

## Twitter Thread by Terra Daily ■



**Terra Daily** ■  
[@TerraLUNADaily](#)



Based on the theory story shared by [@CryptoHarry](#) and [@JacobCanfield](#), Terra Daily would love to share it with you here

**There will be two (2) types of information: Data and Rumor**

**Some transactions were made via the OTC so those are supposed to happen in the past few days**

[@CryptoHarry](#) [@JacobCanfield](#) 1/ (Rumor) Blackrock and Citadel were the culprits

Citadel is the validator on various chains including Terra (but not now)

Blackrock recently invested in Circle (the institution issuing USDC) - \$UST competitor

You can find the announcement here

<https://t.co/zmUv8VPAUa>

[@CryptoHarry](#) [@JacobCanfield](#) 2/ (Rumor) They used leverage to borrow \$100K \$BTC and divide it into 2 proportions:

+ 25% 25K selling BTC to buy UST

+ 75% 75K selling BTC aggressively and starting to short LUNA

These transactions were reported via OTC (Over The Counter) so we assume they are in (rumor)

[@CryptoHarry](#) [@JacobCanfield](#) 3/ (Data) Terraform Labs withdrew \$150M from 3pool-UST on Curve Finance in order to prepare the liquidity for the 4pool-UST on Curve as well

By doing this, the liquidity for UST was in shortage.

But this led to a very huge gap in stablecoin number

<https://t.co/TLyz2LgfEj>

[@CryptoHarry](#) [@JacobCanfield](#) 4/ (Data) Immediately after that, \$85M was swapped into the 3pool

Therefore, the number of UST increased but the number of USDC decreased, which had led to the unbalanced rate among stablecoins

Plus, this unbalance led to UST depegging to 0.985

<https://t.co/h9ddAFKatF>

[@CryptoHarry](#) [@JacobCanfield](#) 5/ (Data) The next step from Terra side was withdrawing an additional number of \$100M UST to rebalance the number of stablecoins  
(since the number of UST increased in the previous thread ■)

Note this as (\*)

<https://t.co/FFHqZ8x18r>

[@CryptoHarry](#) [@JacobCanfield](#) 6/(Rumor+Data) Based on [@CryptoHarry](#) , the rest of UST was continuously dumped on Binance causing a further depegging of UST on 8th May 2022.

Check the photo ■



@CryptoHarry\_ @JacobCanfield 7/ (Data) - The late effort

LFG (Luna Foundation Guard) and especially Jump Crypto added an additional \$280M of liquidity to this 3pool-UST

This action should be conducted at the first place instead of (\*) in the thread 5

<https://t.co/q7qTKXjpQe>

Carefully watching pool to get a state of the battle. Sitting at ~\$285mn of 3CRV after Jump deposits another \$30mn of Tether. Whales turn. [pic.twitter.com/qdzJZvKJ0f](https://pic.twitter.com/qdzJZvKJ0f)

— Jack (@YoniJMeI) [May 7, 2022](#)

@CryptoHarry\_ @JacobCanfield 8/ And all the later-coming events that have been written by @TerraLUNADaily in the thread below (continuing from thread 2/)

<https://t.co/geou3JVgE0>

How has this crisis started?

There are some happen-before events that you need to know

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— Terra Daily \U0001f316 (@TerraLUNADaily) [May 11, 2022](#)

@CryptoHarry\_ @JacobCanfield 9/ There are some drawbacks that Terra Daily would love to share regarding this memorable crisis

+ The unstoppable and rapid minting of UST during this maybe-downtrend market regardless of the FED announcement

@CryptoHarry\_ @JacobCanfield 9.1/ + It can be seen that the market cap of UST was \$18B, which was very closed to that of \$LUNA - \$30B.

This means in case of any emergency, it will be very difficult and tough for the redemption between UST and LUNA

@CryptoHarry\_ @JacobCanfield 9.2/ The late effort in thread 7 ■ was unnecessary to some extent, it would be better if it was conducted at the time of the thread 5 (\*)

Instead of withdrawing the liquidity directly from the 3pool for the preparation of the upcoming 4pool, ...

■

@CryptoHarry @JacobCanfield 9.3/ Do Kwon and Terra team change to another method of adding liquidity of USDC, USDT, DAI first, then withdrew gradually UST instead of only one (1) transaction without affecting the internal statistics of the liquidity

Though this may take time, it is harder to attack

@CryptoHarry @JacobCanfield 9.4/ Terra Daily believes the widespread news for the 4pool causing the pressure on Do Kwon to prepare the pool as soon as possible

Everything happened. #LUNAtics have witnessed many successes from the very best effort from CEO of Terra

What do you think about this? Comment ■