This is the first draft of what will be the “Cryptoasset Overview” (proper name tbc). The format of the Cryptoasset Overview shall be partly modelled from the UCD Student Managed Fund; however it will have different objectives and goals. The UCD SMF is an equities fund that consists of long positions in different “sectors”, for example renewable energy sector, banking sector, telecommunications sector…. Each of these sectors has a sector manager whose job is to have a good overall knowledge of their sector. The sectors will be filled with student “equity analysts” whose role it is to research stocks designated by the sector manager. There could be up to 20-30 analysts per sector. I shall quickly run through how the SMF works during a given semester and talk about how I think our “Cryptoasset Overview” should follow it.

Before the semester the sector manager will have a good idea of what companies are worth investigating further within their sector. Let's suppose that my sector manager has picked 10 stocks that they believe Have the potential to be suitable investments and should investigate further. The 10 stocks will be divided between however many analysts there are in a sector. Thus I am an equity analyst and have to fill out a one-page “investment thesis” for a company. Example Investment thesis can be seen on pages 4 and 5 below. Page 4 is the investment thesis blueprint that students are given, and page 4 is a completed example of an investment thesis for Mastercard. Once given my stock to research I have a week to fill in my investment thesis. After doing so, I present my investment thesis to my sector manager and fellow equity analysts. My overall goal is to be able to figure out whether or not I think the stock is currently overvalued or undervalued (BUY/SELL).

Once the ten stocks are researched and presented, 3-4 will be picked to be investigated further. I am then tasked to one of these stocks but now in a team of 4-6 people where we have to undertake more in depth analysis on some aspect of the stock but now instead we are to make a more insightful PowerPoint presentation. Lets say I am tasked to do the valuation with another student for example. A few weeks later we will present our PowerPoint to the sector manager and fellow equity analysts. The 3-4 companies will again be whittled down to 1-2 that will be finally presented to the fund executives who will decide on whether to take BUY or SELL or HOLD a given stock.

*Cryptoassest Overview:*

We would like the Cryptoasset Overview to take work similarly to the SMF with a few differences. Our overall goal is to design our version of the Blueprint (page 4), which will allow students to fill in for cryptoassets instead of stocks but with some differences as I will outline below.

* We have previously talked about the sectors we could use for the crypto asset overview
  + Foundational Cryptocurrencies:
    - This sector should contain cryptocurrencies whose sole objective is to act as a blockchain based payment system. Cryptocurrencies in this sector should be limited in supply so that they can potentially act as a store of value. Examples: Bitcoin, Ripple, Litecoin, and Bitcoin Cash.
  + Infrastructure:
    - Infrastructural cryptocurrencies should be those whose primary function is to provide a platform or infrastructure on which a network of decentralized applications can be built on. Examples: Ethereum, Cardano, Polkadot, and Internet Computer.
  + Financial
    - Financial cryptocurrencies are those that provide some financial service whether that be through borrowing or lending crypto assets, allowing users to create financial instruments, or powering decentralized exchanges. Examples: UMA, Synthetix, Uniswap, Yearn Finance, and Curve finance.
  + Services
    - Cryptocurrencies which provide a service that is not financial in nature. Examples of services include: Vechain’s supply chain management service, Chainlink’s oracle network, and RLC’s access to computing power and data.
  + Media and Entertainment
    - Aspects of blockchain and cryptocurrencies concerned with media and entertainment. While non-fungible tokens are not limited to this sector they are prevalent, especially in gaming, art, sports (highlights like NBA’s hotshots), and music. Examples: Chilliz the ethereum token that powers Socios.com a platform that lets users trade tokens to show support for professional sports teams, and Basic attention Token used on the brave browser which distributes advertiser revenue to users and content creators.
  + Stablecoins
    - I would like to include a stablecoin sector in the SMCF because it could act as the bonds section of a more traditional portfolio. Benjamin Graham was arguably the biggest influence on Warren Buffett. He suggests that it's necessary to keep 25% to 75% of your portfolio in bonds because of the safety they offer. I would argue that stablecoins staked on reputable platforms could offer even better APYs than bonds with the same level of safety. Stablecoins are tokens which try to peg their value to a currency e.g., the US dollar or the euro. These coins can be staked on platforms such as curve finance or yearn finance to give at some times double digit APYs.
    - Crypto staking is the process of locking up crypto holdings in order to obtain rewards or earn interest. Examples: USCD, USDT, and EURS.
* Like with the SFM our “Crypto asset overview” could take on a very similar format on a sector by sector bases as I outlined above. Students would complete our version of the investment thesis with one major difference; **We do not want to look at the crypto asset from an investment perspective. We want our students to look at the crypto asset from the perspective of how likely it is to succeed in its relevant industry or sector – The answer to this may take many forms, which I would like us to figure out.**
* We are all aware of the volatility and risks associated with it cryptocurrency trading. Thus it might not be a wise choice to condone such investing in a college student setting.
* Our overreaching goal should not be encourage students to start investing or learn about crypto trading, it should be a way for students to learn about the technology by researching into cryptoassests on there potential to revolutionize a given sector or industry as I have discussed.
* Keep in mind that the SMF is driven by picking stocks that are believed to be undervalued or have a bullish outlook.

**Please fill out the next page (page 3) for any crypto asset in any of the “sectors” I have outlined above**

* The format below (page 3) is a rough template. The end goal is to construct a template like the one on page 4 but not for the purpose of investment but instead for the purpose of research and comparison to other crypto assets that are in the same sector/trying to solve the same problem.
* Thus pick any cryptoasset in any sector above and fill out page 3. When doing so bare some things in mind;
  + What is the most optimal way to design the cryptoassest overview template. What headings would you add, take out, make bigger, have sector specific etc…?
  + Can you think of a more fitting name then the “Cryptoasset Overview”?
  + Think about how we might describe our endevour to students. What exactly is the end goal at the end of the semester.
    - Think about the end goal of the SMF which is basically to have a profitable fund etc.
* Please take down any comments you have on page 6.

|  |  |
| --- | --- |
| Name | Kris O’Shea |
| Crypto asset | Ethereum |
| Token Name | Ether (ETH) |
| Sector | Infrastructure |

A picture containing shape

Description automatically generated

Key risks and Competition:

Reliability:

ESG Outlook (do they have policies to reduce carbon footprint):

-Eth 2.0, move from proof of work to proof of stake.

Regulatory and legal outlook:

Background and Price History:

Peer Comparison:

Catalysts, market potential, and Total Value Locked:

Use Cases/Value Proposition/Functioning product:

|  |  |
| --- | --- |
| Name | Kris O’Shea |
| Crypto asset | Ethereum |
| Sector | Infrastructure |
| Name | Kris O’Shea |
| Crypto asset | Ethereum |
| Sector | Infrastructure |

A picture containing shape

Description automatically generated

Open/closed source (Transparency):

Authenticity and Security:

Level of centralisation vs decentralisation:

Fee structure/cost of use:

User interface and user experience:

Customer service/Community Engagement, social media activity/Reputation

Network effects/Adoption strategy:

Developer Activity/Talent Attraction/Team Involved:

A picture containing shape

Description automatically generated

Total Value Locked, trading volume, and liquidity Risks

Mining Process Used:

Technologies Used

Current token/asset distribution amongst stakeholders:

Total market capitalization and Circulating supply (scarcity):

Tokenomics:

Company Vision:

Company/Project Reputation

A picture containing shape

Description automatically generated

Price History:

Smart contract capability/compatibility:

Consensus mechanism:

Quality of project roadmap

What problem are is the project attempting to solve and what is their solution:

Trading Volume on exchanges

Exchange Support:

Market cap, unit price, and supply:

**How to Research a cryptoasset:**

**1: Read the whitepaper**

![Graphical user interface, chart, application, table

Description automatically generated]()

![A picture containing table

Description automatically generated]()

***Comments:***

1: We should be encouraging students to view crypto assets with respect to both learning about the technology and LONG-TERM investment opportunities. It is a bit unclear above what is meant by not encouraging students to look at this asset class from an investment perspective. I agree that short term trading ahould not be encouraged in this academic environment. However, viewing crypto assets with respect to both mid to longterm investment opportunities should most certainly be considered. However, looking at these assets from the perspective of ‘which will solve a given problem the best’ will likely lead to the best investment opportunity in a given sector anyway.