

# What Is Quasar?

Quasar (pronounced QWAY-ZAR) is a decentralized appchain enabling Interchain asset management. Quasar can handle assets such as fungible tokens and has the capacity to include other assets such as non-fungible tokens, digital certificates, authentication codes, and more. Management can include a wide range of actions such as saving, co-managing, crowdsourcing, crowdlending, and more broadly, automated and/or actively managed deployment of liquidity/capital across a network of independent blockchains. Quasar offers a transparent, secure, and governable platform to build general purpose asset management containers (vaults) that can be customized to suit a wide range of goals.

## Decentralized Asset Management (DAM) via Interchain Vaults

DAM encompasses the use of permissionless, transparent, and composable tools and infrastructure — made available by blockchain technology and DeFi — for asset management services. The key justification for DAM is the belief that liquidity providers should have greater agency in determining how their assets are handled. This includes having the ability to delegate strategic decision-making to individuals or groups (such as an asset manager or a community) to leverage their expertise as well as save time, energy, and money.

Opportunities presented by DAM include:

- Greater visibility and control, for investors, over their assets and how they are deployed
- Expanded access to sophisticated asset management strategies such as automated cross-chain yield farming
- Permissionless tools for building actively managed portfolios and vehicles for custom strategies
- Moving beyond the format of traditional asset manager relationships by emphasizing collaboration
- Novel ways to automatically shuttle liquidity efficiently throughout a multi-chain ecosystem
- Mechanisms for information sharing and collective decision-making
- Access to a wider variety of assets and types of assets

Certain features of decentralized blockchains make them highly suited for facilitating a DAM platform. These features include trustless consensus security, censorship resistance, publicly traceable and verifiable transactions, permissionless access, and trustless smart contracts.

## Why an Appchain for DAM?

DeFi projects are already finding interesting ways to aggregate and deploy funds — DAM is already here, but it still needs to be optimized. Additionally, the advent of the Interchain, where numerous independent blockchains are able to communicate with each other via the IBC network, calls for a novel redesigning of DAM applications and infrastructure.

Quasar believes that an appchain focused on supporting DAM applications will be able to unlock the full potential for DAM and serve a critical need for the current and future eras of DeFi. Compared to general-purpose blockchains, application-specific blockchains (appchains) offer greater sovereignty for the users and developers using the hosted applications. Developers have more direct influence upon the evolution of the chain without competing with other unrelated applications. At the same time, all users can participate in governance decisions exclusively dedicated to the application, allowing for infrastructure that can adapt dynamically to changing needs, goals, and use cases.

## Vaults as Serviced Infrastructure

Quasar utilizes smart contracts called "vaults" as the primary vehicles for aggregating and deploying capital. Vaults dynamically carry out asset deployment by flexibly integrating sub-components called "strategies" which are separate smart contracts handling execution logic. Vaults are designed to be customizable and self-governing so that their trajectory is determined by their own members.

Quasar is best understood as a platform supporting DAM infrastructure. Quasar's primary role is providing and maintaining the tools and infrastructure needed for generating and operating vaults and strategies. While Quasar will develop vaults for the community to openly participate in, this is not and will not be our core focus. Quasar's focus, in alignment with our mission, is in providing necessary resources to enable and support others building their ideal DAM solutions.

## Use Cases

Composable smart contracts for vaults allow for a broad range of use cases. The Cosmos SDK and CosmWasm allow for "DeFi legos" that can be bundled and recombined in countless ways to instantiate vaults. Potential use cases include:

- Diversified Portfolio: Create unique collections of diversified assets all in one place, without having to constantly interface with multiple individual chains
- ETF Index: Different metrics such as market cap or TVL can be used to create several flavors of simple indexes for IBC-enabled chains within the Cosmos ecosystem and beyond. Quasar's tentatively-named "Q-Index" will be an example of such an ETF index.

- Actively Managed Index: Develop a basket of goods representative of an index, then carry out strategies (e.g. staking) with the underlying assets
- Autocompounding: Automatically and remotely reinvest yield generated from a single or multiple AMM pools back into the same, or different, pools.
- Automated LPing: enter and exit liquidity positions automatically based on specified logic responsive to changing market conditions

## Protocol, Application Interface, and Labs

We should distinguish between the different areas of what we call "Quasar":

- Quasar Labs
- : The company which developed the Quasar Protocol, along with the interface for native smart contracts.
- The Quasar Protocol
- : A PoS application-specific blockchain that, together with CosmWasm smart contracts for IBC-enabled vaults, enables decentralized asset management across blockchains.
- The Quasar Application (or Web App)
- : A web interface that allows for easy interaction with the Quasar protocol and the vaults it hosts. The interface is only one of many ways users may interact with the Quasar protocol.
- Quasar Governance
- : A system for governing the Quasar Protocol, enabled by the QSR token.[Next DAM](#)