CRYPTOCURRENCIES:

Chainlink, Tezos and more
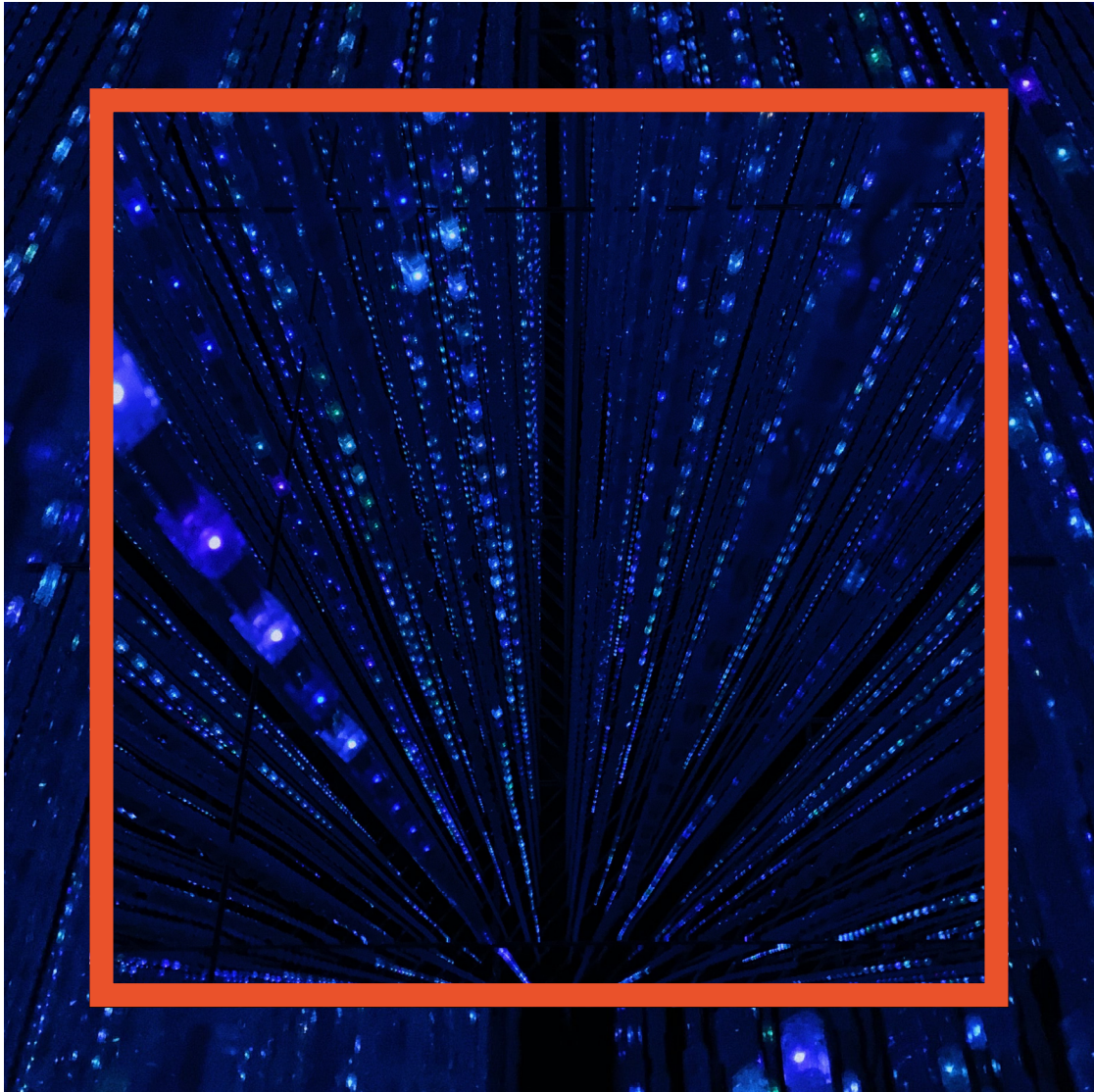
Swissquote

Content

CHAINLINK

The concept behind Chainlink

An oracle network

Chainlink is designed to allow smart contracts to securely access off-chain (outside of the blockchain) data such as bank account payments.

While smart contracts are probably set to revolutionize the way companies make business across various industries, the main issue is that smart contracts cannot obtain «off-chain» information directly.

This is where oracles bring value. Oracles are defined as «agents» that search, find, and verify real-world info and submit it to a blockchain, allowing smart-contracts to proceed with off-chain data.

A decentralized network

Since oracles services are usually delivered by third parties with a centralized point of control, an issue arises regarding the trustworthy and accurate aspect of the information being sent.

The idea behind Chainlink is to fix this issue through the creation of a decentralized oracle network, allowing smart contracts to receive and proceed with off-chain data in a safe manner.

How does it work?

Briefly speaking, the Chainlink network comprises two different components: the on-chain and off-chain parts. The on-chain part consists in an «oracle contract» which handles requests from users who wish to obtain off-chain info. Then, a series of «oracles nodes» collect the data, process it through the Chainlink Core, and transmit it to the «oracle contract».

Current trading

KEY FIGURES (AS OF MARCH 25TH, 2020)			
Crypto	**Rank**	**Market Cap**	**Current Price**
Chainlink	#14	EUR 1.4bn	EUR 3.97

## Price chart

Source: CoinMarketCap

EOS

The story behind EOS

The EOS project is one of the most recent among the cryptocurrency market. The related ICO can fairly be considered as unique for the several reasons.

The size of the ICO

Throughout the ICO, EOS team raised around USD 4Bn, which led to 700m units of EOS being sold for trading. This makes it one of the most successful ICO in the «cryptostory».

c.700m

c.$4Bn

Units

Amount
raised
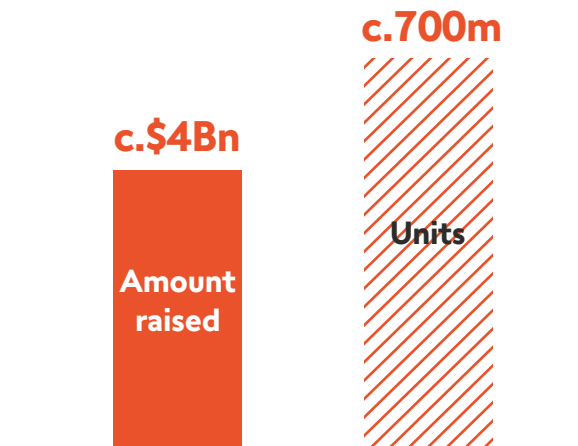
The length of the ICO

The ICO started in the mid June 2017, and ended almost a year later in the beginning of June 2018. Spread over 346 days, EOS ICO is the longest ICO ever recorded.

June 2017

346 days

June 2018

The concept behind EOS

EOS: the new «Ethereum killer»?

EOS provides a scalable blockchain software architecture that facilitates the development of so-called «dapps» (decentralized applications) blacked by smart contracts.

This is quite comparable with what Ethereum does, leading EOS supporters to dub it the «Ethereum killer».

A new way of validating transactions

The main feature of the EOS blockchain lies in its system of validation.

To validate transactions, EOS does not rely on the traditional «proof of work» system, through which miners offer the computing power of their machines. The EOS system is based on the DPoS (Delegated Proof of Stake), under which EOS token owners randomly elect «witnesses» who become block producers.

A fast and massively scalable platform

As can be read on EOS website, the cryptocurrency «strives to be one of the most performant blockchains in the world with industry-leading transaction speeds and block confirmation times».

The EOS system is currently capable of managing 300'000 transactions per second, where Ethereum only manages around 15 transactions each second.

TRANSACTIONS PER SECOND

300'000	15	7

A free-to-use architecture

Another important feature of EOS blockchain is that it has (by default) no transaction fees.

By default, users pay zero transaction fees when sending payments or performing task on EOS blockchain. Dapps developers are free to set their own strategies in terms of fees (whether they want to set transaction fees or not).

This feature is at the heart of EOS strategic vision, offering a cost-effective and flexible platform.

Current trading

KEY FIGURES (AS OF MARCH 25TH, 2020)

Crypto	Rank	Market Cap	Current Price
EOS	#8	EUR 2.2Bn	EUR 2.40

Price chart

Price

USD 15.00
USD 12.00
USD 9.00
USD 6.00
USD 3.00
USD 0

24h Vol

0

Jan '18 Jul '18 Jan '19 Jul '19 Jan '20 Jul '20 Jan '21

Source: CoinMarketCap

The story behind Stellar

○─── **2014**

The Stellar story began in 2014 with co-founders Joyce Kim and Jed McCaled, who is also the co-founder of Ripple.

This explains why the Stellar's protocol was initially based on Ripple Labs' one. While Ripple is dealing with financial institutions such as banks, Stellar mainly targets individuals, with the main use being money transfers of relatively small amount.

○─── **2015**

The token's name changed from Stellar to Lumen.

This change has been made to distinguish Stellar from Stellar Development Foundation (SDF), a non-profit that helps the network expand.

○─── **2019**

The total quantity of XLM tokens has been reduced by more than half.

The Stellar network initially counted 105 billion of XLM tokens. On November 4th, the total supply of XLM was reduced to around 50 billion of tokens. No mining is allowed anymore, meaning that no new tokens will be created. The whole quantity has been pre-mined.

The concept behind Stellar

A decentralized platform

The Stellar platform defines itself as «an open network for storing and moving money».

The Stellar system is open-source, meaning that the original source code is freely available and may be redistributed. Stellar's crypto XLM «powers» the Stellar network and its overall operations, alike what the Ethereum coin does for the Ethereum network.

A quick and low-cost payment technology

Alike Ripple, the payment technology developed by Stellar developers is designed to significantly reduce the cost and time needed for cross-border transfers.

The stellar system is highly valuable because it has the capacity to host thousands of «currency-token» exchanges each second. While exchanging cryptocurrencies with traditional currencies can be a long and expensive process, Stellar found a way to make it quick and cheap.

The Stellar Development Foundation (SDF)

**The SDF is a non-profit designed to help the Stellar network expand.**

Together, SDF and Stellar «seek to unlock the world's economic potential by making money more fluid, markets more open, and people more empowered», ensuring access to the financial world to everyone.

Current trading

KEY FIGURES (AS OF MARCH 25TH, 2020)			
Crypto	**Rank**	**Market Cap**	**Current Price**
Stellar	#12	EUR 1.5bn	EUR 0.072

Price chart
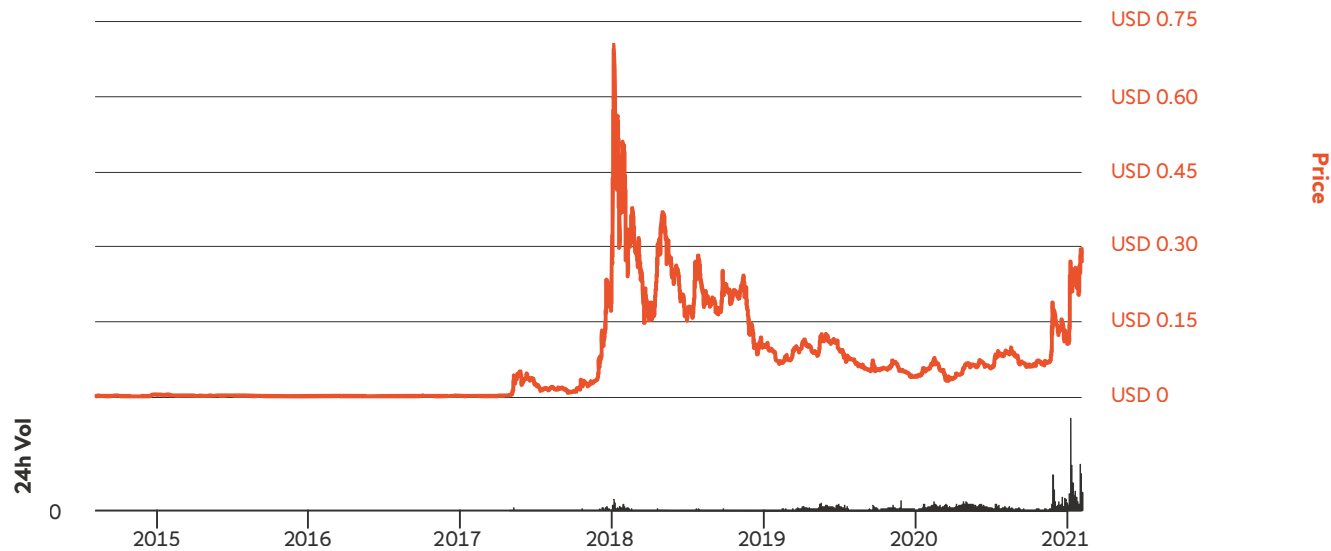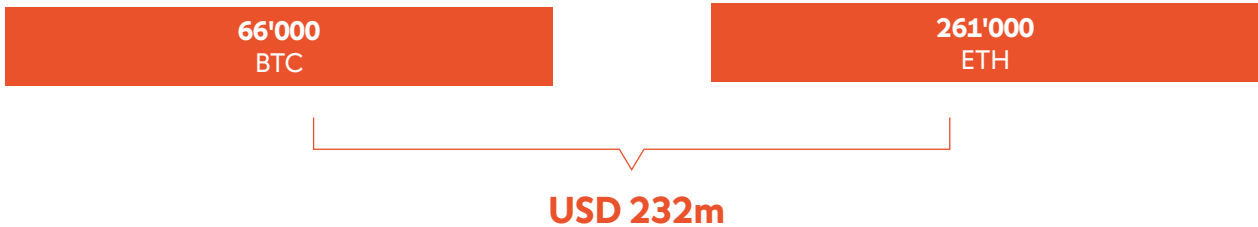

Source: CoinMarketCap

TEZOS

The story behind Tezos

A giant ICO

Tezos ICO was uncapped, setting no limit to the amount it could raise.

In total, Tezos developers raised around BTC 66'000 and ETH 361'000, equivalent to a value of roughly USD 232m at that time.

66'000 BTC	261'000 ETH

USD 232m

A long ICO

Although the length was no close to the 346 days-long EOS ICO, the ICO of Tezos has been active throughout 2'000 bitcoin blocks, **equivalent to roughly two weeks.**

An «issuance-free» ICO

Another key feature of Tezos ICO is that no ERC-20 token has been issued until the launch of the network.

That basically means that unlike flip-a-coin-for-profits ICOs, Tezos developers had to build a fully-viable network before investors having the possibility to get tokens.

The concept behind Tezos

A decentralized blockchain

According to the Tezos website, «Tezos is a new decentralized blockchain concept that governs itself by establishing a true digital commonwealth.»

A distinguishing self-regulated governance system

Tezos developers strongly believe that in order for a system to be truly decentralized, decentralization has to be at all levels of a system, including every decision-making processes and all proposals amending the protocol.

What distinguishes Tezos is that it offers a self-amending ledger. «Tezos takes a fundamentally different approach by creating governance rules for stakeholders to approve of protocol upgrades that are then automatically deployed on the network,» developers explained.

Thanks to Tezos system, users can contribute to the protocol maintenance throughout the whole development process, which is not reserved to core developers anymore.

Current trading

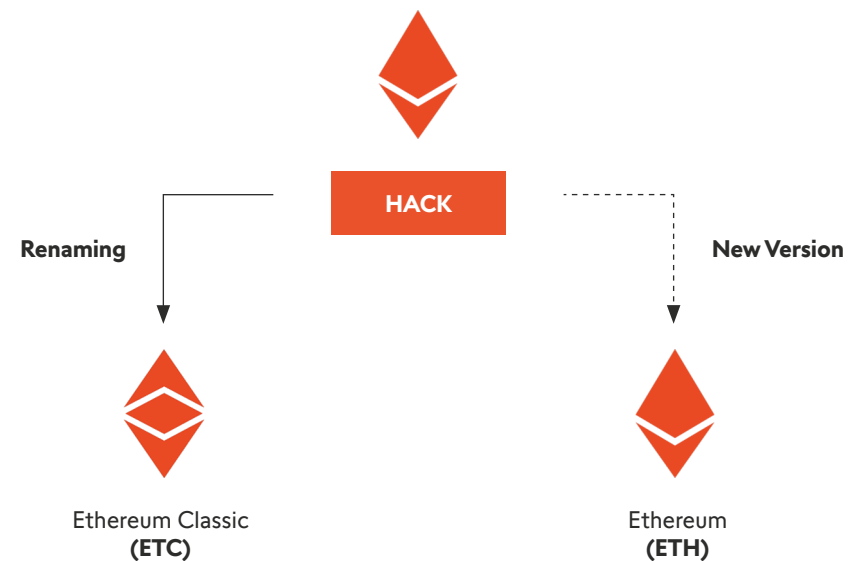| KEY FIGURES (AS OF MARCH 25TH, 2020)			
Crypto	**Rank**	**Market Cap**	**Current Price**
Ƭ Tezos	#11	EUR 1.9Bn	EUR 2.6

Price chart

Source: CoinMarketCap

ETHEREUM CLASSIC

The story behind ETC

A birth following the famous hack on Ethereum

Ethereum Classic (ETC) was born on June 2016, following a hack on Ethereum where a hacker managed to steal around USD 50m worth of Ether.

Following the hack, Ethereum developed a «new version» of the network, through an exceptional sate change implementation in order to cancel the hacker's transaction. The newer version was named Ethereum (ETH), while the older one continued trading with a renaming: Ethereum Classic (ETC).

The concept behind ETC

The «non-forked» version of Ethereum

To virtually restore all funds following the Ethereum hack, a hard-fork was executed. As this was widely controversial, Ethereum has been broke into two distinct active blockchains, as we saw earlier.

Ethereum Classic is the unforked blockchain of Ethereum.

A decentralized platform

As can be read on Ethereum Classic website, «Ethereum Classic is a decentralized platform that runs smart contracts: applications that can be run exactly as programmed without any possibility of downtime, censorship, or third party interference.»

Put simply, Ethereum Classic is an open-source platform where various types of decentralized applications can be developed (Dapps), running smart-contracts.

Conditional trustless transactions

The idea behind ETC is to allow «uncensorable» smart contracts to be written, processed and executed by offering a decentralized governance.

With such system, there is no possibility for any controlling, manipulation, censoring, or external interference throughout the whole use of the decentralized applications.

Current trading

KEY FIGURES (AS OF MARCH 26TH, 2020)			
Crypto	**Rank**	**Market Cap**	**Current Price**
◆ ETC	#20	EUR 727m	EUR 6.22

Price chart

Source: CoinMarketCap

AUGUR

The story behind Augur

A decentralized prediction platform

Augur is a Dapp running on top of Ethereum platform and is, just like Chainlink, an ERC20 token.

Augur platform provides its users with the opportunity to create their own betting market related to real-world events.

Players can bet with Augur on the possible outcomes (win/loose, true/false, yes/no...) of a real-world event. Will Switzerland win their next football game? Will Trump win the 2020 presidential election? Will the FOMC increase the federal funds target rate range during its June 9th meeting?

The «wisdom of the crowd» validation principle

To validate an outcome, the Augur platform relies on the «wisdom of the crowd» system.

Under this mechanism, Augur's coin REP (Reputation) holders can verify the outcome of a real-world event by submitting results to the Augur network.

When consensus is achieved, those who wagered correctly are paid out. Those who reported honest and correct outcome results receive REP, while on the contrary, those who reported dishonest and wrong outcome results lose REP.

Current trading

KEY FIGURES (AS OF MARCH 26TH, 2020)			
Crypto	**Rank**	**Market Cap**	**Current Price**
REP	#50	EUR 135m	EUR 12.23

Price chart

Source: CoinMarketCap

0X

The story behind 0x

A new kind of exchange platform

«0x is an open protocol that enables the peer-to-peer exchange of assets on the Ethereum blockchain».

Put simply, 0x is an open blockchain protocol built to allow peer-to-peer exchange of digital assets.

A hybrid model

0x platform is neither fully-centralized nor fully-decentralized. Developers built a hybrid model that brings together the advantages of both worlds.

0x developers intend to solve the issues related to the traditional centralized crypto exchanges: hacks, embezzlement, or even government shutdowns. But they also wanted to address the key problems associated with decentralized platforms: lack of speed.

How does it work?

To allow ERC-20 tokens trading, 0x system is based on transaction orders using off-chain ledgers. Orders are recorded on-chain only when settled.

This system significantly increases the speed of the whole process, as only settled transactions go through the blockchain. As such, 0x system addresses the speed of transaction (scalability) and liquidity issues involving token issues on the Ethereum blockchain.

0x allows holders to stake ZRX in a market making system, but also offers a governance mechanism where users can vote with their ZRX regarding an improvement proposal.

Current trading

Crypto	Rank	Market Cap	Current Price
⊗ ZRX	#39	EUR 194m	EUR 0.30

Price chart

Source: CoinMarketCap

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