Invest in $SAND?

Chun Him Cheung, Dominic Lim, Ethan Nguonly, and Sarah Zheng

12/9/2021

THE SANDBOX METAVERSE

PLAY GAMES
host contests & events

STAKE SAND
to earn and customize assets
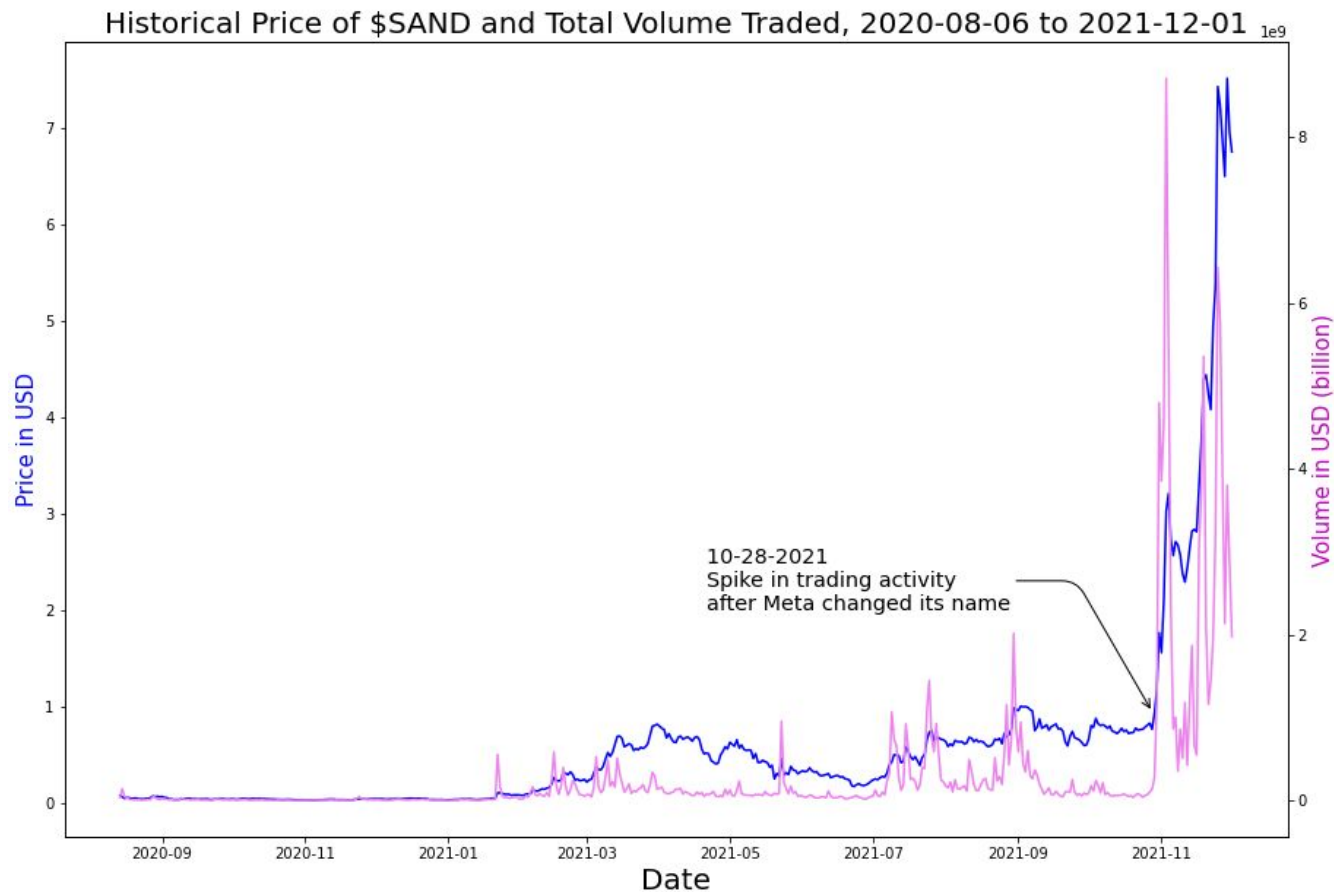
MONETIZE
assets and experiences

OWN LAND
In the metaverse

408

408

Track movement of $SAND

Historical Price of $SAND and Total Volume Traded, 2020-08-06 to 2021-12-01

10-28-2021
Spike in trading activity
after Meta changed its name

Focus Questions

Define financial metrics ①

Identify top performers invested in $SAND ②

Case studies on the top performing wallets ③

Datasource + ETL

```
"address": "0x2f2456953a2cbc21fde058d33fb2ad8d59e72a35",
"tag": "Smart Contract",
"balance": 1108241744.15,
"share": 36.94,
"transactions": [
    {
        "timestamp": 1630991473,
        "transactionHash": "0x50487f46f22f02c0bfae873f28065bd30ec9f904911f905287a1cd04a2dedbdd",
        "type": "transfer",
        "value": 6000000.0,
```

Transaction Level DF

holders_address	transactionHash	abs_value	date_time
0x0404d96d2583799bc73edb8d...	0xf6aa52272a0c657bfba0b0a9...	6,500,000.00	2021-11-24 16:19:51
0x0404d96d2583799bc73edb8d...	0x52014e11bc58de64c9fec026...	22,311.96	2021-11-23 19:07:17
0x0404d96d2583799bc73edb8d...	0xdc2710f9dae75805e0d07265...	9,396.47	2021-11-23 19:04:06
0x0404d96d2583799bc73edb8d...	0x10740c765d585d9e5445bccf...	48,379.05	2021-11-23 16:42:01
0x0404d96d2583799bc73edb8d...	0xeae21f50c16eed90d85b63f2...	1,190,689.03	2021-11-23 16:38:57

Wallet Level DF

holders_address	initial_dt	holding_period_days
0x00b9e69051e0b5787b8d2a9a0308e415294e6b8a	2021-10-16 18:19:35	51.00
0x0404d96d2583799bc73edb8d230aa037fc22b379	2021-07-15 09:11:20	144.00
0x07445065963c2d563cd70ddf2aa49fc771e59a98	2021-11-22 06:23:10	14.00
0x08f14cfcc8f0b67bfac70d3f93623775577e0909	2021-07-07 08:58:09	152.00
0x187e3534f461d7c59a7d6899a983a5305b48f93f	2021-10-22 10:05:03	45.00

Data Cleaning/Filtering

200 wallets

No smart contracts

Transfers only

No centralized exchanges

147 wallets
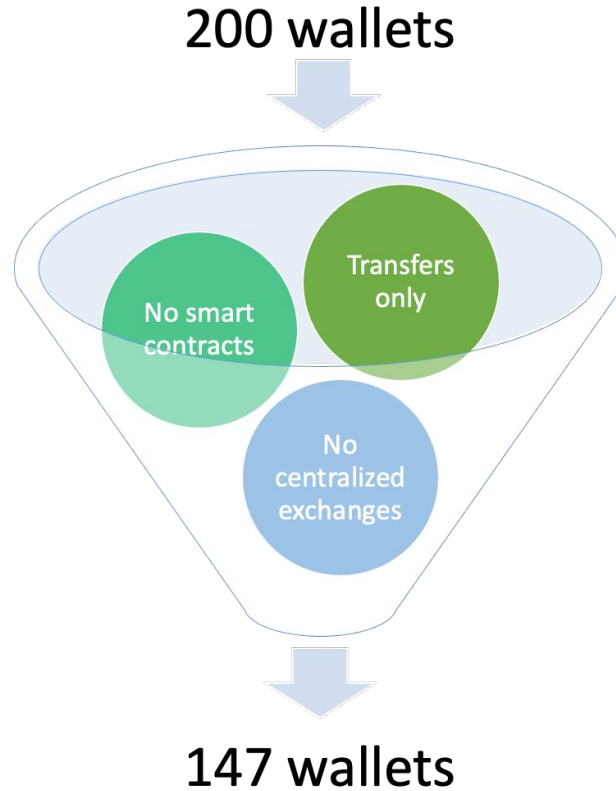
Question 1 - Define financial metrics

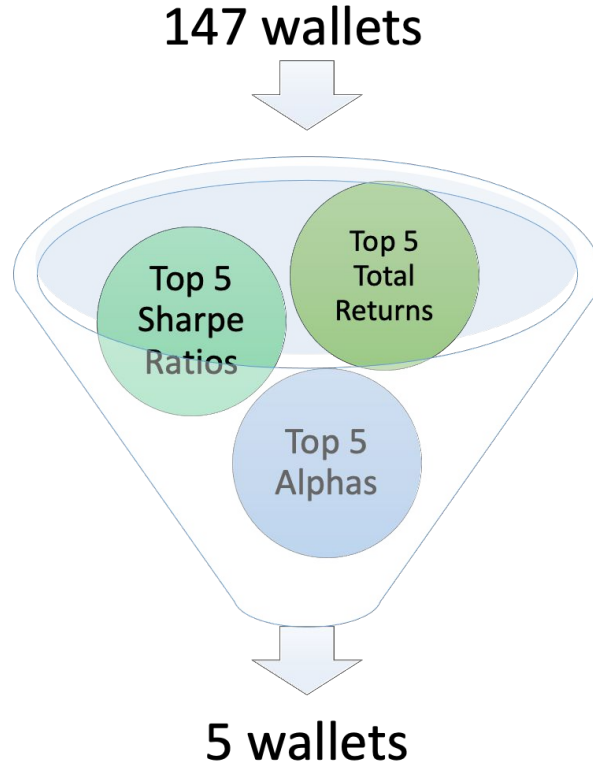## $SAND Price Movement

- "Beta" or Benchmark
- Volatility

Wallet Level Metrics

- Holding Period Return
- "Alpha" or Above Benchmark Returns
- Sharpe Ratio

Higher Wallet Metrics = Better Returns

Question 2 - Identify top performance invested in $SAND (Ethan)

147 wallets

Top 5 Sharpe Ratios

Top 5 Total Returns

Top 5 Alphas

5 wallets

Question 2 - Top Performance (continued)

Top 5 Wallet Returns

	holders_address	return_by_wallet
41	0x4db1578cf389b1cda470c08e61c406f3e8bc2e7d	705.67
72	0x896078a63a1878b7fdc8dba468c9a59b94fd7a92	195.76
107	0xb701dec4186c8c7f1a7047b33f9f9a39febb1db1	140.76
56	0x6bcbe6c086cc66806b0b7b4a53409058d85f61c8	80.56
108	0xb8700c17bb966ab854a343377ddf6a2ef06630a3	75.30

Top 5 Wallet Sharpe Ratio

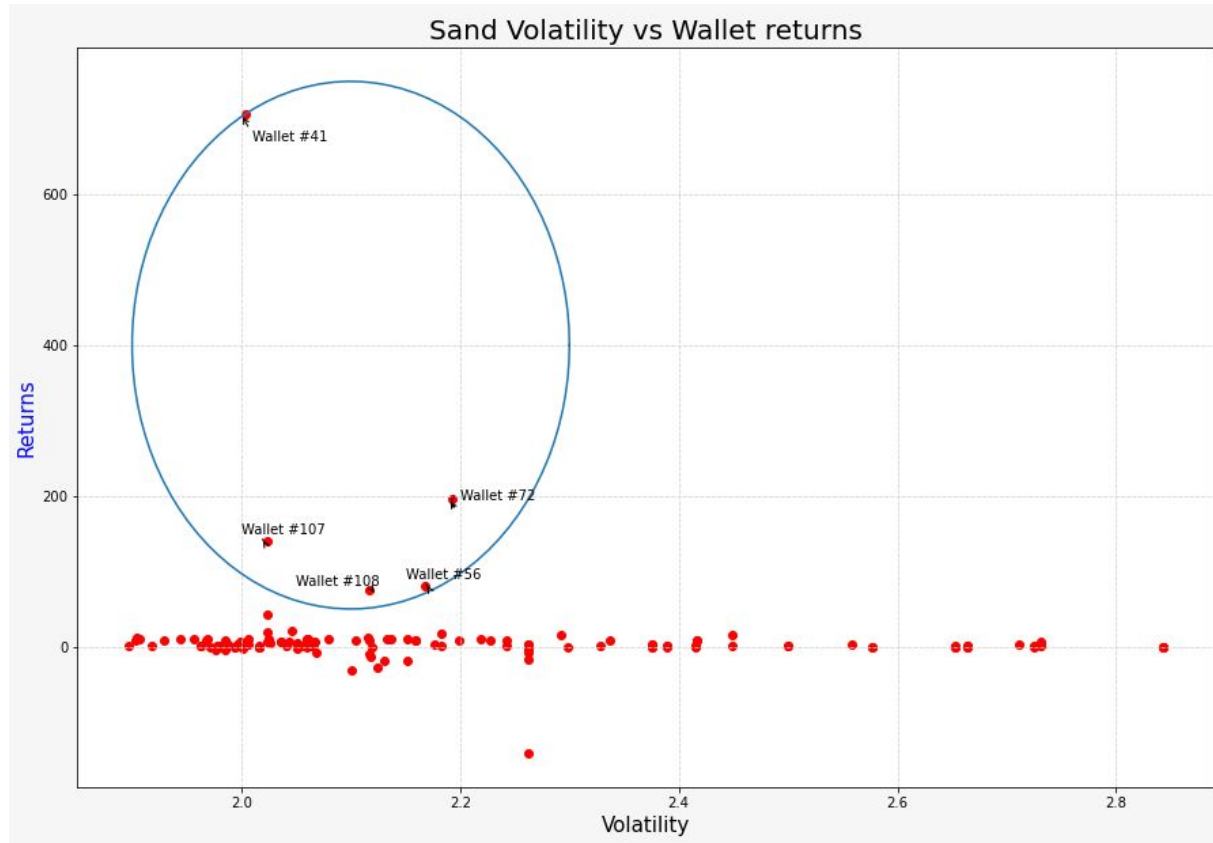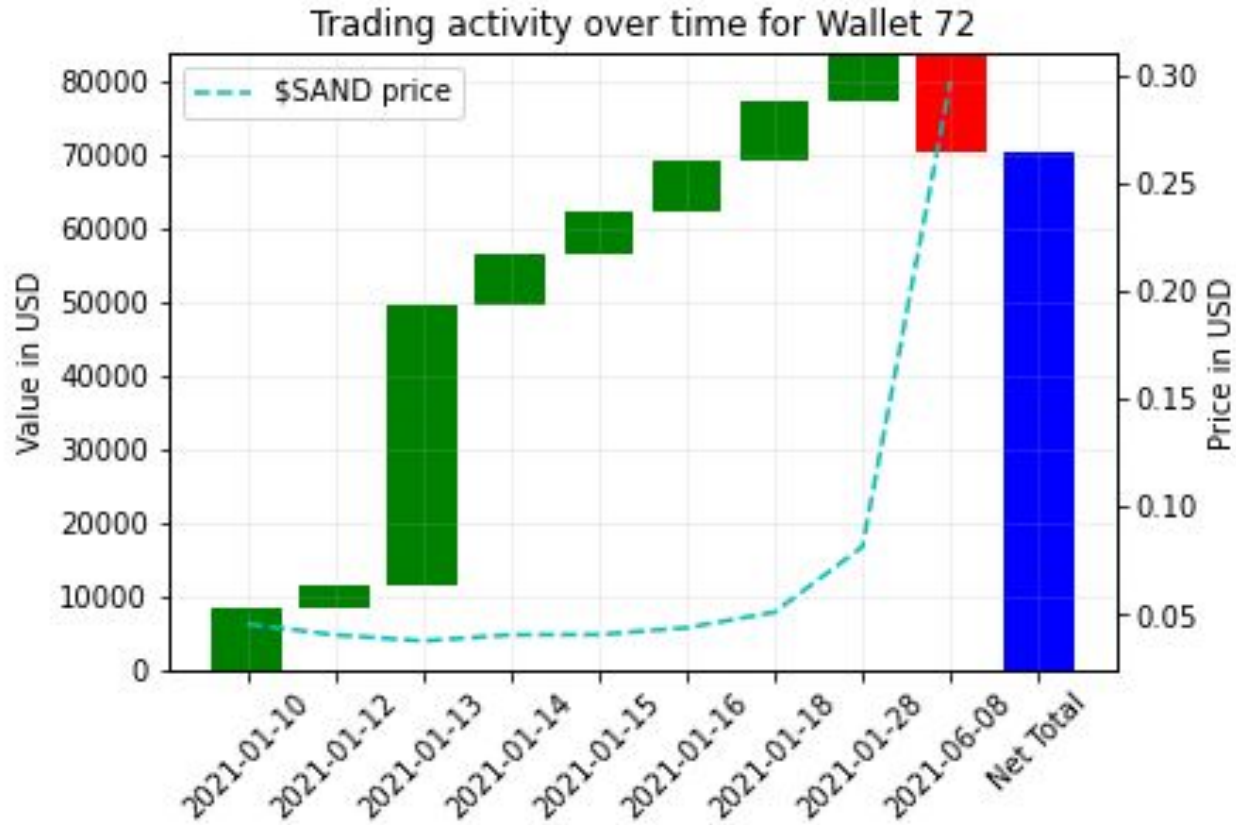|	holders_address	sharpe_ratio
41	0x4db1578cf389b1cda470c08e61c406f3e8bc2e7d	352.11
72	0x896078a63a1878b7fdc8dba468c9a59b94fd7a92	89.28
107	0xb701dec4186c8c7f1a7047b33f9f9a39febb1db1	69.54
56	0x6bcbe6c086cc66806b0b7b4a53409058d85f61c8	37.15
108	0xb8700c17bb966ab854a343377ddf6a2ef06630a3	35.56

Top 5 Wallet Alpha

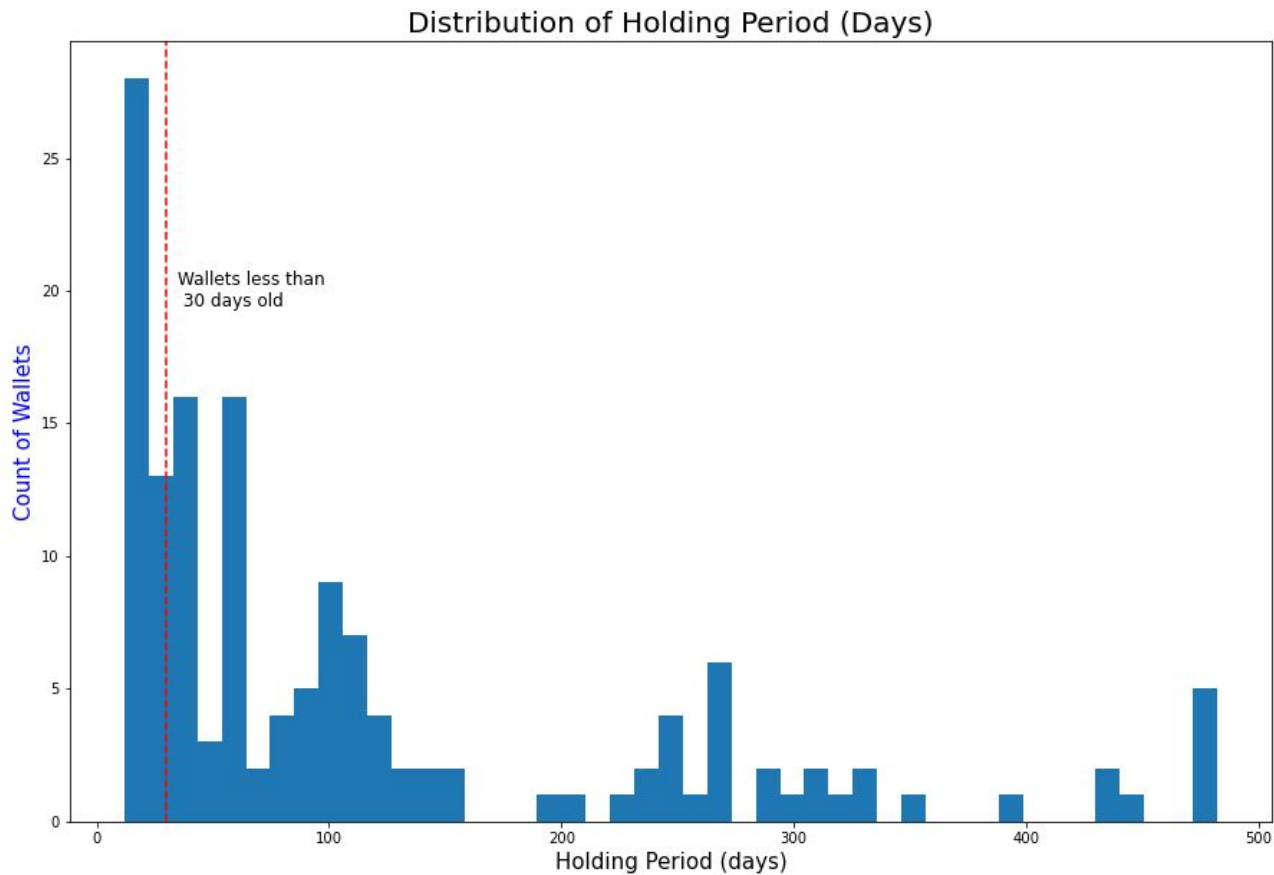|	holders_address	wallet_alpha
41	0x4db1578cf389b1cda470c08e61c406f3e8bc2e7d	579.55
56	0x6bcbe6c086cc66806b0b7b4a53409058d85f61c8	63.17
72	0x896078a63a1878b7fdc8dba468c9a59b94fd7a92	27.96
117	0xc50174c3cdb60fb4b685891d5812743141ba557a	14.38
85	0x964affa16e70c1477e52670b97471f8db2f976f3	13.67

Question 2 - Top Performance (continued)

Sand Volatility vs Wallet returns

Trading activity over time for Wallet 72

Case Studies - Wallet Holder # 56

Trading activity over time for Wallet 56

$SAND insights and Lessons Learned

Distribution of Holding Period (Days)

$SAND insights and Lessons Learned (continued)

$SAND insights and Lessons Learned (continued)

Skewness of different coins vs the S&P 500
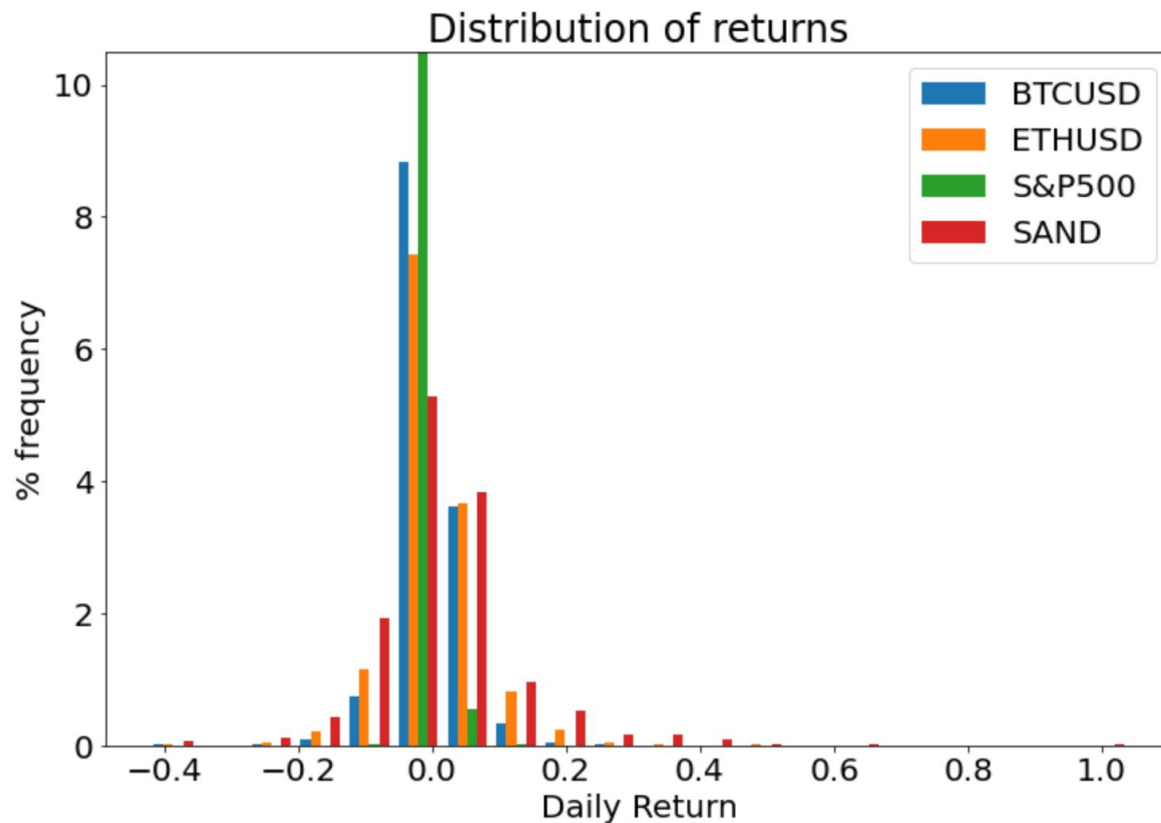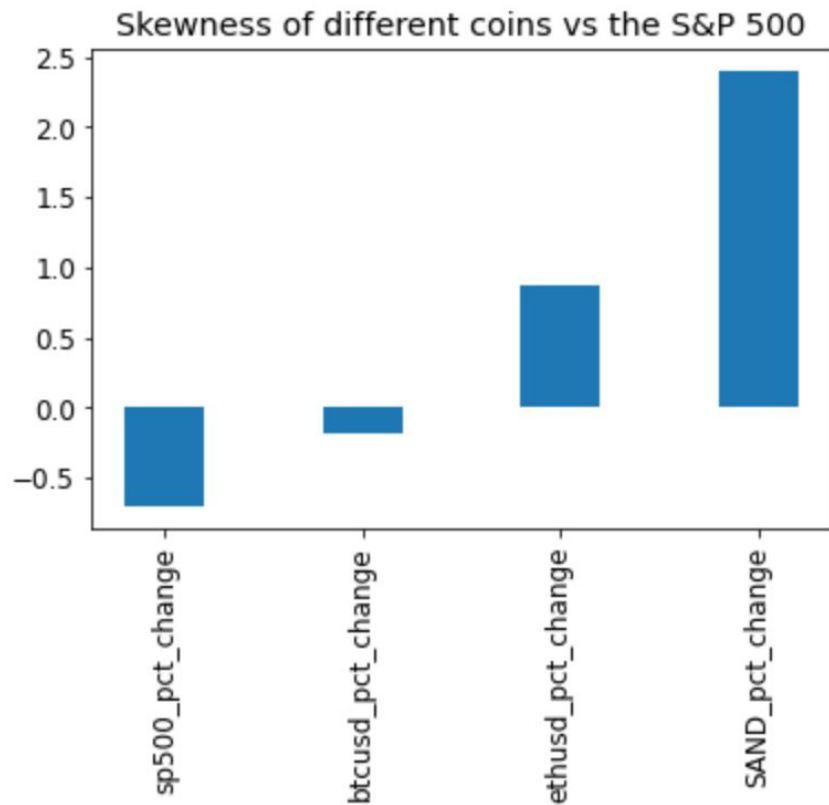
	btcusd_pct_change	ethusd_pct_change	sp500_pct_change	SAND_pct_change
count	1,818.00	1,594.00	1,819.00	473.00
mean	0.00	0.01	0.00	0.02
std	0.04	0.07	0.01	0.12
min	-0.37	-0.42	-0.11	-0.37
25%	-0.01	-0.02	-0.00	-0.04
50%	0.00	0.00	0.00	-0.00
75%	0.02	0.03	0.01	0.05
max	0.25	0.51	0.09	1.04

$SAND insights and Lessons Learned (continued)

The alpha wallets are those that typically got in earlier before the pump
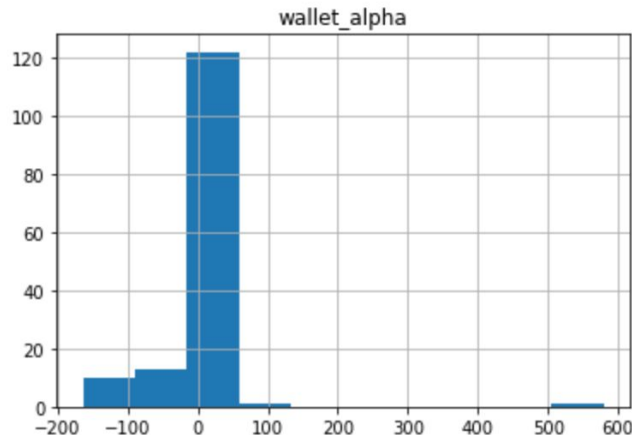
wallet_alpha

Number of wallets with POSITIVE alpha: 22
Number of wallets with NEGATIVE alpha: 111

Positive alpha wallets: 70.0 days
Negative alpha wallets: 61.0 days

Thank you.