



Alchemix Q1 2023 Report

Table of contents

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Table of contents

Introduction to Alchemix

Highlights

Protocol Metrics

alAsset Prices

alUSD Price vs. Dai

alETH Price vs. ETH

Silicon Valley Bank USDC Event

alAsset Liquidity Pools

alUSD Liquidity Pools

alETH Liquidity Pools

alAsset Utility

Premia Finance

Holyheld

Curve & Convex

Saddle

Beethoven X

Stake DAO

Frax Finance

Velodrome

Balancer & Aura

Idle Finance

Gro Protocol

Pickle Finance

Beefy Finance

Bent Finance

ALCX Governance Token

Effective Annualized Inflation Rate

Projected ALCX Supply Growth Compared to 2023.04.01.

Change in the Emission Allocation from January 1st to April 1st

Distribution of Emissions on April 1st

System Components

Elixir Contents

Elixir Ownership of Main Liquidity Pools

Treasury, Revenues and Expenses

Strategic Token Accumulation

CVX (Convex Finance)

[ALCX-ETH Sushi Liquidity Pool](#)
[ALCX-ETH 80/20 Balancer Pool](#)
[sdCRV \(Stake DAO CRV\)](#)
[VELO \(Velodrome\)](#)
[AURA \(Aura Finance\)](#)
[SDL \(Saddle\)](#)
[YFI \(Yearn Finance\)](#)
[Treasury Contents](#)
[Protocol Revenue](#)
[Expenses](#)
[Total Addressable Market](#)
[Ethereum, Optimism & Fantom](#)
[Yield Harvests](#)
[Total Harvests in Q1 2023 on Mainnet](#)
[Total Harvests in Q1 2023 on Optimism](#)
[Total Harvests in Q1 2023 on Fantom](#)
[Deposits and User Metrics v1](#)
[Deposits and User Metrics v2](#)
[v2 Mainnet Stablecoin Deposits](#)
[v2 Mainnet ETH Deposits](#)
[Fantom Deposits](#)
[Optimism Stablecoin Deposits](#)
[Optimism ETH Deposits](#)
[Net Deposits on Mainnet at Quarter End](#)
[Net Deposits on Fantom at Quarter End](#)
[Net Deposits on Optimism at Quarter End](#)
[Gross Deposits Mainnet](#)
[Gross Deposits Optimism](#)
[Gross Deposits Fantom](#)
[Number of Unique Depositors Mainnet](#)
[Tokens Minted Mainnet](#)
[Number of Unique Depositors Optimism](#)
[Tokens Minted Optimism](#)
[Number of Unique Depositors Fantom](#)
[Tokens Minted Fantom](#)
[Withdrawals Mainnet](#)
[Withdrawals Optimism](#)
[Withdrawals Fantom](#)
[Self-Liquidations Mainnet](#)
[Self-Liquidations Optimism](#)
[Self-Liquidations Fantom](#)
[Repayments Mainnet](#)

[Repayments Optimism](#)

[Repayments Fantom](#)

[Transmuter Deposits Mainnet](#)

[Transmuter Deposits Optimism](#)

[Transmuter Deposits Fantom](#)

[Transmuter Withdrawals Mainnet](#)

[Transmuter Withdrawals Optimism](#)

[Transmuter Withdrawals Fantom](#)

[Transmuter Claims Mainnet](#)

[Transmuter Claims Optimism](#)

[Transmuter Claims Fantom](#)

[Other Networks](#)

[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, USDT and FRAX and alETH to borrow against ETH, rETH, stETH and frxETH. Alchemix establishes a 1:1 pairing between collateral types (Dai/USDC/USDT/FRAX and ETH/rETH/stETH/frxETH) and their pair alAssets via deep exchange liquidity and the 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 Q1 2023, 1 January 2023 to 31 March 2023. 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 CoinGecko.

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 April 2023, 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 2023.05.05.

Highlights

The first quarter of 2023 brought many developments into the crypto space and into the Alchemix world, including the following:

- Alchemix moved its ALCX/ETH Sushi liquidity to Balancer.
- Alchemix started buying AURA.
- The Alchemix community voted for FLUX as the name of the new token that will be part of the eventual veALCX system.
- 14 governance proposals went to a vote in the quarter, including a vote on how to split the revenue from the Elixirs.
- veALCX went to audit.
- The Alchemix treasury has almost doubled in size.

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 enables the Alchemist deposit caps to 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 the protocol aims to maintain a steady price close to 1:1 to enhance predictability and value for users.

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

Jan 1st

Apr 1st

\$1M

0.9822 (-1.78%)

0.9941 (-0.59%)





aETH Price vs. ETH

Trade size

Jan 1st

Apr 1st

500 ETH

0.9806 (-1.94%)

0.9804 (-1.96%)



Silicon Valley Bank USDC Event

This section is to discuss aAsset prices during the events of the Silicon Valley Bank incident, its effect on USDC, and to highlight the performance of the protocol and Elixirs during the incident.

Silicon Valley Bank (SVB) was a commercial bank in California, USA. It held a significant portion of its portfolio in the form of long-term US Treasury Bonds. In early March 2023, interest rate hikes along with some other market conditions led to SVB selling many of its Treasury Bond positions at a loss in order to meet its customers' capital needs. This led to a run on the bank, which led to its collapse. On 10 March 2023, SVB was placed under the receivership of the FDIC.

Circle, and perhaps other companies that participate in the issuance of the USDC token, such as Coinbase and Centre, kept a sizable amount of the cash deposits that back the value of the USDC token on deposit at SVB. The panic that led to SVB's collapse also led to the wider crypto markets losing confidence in the USDC token, with many fearing that USDC would no longer be backed 1:1 with USD. This triggered a USDC selloff. By 11 March 2023, the price of USDC in the markets

reached a low of approximately \$0.87 (whereas the price is designed and intended to be \$1.00).

The price of USDC eventually recovered, due in large part to guarantees made by the FDIC. However, there was a great deal of turmoil in the interim, including news that other banks could collapse or were in the process of collapsing. Because alUSD is backed by stablecoins, including USDC, the contagion effect from the SVB news caused the price of alUSD to drop as well, the effects of which can be seen in the chart above. As the price of USDC recovered, so, too, did the price of alUSD.

It is important to note that on the alUSD price chart above very little movement is visible, as the chart compares alUSD to Dai. But given that USDC and Dai deteriorated in price, so did alUSD.

alAsset 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 Q1 2023, Alchemix's relevant liquidity pools remained largely stable.



aUSD Liquidity Pools




Total size in all pools

	Jan 1st	Apr 1st
	\$68.7M	\$73.47M
 Curve FRAXBP	Jan 1st \$9.17M	Apr 1st \$50.7M
 aUSD3CRV	Jan 1st \$56.72M	Apr 1st \$19.83M
 Velodrome USDC-aUSD	Jan 1st \$0.63M	Apr 1st \$2.31M
 Velodrome MAI-aUSD	Jan 1st -	Apr 1st \$0.49M
 Fantom Beethoven X	Jan 1st \$1.79M	Apr 1st -
 Saddle D4	Jan 1st \$0.39M	Apr 1st \$0.14M



aETH Liquidity Pools

Total size in all pools

	Jan 1st	Apr 1st
	32216 (\$38.53M)	25677 (\$46.83M)
 aETH Curve	Jan 1st 29925 (\$35.79M)	Apr 1st 21810 (\$39.78M)
 aETH Saddle	Jan 1st 1263 (\$1.51M)	Apr 1st 1067 (\$1.94M)
 aETH Velodrome	Jan 1st 1028 (\$1.23M)	Apr 1st 2800 (\$5.11M)
 Ether price	\$1,196	\$1,820

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.

These protocols provide direct use-cases for alAssets, where the assets themselves can be used in a productive manner, or make 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.



Premia Finance

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 alETH/alUSD options pools. Users are able to deposit ALCX, Dai, alETH and alUSD and become the underwriters for these assets.

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

Website: <https://premia.finance>



Holyheld

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

Website: <https://viamover.com>



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 aAsset 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.

For more details please refer to the *Strategic Token Accumulation* section in this document.

Website: <https://saddle.finance>



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. Due to a vulnerability that was reported in the liquidity pool, out of an abundance of caution, Alchemix suggested that all users withdraw their liquidity until a new liquidity pool could be established. As of this writing, a new liquidity pool is yet to be established.

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 Finance

Frax Finance 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 and aETH pools are operational with a FRAXBP (FRAX Base Pool), FRAX and frxETH pairings on Ethereum and Optimism, where Frax essentially pays for their own side of the liquidity.

Website: <https://frax.finance>



Velodrome

Velodrome Finance is the largest AMM by TVL on the Optimism L2 chain. As part of their launch campaign, they airdropped NFTs that provide voting power to notable projects, including Alchemix. Subsequent to receiving this NFT, Alchemix purchased additional VELO and uses this voting power to direct rewards to the two aAsset pools (aUSD-USDC, aETH-ETH) that have been set up in Velodrome. Alchemix also pays for bribes on Velodrome to help incentivize other VELO holders to vote for Alchemix's liquidity pools.

For more details please refer to the *Strategic Token Accumulation* section in this document.

Website: <https://velodrome.finance>



Balancer & Aura

Balancer hosts the 80/20 ALCX/ETH liquidity pool, which is going to form the basis of the upcoming veALCX system. Through Balancer and Aura gauges, the protocol will be able to collect revenue by using its AURA stake to vote for the pool. If needed, these votes can be used for aAsset pools as well in the future.

Websites: <https://balancer.fi> and <https://aura.finance>



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>



Pickle Finance

Pickle Finance is a yield aggregator.

Pickle 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>



Beefy Finance

Beefy Finance is a yield aggregator.

Beefy 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.

Beefy currently supports the aETH/ETH Curve pool on Mainnet and the aETH/ETH and aUSD/USDC Velodrome pools on Optimism.

Website: <https://beefy.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 aAsset LP yields higher.

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

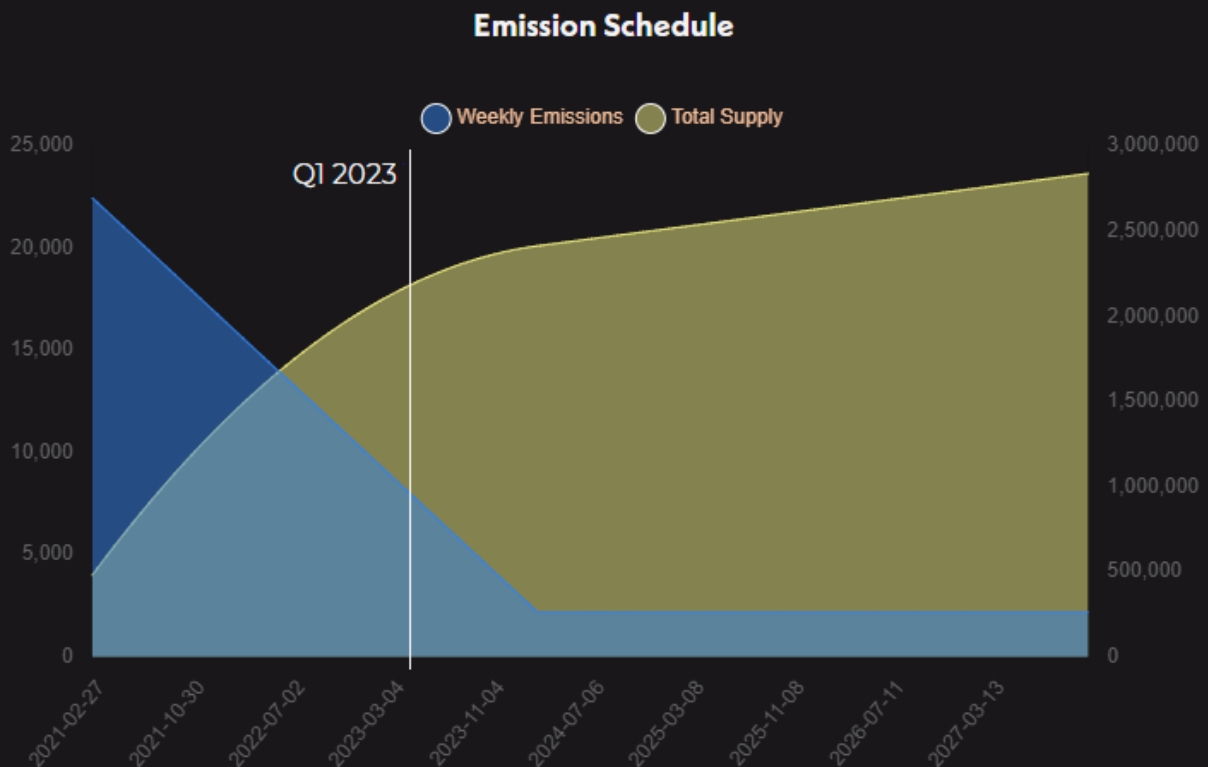


ALCX Governance Token

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.

A portion 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.

2023.01.01.	2023.04.01.	2023.07.01. (Projected)
25.44%	19.97%	15.22%

Projected ALCX Supply Growth Compared to 2023.04.01.

2024.04.01.	2025.04.01.	2026.04.01.
11.74%	17%	22.27%

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, VELO, AURA and SDL 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 January 1st to April 1st

Previous emission allocation AIPs defined the percentage of total ALCX that should go to each location. However, some of the locations/gauges require a constant sum of ALCX to be supplied. As a result, the percentages have naturally shifted and the table below shows the current status.

AIP-75 introduced the Saddle L2D4 pool on Arbitrum.

Distribution of Emissions on April 1st




Staking (33%)

	ALCX/ETH SLP	20%
	gALCX	13%

alAssets (64.5%)

	aETH Curve	29%
	FraxBP Curve	29%
	aUSD3CRV	4.5%
	aETH Saddle	2%

FTM & Arbitrum (2.5%)

	Beets aUSD	1%
	SpookySwap gALCX/FTM	0.5%
	Saddle L2D4	1%



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.







Both the alUSD and alETH Alchemist contracts permit 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 or half of the value of their ETH deposits as an alETH-denominated loan.

Excess funds are being deployed in the Transmuters or in the Elixirs to provide price stability and to earn additional protocol revenue.

This quarter the Elixirs contracted by \$3.14M (-4.5%).

Caused by the generally rising yield environment, the expected APRs on alAsset pools have increased. This meant that some liquidity providers exited the alETH pools and in response the Elixir needed to shrink to counteract the effects.

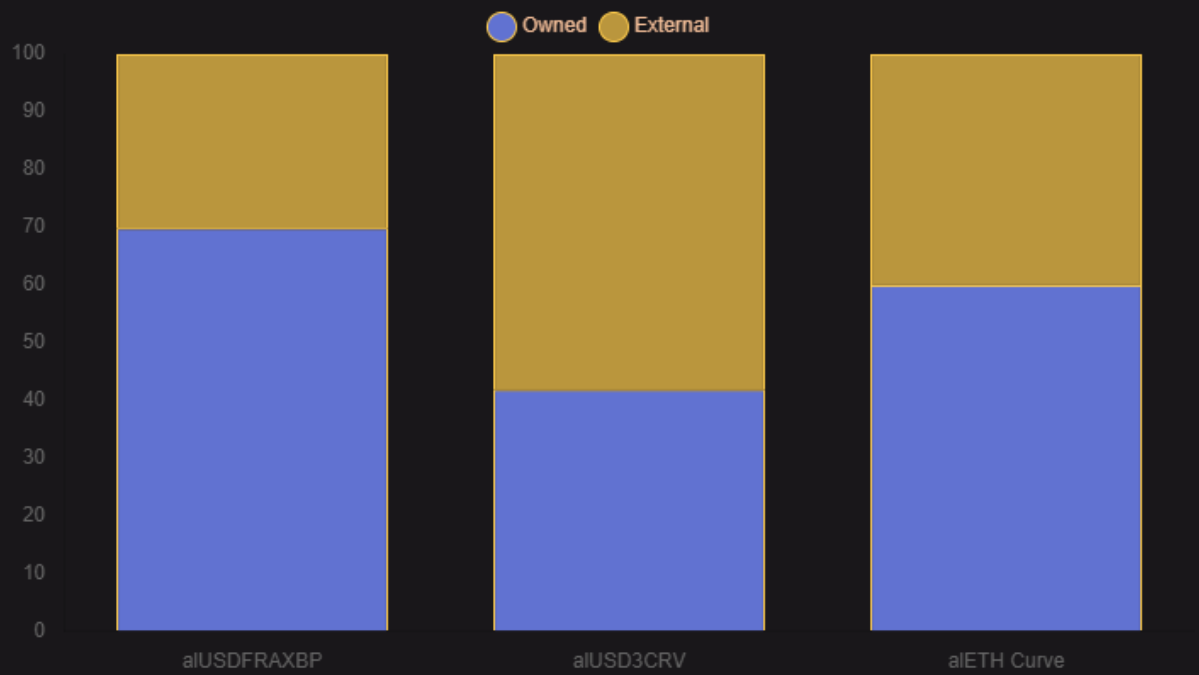
Elixir Contents

		Jan 1st	Apr 1st	Change
	aUSDFRAXBP	-	\$35.37M	+\$35.37M
	aUSD3CRV	\$37.29M	\$8.28M	-\$29.01M (-77.8%)
	aETH Curve	17040 (\$21.32M)	12990 (\$23.47M)	+\$2.15M (+10.1%)
	Dai	\$11.66M	-	(-100%)
	ETH	26 (\$0.03M)	-	(-100%)
	Other	-	\$0.09M	+\$0.09M
	Total	\$70.35M	\$67.21M	-\$3.14M (-4.5%)

Elixir Ownership of Main Liquidity Pools

As of April 1st, the protocol owned 70% of the aUSDFRAXBP pool, 42% of the aUSD3CRV pool and 60% of the aETH Curve 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.

Curve Pool Ownership





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 this has since been 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.



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 were held by the protocol to provide stability to ALCX by making it less susceptible to mercenary capital and market fluctuations. The protocol accrued trading fees from the pool, as well as ALCX and SUSHI staking rewards. Pursuant to [AIP-82A](#), the treasury migrated its ALCX/ETH Sushi liquidity to an 80/20 ALCX/ETH Balancer pool.



ALCX-ETH 80/20 Balancer Pool

Pursuant to [AIP-82A](#), and in preparation for the rollout of veALCX, the protocol migrated its ALCX/ETH Sushi liquidity to an 80/20 ALCX/ETH Balancer pool. The protocol accrues trading fees from the pool. It is expected that at some yet-to-be-determined point in the future, the protocol's liquidity in this pool will be staked in order to earn more yield.



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.



VELO (Velodrome)

Velodrome Finance is the largest AMM by TVL 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 alAsset pools (alUSD-USDC, alETH-WETH) that have been set up in Velodrome.

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



AURA (Aura Finance)

AURA tokens are used within Aura Finance to direct BAL (Balancer) emissions. This, in turn, incentivizes liquidity, and earns revenue for the protocol. Protocol-owned ALCX/ETH Balancer Pool Tokens will be staked in Aura to recapture a large percentage of AURA and BAL emissions.

As per [AIP-82B](#), the first batch of AURA tokens was purchased and subsequently locked.



SDL (Saddle)

Similar to Curve, Saddle also has a gauge system where veSDL holders can direct SDL emissions to Saddle pools. On Mainnet, there are two pools deployed on Saddle where alAssets are present, the D4 stablecoin pool for alUSD and the Saddle alETH pool. On Arbitrum, alUSD is present in their L2D4 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.

A token swap was performed with Saddle to acquire SDL as per [AIP-65](#).



YFI (Yearn Finance)

Yearn is a decentralized suite of products helping individuals, DAOs, and other protocols earn yield on their digital assets. The largest Alchemix vaults are the Yearn Dai and Yearn WETH vaults, which provide the yield for the “self-repaying loans”.

Yearn is launching a new ve system for YFI, their governance token, where lockers can direct YFI emissions to reward vaults. As per [AIP-64](#) the treasury has started accumulating YFI tokens to be able to participate in directing YFI emissions.

Treasury Contents

A Treasury dashboard that highlights revenues and expenses, as well as assets and liabilities, can be found at <https://alchemix-stats.com>.

As a result of a recovering market and considerable Elixir revenues, the treasury grew by a considerable \$6.26M (+84.3%).

	Jan 1st	Apr 1st	Change QoQ
aLETH-ETH LP	\$1.49M (1,238)	\$2.23M (1,238)	+\$0.74M (+49.7%)
CVX	\$1.19M (369,420)	\$2.03M (385,137)	+\$0.84M (+70.6%)
ALCX-ETH LP*	\$0.54M	\$0.74M	+\$0.2M (+37%)
SDT	\$0.31M (981,464)	\$0.39M (1.05M)	+\$0.08M (+25.8%)
sdCRV	\$2.15M (4,002,912)	\$4.04M (4.34M)	+\$1.89M (+87.9%)
VELO	\$0.14M (7,721,000)	\$1.33M (9.17M)	+\$1.19M (+850%)
AURA	-	\$0.27M (90,522)	+\$0.27M
YFI	-	\$0.2M	+\$0.2M
OP	-	\$0.59M	+\$0.59M
Stablecoins	\$0.73M	\$1.3M	+\$0.57M (+78.1%)
Other	\$0.88M	\$0.57M	-\$0.31M (-35.2%)
Total	\$7.43M	\$13.69M	+\$6.26M (+84.3%)

*ALCX-ETH only includes the ETH portion of the pair. Q4 numbers have also been recast to reflect this fact, as previously the ALCX portion was also included. This meant that it could not be compared to the new balancer pool where the ratio of ALCX to ETH is 80:20, instead of 50:50 as it was previously in Sushiswap.

Protocol Revenue

The following shows protocol revenue for Q1 2023. The revenue is denominated in the USD value of the tokens earned at the time that the tokens were claimed. Included is revenue earned by the protocol's three Elixirs ([a1USD-FRAXBP](#), [a1USD-3CRV](#), [a1ETH-ETH](#)), the [Mainnet Developer Multisig](#), the [Optimism Multisig](#), and revenue earned from harvest fees on Mainnet, Fantom, and Optimism. This report does not yet include revenue that may be earned from other sources of income owned by the treasury's time-lock address. Those revenues will be included in a future report. This report also does not include tokens whose total revenue was less than \$1,000 for the quarter.

Token	Revenue Earned
CRV	\$1,119,960.26
CVX	\$168,932.37
ALCX	\$149,038.05
VELO	\$107,669.76
OP	\$88,074.76
FXS	\$78,249.61
3Crv	\$60,074.53
WETH	\$19,145.79
Dai	\$15,687.03
cvxCRV	\$12,742.93
SDT	\$7,338.35
sdFRAX3CRV-f	\$6,645.51
PREMIA	\$3,844.92
SUSHI	\$3,589.48
USDC	\$1,610.14
cvxFXS	\$1,144.10
TOTAL	\$1,843,747.59

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) and newsletter/reporting subDAOs, as well as payments for support/moderator contributors. It should be noted that this approval does not cover the expenses incurred in incentivizing market participants, such as bribing on Votium and elsewhere.

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.

	Market size	Protocol
TVL in integrated stablecoin vaults	\$386M	Total
	\$95M	Yearn
	\$284M	Aave
	\$7M	Vesper
TVL in integrated ETH vaults	\$11.4B	Total
	\$85M	Yearn
	\$417M	RocketPool (rETH)
	\$10.57B	Lido (stETH)
	\$322M	Aave
	\$3M	Vesper
Stablecoin TVL in potential new vaults	\$1.5B	Others*
ETH TVL in potential new vaults	\$741M	Others*
Total integrated	\$11.78B	
Total in potential vaults	\$2.24B	
Total Target Market size	\$14B**	

**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, 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 (\$10.57B). stETH is already integrated into the Alchemix protocol.

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 and the Yearn ETH vault.

Ethereum, Optimism & Fantom

The following section provides information for protocol and user activity on the Ethereum Mainnet network, the Optimism L2 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 Harvests in Q1 2023 on Mainnet

	yvUSDC	yvDai	yvUSDT	aUSDC	aDai	aUSDT	vaUSDC	vaDai
Q2 2022	7,793	27,733	465	-	-	-	-	-
Q3 2022	2,323	46,112	0	0	0	0	-	-
Q4 2022	7,542	65,650	0	0	0	0	0	0
Q1 2023	9,623	156,670	0	199	0	0	0	0

	wstETH	rETH	yvETH	aWETH	vaETH
Q2 2022	10.6	0.5	5.93	-	-
Q3 2022	0	0	21.46	0	-
Q4 2022	41.1	10.5	106.1	10.7	0
Q1 2023	46.4	3.2	54.1	0.5	0



Total Harvests in Q1 2023 on Optimism

	aDai	aUSDC	aUSDT	aWETH
Q3 2022	-	-	-	-
Q4 2022	0	0	0	0
Q1 2023	0	0	0	0



Total Harvests in Q1 2023 on Fantom

	yvUSDC	yvDai	yvUSDT
Q2 2022	0	567	100
Q3 2022	200	300	100
Q4 2022	300	368	100
Q1 2023	500	200	0

In Q4 2022, there were over 73,000 USD equivalents and over 168 ETH harvested. In Q1 2023, there were over 167,000 USD equivalents and over 104.2 ETH harvested. There was a sharp quarter-over-quarter increase in certain stablecoin yields, which led to more frequent harvests of those stablecoins. Additionally, many of the v1 deposits had been migrated to v2 by this point. This also led to more frequent harvests. Alchemix's biggest ETH vault, yvWETH, however, saw lower yields, which led to lower ETH-denominated harvests than the prior quarter. However, these values are not representative of all of the yield that was captured in the vaults. On Optimism, issues were identified in the trading routes for harvests. Because of this, harvests on Optimism were not happening until these issues were resolved. A few days after the close of Q1 2023, the issues were reported to have been resolved and harvests have begun.



Deposits and User Metrics v1

The Alchemist v1 contracts were officially deprecated on the 13th of October 2022. The funds were moved to a temporary migration contract, and there were still some amount of funds left in this contract at the end of this quarter, namely \$1.86M of Dai and \$0.14M of ETH.

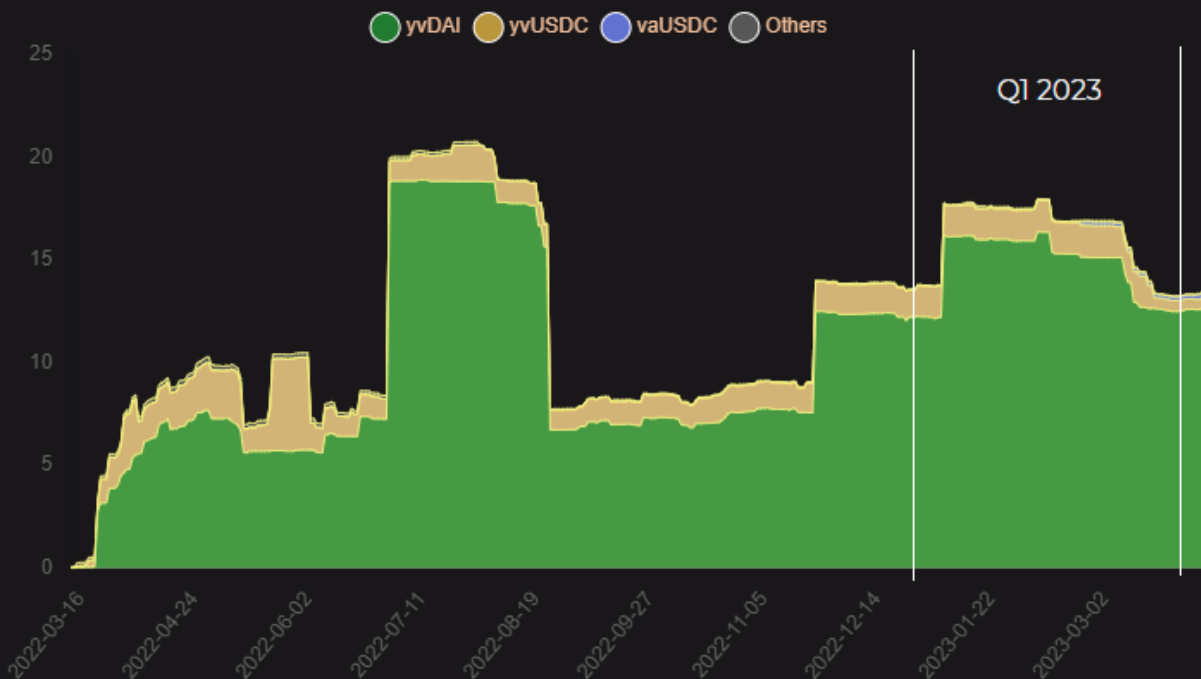


Deposits and User Metrics v2

This section provides numbers for user activity in the protocol's v2 contracts. All data is for Q1 of 2023. The large increase in both stablecoins as well as ETH at the start of the quarter was the result of v1 funds being moved into the v2 contracts. The large drop at the end of the quarter was a result of the USDC depeg event that caused depositors to exit Dai, as well as their strategies denominated in Dai (Alchemix yvDai vault included).

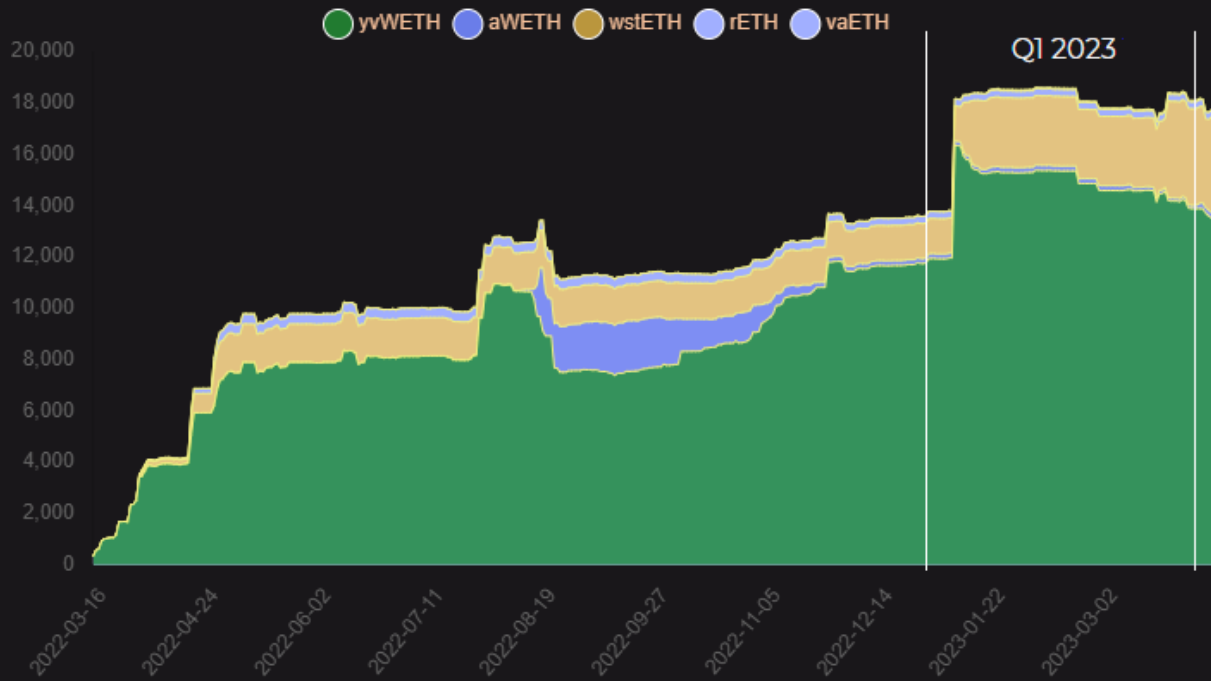


v2 Mainnet Stablecoin Deposits

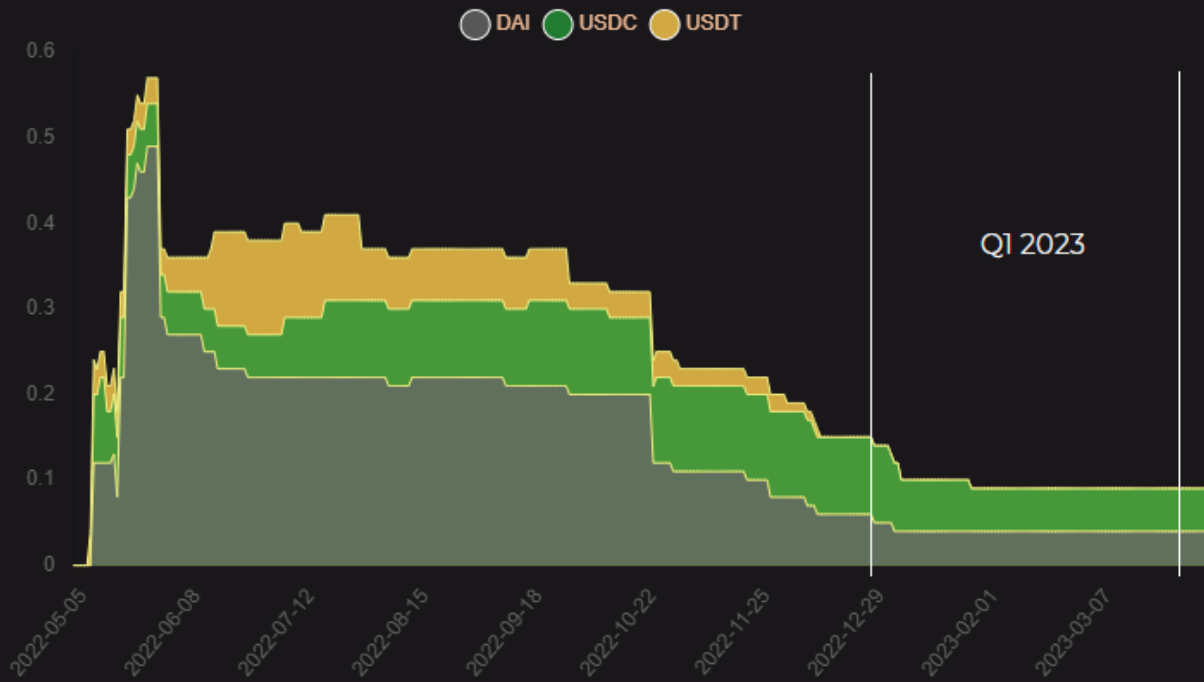




v2 Mainnet ETH Deposits

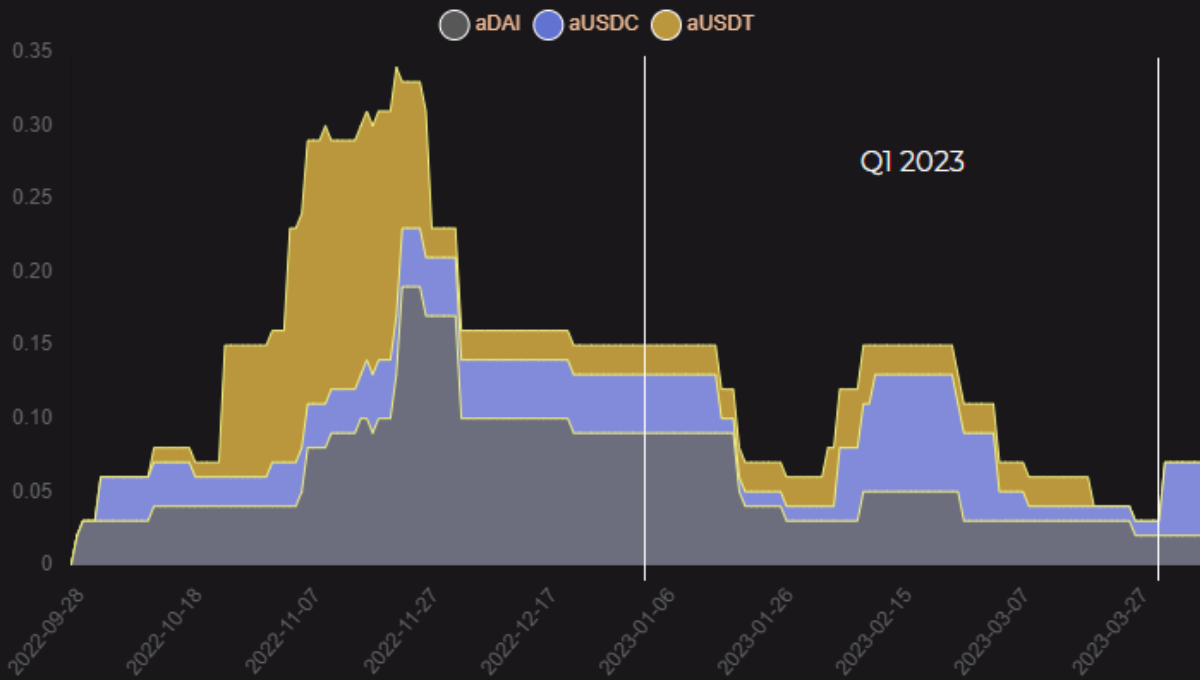


Fantom Deposits

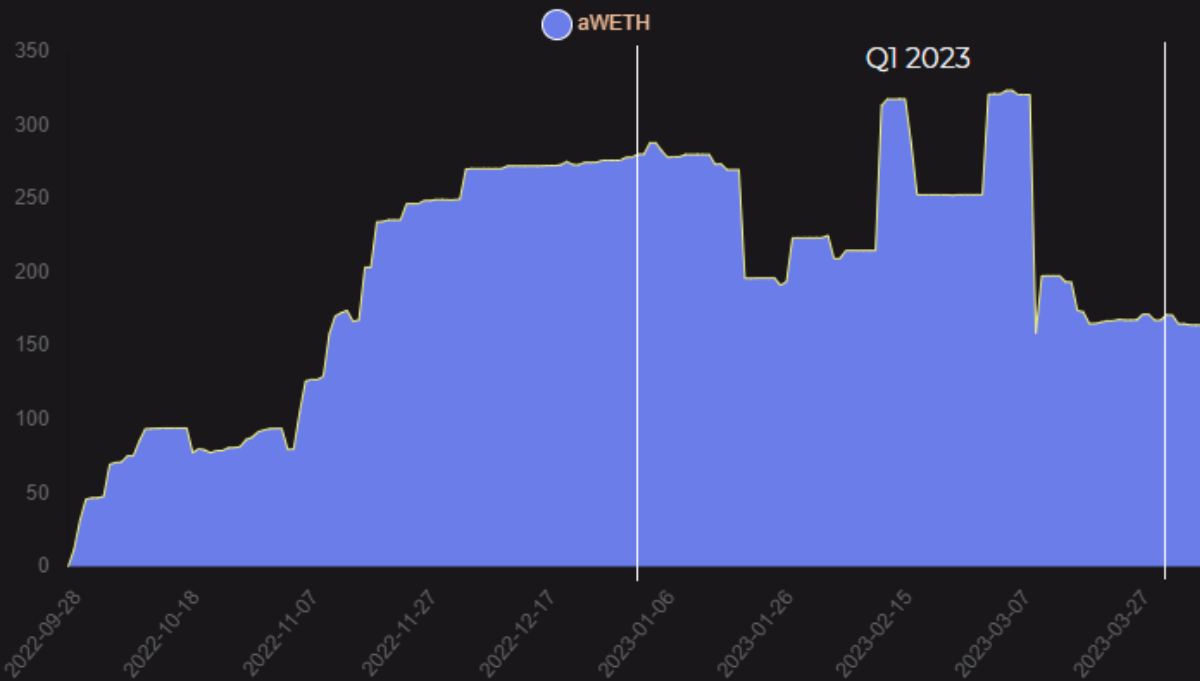




Optimism Stablecoin Deposits



Optimism ETH Deposits





Net Deposits on Mainnet at Quarter End

	Jan 1st	Apr 1st	Change QoQ
Stablecoins	\$13.81M	\$13.31M	-\$0.5M (-3.6%)
ETH	\$16.54M (13830)	\$35.6M (18800)	+\$19.06M (+115.2%)
Total	\$30.35M	\$48.91M	+\$18.56M (+61.2%)



Net Deposits on Fantom at Quarter End

	Jan 1st	Apr 1st	Change QoQ
Dai	\$0.05M	\$0.04M	-\$0.01M (-20%)
USDC	\$0.09M	\$0.05M	-\$0.04M (-44.4%)
USDT	-	-	-
Total	\$0.14M	\$0.09M	-\$0.05M (-35.7%)



Net Deposits on Optimism at Quarter End

	Jan 1st	Apr 1st	Change QoQ
Stablecoins	\$0.15M	\$0.07M	-\$0.08M (-53.3%)
ETH	\$0.33M (280)	\$0.31M (171)	-\$0.02M (-6.1%)
Total	\$0.48M	\$0.38M	-\$0.1M (-20.8%)



Gross Deposits Mainnet

	yvUSDC	yvDai	yvUSDT	aUSDC	aDai
Q2 2022	6.42M	9.32M	0.13M	-	-
Q3 2022	1.2M	12.9M	24,128	41,060	8,104
Q4 2022	0.77M	9.06M	3,300	0	44,000
Q1 2023	0.12M	6.0M	841	318	0.5M

	aUSDT	vaUSDC	vaDai	aFRAX	vaFRAX
Q2 2022	-	-	-	-	-
Q3 2022	558	-	-	-	-
Q4 2022	0	6	0	-	-
Q1 2023	0	0.18M	0	726	1,568

	wstETH	rETH	yvWETH	aWETH	vaETH
Q2 2022	1,464	481	8,802	-	-
Q3 2022	1.91	36.24	4,916	3,104	-
Q4 2022	0	0	5,337	141	0.55
Q1 2023	3,060	0	6,651	62.4	52.2



Gross Deposits Optimism

	aDai	aUSDC	aUSDT	aWETH
Q4 2022	182,000	35,000	193,000	352
Q1 2023	19,200	410,000	24,500	652



Gross Deposits Fantom

	yvUSDC	yvDai	yvUSDT
Q2 2022	0.79M	0.69M	0.13M
Q3 2022	67,545	5,085	961
Q4 2022	211,000	3,200	129
Q1 2023	15,600	18	1,100

In Q4 2022, there were more than 10.5 million in USD equivalents, and more than 5,600 ETH and staked equivalents deposited into the v2 contracts. In Q1 2023, there were more than 7.2 million in USD equivalents, and more than 10,400 ETH and staked equivalents deposited into the v2 contracts. The biggest increase was in the deposits in the wstETH vault. As the markets stabilized, and as the [Ethereum Shanghai update](#), which will enable staking withdrawals, drew near, Alchemix increased the deposit caps in wstETH in a step-wise fashion. These increases tended to be filled rather quickly. The deposit cap for rETH was not increased until Q2 2023.

Number of Unique Depositors Mainnet

	Q2	Q3	Q4	Q1
aIUSD Alchemist	238	100	205	154
aIETH Alchemist	377	146	194	210

Tokens Minted Mainnet

	Q2	Q3	Q4	Q1
aIUSD	7.8M	1.3M	0.68M	1.4M
aIETH	5,468	3,473	1,784	2,736

Number of Unique Depositors Optimism

	Q4	Q1
alUSD Alchemist	38	26
alETH Alchemist	61	43

Tokens Minted Optimism

	Q4	Q1
alUSD	181,500	229,000
alETH	149	291

Number of Unique Depositors Fantom

	Q2	Q3	Q4	Q1
alUSD Alchemist	182	28	14	15

Tokens Minted Fantom

	Q2	Q3	Q4	Q1
alUSD	2.0M	43K	240K	8.4K

In Q4 2022, 257 unique addresses deposited into the v2 alUSD Alchemists across all networks, and 255 unique addresses deposited into the v2 alETH Alchemists across all networks. In Q1 2023, 195 unique addresses deposited into the v2 alUSD Alchemists across all networks, and 253 unique addresses deposited into the v2 alETH Alchemists across all networks. 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 Q1 are not counted.

In Q4 2022, over 1.1 million alUSD debt tokens were minted across all networks, and over 1,900 alETH debt tokens were minted. In Q1 2023, over 1.6 million alUSD debt tokens were minted across all networks, and over 3,000 alETH debt tokens were minted.

This quarter-over-quarter increase in user activity and issuance of alUSD and alETH is likely attributable to macro market conditions, whereby yields were slightly increased as compared to the previous quarter, and there was increased buzz and confidence surrounding Ethereum's pending Shanghai update, which likely increased the value proposition of Alchemix's offerings for many users.



Withdrawals Mainnet

	yvUSDC	yvDai	yvUSDT	aUSDC	aDai
Q2 2022	4.9M	3.8M	0.1M	-	-
Q3 2022	0.9M	12.9M	84,334	8,640	7,789
Q4 2022	0.28M	3.1M	473	0	34,400
Q1 2023	1.1M	4.5M	1,387	0	0.5M

	aUSDT	vaUSDC	vaDai	aFRAX	vaFRAX
Q2 2022	-	-	-	-	-
Q3 2022	53	-	-	-	-
Q4 2022	100	6	0	-	-
Q1 2023	50	0	0	642	0

	wstETH	rETH	yvWETH	aWETH	vaETH
Q2 2022	64	109	3,155	-	-
Q3 2022	75	57	5,144	1,262	-
Q4 2022	12.7	77	681	1,714	0.2
Q1 2023	676.3	3.3	4,545	105	0



Withdrawals Optimism

	aDai	aUSDC	aUSDT	aWETH
Q4 2022	80,000	414	173,600	106.69
Q1 2023	80,700	437,000	39,700	720



Withdrawals Fantom

	yvUSDC	yvDai	yvUSDT
Q2 2022	0.7M	0.4M	15,500
Q3 2022	16,613	24,700	53,500
Q4 2022	19,997	107,800	20,800
Q1 2023	56,000	5,500	149

In Q4 2022, there were more than 3.8 million in USD equivalents and more than 2,500 in ETH and staked equivalents withdrawn from the v2 contracts across all networks. In Q1 2023, there were more than 6.6 million in USD equivalents and more than 6,000 in ETH and staked equivalents withdrawn from the v2 contracts across all networks. A sizable portion of the ETH withdrawals from the yvWETH vaults were likely actually being migrated for deposit into the wstETH vault.



Self-Liquidations Mainnet

	yvUSDC	yvDai	yvUSDT	aUSDC	aDai
Q2 2022	2.0M	2.3M	26,068	-	-
Q3 2022	0.1M	0.3M	79,503	11	11
Q4 2022	0.1M	1.0M	0	0	9,500
Q1 2023	3,674	1.4M	0	0	32K

	aUSDT	vaUSDC	vaDai	aFRAX	vaFRAX
Q2 2022	-	-	-	-	-
Q3 2022	0	-	-	-	-
Q4 2022	100	0	0	-	-
Q1 2023	50	2,499	0	102.85	0

	wstETH	rETH	yvWETH	aWETH	vaETH
Q2 2022	22.39	0	982	-	
Q3 2022	14.5	5.42	164.43	55.94	
Q4 2022	0	6.93	463.94	56.17	0
Q1 2023	6.51	0	232.58	25.19	0



Self-Liquidations Optimism

	aDai	aUSDC	aUSDT	aWETH
Q4 2022	39,000	384	0.01	10.18
Q1 2023	6,500	0	4,000	46.22



Self-Liquidations Fantom

	yvUSDC	yvDai	yvUSDT
Q2 2022	453	84,657	7,698
Q3 2022	2,316	8,405	20,991
Q4 2022	3,167	55,800	14,500
Q1 2023	1,000	7,700	0

In Q4 2022, users self-liquidated over 1.2 million in USD equivalents, and over 530 ETH and staked equivalents from the v2 contracts across all networks. In Q1 2023, users self-liquidated over 1.4 million in USD equivalents, and over 310 ETH and staked equivalents from the v2 contracts across all networks.



Repayments Mainnet

	USDC	Dai	USDT	aIUSD	ETH	aIETH
Q2 2022	0.5M	9,100	3,500	1.4M	685	478
Q3 2022	1,195	66,500	0	0.5M	530.45	2,004.79
Q4 2022	0	14,300	0	0.3M	20.02	936.6
Q1 2023	30K	39K	0	2.4M	48.11	1,941.39



Repayments Optimism

	USDC	Dai	USDT	aIUSD	ETH	aIETH
Q4 2022	0	0	0	89,600	0.85	48.02
Q1 2023	0	89	0	273,000	0.25	278.28



Repayments Fantom

	USDC	Dai	USDT	aIUSD
Q2 022	1.2M	0.1M	443	0.3M
Q3 2022	4,153	1,268	0	4,481
Q4 2022	4,400	0.2M	0	52,500
Q1 2023	2,900	0	0	23,400

In Q4 2022, users manually repaid over 660,000 in USD-equivalent debt, and over 1,000 in ETH-equivalent debt across all networks. In Q1 2023, users manually repaid over 2.7 million in USD-equivalent debt, and over 2,200 in ETH-equivalent debt across all networks. Given some of the market turbulence over the course of the quarter, many users likely saw an opportunity to pay off some of their debt cheaply as the prices of aIUSD and aIETH were negatively impacted by events such as the SVB USDC event explained above.



Transmuter Deposits Mainnet

	USDC	Dai	USDT	ETH
Q2 2022	7.7M	6.1M	0.1M	3,096
Q3 2022	0.2M	8.4M	0.1M	4,256
Q4 2022	2.4M	5.8M	34,800	3,172
Q1 2023	91K	2.2M	0.2M	1,191



Transmuter Deposits Optimism

	USDC	Dai	USDT	ETH
Q4 2022	656	42,400	509	192
Q1 2023	16,500	6,600	4,000	67



Transmuter Deposits Fantom

	USDC	Dai	USDT
Q2 2022	0.3M	22,813	2,334
Q3 2022	0.8M	1,387	6,500
Q4 2022	0.5M	0.4M	47,700
Q1 2023	71,100	30,600	11,500

In Q4 2022 over 9.2 million aUSD and over 3,300 aETH were deposited into the v2 Transmuters across all networks. In Q1 2023, over 2.5 million aUSD and over 1,200 aETH were deposited into the v2 Transmuters across all networks.



Transmuter Withdrawals Mainnet

	USDC	Dai	USDT	ETH
Q2 2022	5.0M	3.1M	81,005	2,553
Q3 2022	0.2M	1.3M	39,300	979
Q4 2022	2.3M	1.3M	34,800	3,172
Q1 2023	47K	0.5M	0.2M	593



Transmuter Withdrawals Optimism

	USDC	Dai	USDT	ETH
Q4 2022	402	3,300	508	168.54
Q1 2023	16,500	1	10	19.5



Transmuter Withdrawals Fantom

	USDC	Dai	USDT
Q2 2022	0.3M	11,600	1,200
Q3 2022	21,200	247	6,100
Q4 2022	8,900	6,600	5,200
Q1 2023	52,300	24,800	11,000

In Q4 2022 over 3.6 million aUSD and over 3,300 aETH were withdrawn from the v2 Transmuters before successful transmutation across all networks. In Q1 2023, over 0.8 million aUSD and over 600 aETH were withdrawn from the v2 Transmuters before successful transmutation across all networks.



Transmuter Claims Mainnet

	USDC	Dai	USDT	ETH
Q2 2022	2.6M	2.3M	242	504
Q3 2022	0.1M	7.6M	90,200	3,065
Q4 2022	0.1M	4.2M	18,500	619
Q1 2023	34K	1.7M	920	408



Transmuter Claims Optimism

	USDC	Dai	USDT	ETH
Q4 2022	304	38,000	0	10.79
Q1 2023	0	6,600	4,000	46



Transmuter Claims Fantom

	USDC	Dai	USDT
Q2 2022	4,598	11,090	1,086
Q3 2022	0.8M	1,144	312
Q4 2022	0.5M	0.4M	42,500
Q1 2023	8,100	3,500	0

In Q4 2022, over 5.2 million in USD equivalents and over 620 ETH were claimed from the v2 Transmuters across all networks. In Q1 2023, over 1.7 million in USD equivalents and over 450 ETH were claimed from the v2 Transmuters across all networks.

Other Networks

The following section provides information for activity on other networks



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 vaults/strategies have been implemented. Reporting will begin once strategies are deployed. There is currently a single liquidity pool operational for aUSD in the form of the Saddle L2D4 pool.

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 Q1 2023:

- **AIP-75: Bribing L2D4 on Arbitrum.** This proposal was to initiate \$50k in bribes for the L2D4 pool on Arbitrum in the Saddle protocol.
Read the proposal and discussion [here](#).
The proposal passed with 82.41% of the vote. 46,000 ALCX voted for the proposal, 4,900 ALCX abstained, and 4,900 ALCX voted against.
See the snapshot [here](#).
- **AIP-76: alOHM: New alAsset and Launch Proposal.** This proposal was to initiate a new alAsset, alOHM, backed by the OHM token.
Read the proposal and discussion [here](#).
The proposal passed with 34.71% of the vote. 32,000 ALCX voted for the proposal, 58,000 ALCX abstained, and 2,800 ALCX voted against.
See the snapshot [here](#).
- **AIP-78: Deploy funds in Blueberry.** This proposal was to partner with Blueberry to create custom Alchemix strategies.
Read the proposal and discussion [here](#).
The proposal passed with 99.94% of the vote. 56,000 ALCX voted for the proposal, 32 ALCX abstained, and 0 ALCX voted against.
See the snapshot [here](#).
- **AIP-79: Revest Transmuter Strategy.** This proposal was to partner with Revest to create an ERC-4626 vault Transmuter looping strategy.
Read the proposal and discussion [here](#).
The proposal passed with 99.22% of the vote. 56,000 ALCX voted for the proposal, 0 ALCX abstained, and 439 ALCX voted against.
See the snapshot [here](#).
- **AIP-80: Elixir AMO Buyback and Bribe.** This proposal was to split the Elixir AMO revenue into thirds.
Read the proposal and discussion [here](#).
The proposal passed with 81.39% of the vote. 52,000 ALCX voted for the proposal, 12,000 ALCX abstained, and 0.07 ALCX voted against.
See the snapshot [here](#).
- **AIP-81: Alchemix Grants Program Round 1.** This proposal was to vote on approving \$25k for the first round of the Alchemix Grants Program through Gitcoin Grants 2.0.
Read the proposal and discussion [here](#).

The proposal passed with 99.97% of the vote. 67,000 ALCX voted for the proposal, 17 ALCX abstained, and 0.0023 ALCX voted against.
See the snapshot [here](#).

- **Community Vote: New Token Name.** This proposal was to choose the name of the new token that would be deployed with veALCX.
Read the suggestions [here](#).
The vote was with a [ranked choice voting system](#). Ultimately, FLUX was the winner, with 46,000 votes. MATERIA was in second place with 45,000 votes. The other tokens received votes as well. Please read the link above to understand how Snapshot's ranked choice voting system works.
See the snapshot [here](#).
- **AIP-82 A: Migration of ALCX Liquidity to Balancer.** As part of the eventual transition to veALCX, this proposal was to approve migrating the protocol owned ALCX/ETH liquidity from Sushi to Balancer.
Read the proposal and discussion [here](#).
The proposal passed with nearly 100% of the vote. 50,000 ALCX voted for the proposal, 0 ALCX abstained, and 1.5 ALCX voted against.
See the snapshot [here](#).
- **AIP-82 B: Execute Strategic Acquisition of AURA.** As part of the eventual transition to veALCX, this proposal was to approve selling 50% of Alchemix's TOKE holdings to purchase AURA and to lock it and vote for the ALCX/ETH Balancer pool.
Read the proposal and discussion [here](#).
The proposal passed with 81.32% of the vote. 41,000 ALCX voted for the proposal, 5,100 ALCX abstained, 4,300 voted to instead make the acquisition using stablecoins, and 1.5 ALCX voted against.
See the snapshot [here](#).
- **AIP-83: Alpha Vaults Update.** This proposal was to slightly alter and expand the original [Alpha Vaults proposal](#) to allow the core team to launch any strategies as alpha vaults without individual governance approval.
Read the proposal and discussion [here](#).
The proposal passed with 98.93% of the vote. 56,000 ALCX voted for the proposal, 604 ALCX abstained, and 0 ALCX voted against.
See the snapshot [here](#).
- **AIP-84: Grant funding for Alchemix Leveraged Vaults.** This proposal was to pre-authorize a grant from Alchemix to support development costs of Alchemix Leveraged Vaults.
Read the proposal and discussion [here](#).
The proposal passed with 99.52% of the vote. 50,000 ALCX voted for the proposal, 100 ALCX abstained, and 141 ALCX voted against.
See the snapshot [here](#).
- **AIP-85: Discretionary spending for new Liquidity Pools.** This proposal was to authorize \$50k of discretionary funds in ALCX from the Alchemix treasury to be granted to the Bizgov subDAO to run some liquidity pilot programs.
Read the proposal and discussion [here](#).

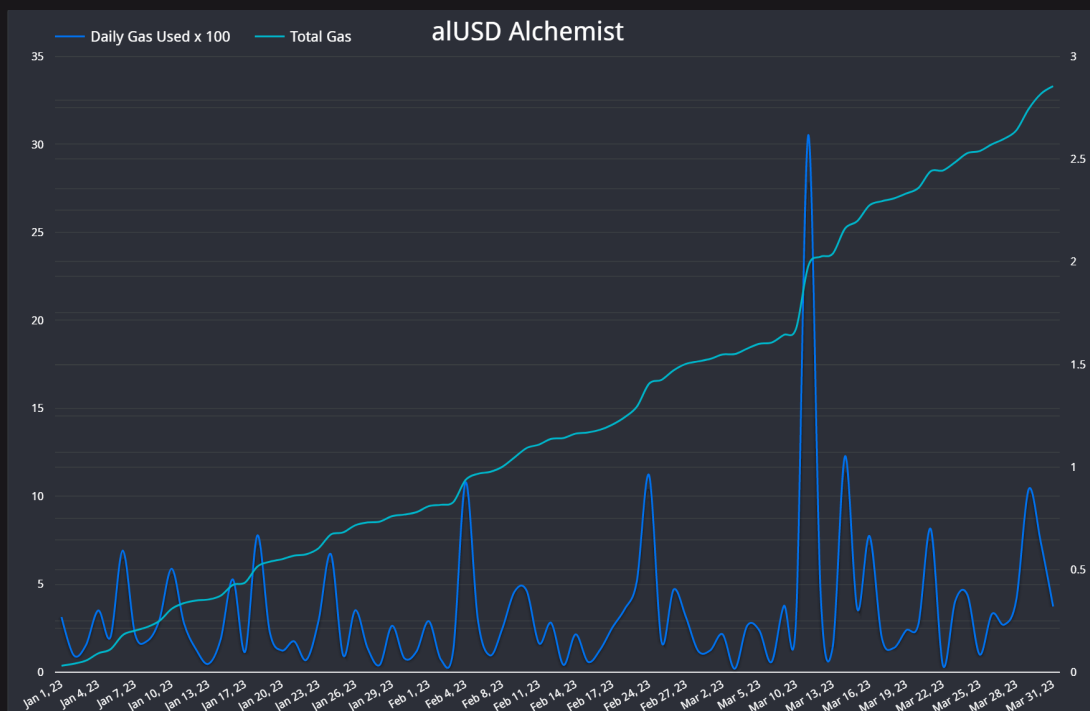
The proposal passed with 99.87% of the vote. 98,000 ALCX voted for the proposal, 126 ALCX abstained, and 0.0054 ALCX voted against. See the snapshot [here](#).

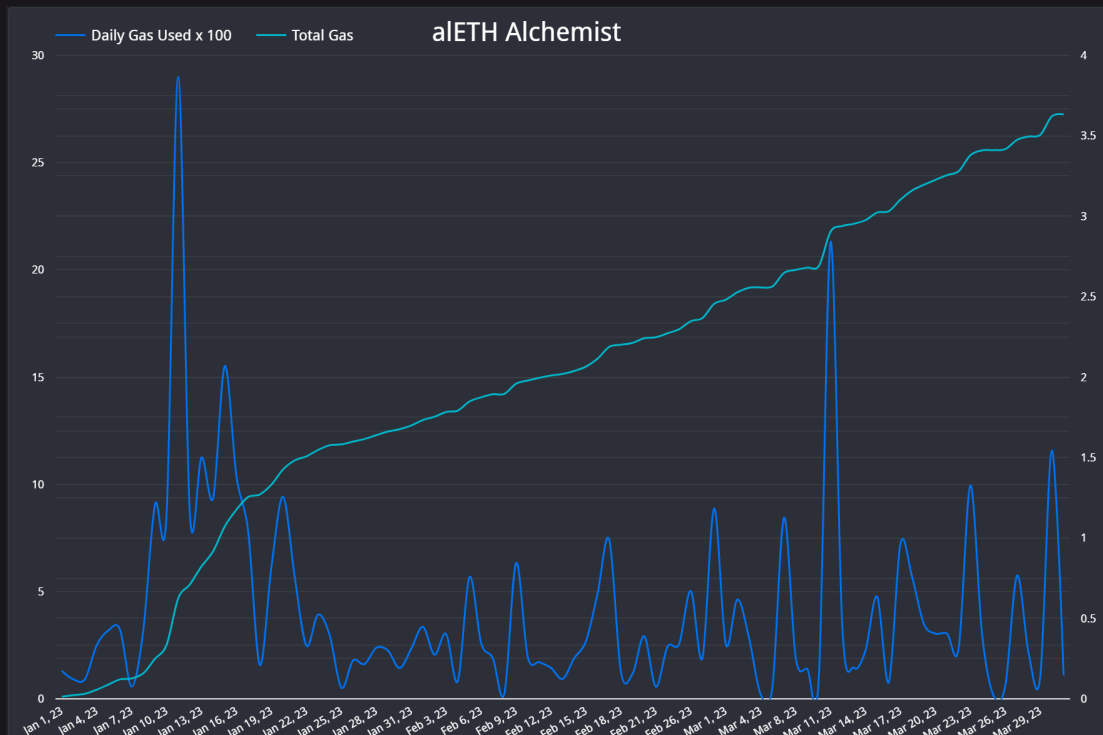
- **AIP-86 A: Add frxETH Strategy for aETH Alchemist.** This proposal was to authorize addition of frxETH as a strategy for the aETH Alchemist. Read the proposal and discussion [here](#).
The proposal passed with nearly 100% of the vote. 58,000 ALCX voted for the proposal, 1.2 ALCX abstained, and 0 ALCX voted against. See the snapshot [here](#).
- **AIP-86 B: Expanding ETH2 LSD Caps.** This proposal was to authorize expanding the deposit caps for ETH liquid staking derivative tokens (e.g., stETH, rETH).
Read the proposal and discussion [here](#).
The proposal passed with nearly 100% of the vote. 59,000 ALCX voted for the proposal, 1.2 ALCX abstained, and 0 ALCX voted against. See the snapshot [here](#).

Other Stats

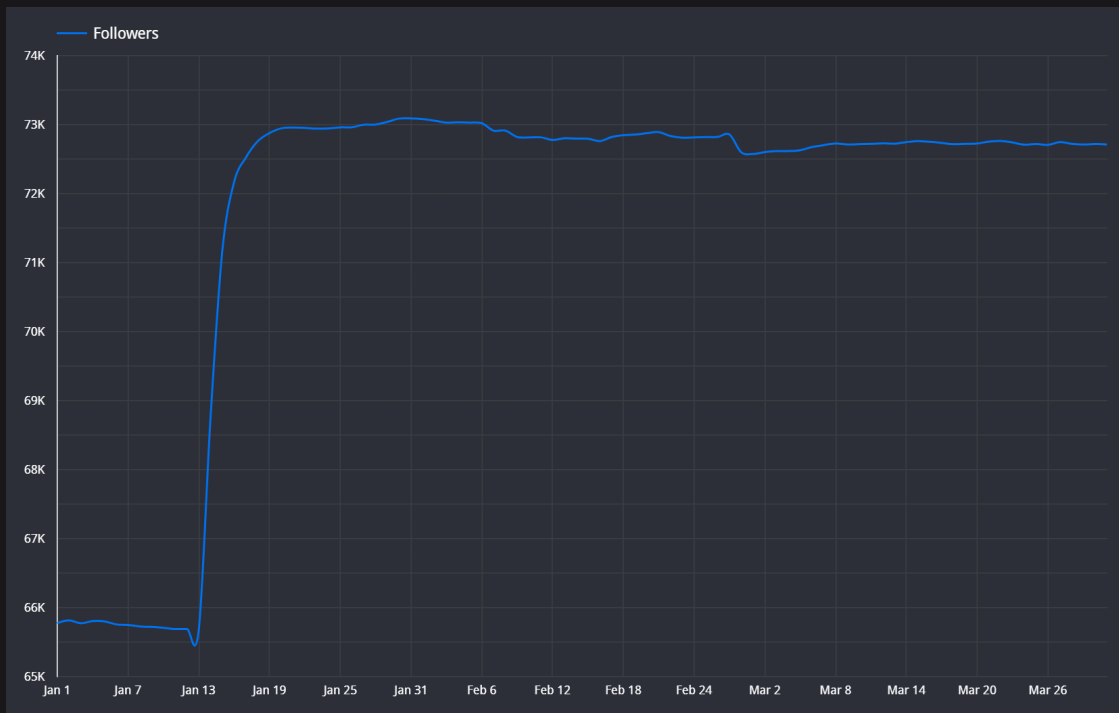
The following are some miscellaneous statistics:

- Gas: Between 1 January 2023 and 31 March 2023, on Mainnet, 2.85 ETH was spent on gas by users transacting with the aUSD Alchemist contract, and 3.63 ETH was spent on gas by users interacting with the aETH Alchemist contract.



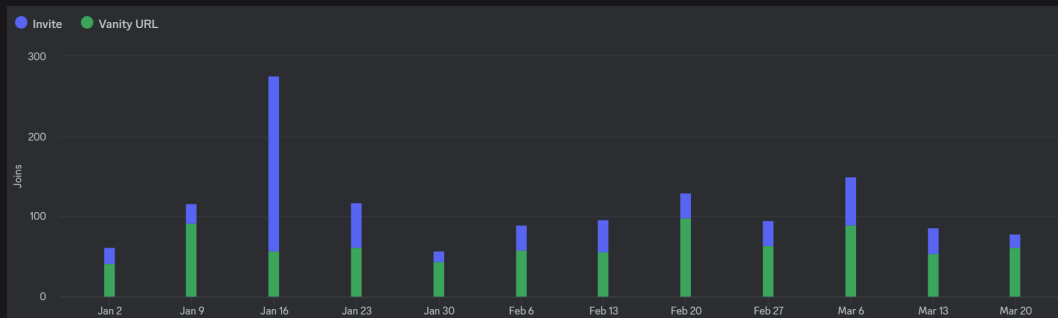


- Twitter: AlchemixFi went from 65,774 Twitter followers on 1 January 2023 to 72,710 Twitter followers on 31 March 2023. Mid-January saw a sharp spike in Twitter followers. This spike occurred over the course of two or three days. The cause of this spike has not been ascertained.



- Discord: As of 1 April 2023, the Alchemix Discord had 8,562 members. For the duration of the quarter, 15k messages were sent, and 2.9k minutes were spent on voice.*

* - Users who opted-out of analytics tracking will not show up in the Discord data



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](#), [here](#), and [here](#).
- See Google Trends for Q1 2023 for Alchemix [here](#).

Links

- [Alchemix website](#)
- [Alchemix Newsletter](#)
- [Alchemix statistics](#)
- [Alchemix GitHub](#) (includes contract addresses)
- [Alchemix Development GitBook](#)
- [Alchemix User Docs and quarterly Financial Reports](#)