Twitter Thread by ■αlphαntes



■αlphαntes
@Fiskantes



OK, that was quick, time to drop it.

@PenserETH was correct, I was thinking about @terra_money. I honestly believe its still one of the most underrated ecosystems.

Thread why:

> When I hit 5k follows I will drop \u03b1(lpha) thread on one non-Ethereum DeFi ecosystem I am using quite often now and am very impressed by.
>
> Hope it won't happen too fast, I am not done accumulating.
>
> — \U0001f0cf\u03b1lph\u03b1ntes (@Fiskantes) December 28, 2020

1. Terra is an app specific chain built on Cosmos. It started as a stablecoin app-chain and now branches into other venues. Where it differs from the rest of crypto (which is largely inward facing) is its focus on outward outside “irl” use cases.

https://t.co/fCF8pOXoV3

2. Terra stablecoins (mainly KRT) enable cheap online payments, undercutting the incumbent payment providers by 60%. Via mobile payment app CHAI, KRT is now used by actual retail consumer to pay for stuff online.

3. Until now, the tx volume facilitated by terra is 370M USD, most of it in e-commerce in SEA region. And the fees are accruing directly to LUNA (Terra native token) Stakers and Delegators.
https://t.co/MNqCdAB3Bn

4. This makes Terra one of the best cashflow driven projects in crypto. Not only because it has relatively attractive “P/S” ratio (currently 22, but was below 3 not so long ago!), but also because its success is not dependent on crypto speculation but usage outside of crypto.

5. Apart from (KRT) Korean Wong, they now facilitate UST (USD stable), MNT (Mongolian Tugrik) and SDT (SDR = global reserve asset of IMF - https://t.co/JQojWGZusR). Sounds a bit quirky, but it shows the flexibility of the system and the willingness to capture long tail adoption.

6. Whats also cool is that you can pick whichever currency you want to pay tx fees to validators. Those earning the fees dont have too hard time dealing with it. You can easily trade between the assets using https://t.co/dw9icqaQWd DEX.

7. K, cheap online payments are solved. What else mainstream users want? Savings. Ideally with predictable yields. And the most sustainable income in crypto is currently from staking. https://t.co/dz8nyFu1gv

8. So chads from terra are among the first to connect retail users with PoS income via staking derivatives. Thats what https://t.co/x2Th68MCUX is for, enabling terra stablecoin holders to earn yield from staking, abstracting away complexity of staking.

9. You may noticed that staking derivatives can get pretty hot next year with Eth 2.0. On top of stablecoin adoption, Terra is riding this wave too, harnessing their retail user base (unlike others, whose target groups are crypto insiders).

10. K, payments solved, savings solved. What else can retail normie want from next gen suite of financial products? Investments. Enter https://t.co/HwgNm3MaTx. Enabling synthetic assets on Terra, using simple AMM mechanism.

11. While synths are nothing groundbreaking, Mirror solution is pretty elegant. Currently big tech stonks, as well as some commodities are available in pairs with UST. LPing is incentivized by quite high APY (in MIR tokens) too! The UX is pretty seamless if you are used to DeFi.

12. Cheap payments, stable savings and seamless investments facilitated by standalone app-specific blockchain are a killer combo already. But with IBC and bridging to ETH, Terra will start to talk with rest of DeFi, unlocking superpower of composability.

13. Price action of LUNA was a bit underwhelming compared to other DeFi blue chips. Part of the reason was that its mostly unknown to degens focused on ETH casino, part of it was that some early VCs were dumping their bags, having change of heart about crypto in bear market.

14. But it seems its already picking up. Due to simple fundamentals, its quite easy to conduct financial analysis of the project (https://t.co/Ftx06v0kvT) and smart money picked up the scent.

15. I think Terra is well positioned to be a dominant Cosmos player, DeFi hub and also interesting SEA region fintech play. IMO its quite underpriced relative to others in this hopium filled market and its probably the best shot for mainstream/fintech/non-speculative adoption.

16. BUT! Dont trust me, I am shilling my own bags and am just anime profile pic anon on twitter…so DYOR. There are risks of something else winning, or maybe BTC maxis are right and this is all crap that goes to zero...

Paging @d0h0k1 in case I got something wrong

Also see this monster thread: https://t.co/ELWGvAjgw2

0 - As I delve beyond the ETH ecosystem as local #DeFi token circulating market caps soared (200-500 mm), $LUNA by @terra_money at ~160 mm USD market cap really stood out to me not only as an interesting VC bet, but also as a solid counter-weight to all the native craze.

— Maple Leaf Capital (@MapleLeafCap) July 26, 2020