Twitter Thread by Brot KnoblauchHaus

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1/#VeFam, I see a lot of heated discussions regarding $VTHO and it's speculative value. I thought I'd write a thread to clear out some misconceptions.

First up, VTHO is NOT yield from an investment ($VET).The whole argument that VET has to give xx% returns via VTHO is pointless

2/Why? Because VTHO is a utility token required for network participation. While it is good that we ordinary holders can trade it, its primary purpose is to enable entities to use the network. VTHO is not a dividend, it is not yield, it's simply a network participation enabler

3/is it undervalued? depends on if you're talking about value arising from utility or speculation. Regarding the former, as long as the daily burn rate is lower than daily generation rate (~37m), value appreciation from utility is not a factor. But this will change.

4/regarding the latter,it's anyone's guess. It can go 1000x overnight,like anything in crypto.But remember,this is not a good thing for an enterprise focused utility token
Why?
Bcoz value appreciation from utility is organic. @vechainofficial and their customers can plan for this

5/value appreciation from speculation is not organic. It can disrupt budgets and planning. This is the reason there are several levers in place to cushion the speculation around VTHO. Read this article to understand what they are:

https://t.co/83OhqLQudx

6/These levers can (and will) also be used to cushion the effect of utility driven value appreciation of VTHO on the cost of Tx. But again, this will be organic, and will not have a sudden, drastic effect on the price.

So will VTHO appreciate in price?
Of course.

7/ like any other crypto, it can appreciate through a mix of utility and speculation. However, unlike most crypto projects, the appreciation can, will and should be controlled to cushion its effect on enterprises using the chain and writing Tx to it

8/where does that leave VET? It's quite simple. The more the network is used, the more organic demand there is for VTHO. And the only way new VTHO is generated is from VET. This builds the utility case for VET price appreciation.

9/As for speculation, there are no levers in place to curb VET price appreciation through speculation.

That's it. It's that simple!
Hope this helps clear some things out.
#VeChain $VET $VTHO