

MARKET INTELLIGENCE

Cardano to launch stablecoin -
Djed, Ethereum whales started
accumulation, Magic Eden x
Polygon+ More

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Cardano to launch stablecoin - Djed

Developers announced plans to launch Djed (\$DJED), an algorithmic stablecoin powered by Cardano, on the mainnet of the smart contract platform early next year at the Cardano Summit in Lausanne, Switzerland.

By doing this, Cardano would join the growing list of networks that have launched their own stablecoins in an effort to dominate this expanding area of the cryptocurrency market.

Djed is an algorithmic stablecoin released by fintech startup COTI Group. It's a crypto-backed pegged algorithmic stablecoin for Cardano that uses smart contracts to ensure price stabilization. If the audit and stress tests go as planned, Djed will launch its mainnet in January 2023.



Source: DefiLlama

Cardano may benefit from the introduction of the stablecoin, including the enhancement of decentralized finance (DeFi) on the network. Cardano's total value locked (TVL), according to data from DefiLlama, had been declining recently. The platform lagged far behind its contemporaries even at its peak.

Cardano's TVL was \$50.99 million at the time of writing, having reached a peak of just over \$300 million. The successful launch and adoption of its own stablecoin **could encourage TVL's growth and involvement in DeFi** even more.

The most recent Vasil Upgrade finally became operational on September 22 after a long wait. According to Santiment's development activity indicators, **more features might still be in the works**. The dev activity index had been rising since the end of October and, despite declining, was still at 106 at the time of writing.

Djed can be useful in decentralized finance (DeFi). It works by “keeping a reserve of base coins, and minting and burning stablecoins and reserve coins.” According to Input Output’s white paper on the cryptocurrency it “behaves like an autonomous bank that buys and sells stablecoins for a price in a range that is pegged to a target price.” The paper adds :

“ It is crypto-backed in the sense that the bank keeps a volatile cryptocurrency in its reserve. The reserve is used to buy stablecoins from users that want to sell them. And revenue from sales of stablecoins to users are stored in the reserve. Besides stablecoins, the bank also trades reservecoins in order to capitalize itself and maintain a reserve ratio significantly greater than one. ”

The decentralized stablecoin DAI, which runs on Ethereum, uses a similar design to DJED, but each DJED will need to be minted with **more than 400%** in collateral value. The cryptocurrency will go through an audit and a series of demanding stress tests before its launch early next year.

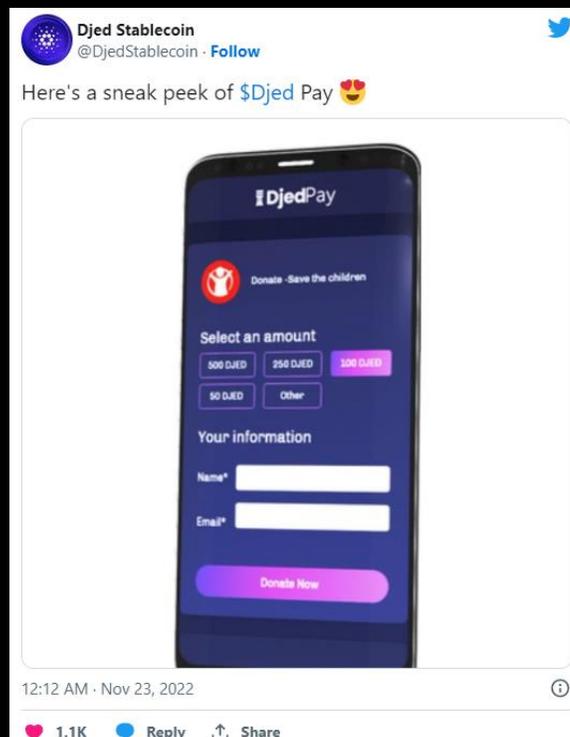
After going live, the algorithmic stablecoin will be integrated with a few key players in the ecosystem of the smart contract platform, such as decentralized exchanges. These exchanges will compensate users who use stablecoins to provide liquidity.

Crypto users appear to have transferred money to on-chain wallets they control after the FTX's collapse. As a result, the growth of Cardano wallets has accelerated. The number of Cardano wallets recently increased by well **over 30,000 in a week**, going from roughly 3.638 million to 3.671 million in just a few days, according to data from Cardano Blockchain Insights.

Djed (DJED) may get a dedicated payment system for e-commerce, retail use, and cryptocurrency donations.

A first-ever preview of the DjedPay mobile interface was unveiled on Djed's Twitter account on November 23, 2022.

According to the available screenshot, the upcoming project will enable its users to **quickly send transfers** in DJED, Cardano's USD-pegged stablecoin. The user only needs to save his or her email address and name in order to approve the transaction.



Ethereum whales started accumulation

The largest whale addresses for Ethereum (ETH) are rapidly accumulating ETH.

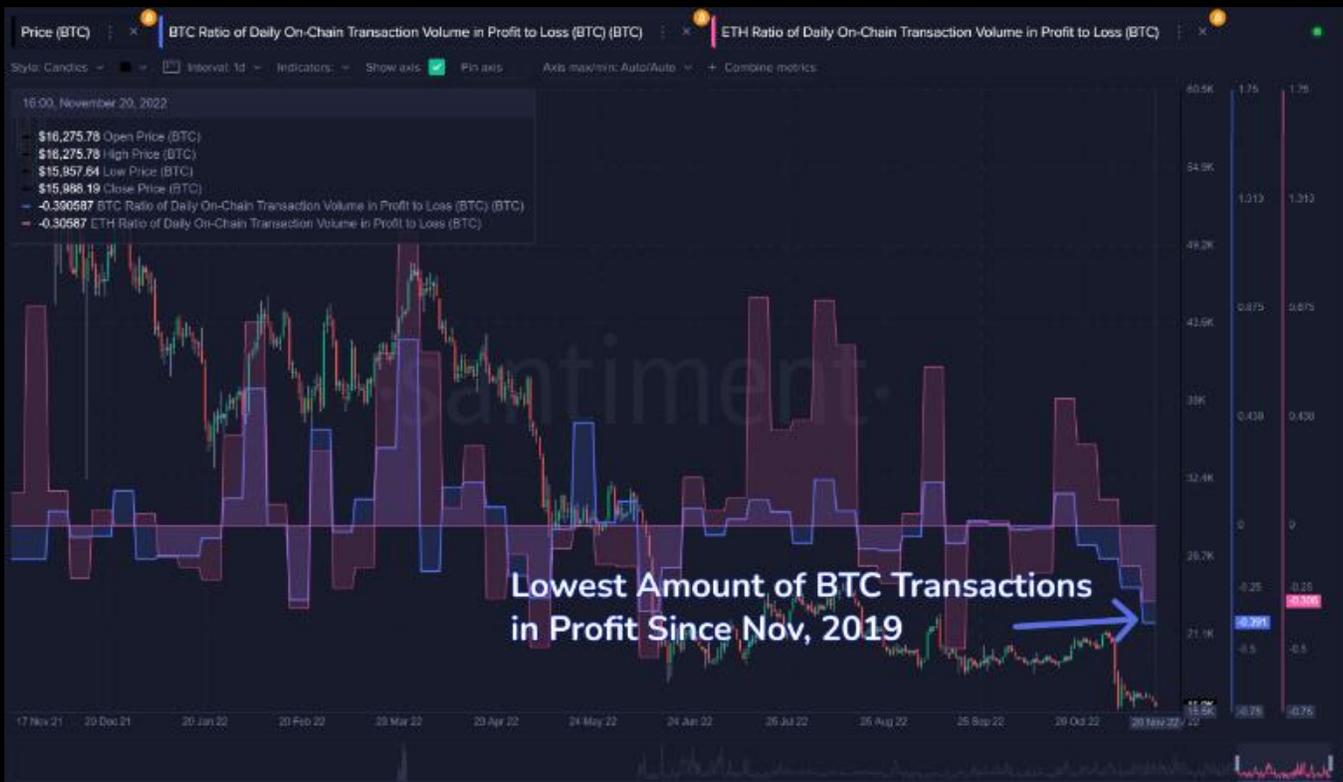
In just one day, the whale addresses, which had between \$10.9 million and \$1.09 billion worth of Ethereum, **devoured \$1.03 billion**. According to Santiment, the activity represents the **fifth-largest single-day addition** by the largest group of whales in the previous year.



Source: Santiment

The action was taken at a time when whale and shark addresses—those with 100 and 100,000 \$ETH in their wallets—had been growing their holdings by more than 3.5% over the previous 12 days, holding their largest share of the cryptocurrency's supply since July 2021.

Bitcoin traders are also overwhelmingly moving coins at a loss, on pace for the most loss movement in 3 years



Source: Santiment

Bitcoin's address activity also spiked to its highest level in six months in the last few days, marking **more evidence of crowd capitulation.**

Cardano to launch privacy-focused blockchain – ‘Midnight’

Cardano, a cryptocurrency project backed by the technology company Input Output Global (IOG), is getting ready to launch a new privacy-focused blockchain in response to the failure of similar projects like Monero to [address rising privacy issues in the blockchain](#) industry.

In recent years, the digital world has expanded quickly, and nearly every nation has interacted with cutting-edge technologies like blockchain, Web3, and cryptocurrencies. Privacy protection, one of the most important online issues, is still a weakness in the sector.

The founder of Cardano, Charles Hoskinson, disclosed that the organization would introduce a new token called [Dust](#) to power this distinct ecosystem that prioritizes privacy. Midnight, the company's new blockchain, is anticipated to outperform earlier privacy-focused coin initiatives.

“

We're taking that Midnight virtual machine and we're going to launch it as a sidechain of Cardano... What's really interesting about the way sidechains on Cardano work is that it's a partnership. It's magical in that respect.

”

So [Midnight] is a new blockchain. What does it need? It needs decentralization. It needs security. It needs infrastructure. It needs liquidity. It needs an ecosystem. Every new blockchain needs [those]. Cardano actually has [them]... It would be real cool if Cardano could give that to Midnight. What's Midnight going to give back to Cardano because partnerships are partnerships? If Midnight's got a token, in this case, we call it Dust, then what happens is that the stakepool operators maintain the Midnight ledger with those high-performance, high-throughput protocols. What they're going to do is they pay rewards back to the stakepool operators and the ADA holders. At some point when Midnight launches, you get Dust and ADA.

Charles Hoskinson also claims that they intend to **reward stakepool operators with a new cryptocurrency and integrate Midnight to Cardano.**

Midnight was developed with the primary goal of providing fundamental freedom and privacy over commercial and personal data to individuals, businesses, and developers. The project makes use of zero-knowledge-proof technology even though privacy is a top priority.

The newly created blockchain includes government authorities' participation based on permissions granted by the system, in contrast to the prior privacy protocols. It gives users control over their secrecy and privacy as a result. While the government authorities remained combative over concerns about how potentially a product can help players move money illegally, tech tycoons and crypto celebrities always welcomed privacy products.

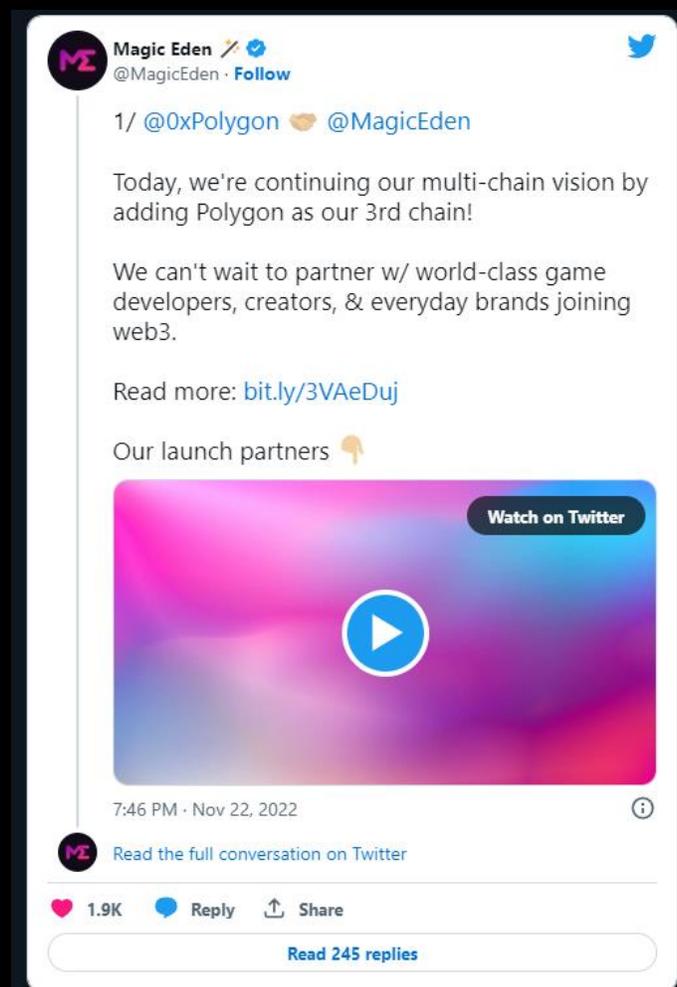
Magic Eden x Polygon

Magic Eden, the leading NFT marketplace on Solana, announced Polygon (MATIC) as the **third blockchain on the platform** despite a steep 50% decline in the marketplace's volume.

It is ranked second on marketplaces, according to DappRadar. It plans a strategic partnership with Polygon to continue its multi-chain vision. With the polygon integration, Magic Eden also plans a launchpad and marketplace by next month.

Web2 businesses attempting to build on Web3 have chosen the Polygon chain because of **its low transaction cost and higher throughput**. Reddit NFTs recently dominated the cryptocurrency market. With the aid of the Polygon chain, it onboarded over three million users to NFTs.

According to its website, the Polygon network has processed about **1.8 billion transactions** and supports over **37,000 decentralized applications (dApps)**. Magic Eden might be able to **access Polygon's ecosystem** as a result of the expansion, and vice versa.



Despite the partnership announcement, data from the decentralized application analytic platform DappRadar shows that Magic Eden’s key metrics are sharply declining.

Over 12% lesser Unique Active Wallets have interacted with the platform's smart contract over the past three months. In the last 30 days, the volume has decreased by more than 30%, and a decline of 50% over the past 24 hours.

Magic Eden is a leading marketplace in the Solana ecosystem. The community believes that Polygon going to Magic Eden is “[another hit to Solana ecosystem.](#)” The recent FTX collapse had a significant impact on the Solana ecosystem. Data from DefiLlama show that since November 6, the Total Value Locked has [decreased by almost 80%.](#) The TVL for the Solana ecosystem was \$1 billion, or roughly \$283 million today.



Source: DefiLlama

Venture Capital Deals

Project	About	Funding Amount	Funded By
Notifi	Its platform allows web3 developers to integrate multichannel communication into their applications without building the infrastructure themselves.	\$10 million	Hashed and Race Capital
Onomy	The project merges decentralized finance (DeFi) and the foreign exchange market to bring the latter on-chain.	\$10 Million	Bitfinex, Ava Labs, the Maker Foundation
Fordefi	The Fordefi team is bringing to market a solution that addresses two of the biggest challenges in DeFi today: institutional-grade security and smart contract transparency	\$18 Million	Lightspeed Venture, Electric Capital
Yakoa	Yakoa has a SaaS business model and serves web3 platforms, giving them a map of where copies of their content are surfacing.	\$4.8 million	Brevan Howard Digital, Volt Capital and Collab+Currency
t3rn	Polkadot-based blockchain interoperability protocol that aims to facilitate cross-chain transactions	\$6.5 million	Polychain Capital, Huobi Ventures



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