is processed and performs logic (ordering, computing, delegating)
- TxOut item created and stored in key-value store

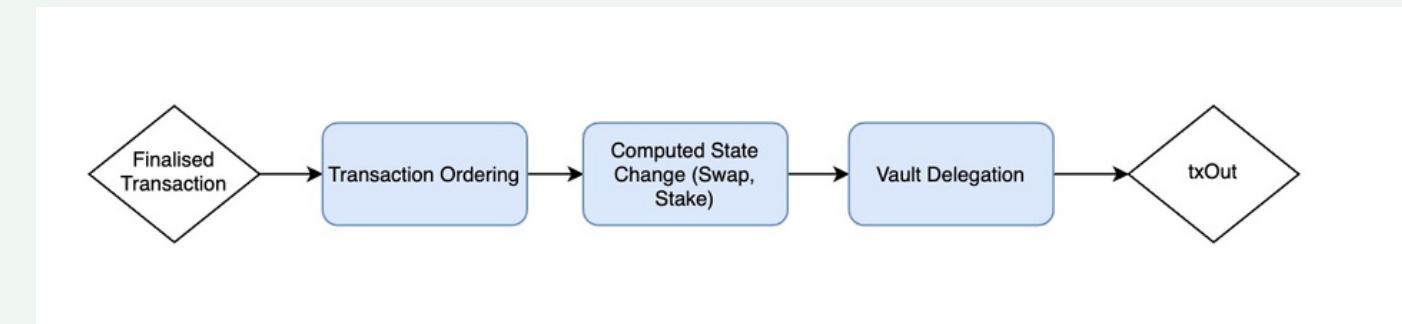




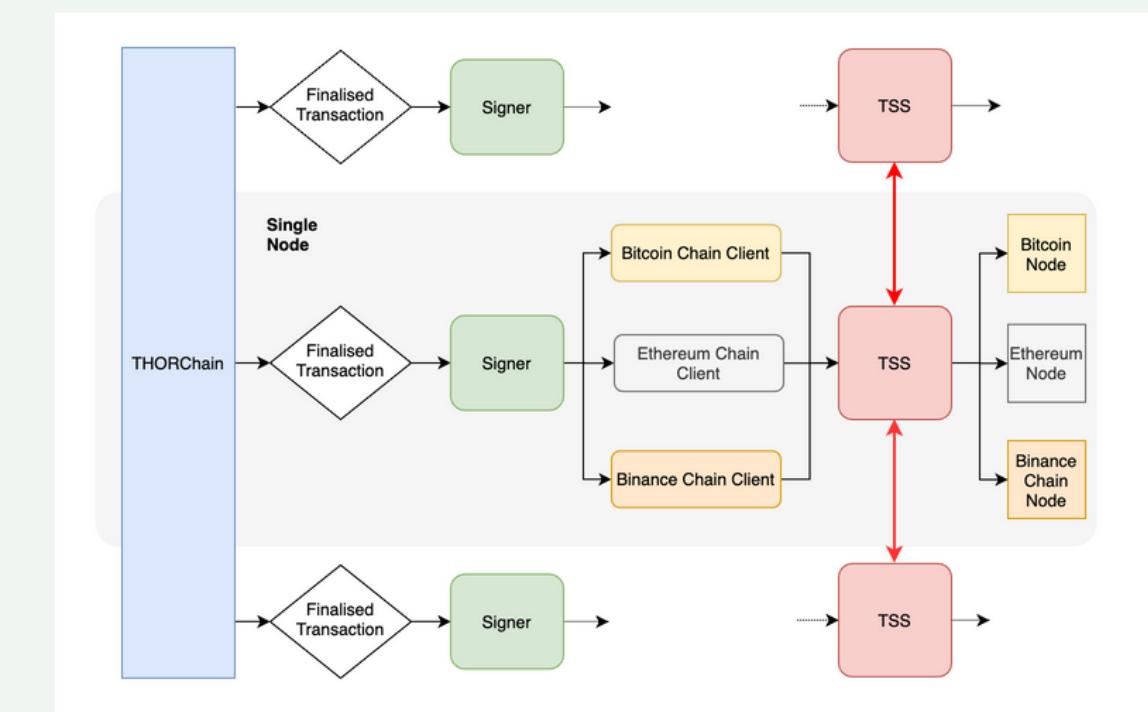
1-way State Pegs



THORChain State Machine



Signer and TSS Protocol





Sharded Asgard Vaults

- when a vault has more than 40 nodes, the vaults are sharded into two when it approaches the `maxNodesForAsgard` constant. If it goes less than half of its number of nodes, the vaults merge. For example if there is 100 nodes, 3 Asgard vaults and 100 Yggdrasil vaults are used. The system would check which vault has the highest excess security and directs the user to send their funds there.

Managing Yggdrasil Funding

- Managing the Yggdrasil Funding: the state machine watches each Yggdrasil vault, the limit for each vault is 25% of the value in assets. For example \$4m, up to \$1m in assets would arrive to the vault. When the node is done, the assets are sent back to Asgard. But not all assets come to the Yggdrasil vault, the ones that are less than the `minimumDepthForYggdrasil` are kept in the Asgard vaults.

Migrating

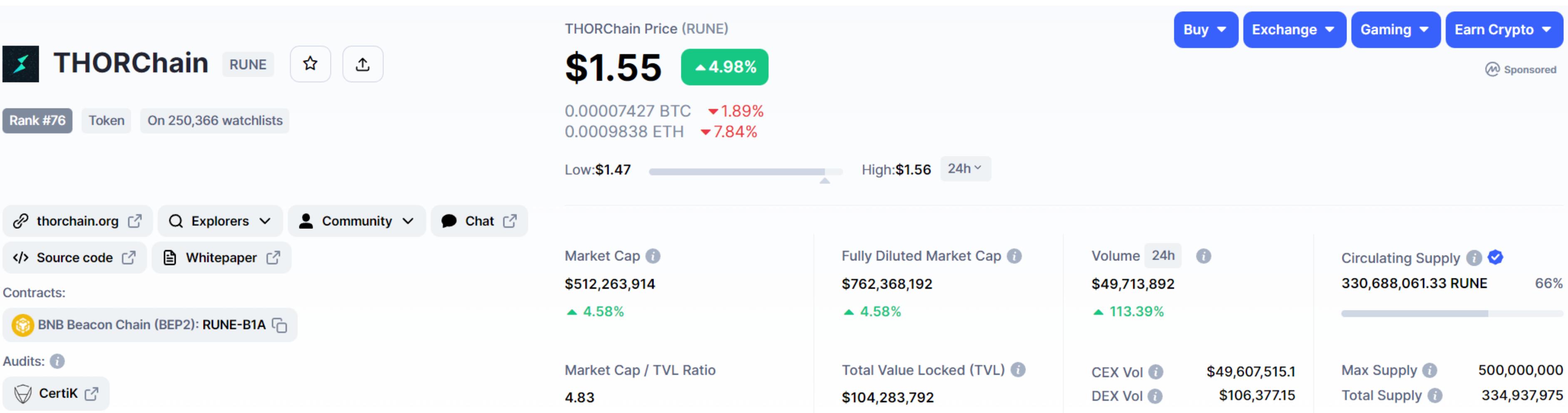
- When the network churns a public key is created and funds are migrated
- Transactions are divided into five, 1 per asset, the migrate memo
- Takes a few hours to complete
- Users send to newest vault only, latest vaults are monitored.
- Once last five migrations are complete, previous vault is discarded and no longer monitored

Tokenomic

- Token Supply (Circulating, Max, Total, Market Cap, Fully diluted Market cap)
- Monetary Policies (Burning)
- Allocation (Vesting Schedule)

• Token Supply

- Circulating supply: the number of publically issued tokens in circulation: , actively being mined
- Total supply: Also includes tokens that have been created and then burned
- Max supply: the maximum number of tokens that can ever be generated



• Scarcity: Increase demand by decreasing supply

You want to find there is no huge discrepancy between the market cap and the fully diluted market cap. it means that a lot of coins are still yet to be issued and this means it could drastically have a downward affect on the price of the asset

Hedera Price (HBAR)

\$0.2395

▼ 5.27%

0.000005889 BTC ▲ 0.44%

0.00008241 ETH ▼ 0.47%

Low:\$0.2326



High:\$0.2551

24h ▾

Market Cap ⓘ

\$4,333,131,532

▼ 5.27%

Fully Diluted Market Cap ⓘ

\$11,974,745,057

▼ 5.27%

Volume 24h ⓘ

\$103,897,138

▼ 15.25%

Circulating Supply ⓘ ✓

18.09B HBAR

36%

THORChain Price (RUNE)

\$1.55

▲ 4.98%

0.00007427 BTC ▼ 1.89%

0.0009838 ETH ▼ 7.84%

Low:\$1.47



High:\$1.56

24h ▾

Buy ▾

Exchange ▾

Gaming ▾

Earn Crypto ▾

Sponsored

Market Cap ⓘ

\$512,263,914

▲ 4.58%

Fully Diluted Market Cap ⓘ

\$762,368,192

▲ 4.58%

Volume 24h ⓘ

\$49,713,892

▲ 113.39%

Circulating Supply ⓘ ✓

330,688,061.33 RUNE

66%

Market Cap / TVL Ratio

4.83

Total Value Locked (TVL) ⓘ

\$104,283,792

CEX Vol ⓘ

\$49,607,515.1

Max Supply ⓘ

500,000,000

DEX Vol ⓘ

\$106,377.15

Total Supply ⓘ

334,937,975

NOTE: An extremely high fully diluted market cap means that there will be a lot more tokens that will come into circulation.

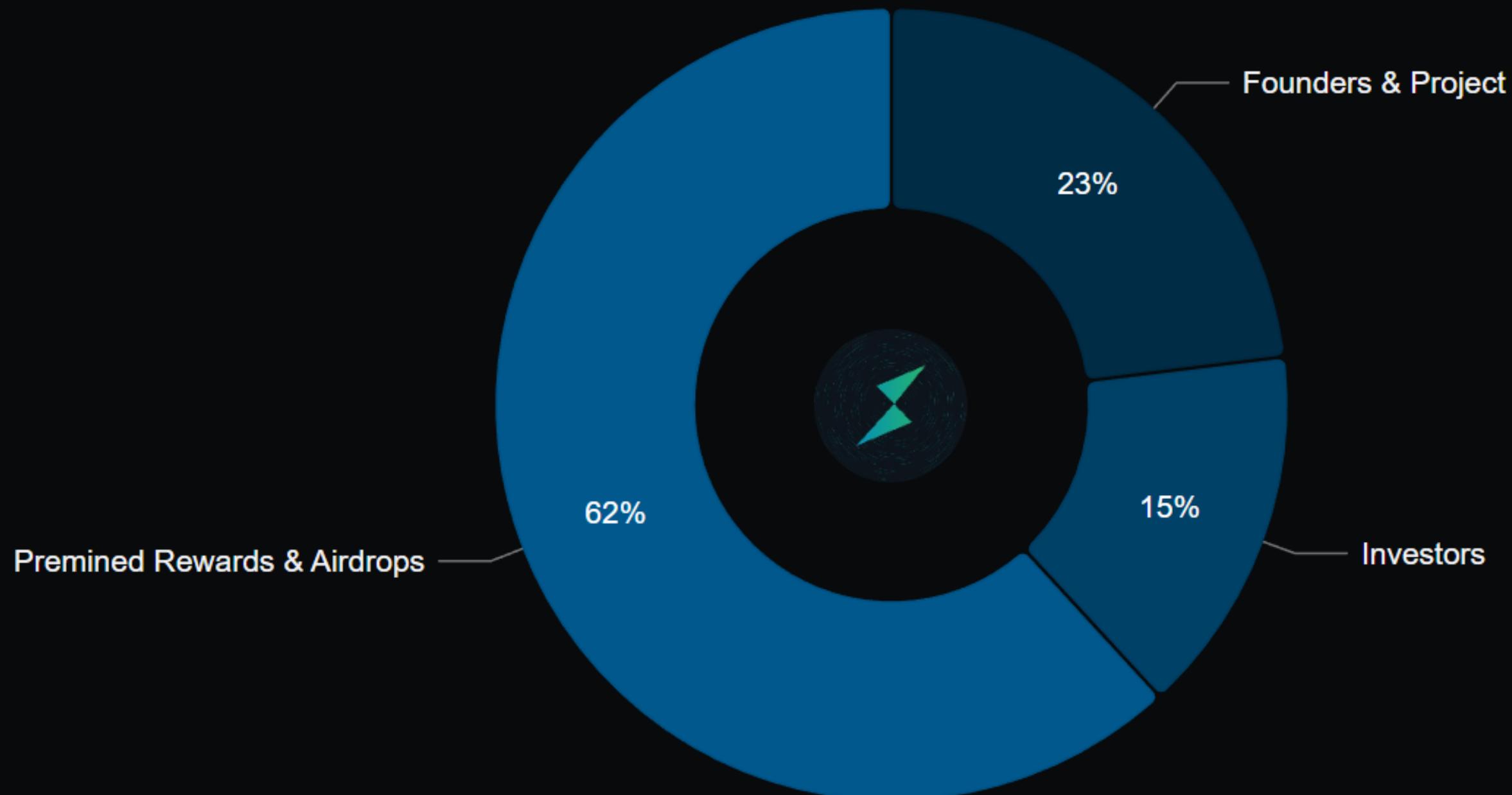
MONETORY POLICIES

Initial Supply Breakdown

Launch Style: Crowdsale, Private Sale

Distribution Date: 06/19/2019

Initial Supply: 1,000,000,000



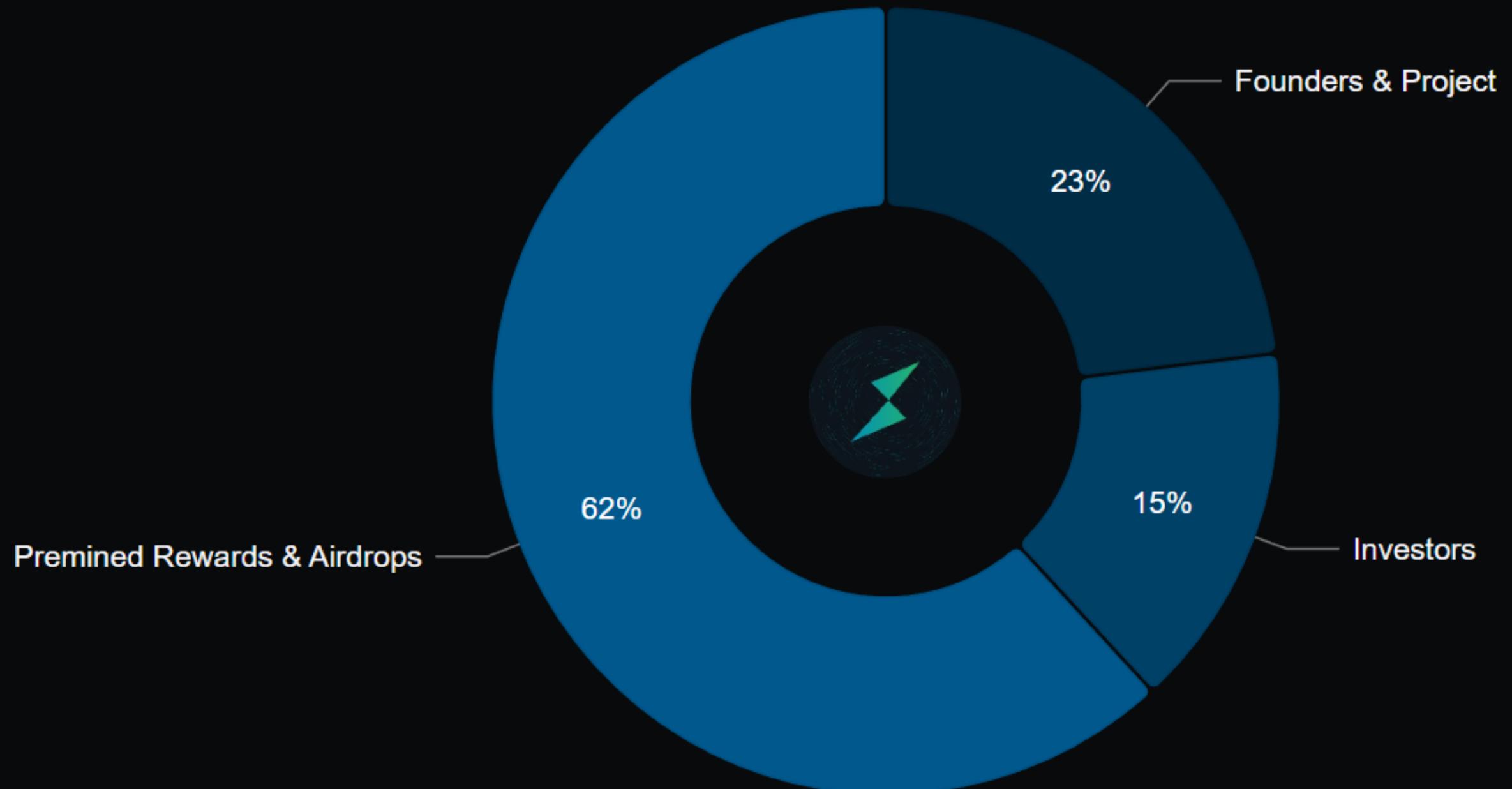
- THORChain pre-minted 1 billion RUNE tokens.
- THORChain opted to burn all of the "unused" reserve RUNE (Oct. 2019), which when combined with the ~15 million tokens burned through Project Surtr, amounted to 50% of the initial max supply.

Initial Supply Breakdown

Launch Style: Crowdsale, Private Sale

Distribution Date: 06/19/2019

Initial Supply: 1,000,000,000



- By selling the token, the team can raise funds to build the early network, as well as establish a market for the token and price.
- 150m RUNE (15%) was allocated through private and public sales and around 137m were sold over the course of 12 months. 13m unsold RUNE was burnt on 20 July 2019.

ALLOCATION

Token Distribution



- Liquidity Emission : 50%
- Operation Reserve: 13%
- Community Reserve: 12%
- Team & Advisors: 10%
- Seed: 6%
- Private Sale: 5%
- Public Sale: 4%

NOTE: The next crucial element is token allocation or distribution. You may determine how the coin has been distributed to investors using this metric. Left side is the legit chart of the allocation during the initial distribution of the RUNE

Allocation: Vesting Schedule (8y)

- The longer the vesting schedule the better

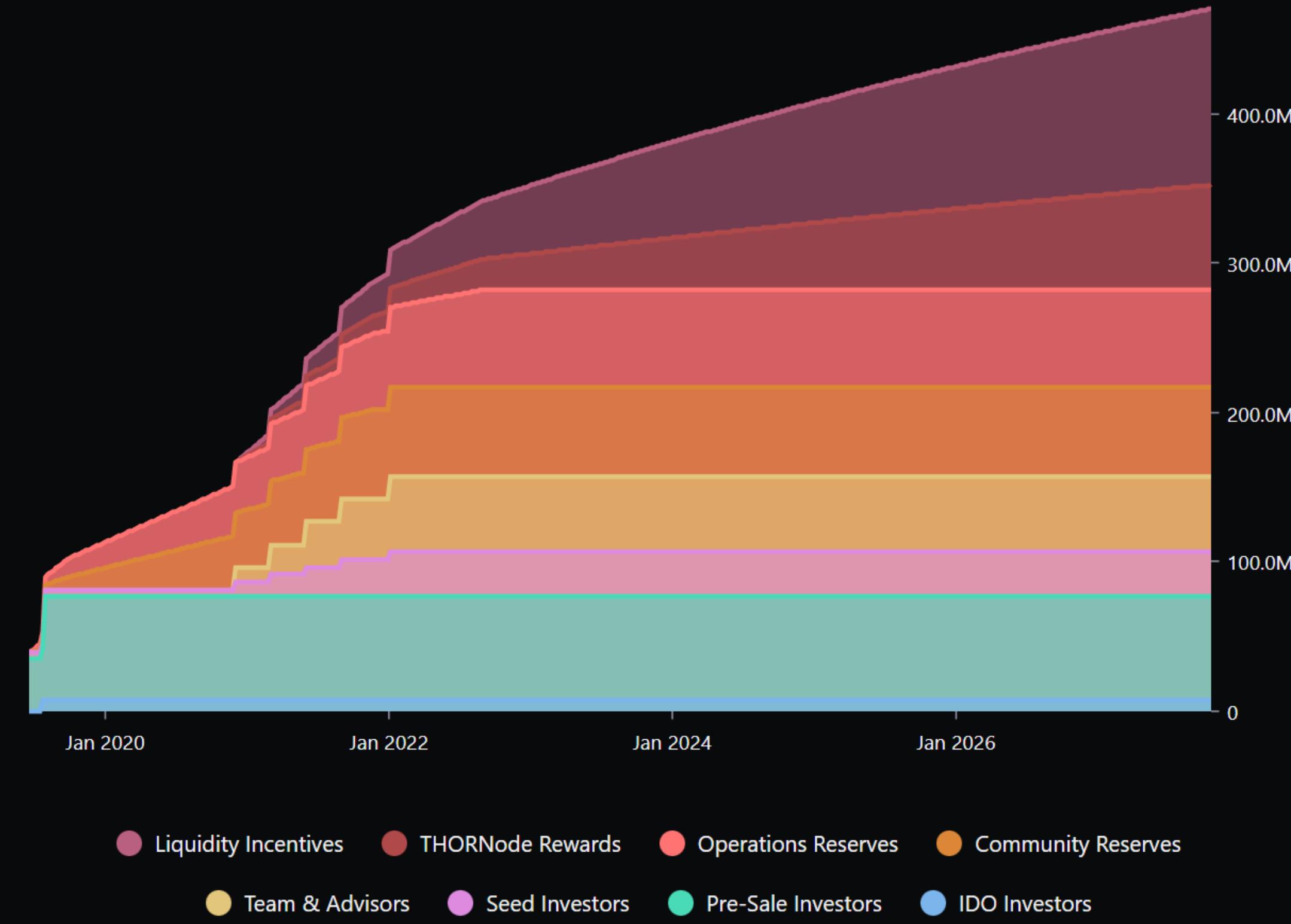
-> Operational Reserves
130m RUNE (13%)
released over 40 months (3 years).

-> Community Allocation
Thus 120m RUNE (12%) was allocated to initiatives such as airdrops, hard-spoons and other incentivisation strategies. This will be released over 60 months (5 years).

-> Seed Investors and Team
Thus 100m RUNE (10%) was allocated to early seed investors and team members from MNV, Swishlabs and Chainfuel, and their board of advisors, to be released over 15 months.

Liquid Supply Curve

EXPORT CSV



THANK YOU

FOR
LISTENING

Reference

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