

#### Alma Mater Studiorum · Università di Bologna

DEPARTMENT OF COMPUTER SCIENCE AND ENGINEERING - DISI

# Filecoin in practice

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# Part I

# Socioeconomic context



# Public opinions on Filecoin

Hype (1, 2) (1/3)

#### Months of Hype

In July 2020, Filecoin announced their initial Space Race competition to be held in August, where miners on Filecoin's testnet would be "competing for up to 4MFIL in prizes as they race to onboard as much storage Ethereum Classic Labs James Wo said this of the phenomenon: space as possible." According to the Space Race website, 360 minters took part in the competition, onboarding 230 PiB (258milion gigabytes) in the three-week competition period. The second Space Race kicked off mid-September.

On the 27th of September, Filecoin stated that their mainnet would go live once the (epoch) block 148'888 had been reached "We expect this epoch to land around Oct 15, which will begin a period of monitoring and problem solving to ensure the network is nominal...". Furthermore, they announced their celebratory mainnet Lift-off Week, starting from the 19th - 23rd of October

True to their estimate, the mainnet went live on the 15th of October at ~14:45 UTC, with a week of pure hype leading to the launch. Over the week leading up to the launch Kraken, Gemini, Huobi, OKEx and as of vesterday, Binance - with Gemini's Tyler Winkelyos tweeting "Filecoin \$FIL, the most anticipated crypto since the launch of Ethereum and Bitcoin itself, is here!"

A sudden surge in Filecoin social media activity appears to be driven by Chinese miners and speculators.

This recent excitement around Filecoin appears to be largely driven by China, despite Filecoin being a US-based company. As the founder of

"In China, Filecoin is so hot while DeFi is not. To make hotspot, you have to let people participate. Purchasing mining machines is much easier than purchasing tokens in China."

As with Bitcoin mining, most Filecoin mining is happening in China. Eight out of the ten largest miners on the Filecoin testnet are in China. Though, experts suggest that this could be less to do with Filecoin and more to do with the popularity of mining in China.

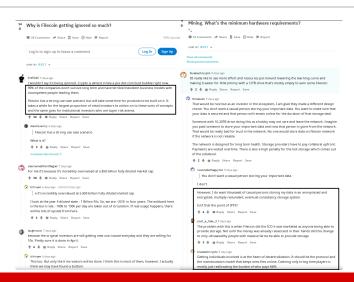
"Crypto mining has always been a popular thing in China," said Andy Tian, co-founder of 1475, a Filecoin mining hardware manufacturer.

Apart from mining, the investors are betting big on Filecoin Futures, which are dependent on the mainnet's launch. Filecoin's current 24hour futures trading volume is more than \$50 million, according to CoinGecko.



# Public opinions on Filecoin

#### Controversies (1, 2) (2/3)





# Public opinions on Filecoin

Is Filecoin a scam? (1, 2, 3, 4, 5) (3/3)



Justin Sun also backed his claims by sharing a screenshot of a Filecoin founder's account that reflected the founder receiving 1.5 million FIL on October 15, which happens to be the same day Filecoin launched.

But the screenshot (seen below) also shows that 800,000 FIL tokens were later transferred to the crypto exchange Huobi which Sun believed to be the main reason why FIL tokens price dropped.

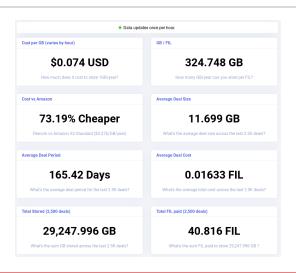


Flecoin is controversial, even in South Korea. Some pyramid scheme companies are selling Flecoin mining machines, and this causes continuous damages. They are openly and actively working on YouTube, portals, and social media to attract customers. Most of the victims who have been trapped by them are ignorant about Flecoin. And it is possible that they still do not know about the series of incidents happening now. If the information does not circulate, damages will continue to grow.



# How much it costs me to store a file?

https://filstats.com





# How's Filecoin Mainnet doing?

https://stats.filecoin.io





# Can I see proofs without a Filecoin node?

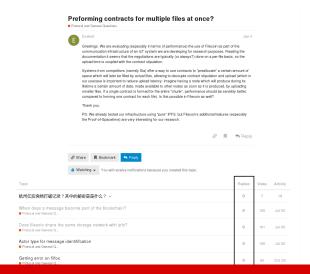
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# Our experience

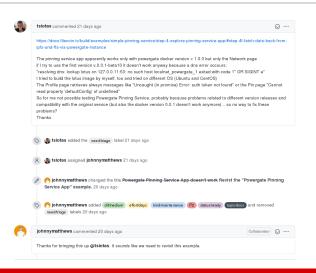
#### Forum (1/2)





# Our experience

#### Github issues (2/2)



# Part II

# Running Filecoin



#### Available networks (1/6)

#### Mainnet

- Primary Filecoin network
- Sector sizes: 32GiB, 64 GiB
- Minimum power to participate in consensus: 10TiB

#### Butterfly

- Test network for core implementers, reset frequently
- Sector sizes: 512MiB, 32GiB, 64 GiB
- Minimum power to participate in consensus: 1GiB

#### Nerpa

- Test network for app developers, sealing is faster (25 mins)
- Sector sizes: 512MiB, 32GiB, 64 GiB
- Minimum power to participate in consensus: 4GiB

#### Calibration

- Primary test network, simulates Mainnet behavior (real deals are made between miners and users) as demo/calibration for new miners and users
- Sector sizes: 512MiB, 32GiB, 64 GiB

#### Localnet

- Configurable parameters (sector sizes, blockchain epoch duration, etc.)
- Sealing is mocked, allowing sensibly faster deal making
- A pool of simulated miners is generated at startup (with deterministic addresses)
- Miners are configured to always accept every deal they receive



#### Lotus (2/6)

Lotus is a full-featured implementation of Filecoin node and miner. Comes in three flavors:

- lotus: Filecoin user node (manages FIL wallet, storage and retrieval deals and validates transactions)
- lotus-miner: Filecoin miner
- lotus-worker: node which assists miners

#### Online networks

The current state of each network can be checked out from

https://github.com/filecoin-project/lotus.git

- pit checkout master
- pit checkout ntwk-butterfly
- pit checkout ntwk-nerpa
- git checkout ntwk-calibration

### File lifecycle in Lotus:

- 1. IPFS blocks and their CIDs are compressed into a CAR (content-addressable archive)
- 2. The client makes a deal with a miner
- 3. The CAR file is transferred to the miner
- 4. The file is stored in a sector which is sealed
- 5. The miner submits constantly proofs to the network

#### Localnet

The localnet implementation can be cloned from https://github.com/textileio/lotus-devnet

- Sector sizes: 2KiB, 512KiB
- ▶ Block production rate configurable
- Mock sealing
- Simulated miners



#### Mining hardware requirements (3/6)

The hardware requirements for Filecoin mining are tied to the computational resources needed to seal a sector and generating regular Proof of Spacetime for every sealed sector (WindowPoSt).

For reference, the requirements listed below correspond to 32GiB sectors, as used by Mainnet and some testnets (calibration, nerpa):

- A miner will need an 8+ core CPU
- ▶ 128 GiB of RAM are needed at the very least. This should be complemented with 256 GiB of swap on a very fast NVMe SSD storage medium
- A powerful GPU is recommended
- Filecoin network parameters are over 100GiB and need to be read and verified during Miner start. As mentioned above, lack of RAM needs to be addressed with a fast swap drive or file. For this reasons, a minimal amount of 1TiB NVMe-based disk space for cache storage is recommended. This disk should be used to store data during the sealing process, to cache Filecoin parameters and serve as general temporal storage location. Additional hard drives for the final storage of "sealed sectors", the Lotus chain, etc. will be needed as well.

"The above requirements will not increase in the presumable future, and money spent on hardware should provide users with many years of reliable service, paying for themselves several times over."

(https://docs.filecoin.io/mine/hardware-requirements)

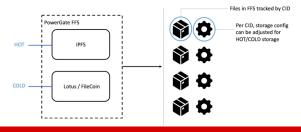


Powergate (4/6)

Powergate is a file storage API which wraps IPFS and Filecoin. Files (tracked by CID) can be stored in Powergate in two modes (by default a copy will be saved in both modes):

- Hot storage: the file is stored on the IPFS network
- Cold storage: the file is stored on the Filecoin network

For cold storage, Powergate collects informations about miners like (power, price and ranking) and automatically selects the best satisfying the configuration associated with the file's CID.





#### Reputation in Powergate (5/6)

Powergate builds three indexes related to on-chain and off-chain data.

- The Miners index provides processed data regarding registered miners (on-chain and off-chain), such as: total miner power, relative power, online status, geolocation, and more
- The Ask index provides a fast-retrieval up to date snapshot of miner's asking prices for data storage
- ▶ The Faults index provides history data about miners faults while proving their storage on-chain

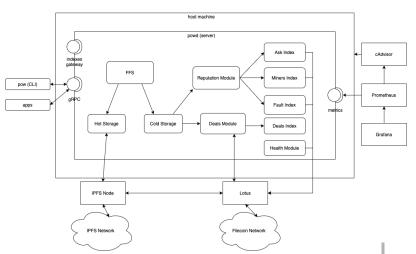
Built on top of the previous indexes, a Reputation module constructs a weighted-scoring system that allows to sort miners considering multiple on-chain and off-chain data, such as: compared price to the median of the market, low storage-fault history, power on network, and external sources.

#### API changes

From version 0.9.x to version 1.0 the API interface of Powergate has changed. Before this update informations on the miners' reputation could be retrieved using the APIs, after the update it's no longer possible (although internally Powergate still uses the reputation to select the best miner).



Powergate architecture (6/6)





### Filecoin deals

What's inside Powergate's storage options? (1/2)

```
app # ./pow config default -t 6190def8-0637-41d1-8378-6115ba3a0049
 "hot": {
  "enabled": true,
  "allowUnfreeze": false,
  "unfreezeMaxPrice": "0",
  "ipfs": {
     "addTimeout": "30"
 cold": {
   filecoin": {
    "replicationFactor": "1",
    "dealMinDuration": "518400",
    "excludedMiners": [].
    "trustedMiners": [],
    "countryCodes": [],
    "renew": {
      "enabled": false.
       "threshold": "0"
     address": "f3uzaveqqqfymql4cbxqbtyxu4dbux2jobzleqpy627ucfvfsss744adaacpnzmybowndjzlabbtclkpfo765q",
    "maxPrice": "0",
    "fastRetrieval": false,
    "dealStartOffset": "0"
 "repairable": false
```



### Filecoin deals

### Sector status (2/2)

A sector (and therefore all the deals stored within it) can be in one of the following states:

- Precommitted: The miner is sealing the sector
- Committed: The miner has created the PoRep and submitted it
- Active: The miner continuously produces PoSt and submits them
- Faulty: A proof for the sector was not generated
- Recovering: The sector was declared faulty before generating the proof
- Terminated: The sector expired, the miner removed it from the network or was Faulty for 14 consecutive proofs

# Part III

# Appendix



# Powergate CLI

#### Launching the Localnet (1/2)

Powergate comes preinstalled into three separate Docker containers (one for Powergate itself, one for Lotus and one for IPFS).

- Download a release (powergate-docker-v<version>.zip) from https://github.com/textileio/powergate/releases and unzip it
- Edit docker-compose-localnet.yaml to expose port 8080:8080 (as well as the default 5001:5001) from the IPFS container
- 3. Start Powergate with the provided Makefile (eg. BIGSECTORS=true make localnet)
- 4. A terminal on each container can be run as usual:
  - docker exec -it localnet\_powergate\_1 sh
  - docker exec -it localnet\_lotus\_1 sh
  - docker exec -it localnet\_ipfs\_1 sh
- 5. The IPFS interface can be accessed from http://<ip>:5001/webui
- If the IPFS node is not on localhost, the daemon needs to be configured to accept all
  connections: ipfs config -json API.HTTPHeaders.Access-Control-Allow-Origin '["\*"]'



# Powergate CLI

#### Creating a user and making a deal (2/2)

- 1. Launch a shell inside Powergate container: docker exec -it localnet\_powergate\_1 sh
- 2. Create a new user: ./ pow admin create
- 3. Create a CID for a file: ./pow data stage -t <user-token> <file>
- 4. Store the file: ./pow config apply -w -t <user-token> <file-cid>
- 5. Wait for Powergate to finish uploading and negotiating the deal (for cold storage)



# Powergate Node.js

#### Boilerplate (1/3)

A JavaScript Powergate client can be cloned from <a href="https://textileio.github.io/js-powergate-client">https://textileio.github.io/js-powergate-client</a> or installed in Node.js with npm i @textile/powergate-client The following boilerplate can be used for any Powergate-based application:

```
import fs from "fs"
import { createPow, powTypes } from "@textile/powergate-client"
const host = "http://0.0.0.0:6002" // or whatever powergate instance you want
const pow = createPow({ host })
```



# Powergate Node.js

#### Example APIs (2/3)

```
// get wallet addresses associated with the user
const { addressesList } = await pow.wallet.addresses()
// create a new address associated with the user
const { address } = await pow.wallet.newAddress("mv new address")
// get build information about the powergate server
const res = await pow.buildInfo()
// cache data in IPFS in preparation to store it
const buffer = fs.readFileSvnc('path/to/a/file')
const { cid } = await pow.data.stage(buffer)
// store the data using the default storage configuration
const { jobId } = await pow.storageConfig.apply(cid)
// watch the job status to see the storage process progressing
const jobsCancel = pow.storageJobs.watch((job) => {
if (job.status === powTypes.JobStatus.JOB_STATUS_CANCELED) {
console.log("job canceled")
} else if (job.status === powTvpes.JobStatus.JOB STATUS FAILED) {
console.log("job failed")
} else if (job.status === powTypes.JobStatus.JOB STATUS SUCCESS) {
console.log("job success!")
}, jobId)
```



# Powergate Node.js

#### Example APIs (3/3)