Sushi Swap

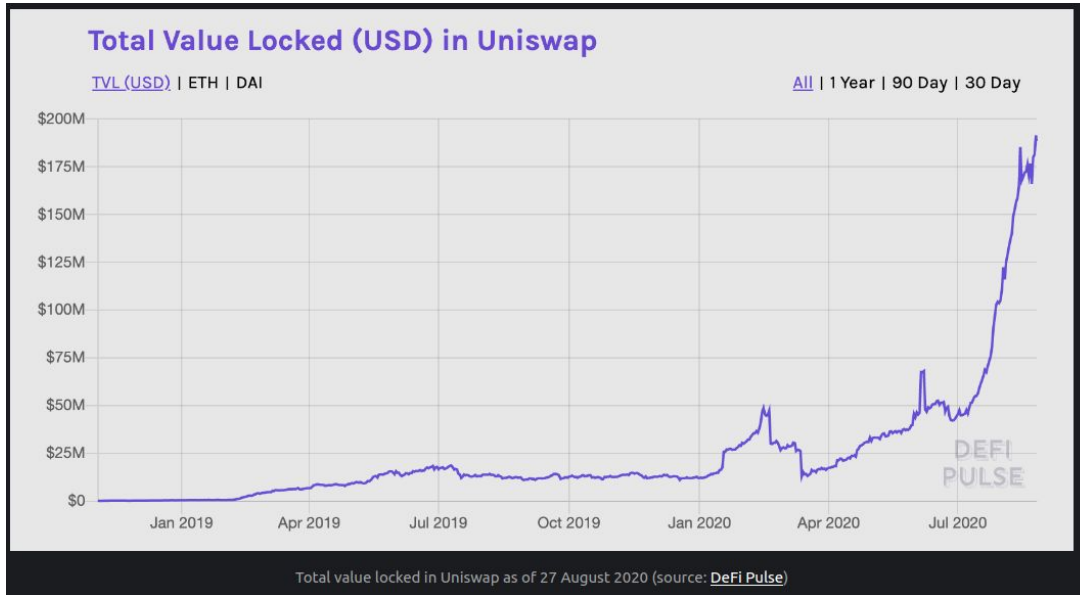# Background

Uniswap
- Launched in 2018, Uniswap is a DEX featuring an AMM
- Solves the problem of illiquid assets since anyone can set up a liquidity pool

Total value locked in Uniswap as of 27 August 2020 (source: DeFi Pulse)

- Truly Decentralised
- Allows swap between any ERC20 pairs
- The code is robust

V2 Launched May 2020 allowing direct token swaps - halving gas fees

Compound

Issues COMP token, users start "yield farming" and earn COMP tokens - a governance token.

Compound Market	Gross Supply	Gross Borrow	Exposure Lending and/or Borrowing	COMP Paid to Lend/Borrow in Market	COMP I Earn	Earnings in USD Daily	Daily APY%
DAI	$24,600,000		$1,000	26.78	0.0001088617886	$0.07	2.50%
USDT		$72,660,000	$2,500	1370.88	0.04716763006	$2.97	43.38%
USDC		$8,020,000	$2,500	39.76	0.01239401496	$0.78	28.50%
Instadapp COMP Maximized	$24,500,000	$72,660,000	$3,500	-	0.04825624794	$3.04	65.97%
Price of COMP	$63		30-Day Net Return	$53.70			

Yearn Finance

A decentralised asset management platform
Launches YFi token

"In further efforts to give up this protocol (mostly because we are lazy and don't want to do it), we have released YFI, a completely valueless 0 supply token. We re-iterate, it has 0 financial value. There is no pre-mine, there is no sale, no you cannot buy it, no, it won't be on Uniswap, no, there won't be an auction. We don't have any of it."

Within a week it was worth $3000 and was giving returns of 35,000%

"Fair Launch" projects

Projects that are community launched / driven rather than VC backed

i.e Yearn rather than Compound , SushiSwap rather than Uniswap

YAM - the first food coin

Taking inspiration from Yearn, Ampleforth and Compound

Aug 11 - YAM launches
- In the launch announcement, the founders noted that no formal audits had been conducted on the protocol and that this was a "10-day project from start to launch", resulting in criticism from people immune to hype.
- In less than 24 hours after launch, YAM Finance is already managing around $580 million in crypto assets.

Aug 12 / 13 - A bug is discovered, which made the governance unworkable.
- Within 6 hours the price of YAM falls from $160 to $4

Food / Meme Coins

Driven by gamification / Emojis / Social networking

Examples

Ham.Finance
HotdogSwap
BurgerSwap
BakerySwap
…..

Most projects are quickly forked from existing projects, heavily promoted and not audited.
Users were given governance tokens in for staking in pools.
Many were pump / dump schemes or rug pulls

#WARONRUGS Portal

5 136 subscribers

Scam artists and their fanboys hate us. This is an official #WARONRUGS! We are a community based, grassroots movement against rug pulls, and scammers in the crypto-sphere. French group: @waronrugsfr...

VIEW IN TELEGRAM

Preview channel

A competitor to Uniswap

Uniswap governance not decentralised enough
Uniswap fees not providing sufficient reward when compared to yield farming

A 'fork' of Uniswap
Adds a governance token, at this point Uniswap hasn't introduced its UNI token

> 1/ Introducing #SushiSwap 🍣, an evolution of #Uniswap with $SUSHI
> tokenomics. SushiSwap protocol better aligns incentives for network
> participants by introducing revenue-sharing & network effects to the existing
> AMM model. https://t.co/Ywe9Gs8Pjx
>
> — Chef Nomi #SushiSwap (@NomiChef) August 26, 2020

SushiSwap created by the anonymous Chef Nomi

A different approach to other food coin projects

SUSHI tokens are provided as a reward for staking Uniswap LP tokens on SushiSwap

For the first two weeks, 10 times the amount, or 1,000 SUSHI tokens, are rewarded per block, with the SUSHI/ETH pool receiving an added multiplier of two.

From the User perspective the process is

1. Go to Uniswap and add liquidity to say the ETH / DAI pool
2. You will receive LP tokens - ETH-DAI UNI-V2 LP
3. Go to the SushiSwap Dapp to stake your LP tokens there

4. You will receive SUSHI tokens as a reward
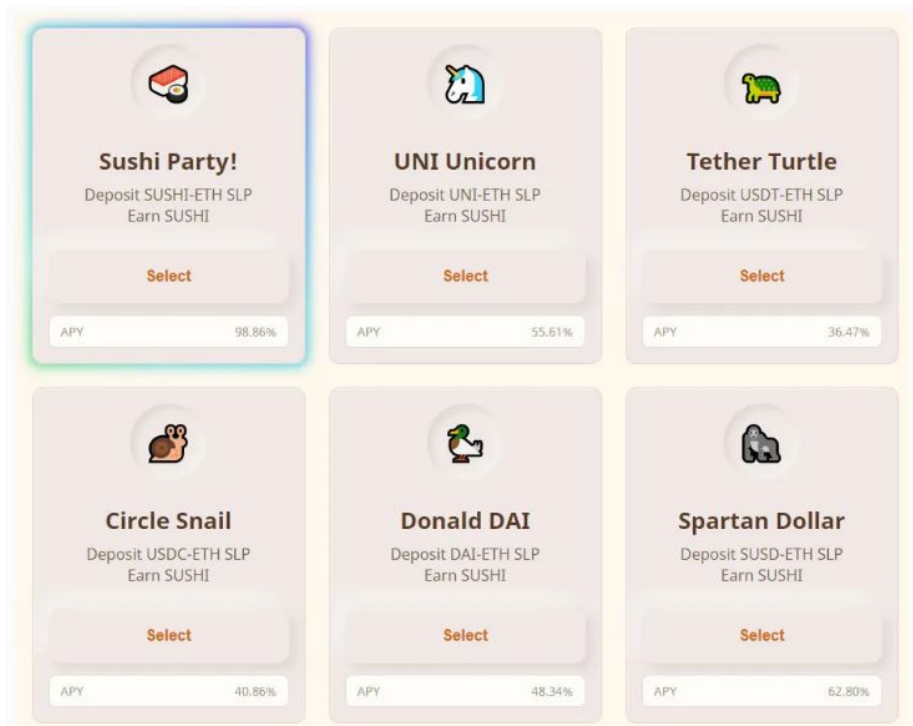
The 'Vampire' Attack on Uniswap starts

Vampire Attack

The first step of a vampire attack is to incentivise liquidity providers of another platform to stake their LP tokens, which represent supplied liquidity, to a new platform.
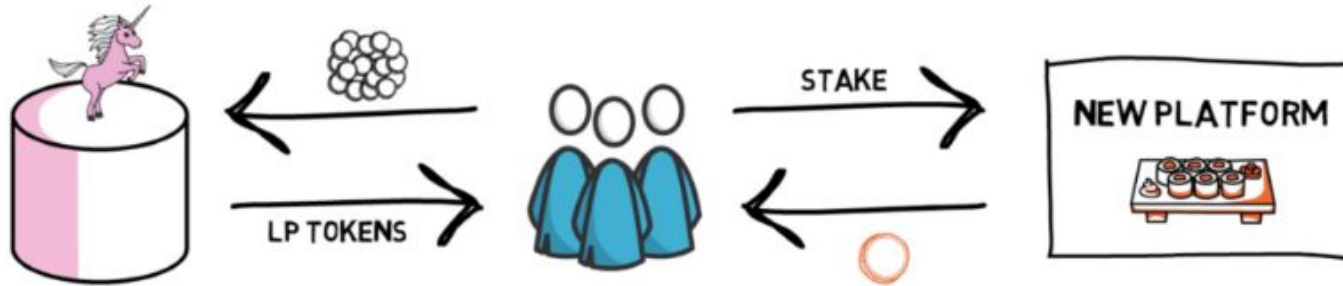
From Finematics

The migration using the master chef contract

The LP tokens will be migrated into SushiSwap LP tokens effectively stealing the liquidity from Uniswap

Use of Uniswap increases as users want Uniswap LP to stale on SushiSwap

SushiSwap is very popular

- SUSHI tokens are listed on Binance

- Price of SUSHI increases from $2 to $15

- Rewards to SUSHI holders give a 13% daily yield

- SushiSwap TVL reaches over $1B

- The community votes for an early migration and reward distribution

- Control of the contract and project and the dev fund lies with Chef Nomi

It is not surprising what happens next...

Sept 5th -

- 20,039 ETH and 2,558,644 SUSHI are withdrawn from the dev fund and sold
- Rumours start that Chef Nomi has cashed out the dev fund worth $15M
- The SUSHI token crashes by 88%

Chef Nomi #SushiSwap @NomiChef · 17h
The fact that I sold some $SUSHI devshare does not make Sushi more scam or less scam. The fact is on the code.

I'm not sure why everyone thinks I am a scammer now. I did not steal anyone's money. Devshare has been stated very clearly since the original blog post.

💬 286   ⟲ 89   ♡ 394   ⬆️

Chef Nomi #SushiSwap @NomiChef · 17h
I will continue with the plan to elect the signers and continue the migration. I will setup the votes as promised.

This MultiSig has been accumulating $SUSHI.
etherscan.io/address/0xf73b...

Chef Nomi #SushiSwap @NomiChef · Sep 5

I did the recent move because I care about the community. I'm taking IL for you. But all I received was blaming and FUDing.

Here's what happened. The devshare part of me. I converted them to $ETH. I stop caring about price and I will focus on the technicality of the migration.

💬 265　　　⟲ 272　　　♡ 330　　　⬆

Chef Nomi #SushiSwap @NomiChef · Sep 5

People asked if I exited scam. I did not. I am still here. I will continue to participate in the discussion. I will help with the technical part. I will help ensure we have a successful migration.

@SatoshiLite did that and Litecoin had no problem surviving.

💬 191　　　⟲ 178　　　♡ 202　　　⬆

Show this thread

vitalik.eth ✓ @VitalikButerin · 13h

Look up and remember who did and said what during the last week of SUSHI's rise, and adjust your estimates of their credibility accordingly.

SBF @SBF_Alameda · 15h

1) thoughts on Sushi:

First of all, @NomiChef sucks. He hurt his project, his future potential, and his followers.

Note that this does _not_ extent to other members of the Sushi community or leadership.

💬 47   🔁 96   ♡ 419   ⬆️

SBF @SBF_Alameda · 15h

2) I am not and never have been involved in making Sushi. Not investment advice. I don't know who Nomi is. I have farmed Sushi, and still own a fair bit.

💬 6   🔁 3   ♡ 83   ⬆️

SBF @SBF_Alameda · 15h

3) There was a proposal for Sushi to build out another branch on Serum. Unless Nomi hands over all of the keys and continues with the migration, that proposal is no longer going to be supported. If he does, it will be honored as long as a kickass project is built.

💬 5   🔁 10   ♡ 109   ⬆️

SBF @SBF_Alameda · 15h

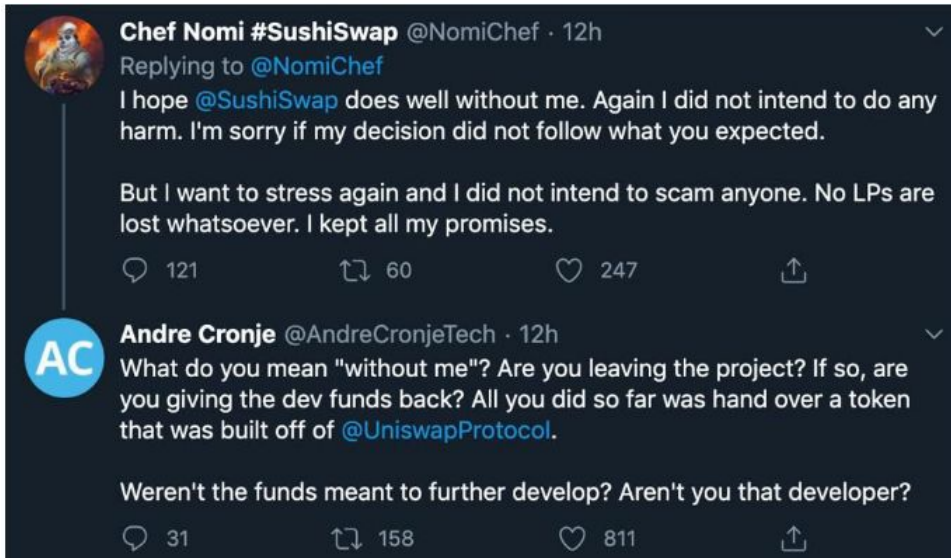4) Anonymous teams are scary. Anonymous teams with power are scarier.
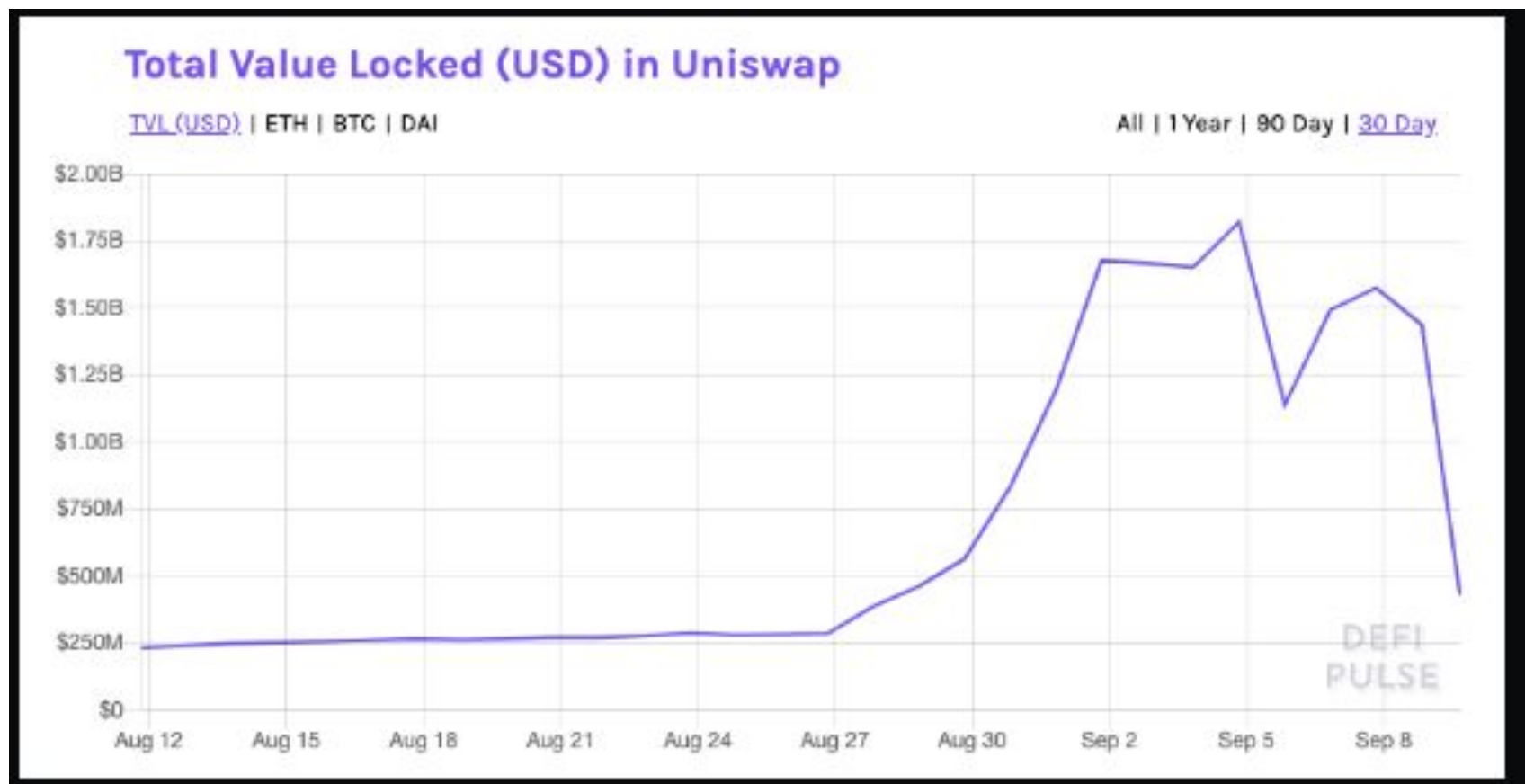
💬 19   🔁 35   ♡ 214   ⬆️

Sam Bankman-Fried, Founder of FTX

Sept 6 - SBF persuades Chef Nomi to hand over control of the project

SBF puts keys into a multisig wallet

Chef Nomi #SushiSwap @NomiChef · 12h
I'm transferring control to @SBF_Alameda now.

> **SBF** @SBF_Alameda · 13h
> ok uh 0xD57581D9e42E9032e6f60422fA619b4A4574Ba79
> twitter.com/OTruquet/statu...
> Show this thread

127   405   775

Chef Nomi #SushiSwap @NomiChef · 12h
Replying to @NomiChef
I hope @SushiSwap does well without me. Again I did not intend to do any harm. I'm sorry if my decision did not follow what you expected.

But I want to stress again and I did not intend to scam anyone. No LPs are lost whatsoever. I kept all my promises.

121   60   247

Andre Cronje @AndreCronjeTech · 12h
What do you mean "without me"? Are you leaving the project? If so, are you giving the dev funds back? All you did so far was hand over a token that was built off of @UniswapProtocol.

Weren't the funds meant to further develop? Aren't you that developer?

31   158   811

Sept 9 - migration goes ahead successfully

Sep 11 2020

Chef Nomi #SushiSwap @NomiChef · 2h
To everyone. I fucked up. And I am sorry.

💬 409   🔁 760   ♡ 2.1K   ⬆️

Chef Nomi #SushiSwap @NomiChef · 2h
$SUSHI migration went successfully and the journey of @SushiSwap began. I was fortunate to have a chance to help in the background and it was a very enjoyable moment in my life. Congrats for the successful migration!

💬 7   🔁 13   ♡ 217   ⬆️

Chef Nomi #SushiSwap @NomiChef · 2h
I would like to apologize to everyone who I have caused troubles to. I was emotional, I was greedy, I was afraid. I made bad controversial decisions under pressure. And it hurt everyone. I failed your expectation and I am sorry.

💬 24   🔁 24   ♡ 266   ⬆️

Chef Nomi #SushiSwap
@NomiChef

I have returned all the $14M worth of ETH back to the treasury. And I will let the community decide how much I deserve as the original creator of SushiSwap. In any currency (ETH/SUSHI/etc). With any lockup schedule you wish.

Ethereum Transaction Hash (Txhash) Details | Etherscan
Ethereum (ETH) detailed transaction info for txhash
0xa5179a870734faadbb7abe2cc2030436a870f9bda1f869...
🔗 etherscan.io

11:31 AM · Sep 11, 2020 · Twitter Web App

562 Retweets   **574** Quote Tweets   **2K** Likes

Uniswap Reacts

September 2020 Uniswap releases its own governance token - UNI

60% of the initial supply is given as an air drop to Uniswap users.
The resulting rush to claim and sell these gives problems on Ethereum

Total Value Locked (USD) in SushiSwap

TVL (USD) | ETH | BTC | DAI

All | 1 Year | 90 Day | 30 Day

SushiSwap TVL has fallen roughly 75% since its all-time high.

Source: DeFi Pulse

Nov 2020 - Uniswap rewards end and SushiSwap announces new incentives

Total Value Locked (USD) in SushiSwap

TVL (USD) | ETH | BTC | DAI   All | 1 Year | 90 Day | 30 Day

🏆 1.	Maker	Ethereum	Lending	$19.28B	2.08%
🥈 2.	Curve Finance	Multichain	DEXes	$15.70B	3.75%
🥉 3.	Aave	Multichain	Lending	$12.62B	3.27%
4.	InstaDApp	Ethereum	Lending	$12.16B	1.81%
5.	Compound	Ethereum	Lending	$11.63B	−1.66%
6.	Convex Finance	Ethereum	Assets	$10.15B	0.24%
7.	Uniswap	Ethereum	DEXes	$8.29B	6.48%
8.	yearn.finance	Ethereum	Assets	$4.43B	2.01%
9.	SushiSwap	Ethereum	DEXes	$4.06B	1.14%
10.	Liquity	Ethereum	Lending	$2.90B	2.37%
11.	Balancer	Ethereum	DEXes	$2.19B	−1.68%

April 2021
From [Article](#) about Uniswap and IP

Uniswap changes its software license to Business Source License (BSL)
This agreement incorporates copyright law and allows Uniswap governance to restrict unauthorized commercialization of an entity's source code for two years. During that time, the Uniswap community can "be the first to build an ecosystem around the Uniswap V3 Core codebase."

June 2021
From crypto briefing [article](#)

A Binance Smart Chain project has used Uniswap V3's source code for its exchange, disregarding the business source license protecting the DEX's code.

- A Uniswap V3 fork called HolaSwap has launched on Binance Smart Chain.

- As Uniswap V3's source code is protect by copyright, there could be legal ramifications if the anonymous developers are traced.

- Unlike Uniswap, HolaSwap is yet to launch a governance token.

Swap

⚙️

ETH ⌄   1

Balance: 0 ETH   ~$2,665,690,000,000,0...

↓

USDT ⌄   **852.837**

Balance: 0 USDT   ~$862.641 **(-100%)**

V3   1 USDT = 0.001173 ETH ⓘ

Price Impact Too High