



Alchemix Q3 2022 Report

Table of contents

Alchemix Q3 2022 Report

Table of contents

Introduction to Alchemix

Highlights

Protocol Metrics

alAsset Prices

alUSD Price vs. DAI

alETH Price vs. ETH

UST Incident

alAsset Liquidity Pools

alUSD Liquidity Pools

alETH Liquidity Pools

Total Deposits vs. Liquidity

alAsset Utility

alAsset Usage

Premia

Tokemak

Mover

alAsset Liquidity Support

Curve & Convex

Saddle

Bent Finance

Beethoven X

Stake DAO

FRAX

Velodrome

Tokemak

Element Finance

Idle Finance

Gro Protocol

Pickle Finance

ALCX Governance Token

Effective Annualized Inflation Rate

Adjusted Annualized Inflation Rate

Projected ALCX Supply Growth Compared to 2022.10.01.

Change in the Emission Allocation from July 1st to October 1st

Distribution of Emissions on Oct 1st

Index Cooperative Bankless DeFi Innovation Index

[Phuture Finance Phuture Defi Index](#)
[System Components](#)
[Elixir Contents \(values as of October 1st\)](#)
[Elixir Ownership of Main Liquidity Pools](#)
[Aggregate Global User Debt Levels](#)
[v2 Global aUSD Debt on Mainnet](#)
[v2 Global aETH Debt on Mainnet](#)
[Treasury, Revenues and Expenses](#)
[Strategic Token Accumulation](#)
[CVX \(Convex Finance\)](#)
[ALCX/ETH Sushi Liquidity Pool](#)
[TOKE \(Tokemak\)](#)
[sdCRV \(Stake DAO CRV\)](#)
[VELO \(Velodrome\)](#)
[Treasury Contents](#)
[Expenses](#)
[Total Addressable Market](#)
[Ethereum & Fantom](#)
[Yield Harvests](#)
[Total v1 Harvests in Q2 2022 on Mainnet](#)
[Total v2 Harvests in Q3 2022 on Mainnet](#)
[Total v2 Harvests in Q3 2022 on Fantom](#)
[Deposits and User Metrics v1](#)
[v1 User Deposits](#)
[Deposits and User Metrics v2](#)
[v2 Stablecoin Deposits](#)
[v2 ETH Deposits](#)
[Fantom Deposits](#)
[Net Deposits on Mainnet at Quarter End](#)
[Net Deposits on Fantom at Quarter End](#)
[Gross Deposits Mainnet](#)
[Gross Deposits Fantom](#)
[Number of Unique Depositors Mainnet](#)
[Tokens Minted Mainnet](#)
[Number of Unique Depositors Fantom](#)
[Tokens Minted Fantom](#)
[Withdrawals Mainnet](#)
[Withdrawals Fantom](#)
[Self-Liquidations Mainnet](#)
[Self-Liquidations Fantom](#)
[Repayments Mainnet](#)
[Repayments Fantom](#)

[Transmuter Deposits Mainnet](#)
[Transmuter Deposits Fantom](#)
[Transmuter Withdrawals Mainnet](#)
[Transmuter Withdrawals Fantom](#)
[Transmuter Claims Mainnet](#)
[Transmuter Claims Fantom](#)

[Other Networks](#)

[Optimism Deployment](#)
[Arbitrum Deployment](#)

[Other Information](#)

[Governance](#)
[Other Stats](#)
[Links](#)

Introduction to Alchemix

Established in February 2021, Alchemix is a DeFi lending protocol that offers Self-Repaying loans without the risk of forced liquidations. Alchemix's value proposition is that it enables its users to access tokenized value against their deposits, while those deposits harness the power of DeFi to automatically pay down a borrower's loan balance over time. Conceived as a new tool for people to take advantage of the time value of money, Alchemix is tested and audited and then deployed on-chain using smart contracts to provide security, transparency, immutability, and uncensorable access to all.

A borrower's loan comes in the form of synthetic tokens known as alAssets. Alchemix currently offers alUSD to borrow against DAI, USDC and USDT, and alETH to borrow against ETH, rETH, and stETH. Alchemix establishes a 1:1 pairing between collateral types (DAI/USDC/USDT and ETH/rETH/stETH) and their pair alAssets via deep exchange liquidity and the novel Alchemix Transmuter, which provides a backstop for the alAsset price.

Alchemix is currently deployed on the Ethereum Mainnet, Optimism, and Fantom networks.

This report provides relevant data for Q3 2022, 1 July 2022 to 1 Oct 2022. Alchemix expanded onto the Optimism L2 chain on 29 Sept 2022, just 2 days prior to the end of Q3. As there is only a very small amount of data available for this quarter, Optimism metrics will begin to be reported starting with Q4. Furthermore, a bridge to Arbitrum has been deployed as well, but no strategies have been implemented as of yet.

Data sources for the numbers provided below include, but are not limited to, the Alchemix SubGraph, the Etherscan API, Bitquery and Flipside Crypto.

This document is not investment advice, nor should anything herein be construed as solicitation to buy or invest. This is solely for informational purposes only. The discussions in this Quarterly Report may contain forward-looking statements reflecting Alchemix's current expectations that involve risks and uncertainties. The words "anticipates," "believes," "could," "estimates," "expects," "intends," "may," "plans," "projects," "will," "would" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Alchemix may not actually achieve the plans, intentions or expectations, and you should not place undue reliance on Alchemix's forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements that Alchemix makes. These forward-looking statements involve risks and uncertainties that could cause Alchemix's actual results to differ materially from those in the forward-looking statements. Alchemix does not assume any obligation to update any forward-looking statements. The numbers that are being provided below, as of 1 October 2022, as well as other information disclosed in this document, are unaudited. The numbers in this document are a result of a good faith effort to read past data from the pertinent blockchain or other relevant data source. Some

values are not readily accessible, and best efforts were made to ascertain the most accurate numbers or estimates.

The preparation of this document requires estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs and expenses, and related information.

Due to the COVID-19 pandemic and the war in Ukraine, there has been uncertainty and disruption in the global economy and financial markets which could impact Alchemix's estimates and assumptions. These estimates may change as new events occur and additional information is obtained. Actual results could differ materially from these estimates under different assumptions or conditions.

This report was released on 2022.11.04.

Highlights

The third quarter of 2022 brought interesting developments into the Alchemix world, including the following:

- Optimism deployment at the very end of the quarter.
- Launch of AAVE vaults on Mainnet.
- Launch of vault migration tool on Mainnet.
- In the wake of the market disruption caused by the collapse of the Terra ecosystem, alAsset prices experienced volatility in Q2, but largely stabilised in Q3.
- 13 governance proposals went to a vote in the quarter.
- Total deposits contracted significantly as a result of the general market downturn and the corresponding decrease in Curve and stablecoin yields.
- Yearn Finance, which Alchemix uses to earn yield in many of its Alchemists, announced that it was cutting fees for some of its vaults.

Protocol Metrics

In this section we cover the most important metrics that indicate the sustainability and health of the protocol.

alAsset Prices

The main challenge for the protocol is to maintain a strong price for the alAssets, meaning that they converge towards the price of the assets with which they are paired. If the protocol is successful in achieving and maintaining a strong price, then it is believed that this is a key indicator that the Alchemist deposit caps can be increased. In turn, with growing deposits, protocol revenue increases. In essence, a good price results in growing revenues and profit for Alchemix.

Without a robust and healthy price for the alAssets, Alchemix's value proposition diminishes, as a lower price would mean an effective lowering of the LTV ratio of a user's deposit. A sustained exact 1:1 peg between alAssets and their pairs is not possible, but it is the stated goal of the protocol to ensure that the prices remain at reasonable levels.

The price and liquidity for alUSD and alETH are achieved by establishing liquidity pools in Curve, Saddle, Velodrome and Beethoven X.

The alUSD and alETH price history charts can be seen below.

Shortly after the launch of Alchemix v2, the protocol deployed a new mechanic called the Elixir, which is intended to help bolster the prices of alAssets. The Elixirs have also been called the AMOs. The mechanisms by which the new Elixirs and the Transmuters help maintain alAsset prices is detailed in the *System Components* section below.



aUSD Price vs. DAI

Trade size

Jul 1st

Oct 1st

\$1M

0.9852 (-1.48%)

0.9986 (-0.14%)

\$10M

0.9642 (-3.58%)

0.9977 (-0.23%)



aUSD price vs. DAI



aLETH Price vs. ETH

Trade size

Jul 1st

Oct 1st

500 ETH

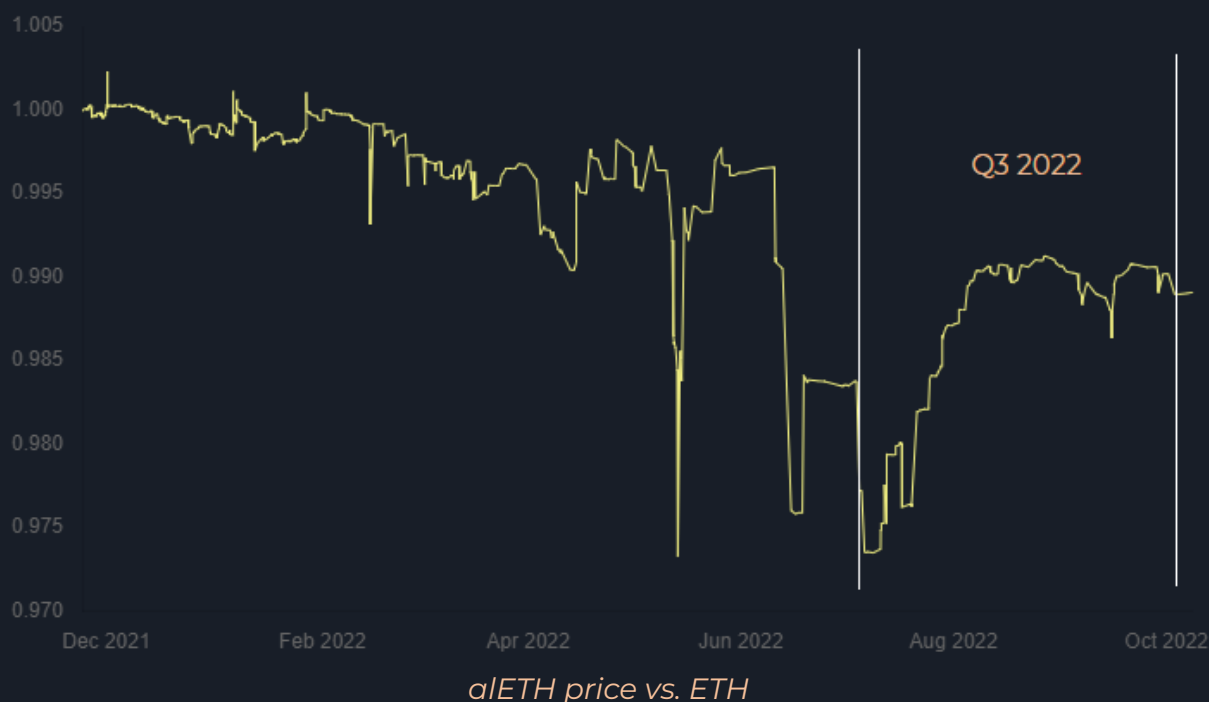
0.9836 (-1.64%)

0.9902 (-0.98%)

5000 ETH

0.9684 (-3.16%)

0.982 (-1.8%)



UST Incident

This section is to discuss aAsset prices during the events of the UST incident and to highlight the performance of the protocol and AMO during the incident.

UST is an algorithmic stablecoin issued by Terra and collateralized by LUNA. UST was intended to be pegged to the US Dollar. Beginning on 9 May 2022, UST began to fall from its peg, and crashed on 12 May 2022. Due to market conditions and the mechanisms behind UST, UST and LUNA's values entered into a downward feedback loop. By the end of May 2022, UST's value had dropped from ~1USD to ~0.03 USD. As of this writing, each UST, which has been rebranded as UST Classic, is valued at less than 0.04 USD. At its peak, UST's market cap was valued at more than 18 billion USD.

This turmoil with UST's de-pegging, along with general market conditions, had a contagion effect that caused further tumult throughout the broader stablecoin markets, a tumult to which Alchemix's stablecoin, aUSD, was not immune. In the

charts above, one can see discernible volatility in the prices of aUSD and aETH during the turmoil of the UST incident. Through the mechanisms as set forth in the Elixir capabilities, Alchemix was able to rebalance the liquidity in the respective liquidity pools for both aUSD and aETH to help stabilize the volatility and help bring the prices to more preferred levels.

aAsset Liquidity Pools

The other key metric to consider with regard to the price is the depth of the liquidity pools. In essence, the total size of the liquidity pools needs to be large enough to support larger trades, so that these trades can be fulfilled at reasonable prices. If there is not enough liquidity, participants with larger amounts of capital are practically unable to use the product as it is intended, and Alchemix would become less attractive as a DeFi tool.




For Q3 2022, Alchemix's relevant liquidity pools expanded slightly. With the general market stabilisation during the quarter, market participants reentered the liquidity pools, increasing total liquidity.

New liquidity pools have been set up in partnership with FRAX, specifically with their new Frax Base Pool, both on Curve and Saddle, on Ethereum mainnet.



aUSD Liquidity Pools





Total size in all pools

	Jul 1st	Oct 1st
	\$97.57M	\$128.08M
 aUSD3Crv	Jul 1st \$72.75M	Oct 1st \$107.31M
 D3 Curve	Jul 1st \$3.98M	Oct 1st -
 Curve FraxBP	Jul 1st -	Oct 1st \$11.97M
 Saddle D4	Jul 1st \$16.23M	Oct 1st \$1.01M
 Fantom Beets	Jul 1st \$4.29M	Oct 1st \$4.04M
 Saddle FraxBP	Jul 1st -	Oct 1st \$2.75M
 Optimism Velodrome	Jul 1st \$0.32M	Oct 1st \$0.99M



aLETH Liquidity Pools

Total size in all pools

	Jul 1st	Oct 1st
	42774 (\$45.72M)	37651 (\$50.93M)
 aLETHCrv	Jul 1st 38068 (\$40.69M)	Oct 1st 34979 (\$47.31M)
 Saddle aLETH	Jul 1st 4463 (\$4.77M)	Oct 1st 1489 (\$2.02M)
 Optimism Velodrome	Jul 1st 243 (\$0.26M)	Oct 1st 1183 (\$1.6M)
 Ether price	\$1,069	\$1,331

Total Deposits vs. Liquidity

The size of liquidity pools can also be examined in relation to the amount of user deposits in Alchemix vaults. The liquidity pools should be sufficiently large to facilitate movement of alAssets across the ecosystem, so the protocol aims to keep the size of the pools healthy, relative to deposits.

This calculation is expected to change as more use-cases are added for alAssets across the ecosystem; the relative size of liquidity pools can decrease without impacting the health of the protocol.

Also, for simplicity, we are disregarding the fact that some liquidity pools are set to an alAsset : externalAsset ratio of 1 : 1 and others are set for lower ratios. The latter happens when multiple assets are pooled together; for example, the Saddle D4 pool, where alUSD only makes up 25% of the pool when balanced.

As demonstrated by the table below, the deposit : liquidity ratio increased considerably for alUSD and slightly for alETH. This is a result of the contraction of v1 deposits, as well as the increase in liquidity.

Deposit : Liquidity ratio

	Jul 1st	Oct 1st
 alUSD	1 : 1.18	1 : 5.47
 alETH	1 : 1.79	1 : 2.06

alAsset Utility

Becoming embedded as part of the DeFi ecosystem substrate is of paramount importance for Alchemix.

Without a direct use for the alAssets (alUSD, alETH), the only action for users after taking an Alchemix loan is to swap their alAsset into something more “usable.” This puts the protocol under constant pressure to devote resources to maintaining the price and liquidity of these alAssets by utilising ALCX emissions or its own non-native assets, both of which are value extractive for the protocol and for ALCX holders.

However, if the alAssets themselves can be used in a productive manner without requiring a swap, then it makes sense for users to hold these alAssets, which in turn takes pressure off of the protocol to maintain the prices. The fewer resources that Alchemix needs to devote to maintaining alAsset liquidity, the more resources are available to grow the protocol and generate revenue.

We divide these protocols into two distinct groups. The first group provides direct use-cases for alAssets, where the assets themselves can be used in a productive manner. The second group makes it possible for Alchemix to provide liquidity cheaper than it would be possible otherwise.

Please note that we decided to exclude aggregator services that allow users to invest in the base alUSD and alETH liquidity pools but provide no additional incentives or special use-cases.

alAsset Usage



Premia

Premia Finance is a decentralized options protocol, enabling anyone to buy and sell options in a fair and liquidity-efficient way.

Premia currently has two pools for Alchemix, the ALCX/DAI and the aETH/aUSD options pools. Users are able to deposit ALCX, DAI, aETH and aUSD and become the underwriters for these assets.

Traders buy options to speculate on the price of ALCX and aETH, and the depositors earn the fees paid by the traders.

Website: <https://premia.finance>



Tokemak

Tokemak is a protocol designed to generate deep, sustainable liquidity for DeFi and future tokenized applications that will arise throughout the growth and evolution of Web3. It is a decentralized market making platform and a liquidity router.

Sitting a "layer above" decentralized exchanges, Tokemak allows for control over where the liquidity flows, and also offers an easier, cheaper way for providing and sourcing liquidity.

There are currently two Alchemix-related reactors (pools) in Tokemak, one for the ALCX governance token, the other for aUSD. Users can deposit these assets and earn a yield on them in Tokemak's native asset, TOKE. The system then pairs these assets with other tokens in Tokemak, such as ETH, USDC or any other asset that is voted for, creating trading pairs on decentralized exchanges.

The Alchemix treasury is currently staking a considerable amount of its own ALCX in the Tokemak reactor, earning TOKE on it.

Website: <https://tokemak.xyz>



Mover

Mover DAO focuses on bridging DeFi and traditional finance via the crypto debit card. It allows holders to top up their credit card balance using aUSD, aETH, ALCX and gALCX.

Website: <https://viamover.com>

alAsset Liquidity Support

Alchemix relies on the following protocols to provide additional incentives to liquidity providers on top of what Alchemix offers.



Curve & Convex

Through the Curve/Convex gauges \$1 of ALCX spent as bribes provides more than \$1 worth of CRV/CVX emissions to liquidity providers. Curve and Convex are the most important protocols, as the main alAsset liquidity pools reside on Curve.

Websites: <https://curve.fi> and <https://www.convexfinance.com>



Saddle

Similar to Curve, Saddle also has a gauge system where veSDL holders can direct SDL emissions to Saddle pools. As of Oct 1st, there were three pools deployed on Saddle where alAssets are present, the D4 Stablecoin and FraxBP pools for alUSD and the Saddle alETH pool.

Using ALCX to bribe veSDL holders or purchasing SDL and using the veSDL voting power will result in cheaper liquidity than paying directly in ALCX.

Website: <https://saddle.finance>



Bent Finance

Bent Finance is a protocol built on top of Convex. Using an analogy, it is to Convex, what Convex is to Curve, so essentially a third layer in the Curve ecosystem. Liquidity providers can stake their Curve LP tokens in Bent instead of Convex and they will receive what they would in Convex plus BENT rewards on top, pushing alAsset LP yields higher.

Website: <https://app.bentfinance.com>



Beethoven X

aUSD liquidity on Fantom resides on the Beethoven X AMM, where BEETS (the governance token of Beethoven X) tokens are provided to liquidity providers, along with gALCX rewards.

Website: <https://beets.fi>



Stake DAO

Stake DAO allows Alchemix to increase its veCRV voting power by the usage of their own veCRV tokens. For more details please refer to the *Strategic Token Accumulation* section in this document.

Website: <https://stakedao.org>



FRAX

FRAX has been a partner for Alchemix for some time, setting up and rewarding liquidity pools together, including the Saddle D4 and Curve D3 pools. Rewards to the Curve D3 pool have been terminated, but multiple aUSD pools are being set up with a FraxBP (Frax Base Pool) pairing on Ethereum, Fantom and possibly elsewhere, where FRAX essentially pays for their own side of the liquidity.

Website: <https://frax.finance>



Velodrome

Velodrome Finance is a new AMM on the Optimism L2 chain. As part of their launch campaign they airdropped NFTs that provide voting power to notable projects, including Alchemix. Alchemix uses this voting power to direct rewards to the two new aAsset pools (aUSD-USDC, aETH-ETH) that have been set up in Velodrome. Additional VELO tokens have been purchased in this quarter.

Website: <https://velodrome.finance>



Tokemak

Tokemak can also be mentioned in this section, as they currently provide “free” liquidity for the ALCX-ETH pairing in Sushiswap, and will hopefully soon be able to create liquidity pairs for aUSD, without additional cost to Alchemix.

Website: <https://tokemak.xyz>



Element Finance

Element Finance is a decentralized finance protocol that enables users to seek high fixed yield income in the DeFi market. This is made possible by the introduction of an internal AMM where these fixed rate tokens can be traded.

Variable rate users can deposit any of the 3Crv tokens (DAI, USDC, USDT) as well as aUSD that is deposited into the aUSD3Crv pool and principal tokens are created. Users can buy these principal tokens to get access to a guaranteed fixed yield for a predefined amount of time (usually 6-month terms).

Website: <https://www.element.fi>



Idle Finance

Idle Finance is a decentralized rebalancing protocol that allows users to automatically and algorithmically manage their digital asset allocation among different third-party DeFi protocols. Users can choose to maximize their interest rate returns through the Junior Tranche strategy or minimize their risk exposure through the Senior Tranche allocation strategy. The Senior Tranche is insured by the Junior Tranche in case of a partial loss of funds of the strategy.

Idle currently supports the aUSD3Crv Curve pool, meaning users can earn the yield provided by the aUSD3Crv pool with higher or lower yields, depending on their risk appetite.

Website: <https://idle.finance>



Gro Protocol

Gro provides access to automated yield strategies for stablecoins.

They create a basket of stablecoin LP tokens staked in Convex and the aUSD3Crv pool is part of this basket.

They have a pair vault structure where users can choose between higher yields or capital protection.

Users depositing in the capital-protected vault give up a portion of their yield to the high-yield vault, but should the underlying strategies suffer a loss, the high-yield vault will take on the losses of the capital-protected vault.

Gro also provides additional APY in the form of GRO rewards for both vaults.

Website: <https://www.gro.xyz>



Pickle Finance

Pickle Finance is a yield aggregator.

It makes it easy to earn compounding yields on deposits, when one does not have the time to compound it daily or the gas fee is too high for frequent compounding to be done.

Pickle supports the Saddle D4 and Velodrome aUSD and aETH pools and provides additional Pickle (and OP) rewards on top of the base yields.

Website: <https://www.pickle.finance>

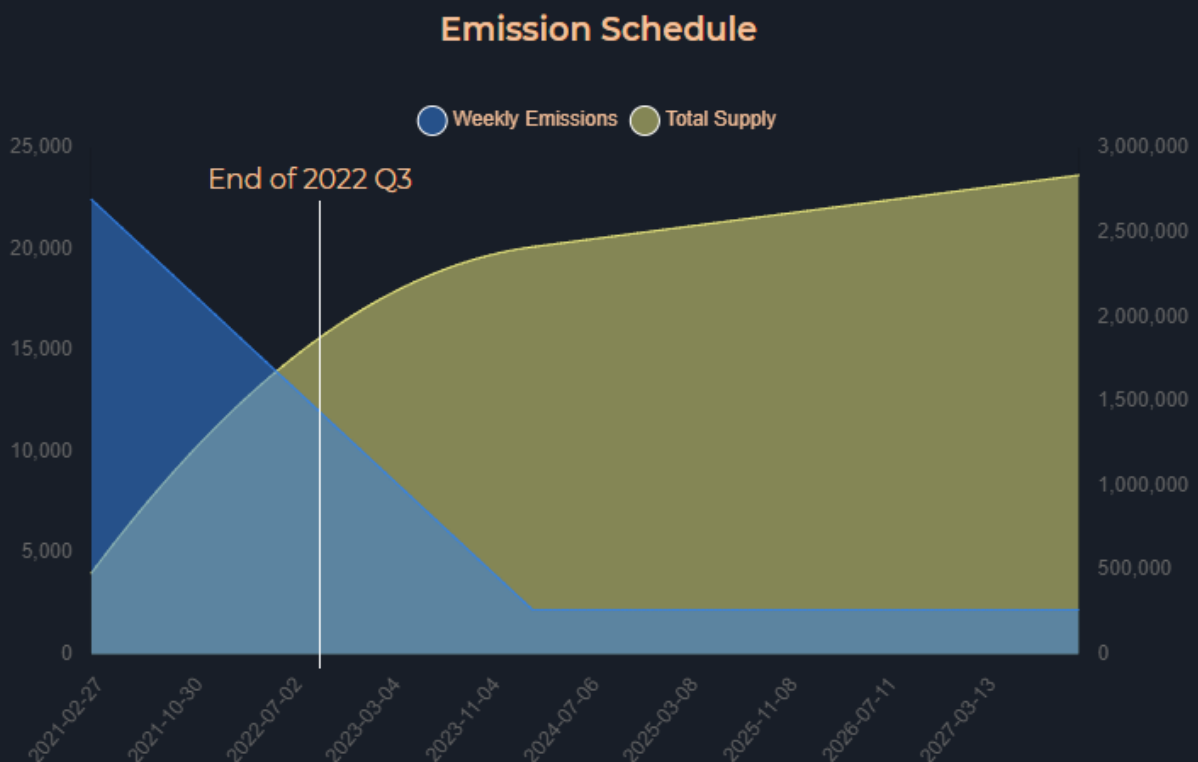


ALCX Governance Token

The governance token of the Alchemix protocol is ALCX. It allows users to influence protocol direction by voting on submitted proposals. The continuous issuance of the ALCX token follows a pre-defined schedule. Alchemix provides various staking options for holders to minimize the effects of token inflation.

Below, we provide information on current inflation numbers, future total supply expansion and the emission allocation.

39% of ALCX emissions are currently being redirected to the treasury, effectively reducing the amount of new ALCX that enters circulation.



As shown on the chart, the initial high token issuance rate decreases in a linear fashion, dropping to the baseline 2200 tokens emitted per week at the 3-year mark.

At this date, annual inflation will be ~4.7%, very slowly decreasing in perpetuity.

Effective Annualized Inflation Rate

This calculation compares new ALCX issued vs. the total supply. This includes all ALCX in existence, including treasury holdings that are outside of circulation.

2022.07.01.	2022.10.01.	2023.01.01. (Projected)
40.03%	31.96%	25.44%

Adjusted Annualized Inflation Rate

This calculation compares new ALCX entering circulation vs. the total supply, taking into account (subtracting) the currently 39% of the total weekly emissions that can be used by the DAO that is redirected to the treasury.

2022.10.01.	2023.01.01. (Projected)
19.5%	15.52%

Projected ALCX Supply Growth Compared to 2022.10.01.

2023.10.01.	2024.10.01.	2025.10.01.
22.4%	29.81%	35.79%

ALCX emissions are used to support the strategic goals of the protocol. The biggest challenge, as laid out in the sections above, is sustaining a stable price for alAssets. In order for the protocol to be sustainable long term, it cannot rely solely on token emissions to support the alAsset prices. For this reason, the treasury started accumulating strategic assets, such as CRV, CVX, TOKE and VELO to be able to support the liquidity pools without emissions.

The protocol is still incentivizing single-sided staking, ALCX liquidity, and alAsset liquidity by using ALCX emissions. However, it has begun the transition to using emissions for the purpose of accumulating strategic assets.

Direct liquidity incentives through emissions may be wound down while the protocol becomes self-sustaining.

Change in the Emission Allocation from July 1st to October 1st

D3 pool



-2%

FraxBPCrv




+2%

Distribution of Emissions on Oct 1st




Staking (33%)

	ALCX/ETH SLP	20%
	ALCX	13%

alAsset liquidity (24%)

	alUSD3Crv	11%
	alETHCrv	9%
	FraxBPCrv	2%
	Saddle alETH	2%

Fantom (4%)

	Beets alUSD	2.5%
	SpookySwap gALCX/FTM	0.83%
	SpiritSwap gALCX/FTM	0.66%



Index Cooperative Bankless DeFi Innovation Index

The Index Cooperative created a simple composite index token (GMI) that includes promising early stage DeFi projects. ALCX is included as a component of this index, which also includes 11 other DeFi tokens. On 1 July 2022, 1,065 ALCX were in the GMI contract. As of 30 September 2022, 1,028 ALCX were in the GMI contract. Read more about the GMI token [here](#).



Phuture Finance Phuture Defi Index

Phuture Finance created an index token (PDI) that provides well-balanced exposure to the growing DeFi sector. ALCX was included as a component of this index, which also includes a number of other DeFi tokens. On 09 August 2022, the [contract that held the ALCX for the PDI index swapped its ALCX holdings for COMP](#). Read more about the PDI token [here](#). Given that the PDI index token no longer includes ALCX, this will no longer be included in future reports.

System Components

Three main components work in tandem to provide the functionality for the Alchemix system. These are the Alchemists, Transmuters and the Elixirs (AMOs).

User deposits are held by the Alchemist contracts. The Elixir and Transmuter contracts also hold a significant amount of funds that are responsible for providing a backstop for alAsset redemption. The Transmuters redeem alAssets for their underlying collateral pairs 1:1, but do this slowly, over a longer period of time.

The Elixirs, on the other hand, own a portion of the main alAsset liquidity pools and can take action to ensure that trades in their respective liquidity pools can be fulfilled at a reasonable level that is determined by governance. The Elixirs also provide a large portion of protocol revenue by farming the liquidity pool tokens.


The alUSD Alchemist contract permits a maximum Loan-to-Value ratio of 50%. This means that users can borrow up to half of the value of their stablecoin deposits as an alUSD-denominated loan. This is unchanged from Alchemix v1.

In v1, the alETH Alchemist had a Loan-to-Value ratio of 25%, meaning users could only take out 25% of their ETH collateral as an alETH loan. This changed in v2, and the alETH Alchemist is now in line with the alUSD Alchemist, allowing users to take out 50% of their ETH collateral as an alETH loan.

In v1, excess funds in the DAI and ETH Transmuters were deployed to earn additional yield in their respective Yearn vaults. This additional yield was then proportionally shared among depositors to pay down loans more quickly.

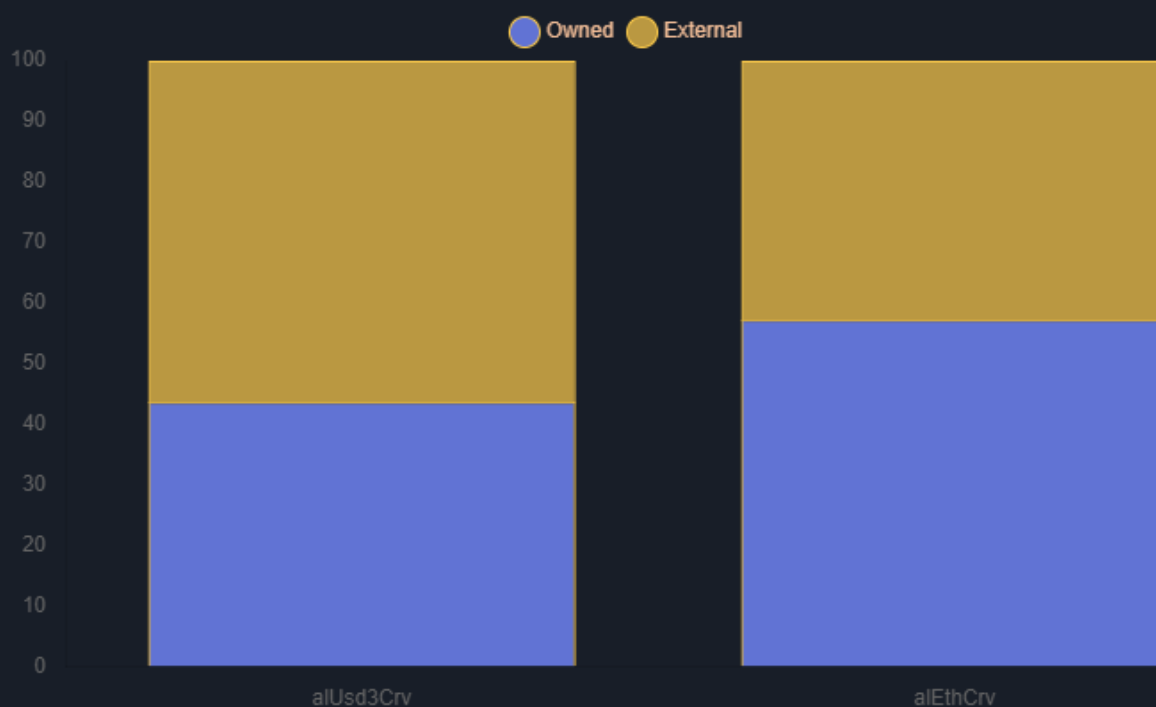
In v2, excess funds are instead being deployed in the AMOs (Elixirs) to provide price stability and to earn additional protocol revenue.

Elixir Contents (values as of October 1st)

	Amount	USD value
 aIUSD3Crv	46.68M	\$46.68M
 aIEthCrv	19700	\$26.18M
 DAI	14.78M	\$14.78M
 ETH	26	\$0.03M
Total		\$87.67M

Elixir Ownership of Main Liquidity Pools



As of Oct 1st, the protocol owned 44% of the aIUSD3Crv pool and 57% of the aIEthCrv pool. This means that out of all the CRV/CVX emissions that go to these pools, which are mainly incentivized by Alchemix itself, the protocol makes back a considerable portion. This also provides considerable power in defining the price of assets in these pools.



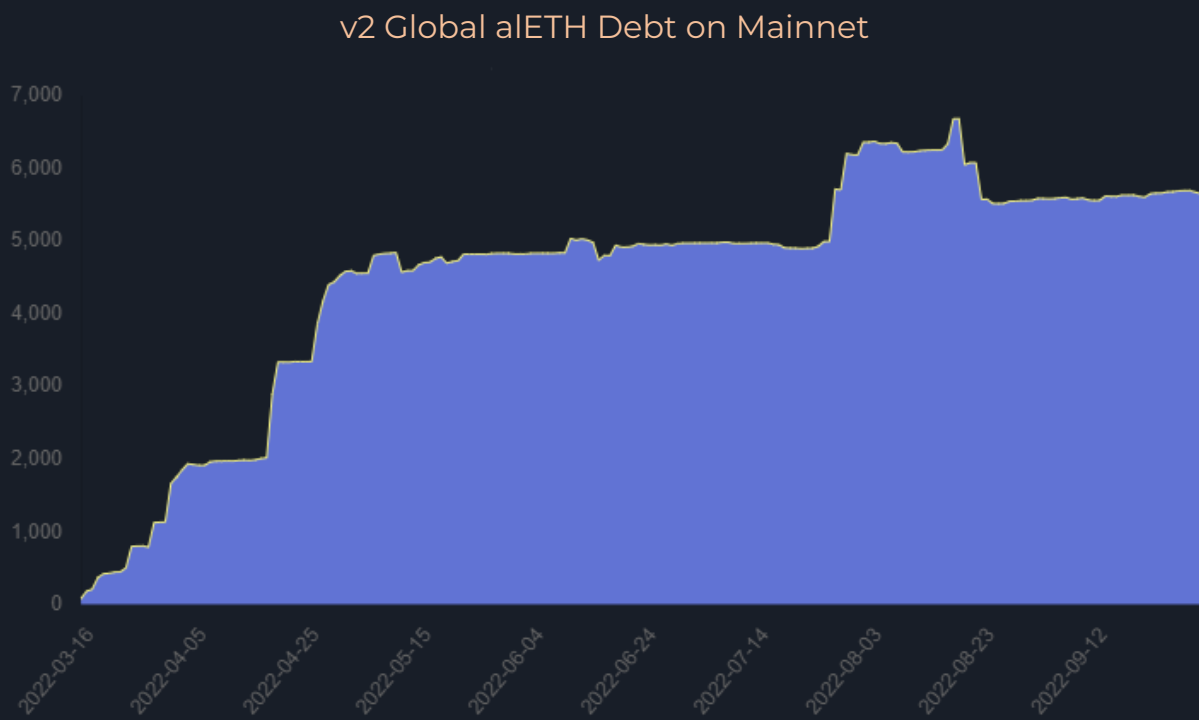
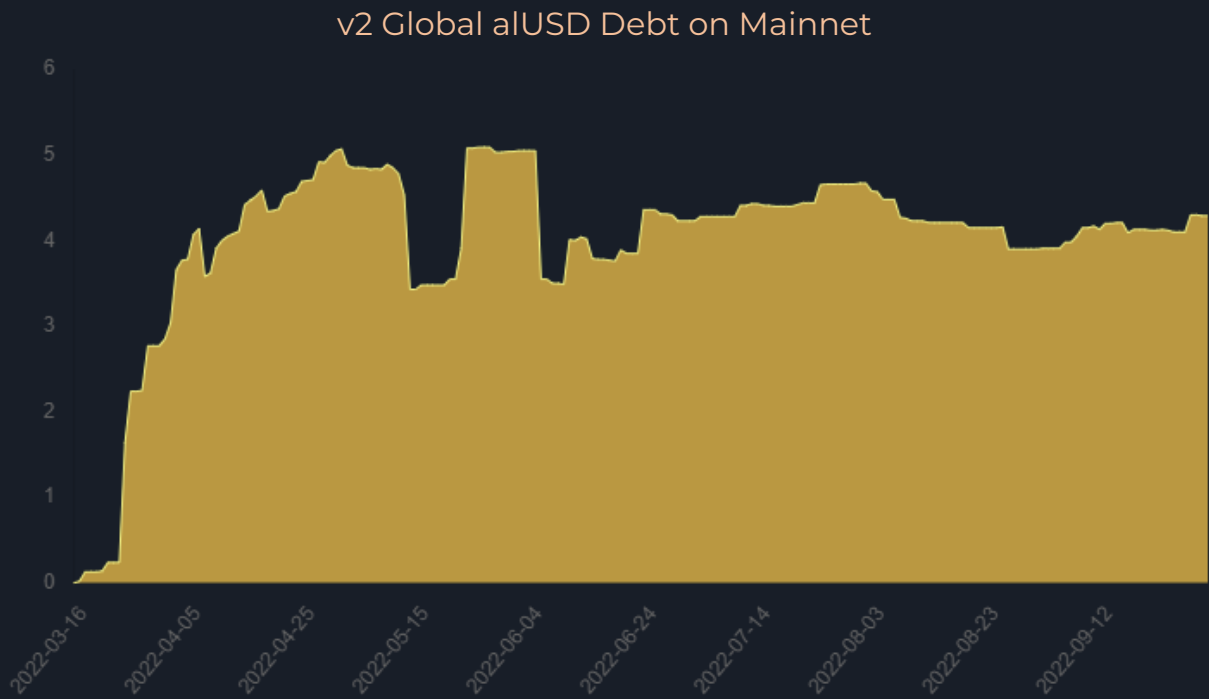
Aggregate Global User Debt Levels

This section shows aggregate global user debt across all Alchemists on Mainnet. The maximum LTV (Loan-to-Value) ratio in all Alchemists is set to 50%. This means that users can take an aAsset-denominated loan for up to 50% of the value of their deposited collateral. If every depositor were to always max out their debt allowance, the debt levels would be exactly 50% of the amount of deposits. Some users do periodically max out their debt, while other users plan to wait for their loans to self-repay instead.

The table and charts below only show v2 metrics, as v1 had been sunset as of October 1st. The table shows the state of the aggregate global user debt across all Alchemists on Mainnet on October 1st.

	Amount	USD value	Loan-to-Value
 aUSD	4.29M	\$4.29M	48.97%
 aETH	5655	\$7.52M	48.74%
	Total	\$11.81M	

Users had a total of \$4.29M of aUSD-denominated debt, and a total of 5,655 of aETH-denominated debt in the respective Mainnet Alchemists on Oct 1st.



Treasury, Revenues and Expenses

Strategic Token Accumulation

The main goal of the Alchemix treasury is to use its value to support and expand the protocol. It acquires assets that it can use to provide a sufficient amount of liquidity for the needs of the protocol, or use for some other strategic purpose.

As a baseline, this is done by investing protocol revenue into these assets.

For previous quarters, Olympus Pro had also been used to supercharge growth, but has since stopped.

Olympus Pro is a vendor for DeFi protocols that allows for protocols to use a bonding curve to essentially sell their native tokens in exchange for other strategic tokens that are of interest to said protocols. Read more about it [here](#).



CVX (Convex Finance)

Using Olympus Pro bonding services, Alchemix accumulated CVX tokens in exchange for ALCX tokens. Alchemix also earns CVX from staked liquidity pool tokens and locked CVX tokens. These CVX tokens are used with Convex Finance to direct Curve Finance emissions. This, in turn, incentivizes liquidity, and earns revenue for the protocol.



ALCX/ETH Sushi Liquidity Pool

Using Olympus Pro bonding services, Alchemix accumulated ALCX/ETH Sushiswap liquidity pool (SLP) tokens in exchange for ALCX tokens. These SLP tokens are held by the protocol and provide stability to ALCX by making it less susceptible to mercenary capital and market fluctuations. The protocol accrues trading fees from the pool, as well as ALCX and SUSHI staking rewards.



TOKE (Tokemak)

Using Olympus Pro bonding services, Alchemix accumulated TOKE tokens in exchange for ALCX tokens. These TOKE tokens are used with Tokemak to direct liquidity, provide stability for Alchemix tokens and to earn additional revenue for the protocol. The treasury also stakes its own ALCX in the tALCX reactor to earn TOKE.

At the end of the quarter, Tokemak had \$0.8M of the ALCX/ETH pair deployed on Sushiswap. They are expected to deploy additional chunks going forward.



sdCRV (Stake DAO CRV)

CRV (Curve) tokens can be permanently locked as sdCRV tokens in Stake DAO's smart contracts, similar to how CRV is permanently locked in Convex as cvxCRV. Stake DAO then enables holders to vote on Curve gauges through their platform. Stake DAO itself also holds CRV tokens, and they use these assets to boost the voting power of sdCRV holders, if they also hold the protocol's (staked) governance token veSDT.

For this reason, the Alchemix treasury holds veSDT tokens alongside a large stack of sdCRV tokens, as this currently provides the highest amount of Curve gauge votes per \$ invested.



VELO (Velodrome)

Velodrome Finance is a new AMM on the Optimism L2 chain. As part of their launch campaign they airdropped NFTs that provide voting power to notable projects, including Alchemix. Alchemix uses this voting power to direct rewards to the two new alAsset pools (alUSD-USDC, alETH-ETH) that have been set up in Velodrome.

As per [AIP-59](#), additional VELO was purchased and locked as veVELO.

Treasury Contents

A Treasury dashboard that will highlight revenues and expenses, as well as assets and liabilities, is currently under development.

In the meantime, we are including some of the treasury holdings as of 1 October 2022 and treasury growth compared to 1 July 2022.

The treasury expanded by \$2.91M (+38.7%) as a result of the slight market recovery, as well as revenue contributions mainly from the Elixirs.

	Jul 1st	Oct 1st	Change QoQ
aIETH+ETH LP	\$1.32M (1,238)	\$1.65M (1,238)	+\$0.33M (+25%)
TOKE	\$0.24M (230,088)	\$0.25M (262,069)	+\$0.01M (+4.17%)
CVX	\$1.26M (300,716)	\$1.64M (333,277)	+\$0.38M (+30.16%)
ALCX/ETH SLP	\$1.26M (3,533)	\$1.32M (3,533)	+\$0.06M (+4.76%)
SDT	\$0.33M (981,464)	\$0.41M (981,464)	+\$0.08M (+24.24%)
sdCRV	\$2.31M (3,079,823)	\$3.39M (3,654,311)	+\$1.08M (+46.75%)
VELO	\$0.03M (4,000,000)	\$0.11M (6,359,798)	+\$0.08M (+266.7%)
Other	\$0.8M	\$1.66M	+\$0.86M (+107.5%)
Total	\$7.52M	\$10.43M	+\$2.91M (+38.7%)

Data source for: [ALCX/ETH SLP](#)

Expenses

The DAO is currently approved for \$450,000 in expenses per quarter to pay contributors, services, audits, bug bounty programs, transaction gas costs, etc. An additional 20% of all emissions go to the core development team, part of which also funds the business development and governance (bizgov) subDAO.

Total Addressable Market

In this section we aim to calculate the potential target market of Alchemix. Using Alchemix is (almost) always financially better than using any one of the integrated vaults directly. This is because Alchemix deposits the users' funds in the same vaults, but provides the yields up front.

So anyone that is directly depositing in the integrated vaults instead of using Alchemix is sacrificing their yield for some other (perceived) feature. This could be additional smart contract risk, not being aware of Alchemix, borrowing against their deposits in protocols such as Aave or Compound, being constrained by Alchemix deposit caps, etc.

Aave TVL on Optimism is highlighted as these vaults have just launched on Optimism and we will be closely tracking their utilisation in the next quarter.

	Market size	Protocol
TVL in integrated stablecoin vaults	\$2,029M	Total
	\$133M	Yearn
	\$1,896M	Aave
TVL in integrated ETH vaults	\$7,287M	Total
	\$78M	Yearn
	\$186M	RocketPool (rETH)
	\$5,833M	Lido (stETH)
	\$1,190M	Aave
TVL in Aave on Optimism	\$1,161M	Aave
Stablecoin TVL in potential new vaults	\$2,516M	Others*
ETH TVL in potential new vaults	\$708M	Others*
Total integrated	\$9,316M	
Total in potential vaults	\$3,224M	
Total Target Market size	\$13,593M**	

*Potential new vaults include vaults from the protocols for which integration has been voted for by governance in [AIP-47: Alpha Vaults](#): Yearn (non-integrated), Aave (non-integrated), Compound, Vesper, Stargate, Tokemak, Index Coop, Galleon, Idle Finance and Gearbox

**Calculations exclude strategies that are included in multiple protocols (such as stETH), thus the total amounts cannot simply be summarized.

To highlight, the largest single “vault” by a large margin is Lido’s stETH strategy (\$5.8B), and the protocol with the highest TVL (excluding Lido) is Aave, whose value locked stands at \$5.5B. Both stETH and Aave are already integrated into the Alchemix protocol. Note: As of this writing, depositing Lido’s stETH as collateral has been temporarily paused in Alchemix as a result of the instability of stETH’s price relative to ETH, which was caused by the market downturn.

In theory, all TVL in these vaults could move into Alchemix. In practice, this will never happen partly because of the above-mentioned reasons. On the other hand, Alchemix also encourages new TVL to be deposited in these vaults, as it makes for a better value proposition.

The Yearn vaults are prime examples of this, where Alchemix currently owns a substantial share of the Yearn DAI vault (42%) and the Yearn ETH vault (26%).

Ethereum & Fantom

The following section provides information for protocol and user activity on the Ethereum Mainnet network and the Fantom Opera network

Yield Harvests

Yield harvests are what enable Alchemix's self-repaying loans. Harvests are periodic withdrawals of yield generated by funds deposited in the Yearn vaults and other strategies. These harvested yields are then used to proportionally pay down depositors' loans. Yield harvests are not on any set schedule. They generally happen when enough yield has been amassed and transaction fees are low enough for the harvest to make financial sense. 10% of the yield that is harvested is captured by Alchemix as a service fee.

Total v1 Harvests in Q2 2022 on Mainnet

Calculated with the price of Ether on July 1st.



DAI

\$2.37M



ETH

\$0.74M (219 ETH)

Total v2 Harvests in Q3 2022 on Mainnet

	yvUSDC	yvDAI	yvUSDT	aUSDC	aDAI	aUSDT
Q1	644	1,728	27	-	-	-
Q2	7,793	27,733	465	-	-	-
Q3	2,323	46,112	0	0	0	0

	wstETH	rETH	yvETH	aWETH
Q1	0.0002	0.0001	0.62	-
Q2	10.6	0.5	5.93	-
Q3	0	0	21.46	0

Total v2 Harvests in Q3 2022 on Fantom

	yvUSDC	yvDAI	yvUSDT
Q2	0	567	100
Q3	200	300	100

In Q2 2022, over 35,900 USD equivalents, and over 17 ETH and staked equivalents were harvested for the v2 vaults. In Q3 2022, there were 48,000 USD equivalents and over 21 ETH harvested. While this represents a modest quarter-over-quarter increase, it is not representative of all of the yield that was captured in the ETH-underpinned vaults. rETH and stETH both experienced depegs that were substantial enough as to warrant pausing deposits and harvests in both vaults until a re-peg or other acceptable harvesting solution could be found. As a result, both vaults have yields that have gone unharvested. Another change in the execution of harvests was that the threshold for a vault being ripe for a harvest was lowered to \$200 for stablecoin vaults and 0.1 ETH for Ether vaults.

Deposits and User Metrics v1

The Alchemist v1 contracts were sunset shortly after the close of the quarter. They were officially deprecated on 10th of October. For this reason, this is the last report in which we show numbers for v1.

DAI user deposits contracted by \$59.11M (-80.17%).

ETH user deposits contracted by 48.33% in ETH terms and \$4.88M (-34.96%) in USD terms.

Total v1 deposits contracted by \$63.99M (-72.97%).

The decline in both Alchemists are possibly caused by the very low yield in the v1 DAI and WETH vaults degrading the value proposition of Alchemix, and some users migrating to the v2 contracts before the official sunset.

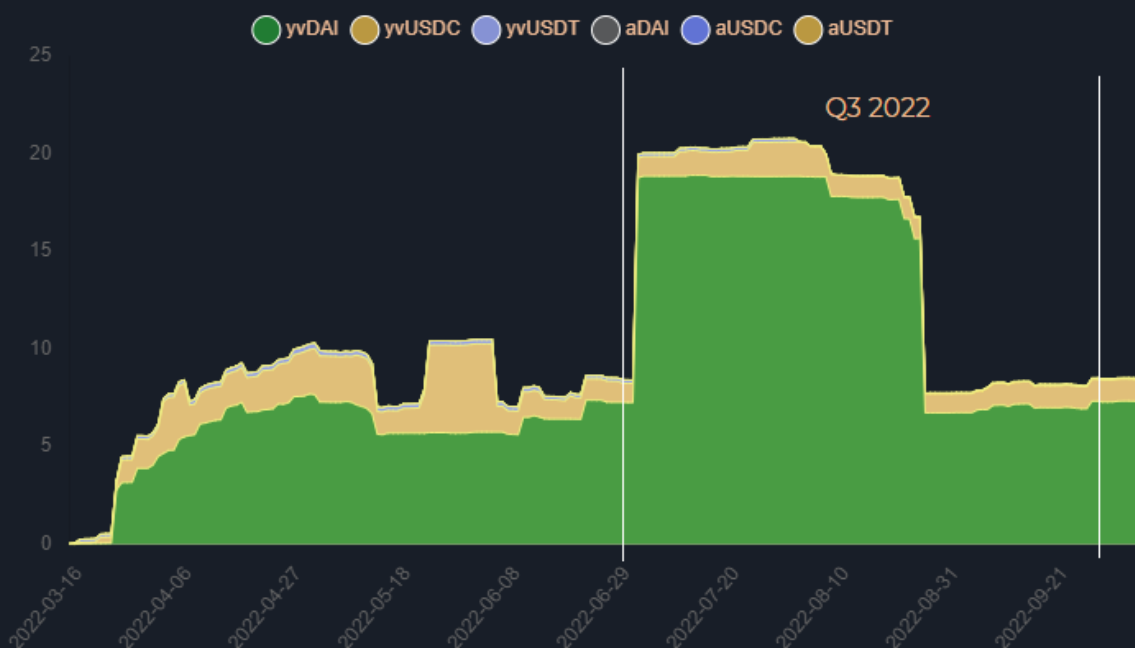
v1 User Deposits

	Jul 1st	Oct 1st	Change QoQ
DAI	\$73.73M	\$14.62M	-\$59.11M (-80.17%)
ETH	\$13.96M (13201)	\$9.08M (6821)	-\$4.88M (-34.96%)
Total	\$87.69M	\$23.7M	-\$63.99M (-72.97%)

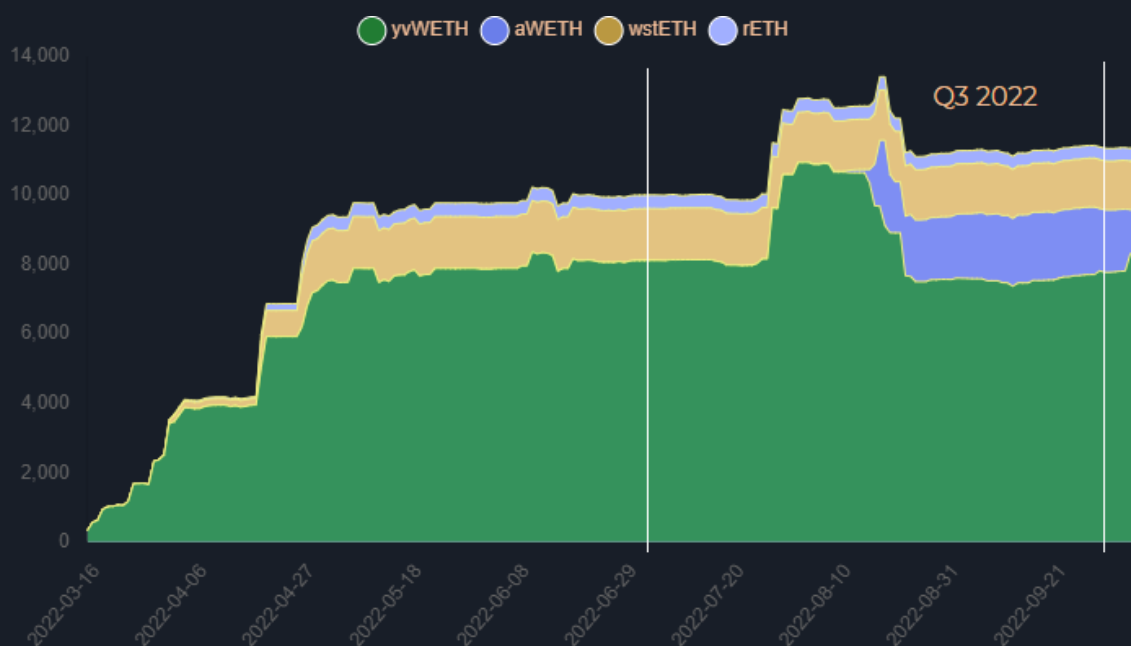
Deposits and User Metrics v2

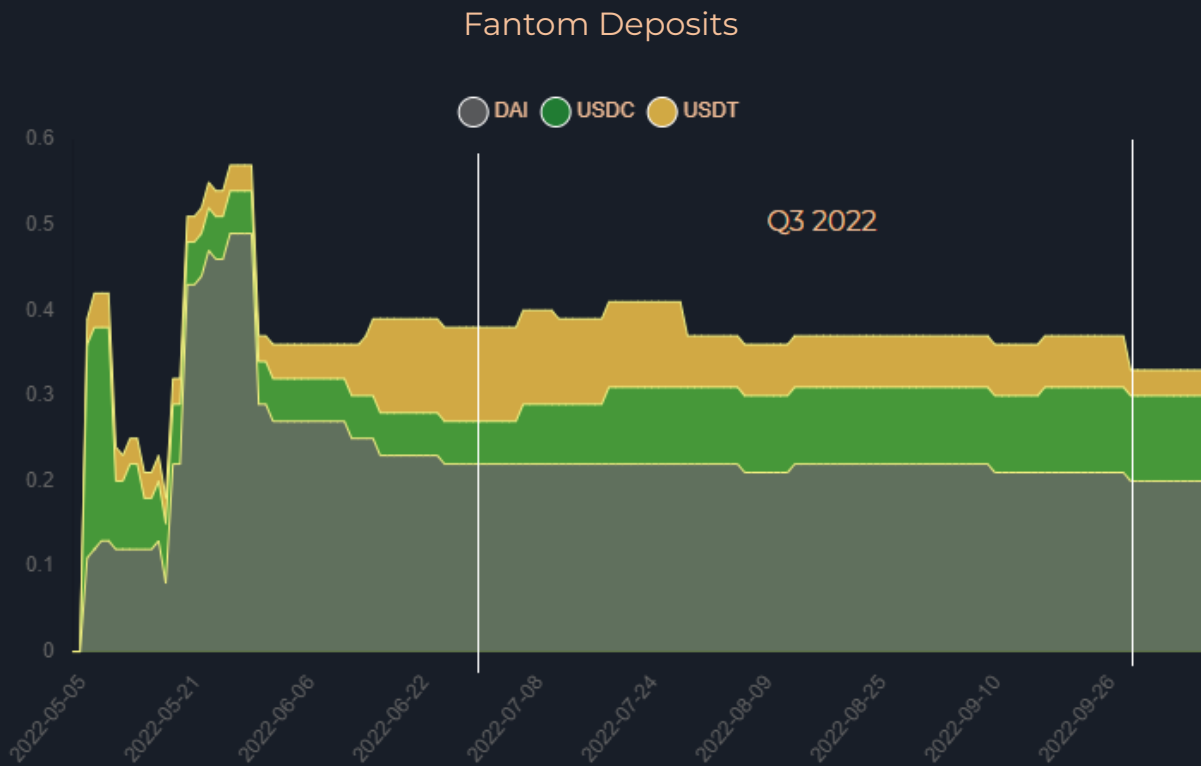
This section provides numbers for user activity in the protocol's v2 contracts. All data is for Q3 of 2022. Please note that there was for the most part little incentive for users to migrate their positions from v1 to v2 until the deprecation of the v1 contracts was decided.

v2 Stablecoin Deposits



v2 ETH Deposits





Net Deposits on Mainnet at Quarter End

	Jul 1st	Oct 1st	Change QoQ
Stablecoins	\$8.42M	\$8.48M	+\$0.06M (+0.07%)
ETH	\$10.94M (10230)	\$15.12M (11357)	+\$4.18M (+38.21%)
Total	\$19.36M	\$23.6M	+\$4.24M (+21.9%)

Net Deposits on Fantom at Quarter End

	Jul 1st	Oct 1st	Change QoQ
DAI	\$0.22M	\$0.2M	-\$0.02M (-9.1%)
USDC	\$0.05M	\$0.1M	+\$0.05M (+100%)
USDT	\$0.11M	\$0.03M	-\$0.08M (-72.73%)
Total	\$0.38M	\$0.33M	-\$0.05M (-13.16%)

Gross Deposits Mainnet

	yvUSDC	yvDAI	yvUSDT	aUSDC	aDAI	aUSDT
Q1	1.55M	4.08M	0.17M	-	-	-
Q2	6.42M	9.32M	0.13M	-	-	-
Q3	1.2M	12.9M	24,128	41,060	8,104	558

	wstETH	rETH	yvWETH	aWETH
Q1	93.52	16.48	4,012	-
Q2	1,464	481	8,802	-
Q3	1.91	36.24	4,916	3,104

Gross Deposits Fantom

	yvUSDC	yvDAI	yvUSDT
Q2	0.79M	0.69M	0.13M
Q3	67,545	5,085	961

In Q2 2022, there were more than 17.4 million in USD equivalents, and more than 10,700 in ETH and staked equivalents deposited into the Alchemix v2 contracts. In Q3 2022, there were more than 14.2 million in USD equivalents, and more than 8,000 in ETH and staked equivalents deposited into the v2 contracts.

Approximately 690,000 DAI and 140 ETH of the deposits for the quarter are accounted for by funds migrated from v1 to v2 using the migration contracts. As the Alchemix core team set a deadline for early October for sunseting the v1 Contracts, a large portion of the rest of the DAI and ETH deposits for the quarter are likely due to other users manually migrating funds from v1 to v2.

Number of Unique Depositors Mainnet

	Q1	Q2	Q3
alUSD Alchemist	65	238	100
alETH Alchemist	134	377	146

Tokens Minted Mainnet

	Q1	Q2	Q3
alUSD	2,863,726	7,863,536	1,303,625
alETH	1,828	5,468	3,473

Number of Unique Depositors Fantom

	Q2	Q3
alUSD Alchemist	182	28

Tokens Minted Fantom

	Q2	Q3
alUSD	2,027,383	43,121

In Q2 2022, 420 unique addresses deposited into the v2 alUSD Alchemists on Mainnet and Fantom, and 377 unique addresses deposited into the v2 alETH Alchemist. In Q3 2022, these numbers were 128 and 146, respectively. Only addresses that made a deposit in each respective quarter are counted here. Addresses that made deposits in previous quarters, but did not make any deposits while still carrying a balance in Q3 are not counted.

In Q2 2022, users minted over 9.8 million alUSD debt tokens on Mainnet and Fantom, and over 5,400 alETH debt tokens using the v2 contracts. In Q3 2022, over 1.38 million alUSD debt tokens were minted on Mainnet and Fantom, and over 3,400 alETH debt tokens were minted.

This quarter-over-quarter drop in user activity and issuance of alUSD and alETH debt is likely attributable to macro market conditions, whereby yields were generally very low, which likely lowered the value proposition of Alchemix's offerings for many users.

Withdrawals Mainnet

	yvUSDC	yvDAI	yvUSDT	aUSDC	aDAI	aUSDT
Q1	75,285	4,118	509	-	-	-
Q2	4.9M	3.8M	0.1M	-	-	-
Q3	0.9M	12.9M	84,334	8,640	7,789	53

	wstETH	rETH	yvWETH	aWETH
Q1	0.1	0.1	524	-
Q2	64	109	3,155	-
Q3	75	57	5,144	1,262

Withdrawals Fantom

	yvUSDC	yvDAI	yvUSDT
Q2	0.7M	0.4M	15,566
Q3	16,613	24,764	53,505

In Q2 2022, there were more than 9.9 million in USD equivalents and more than 3,300 in ETH and staked equivalents worth of gross withdrawals from the v2 contracts on Mainnet and Fantom. In Q3 2022, there were more than 13.8 million in USD equivalents and more than 6,500 in ETH and staked equivalents withdrawn from the v2 contracts on Mainnet and Fantom. The primary locus of the withdrawals, as with the deposits, was in the Yearn DAI vault. This is possibly attributable to users migrating funds from v1 to v2, and then ultimately deciding to move funds elsewhere.

Self-Liquidations Mainnet

	yvUSDC	yvDAI	yvUSDT	aUSDC	aDAI	aUSDT
Q1	3,374	327	997	-	-	-
Q2	2.0M	2.3M	26,068	-	-	-
Q3	0.1M	0.3M	79,503	11	11	0

	wstETH	rETH	yvWETH	aWETH
Q1	0	0	74	-
Q2	22.39	0	982	-
Q3	14.5	5.42	164.43	55.94

Self-Liquidations Fantom

	yvUSDC	yvDAI	yvUSDT
Q2	453	84,657	7,698
Q3	2,316	8,405	20,991

In Q2 2022, users self-liquidated over 4.3 million in USD equivalents, and over 1,000 ETH and staked equivalents from the v2 contracts on Mainnet and Fantom. In Q3 2022, users self-liquidated over 400,000 in USD equivalents, and over 240 ETH and staked equivalents from the v2 contracts on Mainnet and Fantom. This is broadly in line with the other trends of quarter-over-quarter decrease in user activity.

Repayments Mainnet

	USDC	DAI	USDT	aIUSD	ETH	aIETH
Q1	110	56	466	1,578	0	82
Q2	0.5M	9,103	3,561	1.4M	685	478
Q3	1,195	66,543	0	0.5M	530.45	2,004.79

Repayments Fantom

	USDC	DAI	USDT	aIUSD
Q2	1.2M	0.1M	443	0.3M
Q3	4,153	1,268	0	4,481

In Q2 2022, users manually repaid over 3.5 million in USD equivalent debt, and over 1,100 in ETH equivalent debt into the v2 contracts on Mainnet and Fantom. In Q3 2022, users manually repaid over 500,000 in USD equivalent debt, and over 2,500 in ETH equivalent debt into the v2 contracts on Mainnet and Fantom. While the decrease in USD equivalent activity is in line with broad quarter-over-quarter decrease in user activity, the increase in repayments may have been users

unlocking some of their ETH to either take advantage of temporary spike in APRs on the Yearn ecosystem, or to have ETH available in their wallets in preparation of the snapshot that took place for the PoW Ethereum fork as Ethereum Mainnet transitioned from PoW to PoS.

Transmuter Deposits Mainnet

	USDC	DAI	USDT	ETH
Q1	0.1M	2,316	73,317	1,258
Q2	7.7M	6.1M	0.1M	3,096
Q3	0.2M	8.4M	0.1M	4,256

Transmuter Deposits Fantom

	USDC	DAI	USDT
Q2	0.3M	22,813	2,334
Q3	0.8M	1,387	6,500

In Q2 2022, over 14.2 million aUSD and over 3,000 aETH were deposited into the v2 Transmuters on Mainnet and Fantom. In Q3 2022 over 9.5 million aUSD and over 4,200 aETH were deposited into the v2 Transmuters on Mainnet and Fantom. This is broadly in line with overall quarter-over-quarter decrease in user activity. Furthermore, the fallout from Q2's UST incident had largely stabilized, and users were likely less compelled to turn to the Transmuters to maximize the value of their respective aAssets. Additionally, the growth and/or addition of aAsset-inclusive yield opportunities, such as Frax-supported Curve liquidity pools likely somewhat reduced some users' need for the Transmuters.

Transmuter Withdrawals Mainnet

	USDC	DAI	USDT	ETH
Q1	0.1M	1,324	71,852	1,240
Q2	5.0M	3.1M	81,005	2,553
Q3	0.2M	1.3M	39,300	979

Transmuter Withdrawals Fantom

	USDC	DAI	USDT
Q2	0.3M	11,676	1,229
Q3	21,266	247	6,188

In Q2 2022, over 8.4 million aUSD and over 2,500 aETH were withdrawn from the v2 Transmuters on Mainnet and Fantom. In Q3 2022, over 1.5 million aUSD and over 970 aETH were withdrawn from the v2 Transmuters on Mainnet and Fantom. The largest discrepancies in deposits and withdrawals were in the DAI and ETH Transmuters on Mainnet, and the USDC Transmuter on Fantom. In Q2 2022, roughly 0.6 aUSD for every 1 aUSD deposited, and 0.8 aETH for every 1 aETH deposited were withdrawn from their respective v2 Transmuter contracts. In Q3 2022, these figures dropped to 0.15 aUSD withdrawn for every aUSD deposited, and 0.23 aETH withdrawn for every aETH deposited, respectively. This change may be largely attributable to AIP-54, which when implemented, set a more consistent flow rate from yield harvests and self-liquidations into the Transmuters (see Governance section below).

Transmuter Claims Mainnet

	USDC	DAI	USDT	ETH
Q1	124	228	100	17
Q2	2.6M	2.3M	242	504
Q3	0.1M	7.6M	90,281	3,065

Transmuter Claims Fantom

	USDC	DAI	USDT
Q2	4,598	11,090	1,086
Q3	0.8M	1,144	312

In Q2 2022, over 4.9 million in USD equivalents, and over 500 ETH were claimed from the v2 Transmuters on Mainnet and Fantom. In Q3 2022, over 8.5 million in USD equivalents and over 3,000 ETH were claimed from the v2 Transmuters on Mainnet and Fantom. This change may be largely attributable to AIP-54, which

when implemented, set a more consistent flow rate from yield harvests and self-liquidations into the Transmuters (see Governance section below).

Other Networks

The following section provides information for activity on other networks

Optimism Deployment

Alchemix launched a bridge for the Optimism Network. Optimism is an Ethereum Layer 2 (L2) solution using optimistic rollups. Read more about Optimism [here](#). Alchemix launched their Optimism strategies at the very end of the quarter. As such, there will not be meaningful statistics to report until Q4 2022 aside from alAsset bridging activity.

Q2 2022	Bridged to Optimism	Bridged from Optimism
aIUSD	483,089.30	234,163.65
aETH	257.1681	14.6346
Q3 2022		
aIUSD	2,260,240.20	1,843,761.62
aETH	1,357.507	566.4677

Arbitrum Deployment

Alchemix launched a bridge for the Arbitrum Network. Arbitrum is an Ethereum Layer 2 (L2) solution. It is a form of an [optimistic rollup](#). Read more about Arbitrum [here](#). As of this writing, only a bridge has been deployed, but no strategies have been implemented. Reporting will begin once strategies are deployed.

Other Information

This section covers other non-numerical and/or interesting information, such as governance updates.

Governance

The following are Governance proposals that were voted on in Q3 2022:

- **AIP-53: Move D3 Pool Token Emissions to alUSD/FBP.** This proposal was to redirect 2% of emissions from the Curve D3 pool to the Curve alUSD/FBP pool.
Read the proposal and discussion [here](#).
The proposal passed with 99.95% of the vote. 8,300 ALCX voted for the proposal, and 4.4 ALCX voted against.
See the snapshot [here](#).
- **AIP-54: AMO and Transmuter Operating Framework.** This proposal was to define a new framework for the AMO/Elixirs and Transmuters.
Read the proposal and discussion [here](#).
The proposal passed with 99.57% of the vote. 7,500 ALCX voted for the proposal, 32 ALCX abstained, and 0.054 ALCX voted against.
See the snapshot [here](#).
- **AIP-55: Set rETH and stETH Deposit Caps to Zero.** This proposal was to set the deposit caps for the rETH and stETH Alchemist vaults to zero on a temporary basis while rETH and stETH were depegged.
Read the proposal and discussion [here](#).
The proposal passed with 97.44% of the vote. 10,000 ALCX voted for the proposal, and 274 ALCX voted against.
See the snapshot [here](#).
- **AIP-56: Vault Migrator Tool.** This proposal was to enable the Vault Migrator Tool contract.
Read the proposal and discussion [here](#).
The proposal passed with 99.92% of the vote. 41,000 ALCX voted for the proposal, and 33 ALCX voted against.
See the snapshot [here](#).
- **AIP-57: Temporary Elixir Harvest Framework.** This proposal was to set a temporary framework for what is done with the Elixir harvests.
Read the proposal and discussion [here](#).
The proposal passed with 100% of the vote. 53,000 ALCX voted for the proposal, and 0 ALCX voted against.
See the snapshot [here](#).
- **AIP-58: Gitcoin Cause Grants Round (GR15).** This proposal was to select what causes to contribute to in Gitcoin Grants Round 15.

Read the proposal and discussion [here](#).

Crypto Advocacy received 36.21% of the vote with 28,000 ALCX. Climate Solutions received 35.35% of the vote with 27,000 ALCX. Decentralized Science received 27.47% of the vote with 21,000 ALCX. DEI received 0.97% of the vote with 744 ALCX. 0.36 ALCX voted to not contribute to any cause for the round.

See the snapshot [here](#).

- **AIP-59: Increase Velodrome Stake.** This proposal was to increase Alchemix's voting power in Velodrome Finance on Optimism.
Read the proposal and discussion [here](#).
The proposal passed with 99.42% of the vote. 59,000 ALCX voted for the proposal, and 318 ALCX voted against.
See the snapshot [here](#).
- **AIP-60: ALCX Resonate Treasury Deployment.** This proposal was to deploy ALCX from the treasury as a launch partner with Resonate.
Read the proposal and discussion [here](#).
The proposal did not pass with 0.29% of the vote. 203 ALCX voted for the proposal, and 69,000 ALCX voted against.
See the snapshot [here](#).
- **AIP-61: Migrate v1 to v2 and Sunset v1.** This proposal was to set a plan to definitively migrate all funds out of v1 to v2 by deploying new v1 vault adapters and sunsetting the v1 contracts.
Read the proposal and discussion [here](#).
The proposal passed with 76.16% of the vote. 61,000 ALCX voted for the proposal, and 19,000 ALCX voted against.
See the snapshot [here](#).
- **AIP-62: Alchemix Optimism + AAVE Launch Configuration.** This proposal was to set parameters for Alchemix launching on the Optimism L2 network.
Read the proposal and discussion [here](#).
The proposal passed with 100% of the vote. 56,000 ALCX voted for the proposal, and 0 ALCX voted against.
See the snapshot [here](#).
- **AIP-63: Alchemix x Idle - USDC Clearpool Senior PYT Integration.** This proposal was to set parameters for Alchemix launching an Idle Finance vault strategy.
Read the proposal and discussion [here](#) and [here](#).
The proposal passed with 99.61% of the vote. 8,400 ALCX voted for the proposal, 24 ALCX voted against, and 9.5 ALCX abstained.
See the snapshot [here](#).
- **AIP-64: Acquire YFI for participation in the veYFI gauge voting system.** This proposal was to acquire \$500,000 worth of Yearn Finance's governance token, YFI, to participate in veYFI gauge voting.
Read the proposal and discussion [here](#).
The proposal passed with 99.96% of the vote. 64,000 ALCX voted for the proposal, and 28 ALCX voted against.

See the snapshot [here](#).

- **AIP-65: ALCX/SDL token swap with Saddle DAO.** This proposal was to exchange ALCX for 1,500,000 SDL tokens.

Read the proposal and discussion [here](#).

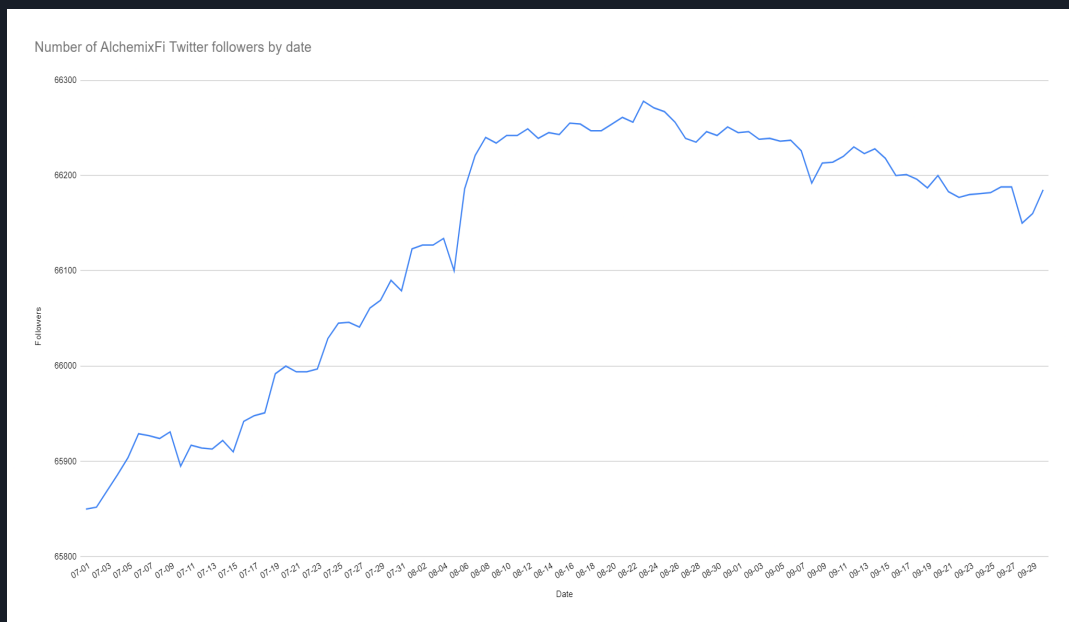
The proposal passed with 96.29% of the vote. 13,000 ALCX voted for the proposal, and 509 ALCX voted against.

See the snapshot [here](#).

Other Stats

The following are some miscellaneous statistics:

- Twitter: AlchemixFi went from 65,850 Twitter followers on 01 July 2022 to 66,185 Twitter followers on 30 September 2022.



- Discord: As of 30 September 2022, the Alchemix discord had 8,948 members. For the duration of the quarter, 26k messages were sent, and 15.9k minutes were spent on voice.



This chart shows the different ways by which users have joined Alchemix's discord server.

- The numbers for some of this report's metrics are available for review [here](#) and [here](#).
- See Google trends for Q3 2022 for Alchemix [here](#).

Links

- [Alchemix website](#)
- [Alchemix newsletter](#)
- [Alchemix statistics](#)
- [Alchemix Github](#) (includes contract addresses)
- [Alchemix Gitbook](#)