# Exposing Chainlink's Pump & Dump Scheme
Part 1: The Fake Partnerships

Posted on July 31, 2020

In a series of <u>blog posts</u>, we will take a closer look at the well-oiled Russian pump-and-dump fraud machine, which made the record high price of the otherwise <u>useless LINK token</u> possible. We should admit that the Chainlink's team has engineered a state-of-the-art self-fulfilling scheme, allowing them to maintain full control over the price and dump as many tokens to their true believers as they wish while keeping them happy. The system works in the following way:
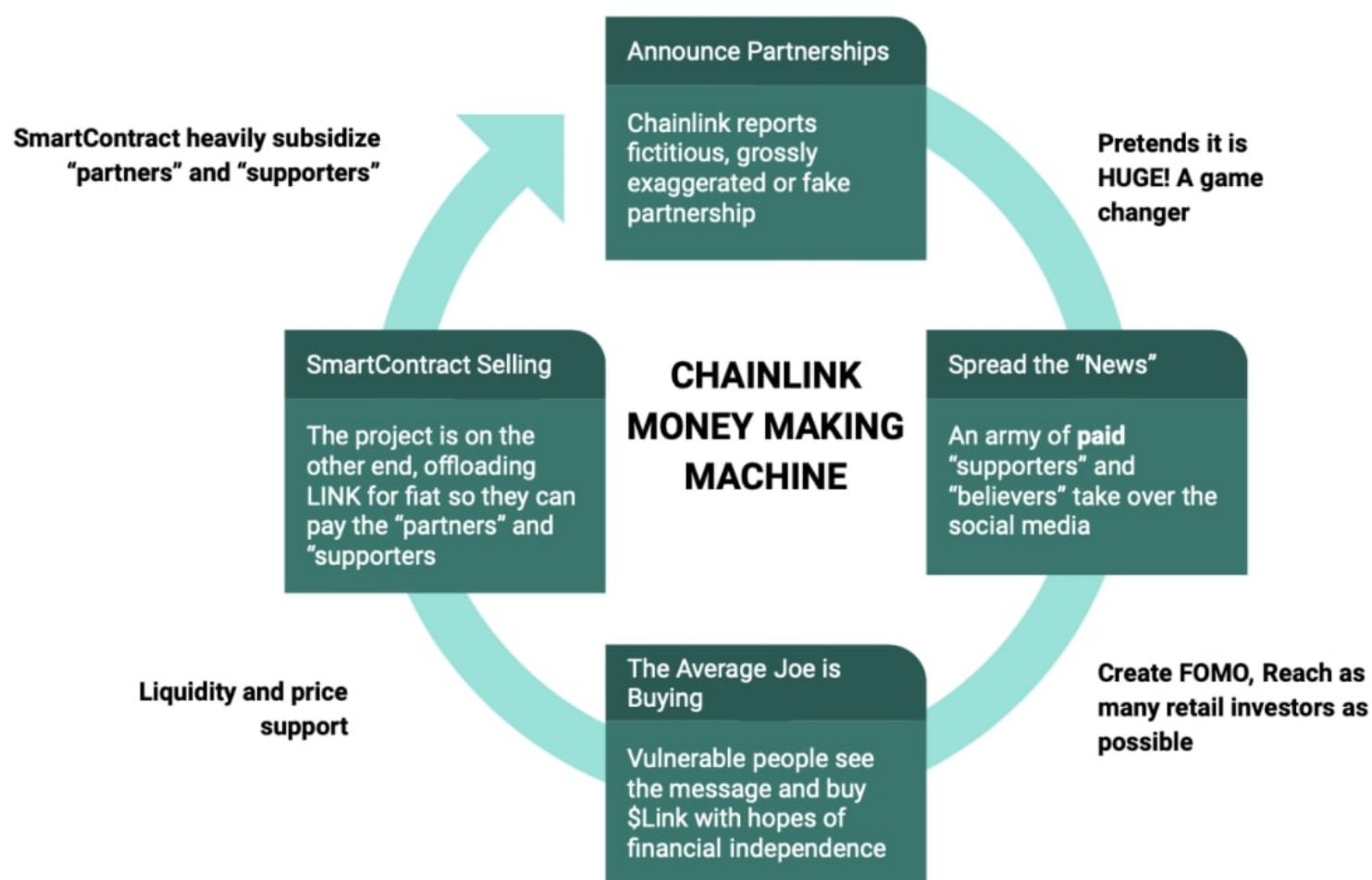
1. Meaningless, paid, or grossly overstated partnerships between Chainlink and a number of blockchain and tech companies are constantly conjured up, aiming to give substance to the project.

2. An army of paid "followers" (mostly kids btw) roams the social media. They are promoting the project and hunting down everyone who dares to question the technological advantages, capabilities of the team, or the unsustainably high price (we will take a closer look at Chainlink's fan base in our next article).

3. The predators reach unprecedented numbers of unsophisticated investors who fall for Chainlink's mass marketing and buy the token hoping to get rich quickly, without understanding the flawed technology or tokenomics behind it.

4. The steady demand for LINK from naive newcomers is met by SmartContract's endless reserves sitting on the other end of the transaction. The noise generated and disseminated translates into excellent liquidity, which allows SmartContract to divest as many worthless tokens as they like without affecting the price. The proceedings are then used to generously reward Chainlink's "partners" and "true" followers.

5. The whole process is repeated again and again, and again, driving exponential price growth.

By using this seemingly simple scheme, Chainlink managed to turn its otherwise unpretentious 40-million ICO project into a multi-billion behemoth. As more and more people become aware of the fraudulent scheme Chainlink is, we will reach a point where there are no more naive "investors" buying SmartContract's bullshit, and the price of LINK will fall like a rock.

The "Partnerships"

Undeniably, Chainlink is among the most active crypto projects with more than 140 "partnerships" announced to date. A more careful look, however, reveals that the majority of them are highly exaggerated or plain useless. What's more, there are outright lies about collaborations with leading technology companies or blockchain projects, which never took place.

I. The Game Changers

By far, the most effective trick in Chainlink's arsenal is flashy announcements of "partnerships" with technology giants, such as Google, Oracle, and T-Systems. How does it typically work? A large company is showcasing some of their products (usually via a blog post) and casually mentions Chainlink as a theoretical intermediary in delivering the product to blockchain clients. Remember, Chainlink's core proposition is to connect APIs with blockchain, so a pretty good number of legacy players can easily be involved. SmartContract and the people behind Chainlink are taking it from there, loudly announcing how #[*insert a big tech company's name*] is eager to do business with them. It is the game-changer Chainlink's community waited for so long!

Let's see it into play. In 2019, Chainlink proudly stated on its landing page that it would be partnering with companies like SWIFT and Google.
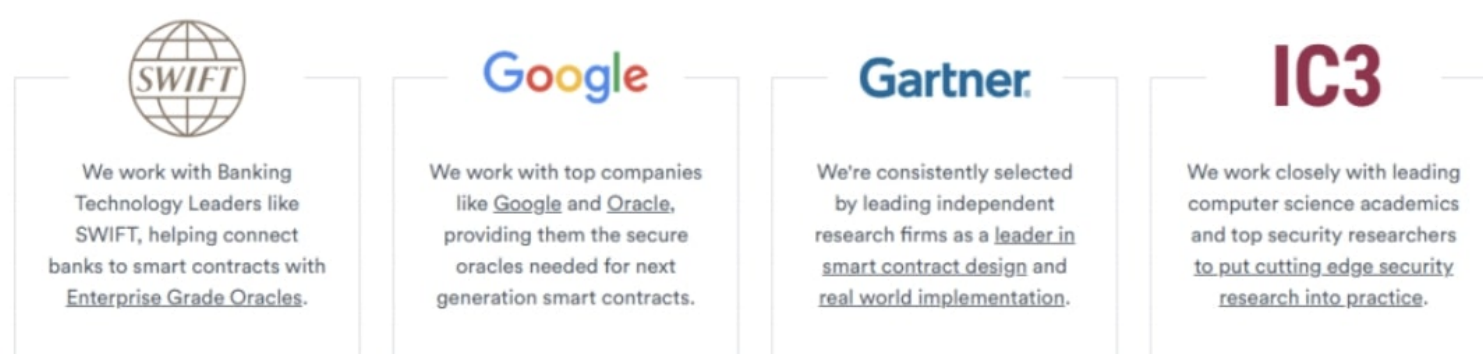

Source: chain.link as of 13 December 2019

A few months later, there is no reference to either SWIFT or Google on the project's website. Looking from hindsight, these "announcements" have been part of a cleverly crafted pump and dump scheme, serving as a tool to enrich Chainlink and corporate insiders at the expense of unsophisticated LINK investors.
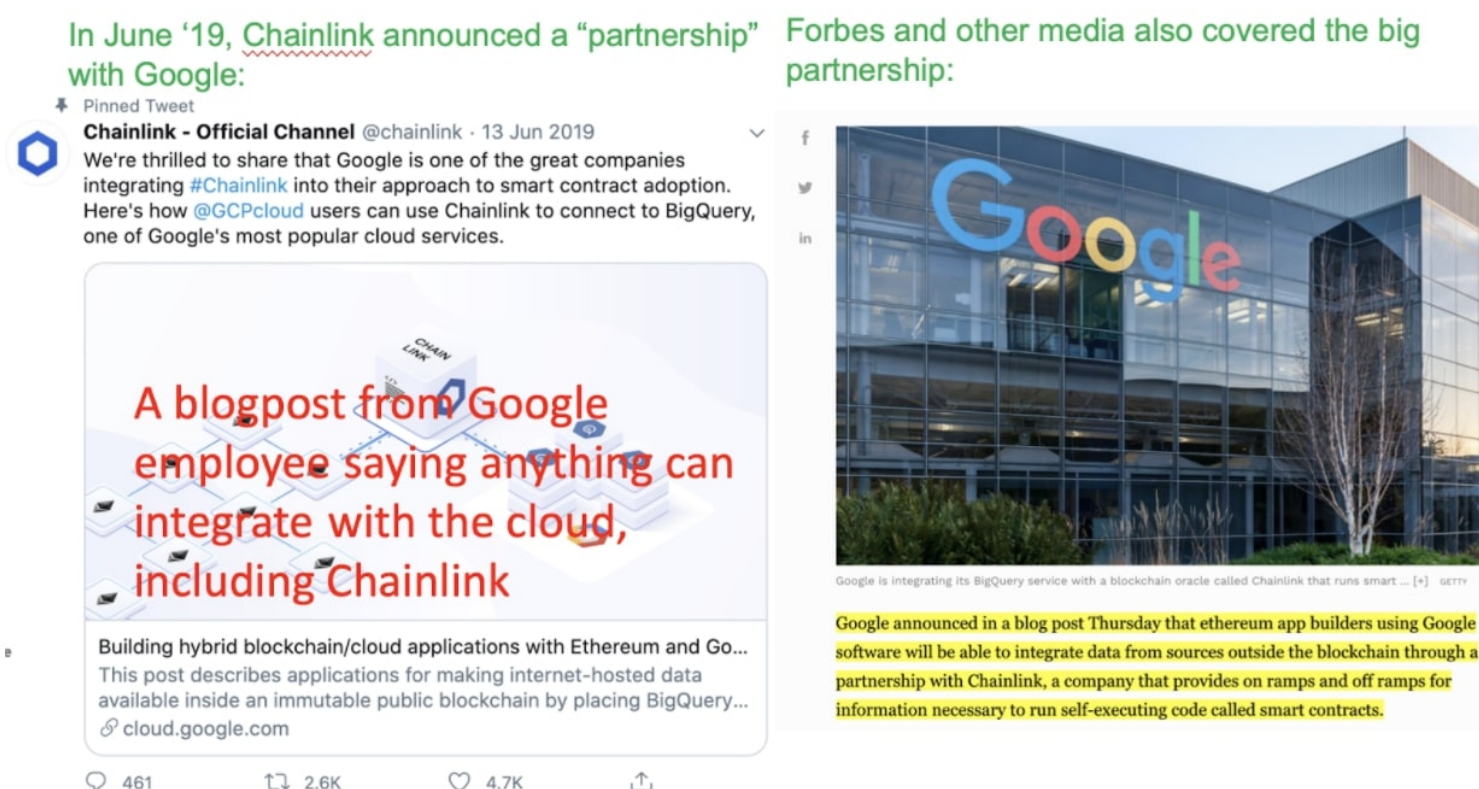
Google

When Chainlink announced the "integration" with Google, the price was USD 1.19 per LINK. A few hours later, Google also tweeted, and the price skyrocketed to USD 1.93, up by a staggering 62% in less than 24 hours.
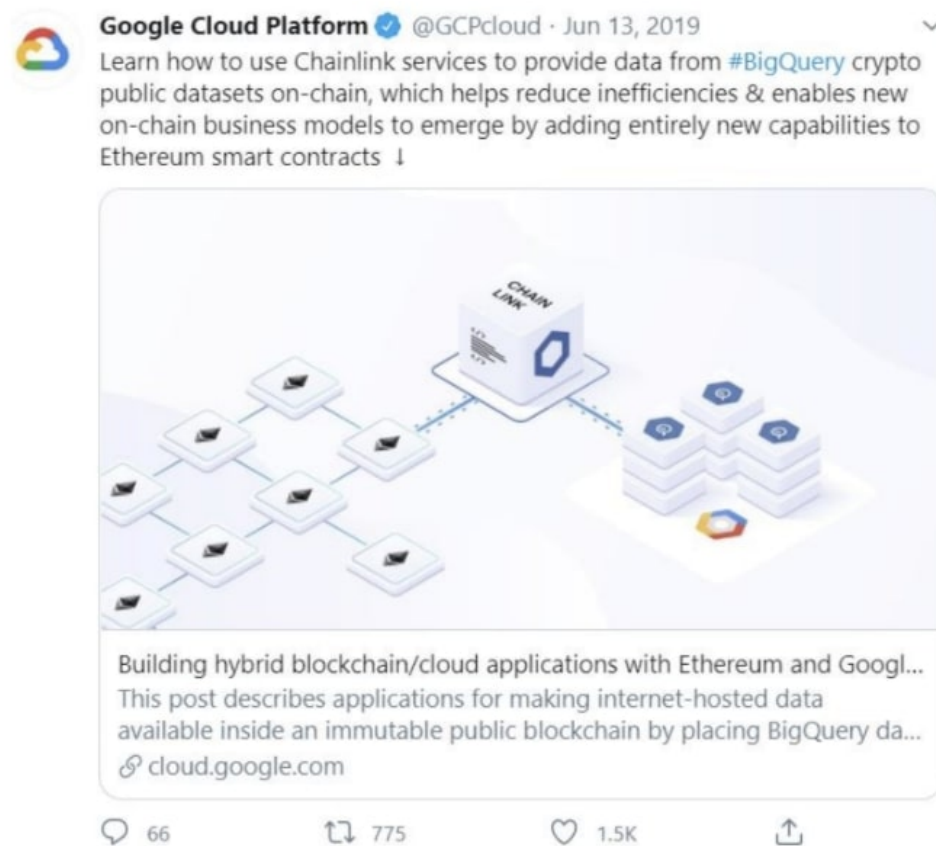
Source: Twitter

Industry-leading outlets deliberately or unintentionally played their role in the process, too:


Taking a closer look at the actors, the author of Google's blog post was Allen Day, Science Advocate at Google. He simply posted an explanation of how Google's products can interact with decentralized applications using a combination of

Ethereum, Google Cloud, and Chainlink — similar to how a client app can interact with a standard database server.

Knowing that the Chainlink community never got the time to critically review the news coming from the supreme master and their beloved project, we will dissect Allen Day's blog post for them:

Right from the title, **Allen makes clear that the focus of the article is use cases of Google Cloud with Ethereum-based applications**:
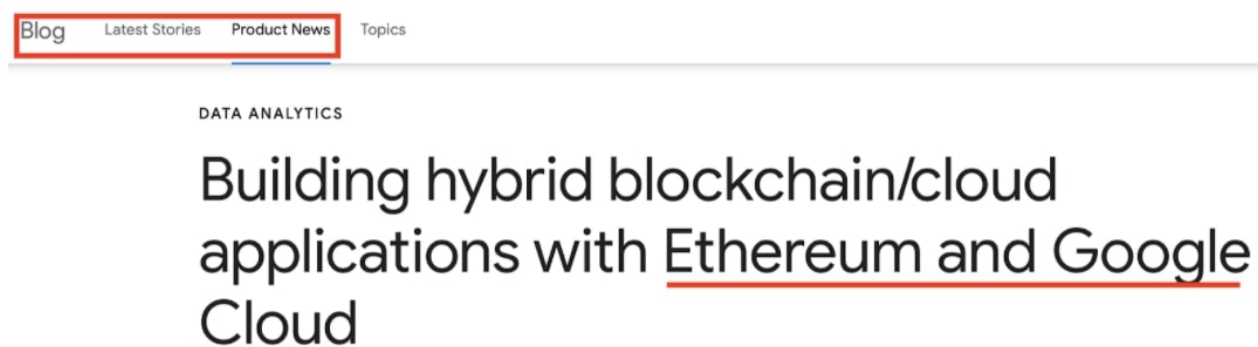
In the opening paragraph, Chainlink is simply mentioned as a necessary yet generic middleware. No hints or statement of a partnership between Google and Chainlink is made:

> Adoption of blockchain protocols and technologies can be accelerated by integrating with modern internet resources and public cloud services. In this blog post, we describe a few applications of making internet-hosted data available inside an immutable public blockchain: placing BigQuery data available on-chain using a Chainlink oracle smart contract. Possible applications are innumerable, but we've focused this post on a few that we think are of high and immediate utility: prediction marketplaces, futures contracts, and transaction privacy.

Moving down, Allen talks about the history of smart contracts, how they work, and the freely available public blockchain data available throughout Google Cloud Public Database Program. Chainlink comes into the light once again just to describe how the process works from a technical standpoint. It is presented as a commodity, not a vital element of the infrastructure:

> Below, we'll demonstrate how a specific smart contract platform (Ethereum) can interoperate with our enterprise cloud data warehouse (BigQuery) via oracle middleware (Chainlink). This assembly of components allows a smart contract to take action based on data retrieved from an on-chain query to the internet-hosted data warehouse. Our examples generalize to a pattern of hybrid cloud-blockchain applications in which smart contracts can efficiently delegate to cloud resources to perform complex operations. We will explore other examples of this pattern in future blog posts.

Next, Allen talks about three use cases. No mentions of Chainlink whatsoever.

Finally, the conclusion clearly states this is an example of using Google's product via Chainlink, not the other way round.

Conclusion

We've demonstrated how to use Chainlink services to provide data from the BigQuery crypto public datasets on-chain. This technique can be used to reduce inefficiencies (submarine sends use case) and in some cases add entirely new capabilities (hedging use case) to Ethereum smart contracts, enabling new on-chain business models to emerge (prediction markets use case).

A mention has never meant a partnership nor an endorsement. Throughout Allen's article, we are unable to find a single evidence of Google announcing any kind of official collaboration with Chainlink.

Two weeks later, the rally was further amplified when Coinbase Pro disclosed it would be listing LINK on its platform, lifting the price another 23.30 percent within a few hours. Then, on June 28, Coinbase added the coin to its core platform, inflating the LINK with yet another 104.49% in 24 hours.

Taking a look behind the curtain, AnChain.AI, a blockchain analytics firm, has been vocal about the manipulative nature of the trading activities surrounding LINK's rapid price appreciation. In their first post, the company argued that a small number of addresses (linked by a common source of ETH gas) have performed a coordinated pump and dump involving LINK 4.2M in the period April 1 to July 26, 2019.

The second post reviews the on-chain activities surrounding the Coinbase onramp. AnChain found that a group of linked accounts purchased 11 million LINK via Binance between 27 and 29th June. The relation between the accounts is once again the funding ETH addresses.

In the meantime, **1.4M LINK tokens were transferred to Binance from one of Chainlink's development addresses. While AnChain is reluctant to conclude that Chainlink's founding team is related to the price manipulations, we believe that the timing, sophistication, access to extensive resource and information, as well as the outflow of LINK from the development addresses points straight to the people directly related to the project**.

The Google "partnership" is a clear case of the pump-and-dump schemes Chainlink regularly orchestrates. Bold, misleading statements are loudly announced, resulting in euphoria among the Link Marines and retail crypto investors. Blindly believing the "news", these unsophisticated investors are buying the worthless LINK tokens in bulk without questioning the legitimacy of the information. In the meantime, SmartContract is moving large quantities of LINK to exchanges that are almost instantaneously dumped to their own vulnerable community. **Cleverly, though, SmartContract always let the demand outstrip the supply so that the price is going up while everyone is happy**.

But how about the aforementioned Google logo on Chainlink's landing page? Why was it taken down from the website and other social media? Apparently, Google was not happy playing a role in this Russian scam and kindly asked the project to remove any association between the two from the Internet.

Oracle

A month later, another technology giant was listed as a "partner". This time it was Oracle, and the "collaboration" was in the form of a joint innovation project for startups. Again, the heavily advertised partnership did not go far. The campaign did not have a second cohort of startups, and no successful projects came out of the innovation project.

Source: Chainlink and Twitter

Actually, there is a much uglier part of the story behind this "partnership". Fernando Ribeiro, who, according to his Twitter profile, is Principal Solution Architect at Oracle and who is known to be involved in the "partnership" **has publicly bragged about holding LINK among other cryptos**.

Source: CloudEXPO and Fernando Ribeiro's tweets

Even to people not familiar with what is allowed and what not on the capital markets, such kind of behavior should ring a bell. **This is a clear cut case of insider trading in which a bad actor from a large corporation is taking advantage of his/her employer's brand and collaborate with a bunch of scammers to enrich themselves**

on behalf of the general investing public. Quite shameful, to say the least. We are wondering whether Oracle will be happy with the behavior of their employee if the case comes to their attention.

Intel Corporation

The semiconductor giant was also somehow dragged into Chainlink's pumps and dumps. In an announcement from October 2019, Chainlink explains how its oracles can be used in combination with Intel's Trusted Compute Framework (TCF) to provide connectivity between on-chain and off-chain environments. However, looking at Intel's blog post from July 2019, Chainlink is mentioned more as a use case, not as an enabling factor. Intel refers to Chainlink as a potential user of TCF in improving "the integrity of off-chain oracles". **Nothing in Intel's article points to a partnership** in the sense of the technology company using Chainlink, apart from participation in terms of developers along with many other much bigger names.

Source: Twitter and Intel

The pattern is clear: big technology companies explain a product they are working on, briefly mentioning Chainlink's oracles (this time more as a potential user than an example of integration). Taking full advantage of the opportunity, Chainlink loudly announces a "partnership", artificially fueling substantial price increases.

In a desperate move to prevent LINK price crash following the publication of our report, Chainlink started announcing "partnership" after "partnership". Let's take a closer look at them as well.

Four Major Korean Banks

A more recent PR trick went even further by hiding behind the shiny facade of a ghost company, to floodlight the community with a "breakthrough" event. Right after our report was published, Chainlink made a big noise about the partnership with **CenterPrime**, a private hyperledger based chain, feeding foreign exchange rate data network from several major Korean banks. The partner is proudly presented to have "unique" access to the Korean Open Banking APIs, however, a simple Google search

for "*CenterPrime Korean banks*" returns eight pages of results ONLY about the partnership with Chainlink. Not a single result points to the official page of CenterPrime or any bank affiliations.

Interestingly, the official announcement on Twitter does not ping the account of CenterPrime.


Maybe this is because CenterPrime Twitter <u>account</u> has just three followers and a single tweet only (of course, about the partnership with Chainlink).


Turning to the official website of <u>CenterPrime</u> presented on their Twitter account (centerprime.io is shut down), the partner's authenticity starts to unravel. Firstly, we notice that the site does not have a Korean version, and the landing page looks as if it has been created in 10 minutes, containing almost no information about the purpose of CenterPrime. In fact, we can safely assume the whole website of this shell company was created in under half an hour, considering the scarce content.

Besides the landing page, there are four others that barely contain any information. *Features* and *Providers* present several meaningless "graphs" without information, but with the Chainlink and Google logos in them.
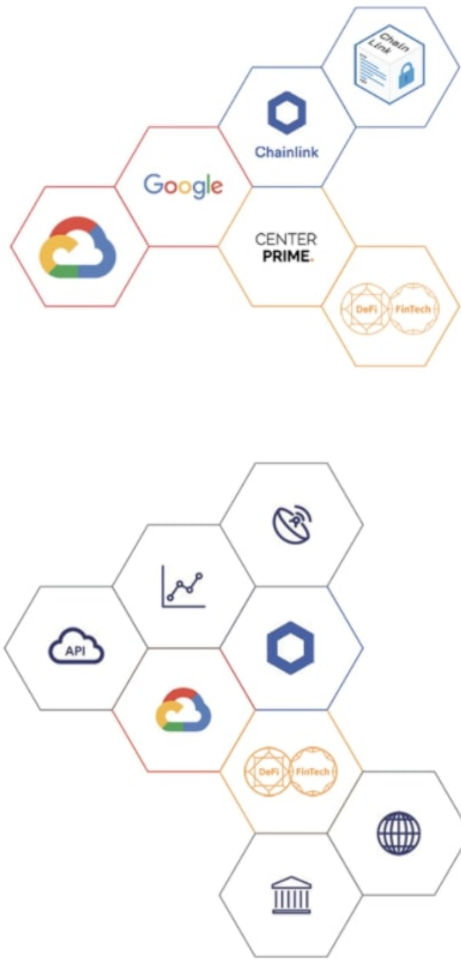
The "comprehensive guides and documents" supposed to be found in the Docs are just a bunch of random lines of code hanging in the air, updated months ago.

The Changelog and Discussions sections are empty.
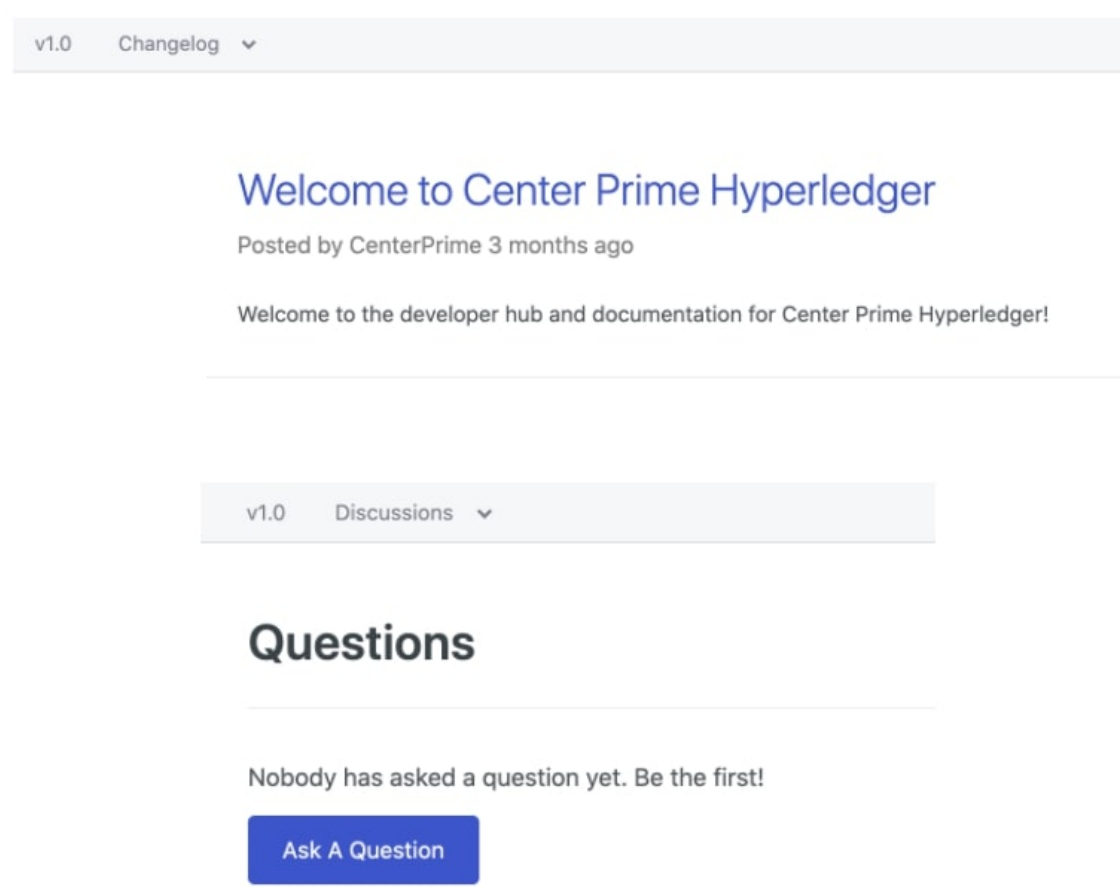
The blog redirects to the Medium page of CenterPrime which, expectedly, has just one post pertaining to the announced collaboration with Chainlink.

A very good summary of this shallow announcement is found at the end of page 8 of our Google search, which is also the first result not related to the fake partnership.

The latest news on Chainlink "working with korean banks" are clearly fake. They are partnering with Centerprime, a literally who crypto scam startup, such as OpenLaw, Moab or Vechain, with a premined token that they need to shill. And Centerprime just put random korean banks logos on their website claiming they could work with these banks, when all they can do is to connect to their PUBLIC api. That's all, that's the Chainlink "partnership" with korean banks. It's only the Chainlink team lying once again.
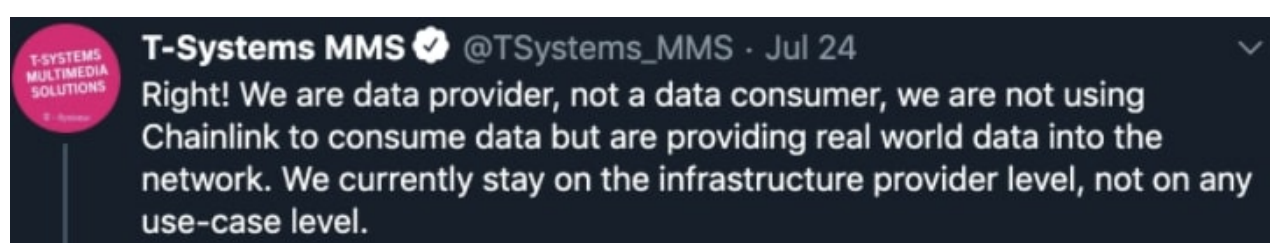
T-Systems

The second recent announcement that fell into the category, which involves a big corporate name was the T-Systems "partnership":

The announcement drove Chainlink's fans crazy, yet the effect on the token price was neglectable:
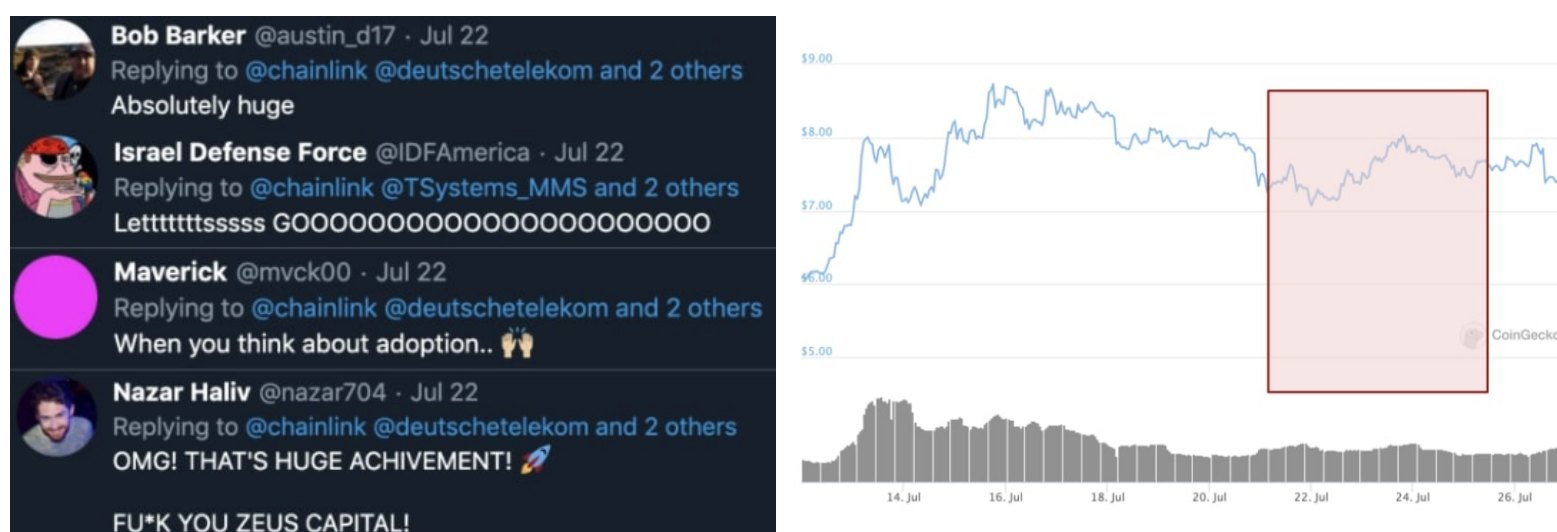
At first glance, Chainlink was once again invincible but what exactly is the partnership about and is it material for Chainlink? **T-Systems will simply operate a node in Chainlink's ecosystem and won't use its product in any other form**:

The statement above clearly says that Chainlink will be a client to T-Systems and not the other way round.

As thoroughly explained in <u>our report</u>, Chainlink's problem does not lie in the insufficient number of node operators, **but in the lack of network users**. Currently, there are more approved operators than are actually needed, which is evident in the particularly low node operator utilization:

> an active marketplace[9] for node operators and job postings. Currently, 74 approved node operators[9] are offering 822 unique jobs[9]. However, the top 16 nodes (or ~20% of the total) are running pretty much all of the work in the network.

Why is there such a lack of balance? Because of the subsidies. Node operators get 1 LINK (approximately $7) for each completed job. This reward is multiple times higher than the operating expenses incurred, which makes it highly profitable for them to be a part of the ecosystem. In this sense, is such a partnership critical for the development of the project? Absolutely not. Why was it announced? **To support the LINK price from absolute collapse upon the publication of <u>our report</u>**.

Unfortunately for the LINK community, this kind of "news" are also quite rare as all high profile companies seem to try to avoid association with the blockchain star. So what is the alternative? Machinated "news" involving high profile blockchain projects.

II. "Partnerships" Never Meant to Happen

The second type of "partnerships" are those with projects, which apparently cannot be integrated with Chainlink yet are more or less famous in the crypto sphere. Despite the lack of real added value, both projects benefit from the announcement as it acts as a visibility boost. Expectedly, they do not disclose details of the exact nature of the integration, nor how exactly it is going to work. After the announcement and the consequent price movements, the crypto community "forgets" to ask questions about the progress as new PR stunts are hitting the wire. Such a "partnership" includes the one with Ethereum Classic.

Ethereum Classic

Ethereum Classic and Chainlink presumably <u>partnered</u> in February 2020. **ETC Labs did not provide specific information about the projects they planned to develop using Chainlink**. Some <u>possible use cases</u> were described, such as integrating blockchain with traditional payment systems, market data, and IoT based insurance data. However, following the announcement no new developments or further details were disclosed. **What's more, Ethereum Classic <u>reannounced</u> the same news in early July**. Why would they do that? PR.
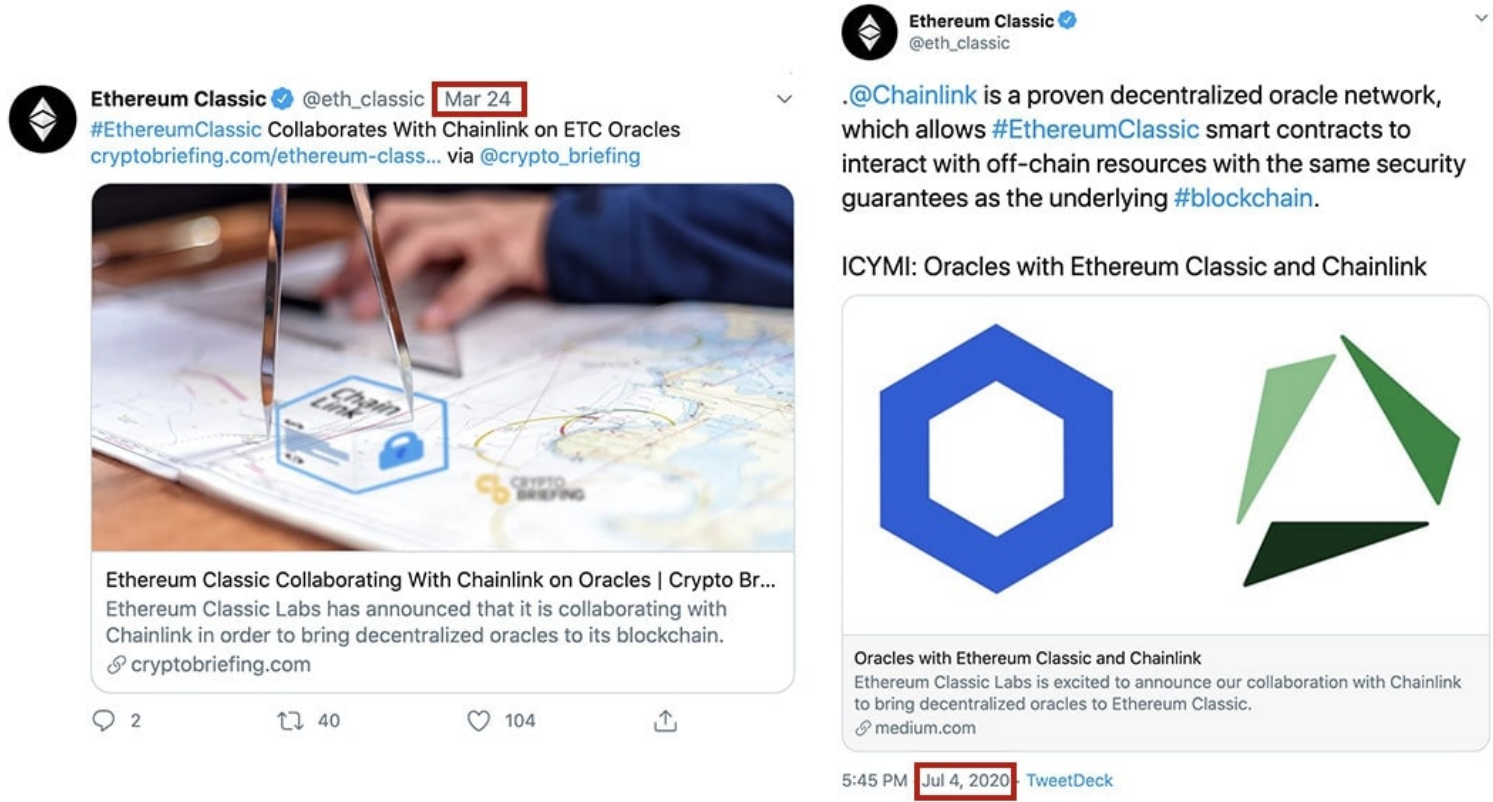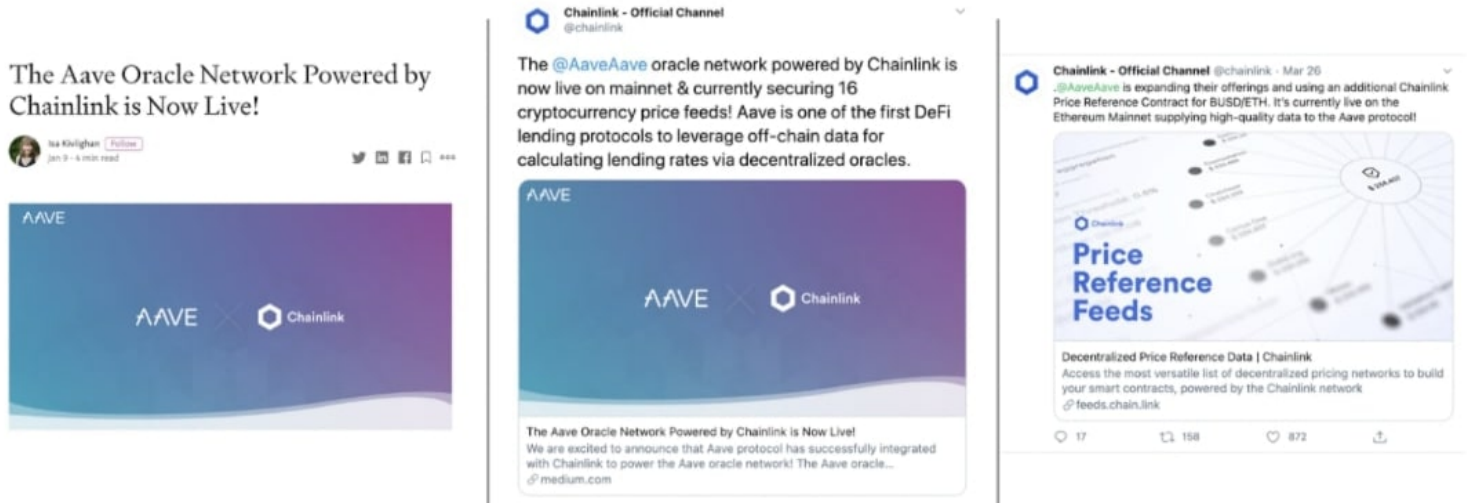
Source: Twitter (1), Twitter (2)

Everything leads us to conclude that there isn't anything going on between Chainlink and ETC, at least not yet. And even if something is cooking, this does not automatically imply a real partnership.

The Pay-for-Plays

Moving on, we have the "partnerships" resembling pay-for-play schemes with lending operators, in which the so-called "partner" enjoys Chainlink's deep pockets while receiving a boost in its presence across the crypto community. In exchange, Chainlink gets some sort of credit line which could be utilized when/if needed. **More importantly, the LINK HODLers could access instant liquidity without touching the secondary market**. Examples of such symbiosis include Aave, Celsius and Nexo.
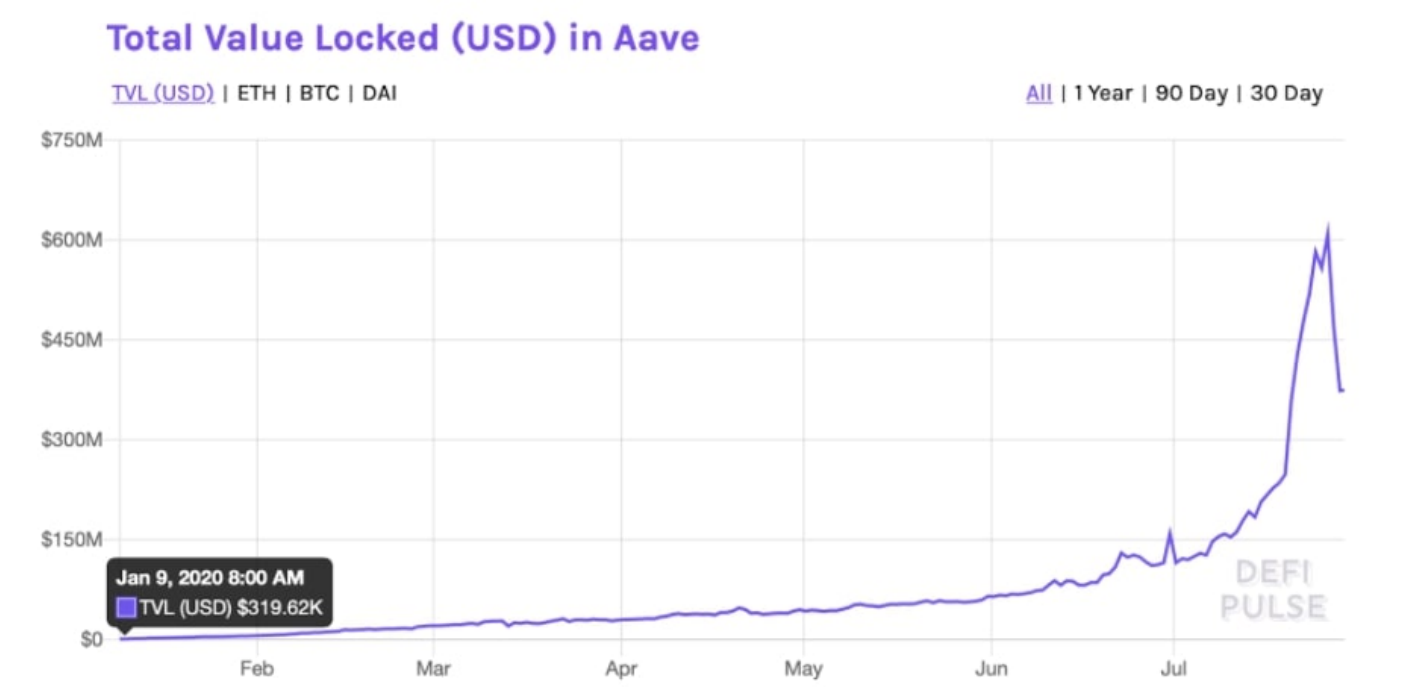
Aave

Chainlink announced its partnership with the decentralized lender Aave in January 2020 on Twitter. The post described Aave as "one of the first DeFi lending protocols to leverage off-chain data for calculating lending rates via decentralized oracles".

Source: Medium, Twitter (1), Twitter (2)

At the time, Aave was utterly unknown, with just a hundred of thousand dollars locked in its contracts:

As the partnership kicked in, Aave quickly entered in exponential growth. What we find interesting is that **LINK is the most borrowed asset on the Aave platform**, with a total volume of USD 22.9M, which is **close to a third of the total borrowed amount**. Digging deeper, we found that a substantial amount of LINK has been transferred from this wallet to Aave, while withdrawing stablecoins in return. Assuming these tokens are somehow associated with SmartContract, then the company is able to access instant liquidity without interrupting the secondary market, simultaneously increasing Aave's visibility.

Source: Aave

A proof of the hot relationship between the projects is Aave's quite emotional reaction to our report:
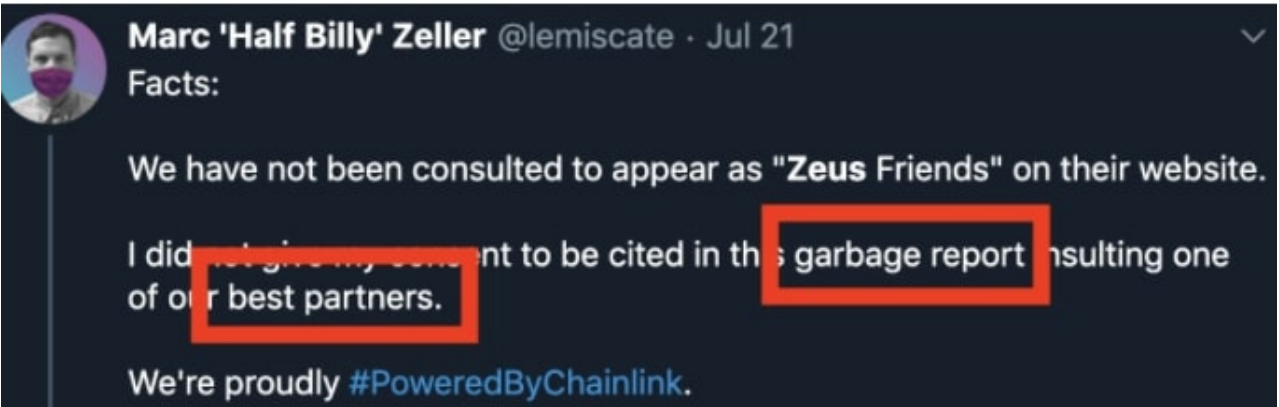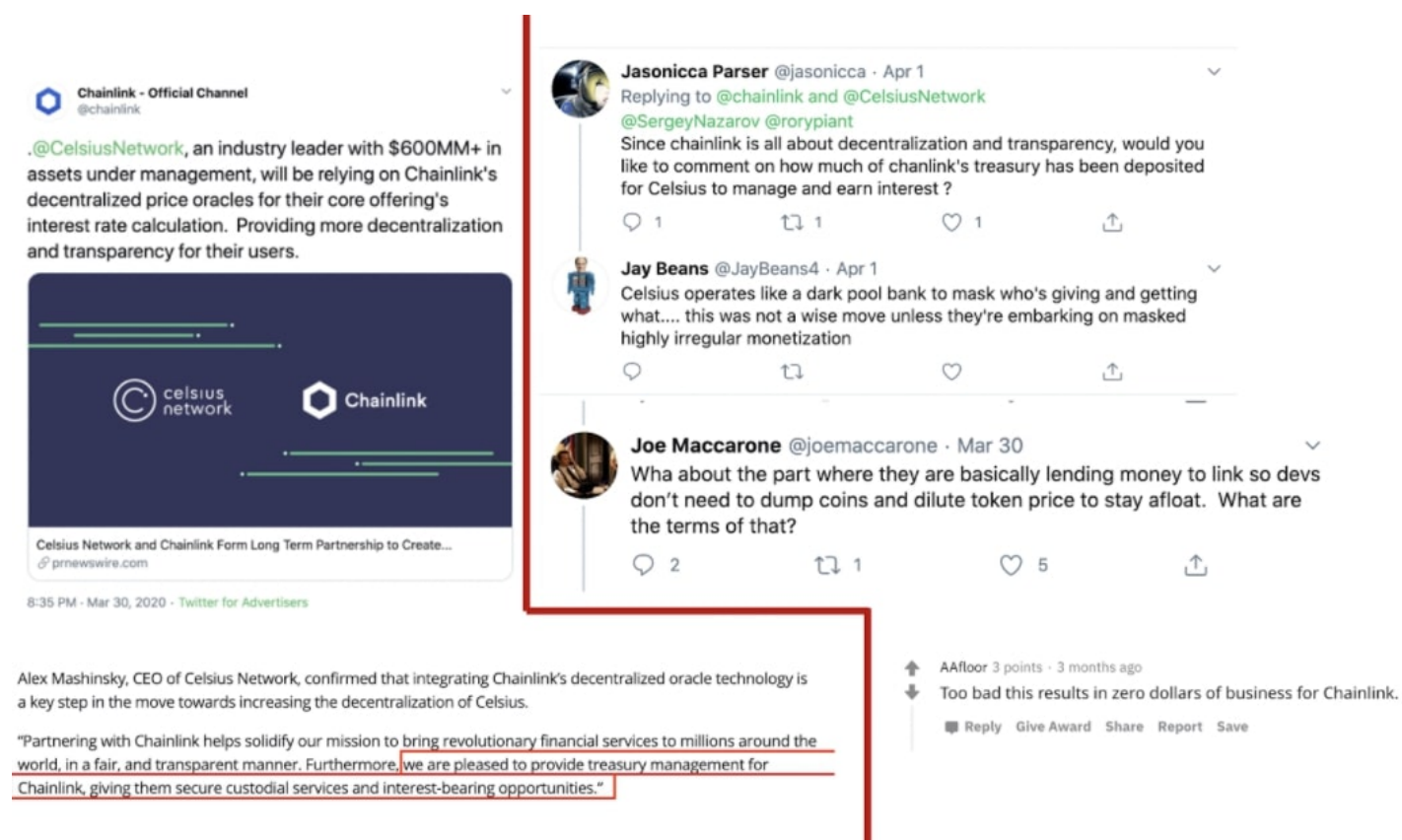
We are yet to hear which part of our data-supported findings is "garbage".

Our hypothesis is that **Aave is getting the data feeds from Chainlink for free and "manages" a ton of SmartContract's assets, once again, out of charge. Chainlink is promoting Aave to its community, who can borrow against the LINK token without putting pressure on the price. The result is stratospheric growth for the DeFi project and a new "best partner" for Chainlink**.

Celsius

At the end of March 2020, Chainlink partnered with <u>Celsius Network</u>, another crypto lending platform that will use the Chainlink's decentralized oracles to strengthen the security and reliability of their lending services. We find these claims comical because the latest crypto crash made it apparent that Celsius's liquidation policies are not automated. If most of their operations are performed manually, then why would they integrate Chainlink? Because of SmartContract's deep pockets.

Celsius's CEO, Alex Mashinsky, revealed that **in return to Celsius using Chainlink, they will offer** <u>treasury management services</u> **to Chainlink, amounting to "several million dollars" worth of cryptocurrency**. Additionally, Celsius is paying out weekly interest on their deposits to its partner. At the same time, Chainlink and more importantly, the Link Marines are able "to borrow dollars when they need them so they do not have to sell coins", meaning Celsius will give Sergey and his cohort fiat when needed. We guess now is a good moment to "borrow" in order to support the falling LINK price. And what will happen if the LINK drops and SmartContract is unable to repay Celsius credit? Their clients will cover the costs we guess.

Source: <u>Twitter</u> and <u>Reddit</u>

Nexo

The latest series "pay-for-play" partnerships happened a few weeks ago when Chainlink announced a <u>partnership</u> with yet another crypto lender - Nexo. What are Nexo's benefits for adding LINK as a collateral option while "integrating" the

decentralized oracles network? Let's take the benefits it straight from ChainLinkGod, who recently (yet unsuccessfully) <u>pitched Chainlink to MakerDAO</u>:

He proposed DAO to integrate Chainlink for LINK/USD only (giving the limited use case with Set Protocol as an example). In exchange, he promised a visibility boost, taking pride in what Chainlink has done for Aave.

Apparently, Nexo has fallen for it. Remember that Nexo is centralized. Why would they need decentralized oracles? And have they or Celsius integrated something at all? To assess what these relationships brought to Chainlink, let's take a look at on-chain data. The number of calls in the *TransferAndCall* function has not changed a lot following the announcements:
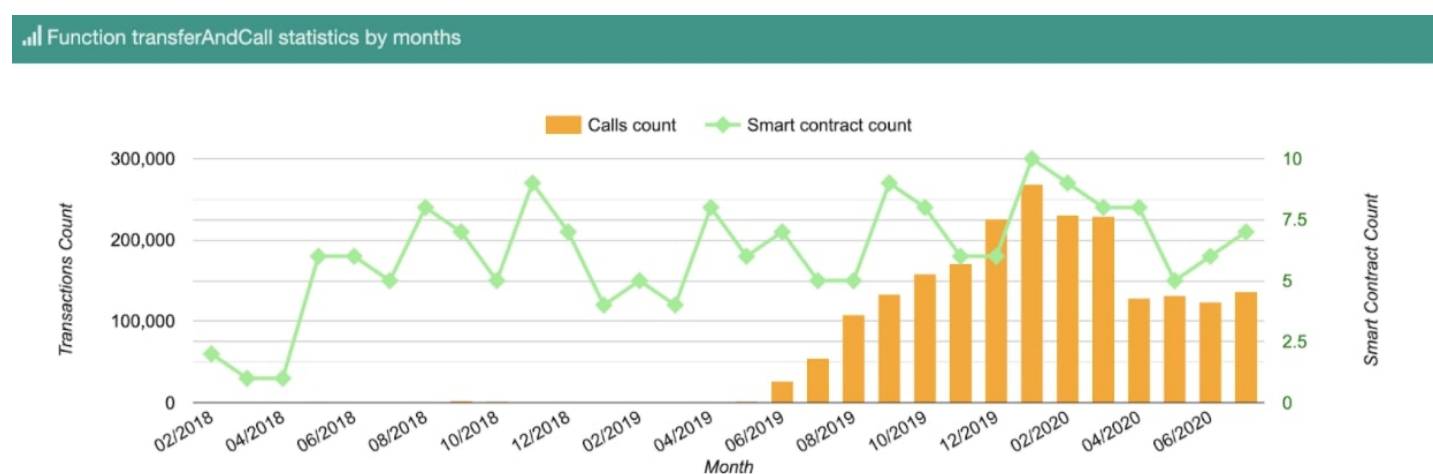
Can we see an increase in the On-chain activities following the "integrations" with Celsius and Nexo? No. These partnerships simply give SmartContracts and the LINK HODLers access to fiat liquidity without the need to touch the secondary market. In exchange, the lending plaforms are promised a visibility boost and access to SmartContract's deep pockets. We won't be surprised if Nexo also offers "treasury management services" to Nazarov's fishy company.

III. The "Flagship" Projects

So far, so good but we can almost hear the voices of the Link Marines screaming "What about Chainlink's flagship projects?! Set Protocol? Synthetix?" The truth is, these projects do not pay for Chainlink's service at all and/or use the oracles for a very small part of their operations.

Chainlink and Set Protocol have been collaboratinged since February 2020. Set Protocol included LINK as an underlying asset for its LINK RSI token set and started using LINK/USD data feed from the Chainlink's oracles. Although the project offers other sets with other underlying assets which also require price feeds, apparently they are not utilizing Chainlink's price data:

"For Bitcoin and Ether, we actually work with MakerDAO to utilize their price oracles. For the LINK-USD pricing, we have worked with Chainlink to provide the LINK-USD price. For other oracles like the compound token, we actually build our own oracles— what we call meta oracles—on top." - Felix Feng, Founder and CEO of Set Protocol in front of Clay from Nomics.

Synthetix, on the other hand, uses Chainlink's oracles to ensure greater decentralization and security in the pricing of its synthetic assets. However, the trading pairs for which Synthetix uses Chainlink are rather illiquid as they represent a very small percentage of the total traded volume of the exchange. Since December 2019, when the first iteration of the integration with **7 FX trading pairs was announced, no further developments have occurred. Having in mind that Synthetix supports more than 50 trading pairs, this seems like a rather small-scale adoption of Chainlink's oracles**. In its roadmap, Synthetix has further integrations with Chainlink planned, but from the lack of more recent announcements, it is evident that they are at best yet to happen.

IV. The Projects that "Diversified" Away from Chainlink

Next, let's look at a few projects which chose to work with Chainlink but due to various reasons decided to "diversify" away their data feeds with BAND Protocol.

Bet Protocol

In January, Bet Protocol announced a <u>partnership</u> with Chainlink to provide decentralized Esports and Sports data to its operators. Reading from the press release, "Sportsbook and Esports operators on BetProtocol will have Chainlink oracle integration as an option to receive their odds and data."
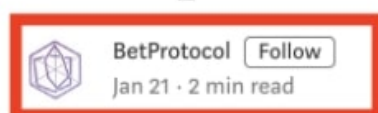
Six months into the partnership, BetProtocol announced a new <u>partnership, this time with Band Protocol</u> - **one of Chainlink's major competitors**. The functionality of the integration is apparently the same.
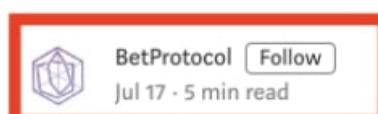
What can be the reason for this? Here are a few quotes from the second press release:

*"BetProtocol has chosen Band Protocol as the go-to decentralized oracle solution as they are **the only oracle provider allowing our team to create personalized and customizable oracle scripts that are connected to numerous selected credentialed API providers in a scalable, decentralized and highly secure manner**."*

This once again proves our point that **Chainlink is not so functional as marketed**. In addition, developers describe the network's integration as "pain in the ass", **claiming that the technical progress of the <u>project is minimal</u> compared to the size of the team and the funding the company managed to secure**.

ICON

Similar is the case with ICON - also known as the Korean Ethereum. Six months after announcing its partnership with Chainlink, the project <u>integrates Band Protocol</u>. Wondering what could be the reason? **According to Chainlink's supporters - freedom of choice. According to us - the second option is considered a cheaper and more scalable alternative**.

One big difference is that Chainlink is built on Ethereum while Band Protocol is based on Cosmos, which lets Band Protocol get around some of the scalability issues that Ethereum/Chainlink are jointly experiencing.

Last March, for example, many Chainlink oracles simply stopped working right when they were needed most, as a result of congestion on the Ethereum network. This is fine (but really not ideal) for the current immature state of DeFi, but if you're serious about disintermediating the financial system it's a deal breaker.

bZx

Back in February, bZx, the <u>DeFi lending protocol was hacked twice due to faulty oracles</u>. Needless to say, Chainlink was quick to capitalize on this:

"We have been chatting with the team yesterday. Tom and Kyle (founders) met Sergey several times before. We will integrate ChainLink," a representative from bZx said.

Now the question that emerges is - **weren't they partners already**?

bZx Teams up with Chainlink

bZx Team [Follow]
Nov 7, 2018 · 3 min read
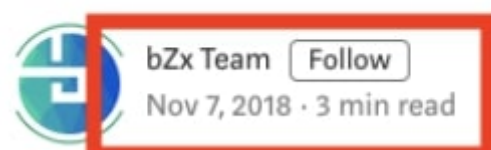
Maybe it has been one of those "partnerships" where Chainlink is used for a fraction of the operating activities of the project (reference - Set Protocol).

What's more, almost simultaneously bZx has partnered with Band Protocol in a "diversification" attempt (the more oracles, the better they would say):


How can the latter be interpreted? On the one hand, **it proves our statement that oracle services are in fact a commodity and there should be many providers, such as Chainlink in the end game. On the other hand, we believe that bZx chose BAND as a key partner because it is much cheaper to run an application on COSMOS than it is on Ethereum**.

Enigma

In December 2019, Chainlink started a collaboration with **Enigma**, a privacy networks developer. The areas of collaboration were extremely vague, with a short term goal of "exploring" how Chainlink oracles can be integrated with Enigma's protocol. In May 2020 Enigma dropped Chainlink for Cosmos as it better fits in their ecosystem.
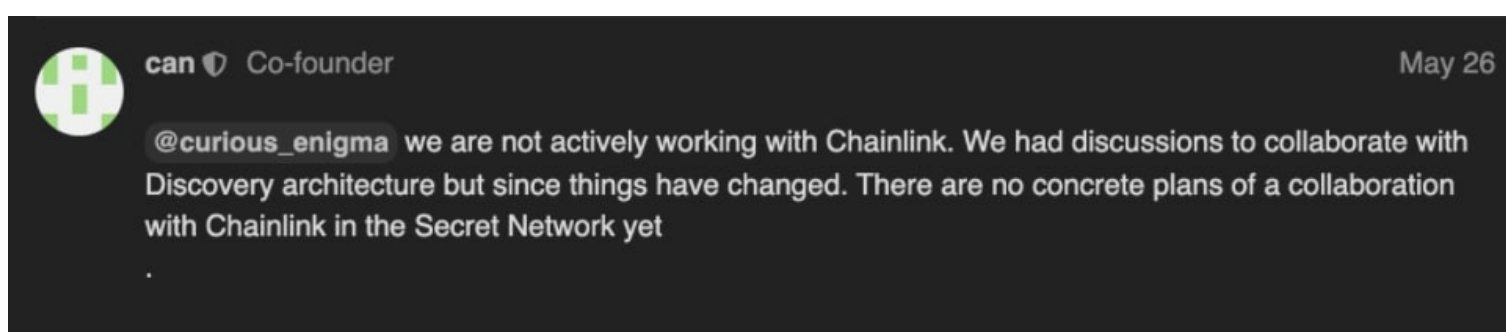
Can Kisagun, co-founder of Enigma, said the collaboration between Chainlink and Enigma was based on "getting ETH/ENG pricing for network fee abstraction" for its users. However, **Enigma is not working with Ethereum at the moment and has no concrete plan on working with Chainlink, making the collaboration "no longer valid", Kisagun said in another post, which says enough how blockchain agnostic Chainlink is**.

V. Chainlink and the Dead Projects

Last but not least, the vast majority of Chainlink's "partnerships" are with projects that are no longer active.

Gravel Coin

Gravel Coin, whose initial proposition was to bring together the mining sector and the blockchain technology in order to improve efficiency, supply chain and operations, is a good example. From a closer look at their Twitter page, one can easily see the last activity was on Dec. 26, 2019. Similarly, Gravel Coin's Telegram community currently consists of 221 members, most of which are inactive together with the admin. The discussion is centered mainly to convince users that the project is not dead. Gravel Coin's GitHub repository is no different. The project is not even listed on CoinMarketCap.

Back in the days, the GravelCoin was among the favorites for Chainlink's proponents:
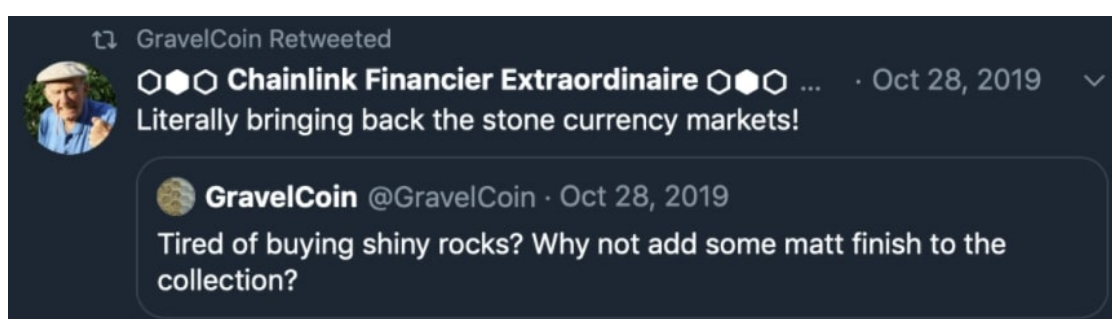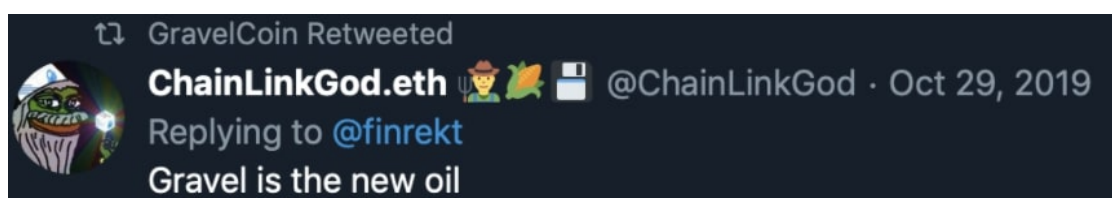
Practically dead, the Chainlink community is now shilling other coins (more on this in our next article) while Gravel is a taboo.

ClinTex

ClinTex, a solution provider to the pharmaceutical industry, announced that it partnered with Chainlink in July 2018 to enable the transfer from off-chain to on-chain data. The integration was later confirmed by Chainlink on Telegram. However, as community stats reveal, ClinTex seems to be one of those companies which exist but on life support:
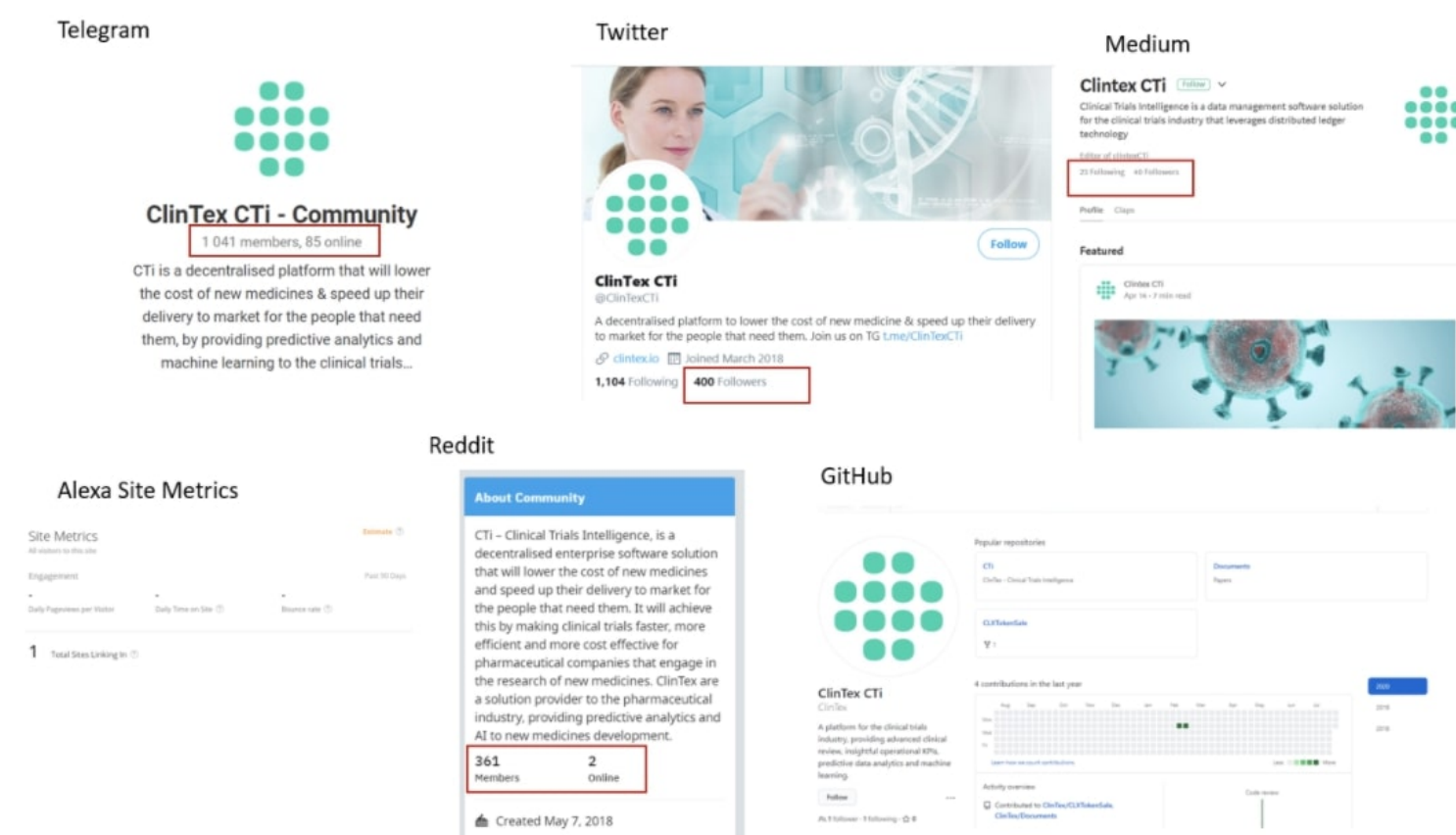
According to Alexa Web Rank, the website of the project has had no traction in the past 90 days. The same goes for the Twitter account of ClinTex, which although quite active with a few posts per day, is of little interest to the community as the posts see almost no likes or reshares. **Absurdly enough, as of July 28, the project's latest Twitter post is about its partnership with Chainlink, initially announced 2 years ago**:

Source: Twitter

Apparently, Chainlink is mobilizing all its "partners" to show some support in an attempt to prevent price crash following our report.

Katalassos

In January 2019, Katalassos, a decentralized platform running a small set of financial contracts, announced that it will integrate Chainlink to provide financial contracts with access to off-chain data feeds. Currently, the link towards the official announcement is unavailable. Nevertheless, back then the partnership was confirmed by Chainlink on Twitter:

Source: Twitter

Nowadays, the project shows nothing but a complete lack of activity. The Twitter account once tagged by Chainlink is no longer available, just as the project's Medium page. A closer look reveals, however, that the platform was renamed to Katal Chain. The stats of the rebranded project are not impressive and its official Telegram group is quite limited in terms of discussions. This doesn't seem to discourage them from promising an ICO next year. Strangely enough, a simple Google search does not reveal any connection between Chainlink and the rebranded Katal Chain.
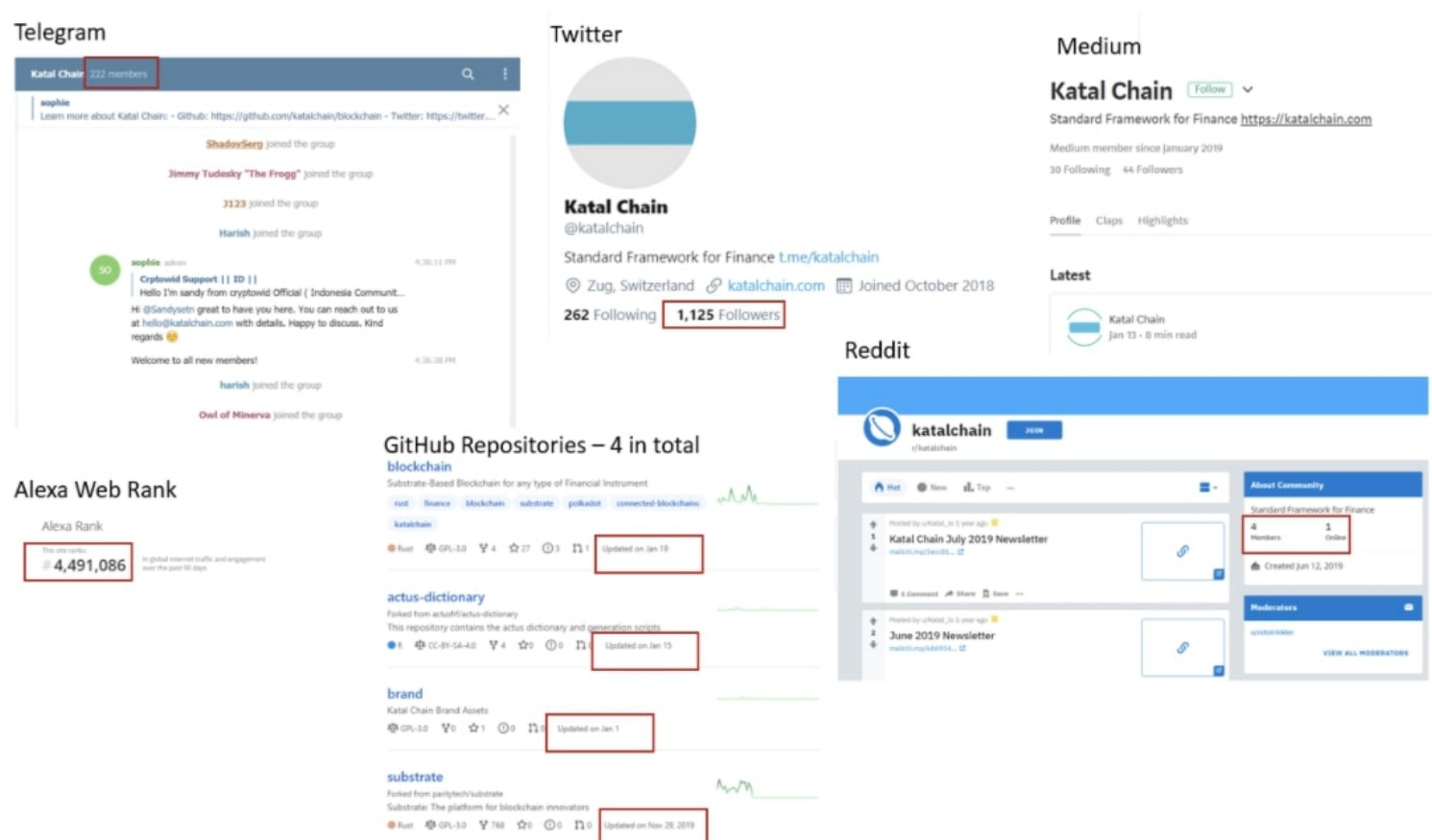
These are not isolated cases. Instead, these examples of dead projects is what the average Chainlink "user" looks like - small, doomed, inactive blockchain project that will most likely never ever make it.

Conclusion

Most of Chainlink's "partnerships" are bogus. These include:

- Outright lies about the size and type of the relationships between Chainlink and widely recognizable names like Google, Oracle, and T-Systems
- Pure PR stunts where both projects take advantage of basically free coverage, without intention to ever work together
- Pay-for-play schemes in which a lender gets the advantage of SmartContract's deep pockets while Sergey and the LINK investors have access to fiat currencies against their worthless tokens, implying they don't have to sell (push the price downward)
- A plethora of "integrations" with dead projects

The current tokenomics and lack of commercial applications cannot justify LINK's price. As a result, we recommend short selling LINK with a target price of 7 US cents.

Finally, we would like to thank all Link Marines and retail investors for creating this short selling opportunity. In our next article, we will extensively cover the interrelated Twitter accounts, 4chan and the toxic community behind Chainlink.

Disclosure: We hold a short position on LINK.

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Other news:

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Industry Insider Exposes Chainlink's "Partnership-as-a-Marketing" Scheme

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