ALCHEMIX

Alchemix Q1 2024 Report

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Introduction to Alchemix

Established in February 2021, Alchemix is a DeFi lending protocol that offers Self-Repaying loans without the risk of forced liquidations. Alchemix's value proposition is that it enables its users to access tokenized value against their deposits, while those deposits harness the power of DeFi to automatically pay down a borrower's loan balance over time. Conceived as a new tool for people to take advantage of the time value of money, Alchemix is tested and audited and then deployed on-chain using smart contracts to provide security, transparency, immutability, and uncensorable access to all.

A borrower's loan comes in the form of synthetic tokens known as alAssets. Alchemix currently offers alUSD to borrow against Dai, USDC, USDT and FRAX and alETH to borrow against ETH, rETH, stETH and frxETH. Alchemix establishes a 1:1 pairing between collateral types (Dai/USDC/USDT/FRAX and ETH/rETH/stETH/frxETH) and their pair alAssets via deep exchange liquidity and the Alchemix Transmuter, which provides a backstop for the alAsset price.

Alchemix is currently deployed on the Ethereum Mainnet, Optimism and Arbitrum networks.

This report provides relevant data for Q1 2024, 1 January 2024 to 1 April 2024.

Data sources for the numbers provided below include, but are not limited to, the Alchemix SubGraph, the Etherscan API, Bitquery and CoinGecko.

This report was released on 2024.07.10.

Major Developments

The first quarter of 2024 brought many developments into the crypto space and into the Alchemix world, including the following:

- The protocol earned approximately $2.07 million in revenue for the quarter.
- Arbitrum deployments were launched at the end of the quarter.
- The Alchemistresses grant project has been launched.
- Alchemix hosted an event in ETHDenver.
- Alchemix launched a grants program with Questbook.

Protocol Metrics

In this section we cover the most important metrics that indicate the sustainability and health of the protocol.

alAssets

The main challenge for the protocol is to maintain a strong price for the alAssets, meaning that they converge towards the price of the assets with which they are paired. If the protocol is successful in achieving and maintaining a strong price, then it enables the Alchemist deposit caps to be increased. In turn, with growing deposits, protocol revenue increases.
In essence, a good alAsset price results in growing revenues and profit for Alchemix.

Without a robust and healthy price for the alAssets, Alchemix's value proposition diminishes, as a lower price would mean an effective lowering of the LTV ratio of a user's deposit. A sustained exact 1:1 peg between alAssets and their pairs is not possible, but the protocol aims to maintain a steady price close to 1:1 to enhance predictability and value for users.

The price and liquidity for alUSD and alETH are achieved by establishing liquidity pools in Curve, Velodrome and RAMSES.

The alUSD and alETH price history charts can be seen below.

Shortly after the launch of Alchemix v2, the protocol deployed a new mechanic called the Elixir, which is intended to help bolster the prices of alAssets. The Elixirs have also been called the AMOs. The mechanisms by which the new Elixirs and the Transmuters help maintain alAsset prices is detailed in the *System Components* section below.

aIUSD Price vs. USDC

Trade size	Jan 1st	Apr 1st
$1M	0.9911 (-0.89%)	0.9841 (-1.59%)

aIUSD price vs. USDC

alETH Price vs. ETH

Trade size	Jan 1st	Apr 1st
500 ETH	**0.9433 (-5.67%)**	**0.9098 (-9.0%)**
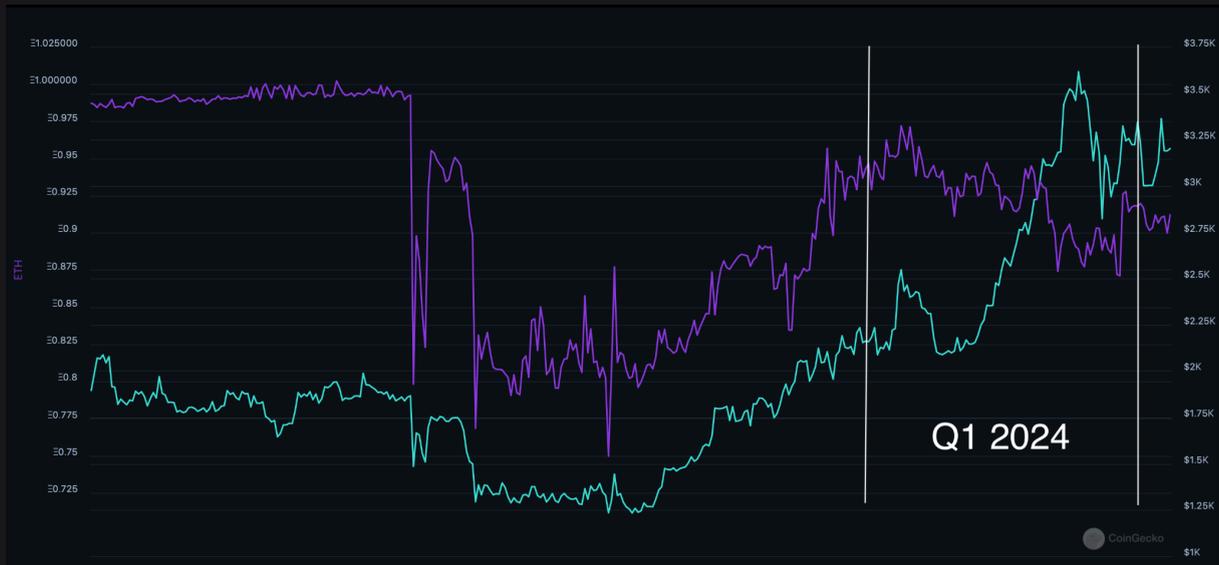
alETH price vs. ETH

The Alchemix SubGraph is not fully functional at the time of writing this report, so CoinGecko is being used for the above chart. The purple line (left axis) shows the value of alETH relative to ETH.

The price of alETH normalized after the Curve exploit, but it is still below target levels.

alUSD Liquidity Pools

Total size in all pools

	Jan 1st	Apr 1st
	$65.19M	**$41.98M**

	Jan 1st	Apr 1st
Curve FRAXBP	**$43.19M**	**$29.16M**
Curve alUSD3CRV	**$15.78M**	**$8.63**
Velodrome USDC-alUSD	**$5.17M**	**$3.30M**
Velodrome MAI-alUSD	**$0.25M**	**$0.05M**
Velodrome FRAX-alUSD	**$0.16M**	**$0.18M**
Bunni FRAX-alUSD	**$0.11M**	**$0.04M**
RAMSES FRAX-alUSD	**$0.4M**	**$0.49M**
RAMSES GRAI-alUSD	**$0.13M**	**$0.13M**

alETH Liquidity Pools

Total size in all pools

	Jan 1st	Apr 1st
	14442 ($35.06M)	**6453 ($22.86M)**

	Jan 1st	Apr 1st
Velodrome WETH-alETH	**2560 ($6.21M)**	**2058 ($7.29M)**
Velodrome frxETH-alETH	**185 ($0.5M)**	**111 ($0.39M)**
Curve frxETH-alETH	**11697 ($28.35M)**	**2659 ($9.43M)**
Curve ETH-alETH	**-**	**1625 ($5.75M)**
ETH Price	**$2,424**	**$3,508**

alAsset Utility

Becoming embedded as part of the DeFi ecosystem substrate is of paramount importance for Alchemix.

Without a direct use for the alAssets (alUSD, alETH), the only action for users after taking an Alchemix loan is to swap their alAsset into something more "usable." This puts the protocol under constant pressure to devote resources to maintaining the price and liquidity of these alAssets by utilizing ALCX emissions or its own non-native assets, both of which are value extractive for the protocol and for ALCX holders.

However, if the alAssets themselves can be used in a productive manner without requiring a swap, then it makes sense for users to hold these alAssets, which in turn takes pressure off of the protocol to maintain the prices. The fewer resources that Alchemix needs to devote to maintaining alAsset liquidity, the more resources are available to grow the protocol and generate revenue.

The following protocols provide direct use-cases for alAssets, where the assets themselves can be used in a productive manner, or simply allow Alchemix to provide cheaper liquidity.

Please note that we decided to exclude aggregator services that allow users to invest in the base alUSD and alETH liquidity pools, but which otherwise provide no additional incentives or special use-cases.

Premia

Premia is a decentralized options protocol, enabling anyone to buy and sell options in a fair and liquidity-efficient way.

In Premia V2 there were two pools available for Alchemix, the ALCX-Dai and the alETH-alUSD options pools. Users were able to deposit ALCX, Dai, alETH and alUSD and become the underwriters for these assets.

Traders buy options to speculate on the price of ALCX and alETH, and the depositors earn the fees paid by the traders.

With the launch of their V3, V2 pools have been deprecated. New alUSD-alETH pools will be launched soon, pending alAsset oracles.

Website: https://premia.blue

Holyheld

Holyheld focuses on bridging DeFi and traditional finance via the crypto debit card. It allows holders to top up their debit card balance using alUSD, alETH, ALCX and gALCX.
A product potentially funded by an Alchemix grant is being worked on that would provide an even closer integration.

Website: https://holyheld.com

Curve & Convex

Through the Curve/Convex gauges, $1 of ALCX spent as bribes provides more than $1 worth of CRV/CVX emissions to liquidity providers. Curve and Convex are the most important protocols, as the main alAsset liquidity pools reside on Curve.

Websites: https://curve.fi and https://www.convexfinance.com

Stake DAO

Stake DAO allows Alchemix to increase its veCRV voting power by the usage of their own veCRV tokens.

For more details please refer to the *Strategic Token Accumulation* section in this document.

Website: https://stakedao.org

Frax Finance

Frax Finance has been a partner for Alchemix for some time, setting up and rewarding liquidity pools together. Multiple alUSD and alETH pools are operational with a FRAXBP (FRAX Base Pool), FRAX and frxETH pairings on Ethereum, Optimism and Arbitrum where Frax essentially pays for their own side of the liquidity.

Website: https://frax.finance

Velodrome

Velodrome Finance is the largest AMM by TVL on the Optimism L2 chain. As part of their launch campaign, they airdropped NFTs that provide voting power to notable projects, including Alchemix. Subsequent to receiving this NFT, Alchemix purchased additional VELO and uses this voting power to direct rewards to the alAsset pools that have been set up in Velodrome. Alchemix also provides bribes on Velodrome to help incentivize other veVELO holders to vote for Alchemix's liquidity pools.

For more details please refer to the *Strategic Token Accumulation* section in this document.

Website: https://velodrome.finance

Balancer & Aura

Balancer hosts the 80/20 ALCX-ETH liquidity pool, which is going to form the basis of the upcoming veALCX system. Through Balancer and Aura gauges, the protocol will be able to collect revenue by using its AURA stake to vote for the pool. If needed, these votes can be used for alAsset pools as well in the future.

Websites: https://balancer.fi and https://aura.finance

RAMSES

RAMSES is a DEX on the Arbitrum L2 chain. As part of their launch campaign, they airdropped NFTs that provide voting power to notable projects, including Alchemix. Alchemix uses this voting power to direct rewards to alAsset pools.

Website: https://www.ramses.exchange

Beefy Finance

Beefy Finance is a yield aggregator.
Beefy makes it easy to earn compounding yields on deposits, when one does not have the time to compound it daily or the gas fee is too high for frequent compounding to be done.

Beefy currently supports the ALCX-ETH 80/20 Balancer pool on Mainnet and the alETH-ETH, alETH-frxETH, alUSD-USDC, alUSD-FRAX and alUSD-MAI Velodrome pools on Optimism.

Website: https://beefy.finance

ALCX Governance Token

The governance token of the Alchemix protocol is ALCX. It allows users to influence protocol direction by voting on submitted proposals.
The continuous issuance of the ALCX token follows a pre-defined schedule. Alchemix provides various staking options for holders to minimize the effects of token inflation.

Below, we provide information on current inflation numbers, future total supply expansion and the emission allocation.

Emission Schedule
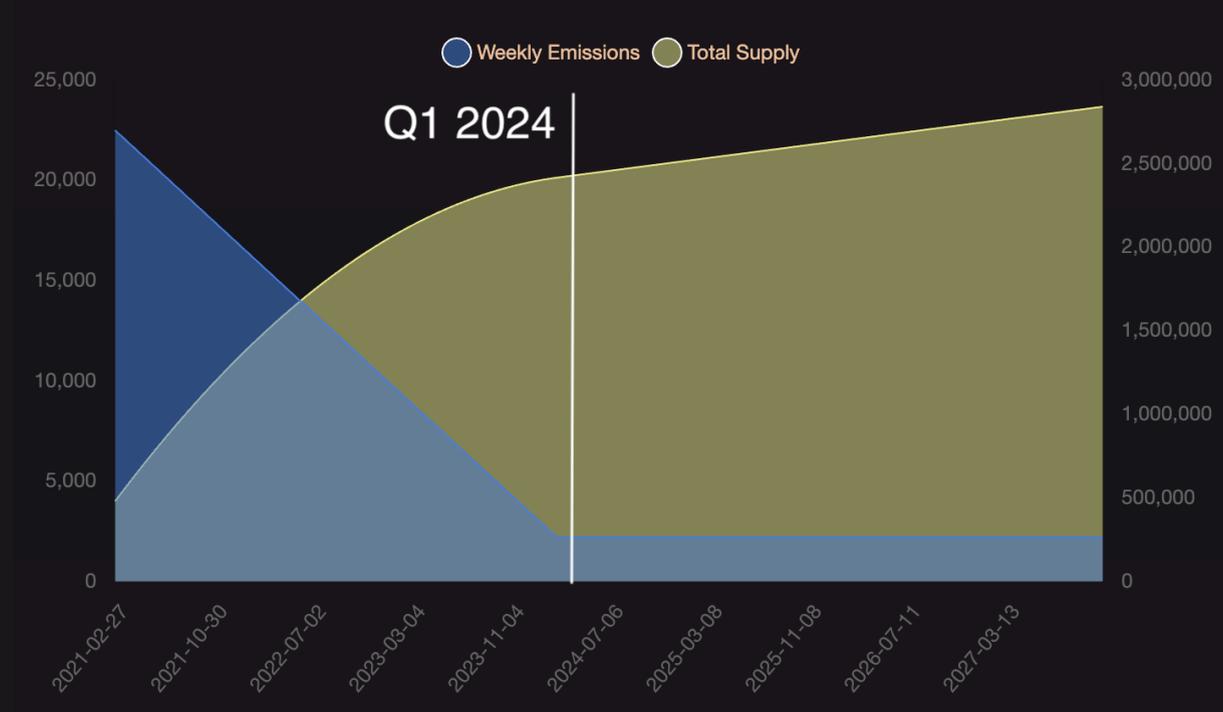
As shown on the chart, the initial high token issuance rate decreased in a linear fashion, dropping to the baseline 2200 tokens emitted per week at the 3-year mark, which was in March 2024.
As of April 2024, annual inflation is ~4.7%, very slowly decreasing in perpetuity.

Effective Annualized Inflation Rate

This calculation compares new ALCX issued vs. the total supply. This includes all ALCX in existence, including treasury holdings that are outside of circulation.

2024.01.01.	2024.04.01.	2024.07.01. (Projected)
6.75%	4.71%	4.66%

Projected ALCX Supply Growth Compared to 2024.04.01.

2025.04.01.	2026.04.01.
4.71%	9.43%

ALCX emissions are used to support the strategic goals of the protocol. The biggest challenge, as laid out in the sections above, is sustaining a stable price for alAssets. In order for the protocol to be sustainable long term, it cannot rely solely on token emissions to support the alAsset prices. For this reason, the treasury started accumulating strategic assets, such as CRV, CVX, VELO, AURA and RAM to be able to support the liquidity pools without emissions.

The protocol is still incentivizing single-sided staking, ALCX liquidity, and alAsset liquidity by using ALCX emissions. However, it has begun the transition to using emissions for the purpose of accumulating strategic assets.

Direct liquidity incentives through emissions will be decreased while the protocol becomes self-sustaining.

Change in the Emission Allocations

Because of the Curve exploit aftermath, as well as ALCX having entered tail emissions, the Alchemix team is in the process of rethinking and restructuring emission distributions. Please see prior reports for prior ALCX distribution splits.

System Components

Three main components work in tandem to provide the functionality for the Alchemix system. These are the Alchemists, Transmuters and the Elixirs (AMOs).

User deposits are held by the Alchemist contracts. The Elixir and Transmuter contracts also hold a significant amount of funds that are responsible for providing a backstop for alAsset redemption. The Transmuters redeem alAssets for their underlying collateral pairs 1:1, but do this slowly, over a longer period of time.

The Elixirs, on the other hand, own a portion of the main alAsset liquidity pools and can take action to ensure that trades in their respective liquidity pools can be fulfilled at a reasonable level that is determined by governance. The Elixirs also provide a large portion of protocol revenue by farming the liquidity pool tokens.

Both the alUSD and alETH Alchemist contracts permit a maximum Loan-to-Value ratio of 50%. This means that users can borrow up to half of the value of their stablecoin deposits as an alUSD-denominated loan or half of the value of their ETH deposits as an alETH-denominated loan.

Excess funds are being deployed in the Transmuters or in the Elixirs to provide price stability and to earn additional protocol revenue.

Elixir Contents

This quarter the Elixirs contracted by $25.85M (-34.9%) mostly as a result of alETH being below the price target and the frxETH-alETH AMO having to contract.
Both for alUSD and alETH, yield expectations from depositors for liquidity pools had been unusually high as a result of ETH re-staking yields and multiple blockchain grant program incentives kicking off, requiring further action in contracting the pools.

		Jan 1st	Apr 1st	Change
	Curve alUSD-FRAXBP	$35.37M	$27.67M	-$7.7M (-21.8%)
	Curve alUSD-3CRV	$8.59M	$7.54M	-$1.05M (-12.2%)
	Curve alETH-frxETH	$26.16M	$8.1M	-$18.06M (-69.0%)
	RAMSES alUSD-FRAX	$0.36M	$0.37M	+$0.01M (+2.8%)
	RAMSES alETH-frxETH	$0.4M	$0.58M	+$0.18M (+45%)
	Velodrome alUSD-USDC	$1.41M	$1.44M	+$0.03M (+2.1%)
	Velodrome alETH-ETH	$1.8M	$2.54M	+$0.74M (+41%)
	Total	$74.09M	$48.24M	-$25.85M (-34.9%)

Elixir Ownership of Main Liquidity Pools

As of April 1st, the protocol owned 95% of the alUSDFRAXBP pool, 88% of the alUSD3CRV pool, and 84% of the alETH-frxETH pool. This means that out of all the CRV/CVX emissions that go to these pools, which are mainly incentivized by Alchemix itself, the protocol makes back a considerable portion. This also provides power in defining the price of assets in these pools.

Curve Pool Ownership

Legend: Owned, External

Pool	Value
alUSD-FRAXBP	95
alUSD3CRV	88
alETH-frxETH	84
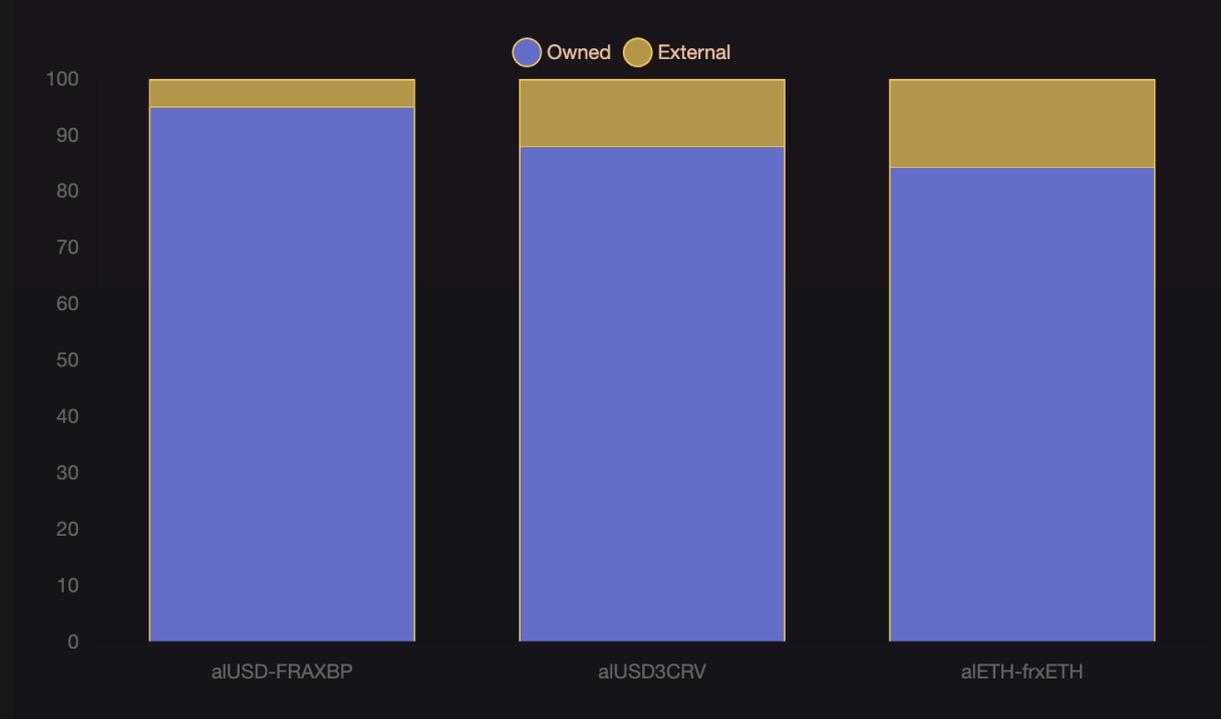
Treasury, Revenues and Expenses

Strategic Token Accumulation

The main goal of the Alchemix treasury is to use its value to support and expand the protocol. It acquires assets that it can use to provide a sufficient amount of liquidity for the needs of the protocol, or use for some other strategic purpose.

As a baseline, this is done by investing protocol revenue into these assets.

CVX (Convex Finance)

Using Olympus Pro bonding services in the past, Alchemix accumulated CVX tokens in exchange for ALCX tokens. Alchemix also earns CVX from staked liquidity pool tokens and locked CVX tokens. These CVX tokens are used with Convex Finance to direct Curve Finance emissions. This, in turn, incentivizes liquidity, and earns revenue for the protocol.

ALCX-ETH 80/20 Balancer Pool

Pursuant to AIP-82A, and in preparation for the rollout of veALCX, the protocol migrated its ALCX-ETH Sushi liquidity to an 80/20 ALCX-ETH Balancer pool. The protocol accrues trading fees and BAL+AURA rewards from this pool.

sdCRV (Stake DAO CRV)

CRV (Curve) tokens can be permanently locked as sdCRV tokens in Stake DAO's smart contracts, similar to how CRV is permanently locked in Convex as cvxCRV. Stake DAO then enables holders to vote on Curve gauges through their platform. Stake DAO itself also holds CRV tokens, and they use these assets to boost the voting power of sdCRV holders, if they also hold the protocol's (staked) governance token veSDT.

For this reason, the Alchemix treasury holds veSDT tokens alongside a large stack of sdCRV tokens.

VELO (Velodrome)

Velodrome Finance is the largest AMM by TVL on the Optimism L2 chain. As part of their launch campaign they airdropped NFTs that provide voting power to notable projects, including Alchemix. Alchemix uses this voting power to direct rewards to relevant alAsset pools (such as alUSD-USDC and alETH-WETH) that have been set up in Velodrome.

As per AIP-59, additional VELO was purchased and locked as veVELO.

AURA (Aura Finance)

AURA tokens are used within Aura Finance to direct BAL (Balancer) and AURA emissions. This, in turn, incentivizes liquidity, and earns revenue for the protocol. Protocol-owned ALCX-ETH Balancer Pool Tokens are staked in Aura to recapture a large percentage of AURA and BAL emissions.

As per AIP-82B, the first batch of AURA tokens was purchased and subsequently locked.

RAM (RAMSES)

RAMSES is a decentralized exchange on Arbitrum that is based on the Solidly model. As part of their launch campaign, they airdropped NFTs that provide voting power to notable projects, including Alchemix.
Alchemix uses its voting power to direct rewards to its relevant alAsset pools.

Treasury Contents

A Treasury dashboard that highlights revenues and expenses, as well as assets and liabilities, can be found at https://alchemix-stats.com.

The table below does not contain ALCX holdings.

	Jan 1st	Apr 1st	Change QoQ
ETH	$1M (415)	$2.00M (547)	+$1.00M (+100%)
CVX	$1.07M (350,000)	$1.51M (361,000)	+$0.44M (+41.1%)
ALCX-ETH LP*	$1.04M	$1.36M	+$0.32M (+30.8%)
SDT	$0.36M (1.28M)	$0.40M (1.3M)	+$0.04M (+11.1%)
sdCRV	$2.7M (4.34M)	$3.0M (4.34M)	+$0.3M (+11.1%)
VELO	$0.75M (12.96M)	$3.24M (13.44M)	+$2.49M (+332%)
AURA	$0.32M (426,000)	$0.44M (531,000)	+$0.12M (+37.50%)
RAM	$0.18M (3.22M)	$0.78M (6.18M)	+$0.60M (+233%)
AERO	$0.0M	$2.46M (1.72M)	+$2.46M
Stablecoins	$0.85M	$1.46M	+$0.61M (+71.8%)
Other	$1.32M	$1.67M	+$0.35M (+26.5%)
Total	$9.59M	$18.32M	+$8.73M (+91.0%)

*ALCX-ETH only includes the ETH portion of the pair

Protocol Revenue

The following shows protocol revenue for Q1 2024. The revenue is denominated in the USD value of the tokens earned at the time that the tokens were claimed. Included is revenue earned by the protocol's Elixirs, and revenue earned from harvest fees on Mainnet and Optimism, a Velodrome veNFT on Optimism, a RAMSES veNFT on Arbitrum, and a Aerodrome veNFT on Base. This report also does not include tokens whose total revenue was less than $1,000 for the quarter.

Token	Revenue Earned	Token	Revenue Earned
CRV	$1,004,417.09	USDC	$23,013.00
FXS	$213,500.68	ARB	$13,694.90
ALCX	$178,948.12	Dai	$9,438.89
VELO	$102,646.94	THALES	$8,270.23
OP	$98,720.87	cvxPrisma	$4,516.81
BAL	$72,621.33	auraBAL	$3,131.88
3Crv	$69,422.60	RAM	$3,063.26
AERO	$58,680.55	sdFRAX3CRV-f	$2,836.98
CVX	$47,158.62	SDT	$2,020.91
xoRAM	$41,341.33	alETH	$1,511.57
WETH	$37,671.97	ETH	$1,306.73
yvOP	$36,089.58	DOLA	$1,224.92
AURA	$34,485.58	alUSD	$1,059.70
TOTAL			**$2,070,795.04**

Expenses

The DAO is currently approved for $450,000 in expenses per quarter to pay contributors, services, audits, bug bounty programs, transaction gas costs, etc. An additional 20% of all emissions go to the core development team, part of which also funds the business development and governance (bizgov), the

newsletter/reporting subDAOs, as well as payments for support/moderator contributors. It should be noted that this approval does not cover the expenses incurred in incentivizing market participants, such as bribing on Votium and elsewhere.

Expense Category	Amount Spent	Expense Category	Amount Spent
Protocol Incentives	$2,821,065.05	Software Subscriptions	$30,943.22
Payroll	$226,932.60	Donations/Grants	$29,390.82
Service fees/expenses	$61,297.39	Gas fees	$22,247.64
Investments	$50,023.20	Misc	$17,521.95
Total			**$3,259,421.87**

N.B. - Many protocol revenues, as well as protocol incentives and some other expenses are paid with non-monetary transactions using volatile assets, such as CRV, ALCX and OP. Given the volatile nature of their pricing, especially in a highly dynamic market such as this, it is very challenging to directly compare revenues and expenses.

Ethereum and Optimism

The following section provides information for protocol and user activity on the Ethereum Mainnet network and the Optimism L2 network.

Yield Harvests

Yield harvests enable Alchemix's self-repaying loans. Harvests are periodic withdrawals of yield generated by funds deposited in the Yearn vaults and other strategies. These harvested yields are then used to proportionally pay down depositors' loans. Yield harvests are not on any set schedule. They generally happen when enough yield has been amassed and transaction fees are low enough for the harvest to make financial sense. 10% of the yield that is harvested is captured by Alchemix as a service fee.

Total Harvests in Q1 2024 on Mainnet

	yvUSDC	yvDai	yvUSDT	aUSDC	aDai
Q2 2023	2,223	65,700	0	200	0
Q3 2023	2,500	110,360	647	250	0
Q4 2023	1,500	77,000	105	400	0
Q1 2024	2,001	93,500	410	200	200

	aUSDT	vaUSDC	vaDai	aFRAX	vaFRAX
Q2 2023	0	0	0	0	0
Q3 2023	0	8,188	0	0	0
Q4 2023	0	6,600	0	0	1,400
Q1 2024	0	8,800	0	690	2,400

	wstETH	rETH	yvETH	aWETH	vaETH	sfrxETH
Q2 2023	62	10	123	0.5	0	0
Q3 2023	31.2	21.2	89	1	0	5.6
Q4 2023	13.6	5.8	58.4	0.5	0	5
Q1 2024	33.18	7.27	65.19	0.53	0	3.9

OP Total Harvests in Q1 2024 on Optimism

	aDai	aUSDC	aUSDT	yvUSDC	yvDai
Q2 2023	256	348	695	-	-
Q3 2023	0	800	0	0	0
Q4 2023	0	2,200	200	0	0
Q1 2024	200	1,900	0	2,000	550

	aWETH	wstETH	yvWETH
Q2 2023	1.4	-	-
Q3 2023	0.3	0	0
Q4 2023	0.5	0	0
Q1 2024	0.25	0	0.24

In Q4 2023, there were over 89,000 USD equivalents and over 83 ETH harvested.

In Q1 2024, there were over 112,000 USD equivalents and over 110 ETH harvested.

Deposits and User Metrics v1

The Alchemist v1 contracts were officially deprecated on the 13th of October 2022. The funds were moved to a temporary migration contract, and there were still some amount of funds left in this contract at the end of this quarter, namely $0.62M of Dai and $0.15M of ETH.

Deposits and User Metrics v2

This section provides numbers for user activity in the protocol's v2 contracts. All data is for Q1 of 2024.

v2 Mainnet Stablecoin Deposits

v2 Mainnet ETH Deposits

Legend: ● yvWETH ● wstETH ● frxETH ● rETH ● Others

Q1 2024

Y-axis: 0, 5,000, 10,000, 15,000, 20,000, 25,000

X-axis: 2022-03-16, 2022-06-01, 2022-08-17, 2022-11-02, 2023-01-18, 2023-04-05, 2023-06-21, 2023-09-06, 2023-11-22, 2024-02-07
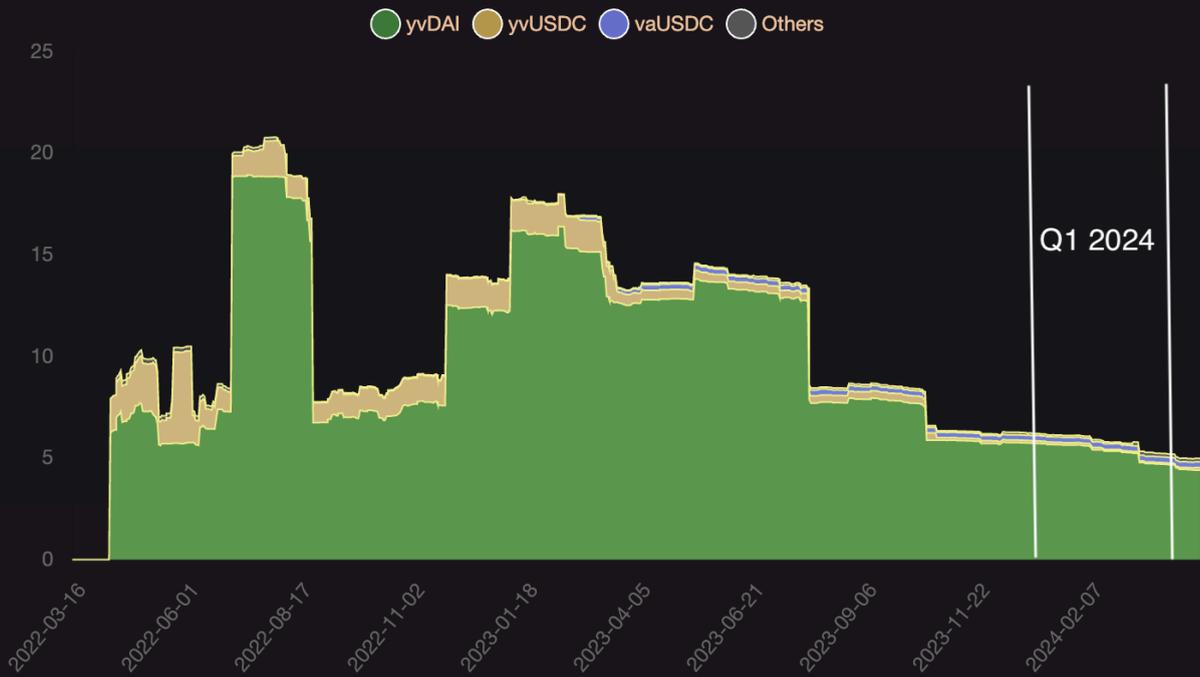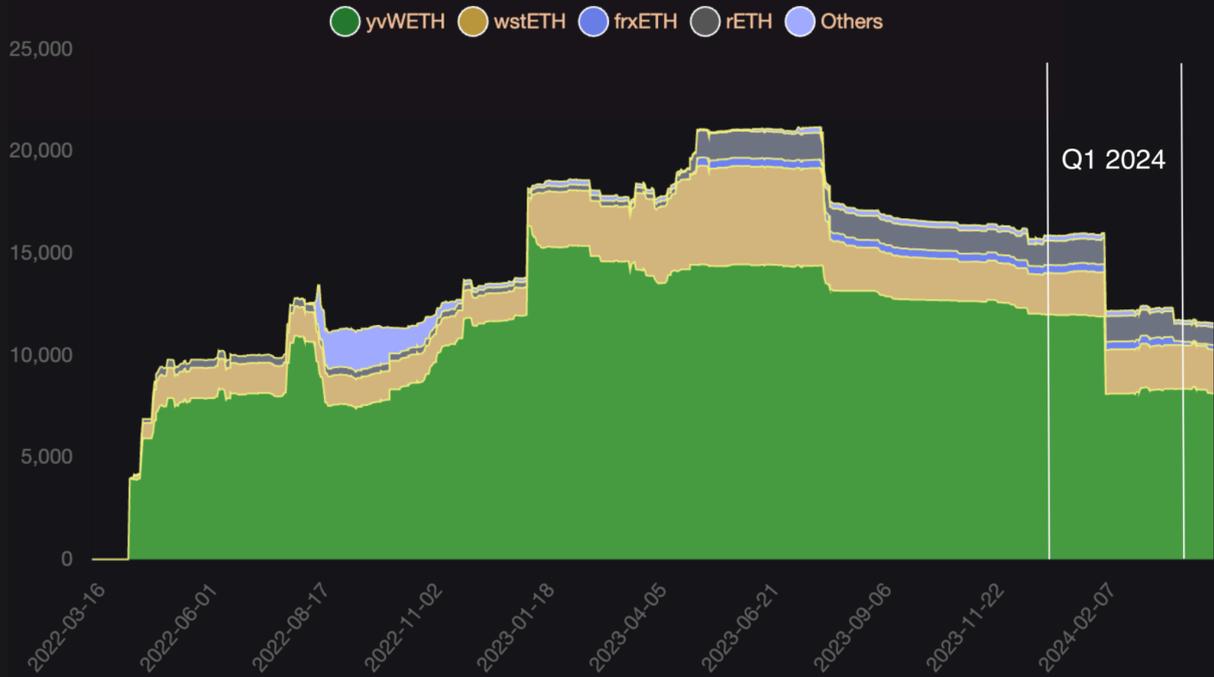
Optimism Stablecoin Deposits

Legend: ● aDAI ● aUSDC ● aUSDT

Q1 2024

Y-axis: 0, 0.05, 0.10, 0.15, 0.20, 0.25, 0.30, 0.35, 0.40, 0.45, 0.50

X-axis: 2022-09-28, 2022-11-25, 2023-01-22, 2023-03-21, 2023-05-18, 2023-07-15, 2023-09-11, 2023-11-08, 2024-01-05, 2024-03-03
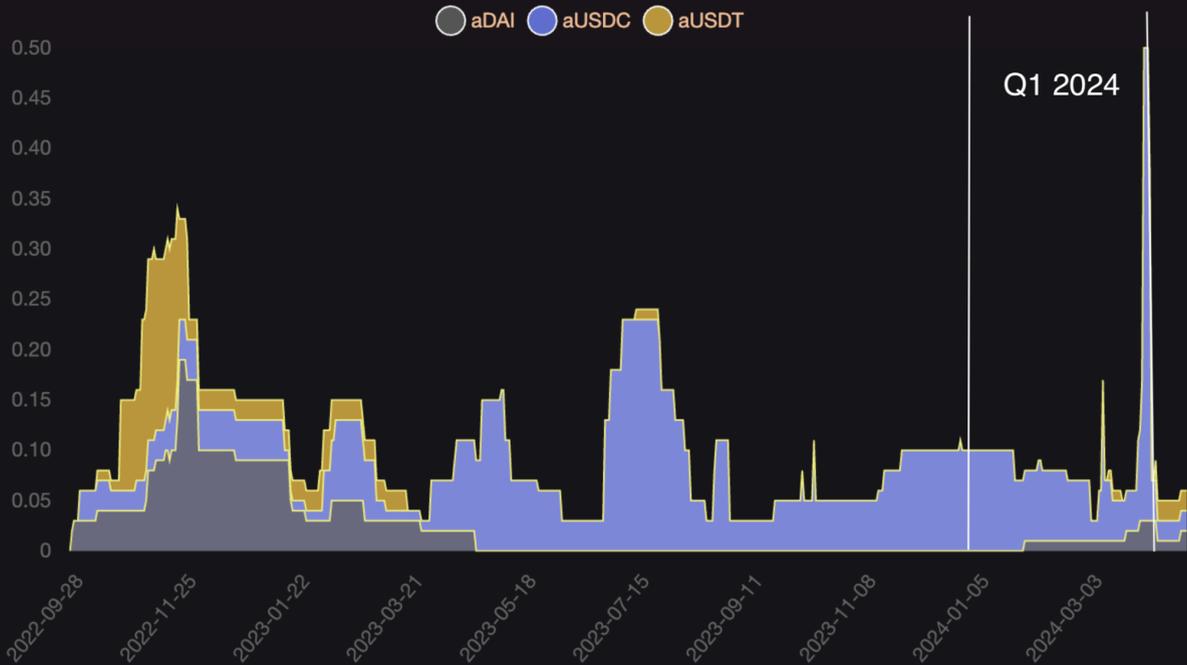
OP Optimism ETH Deposits
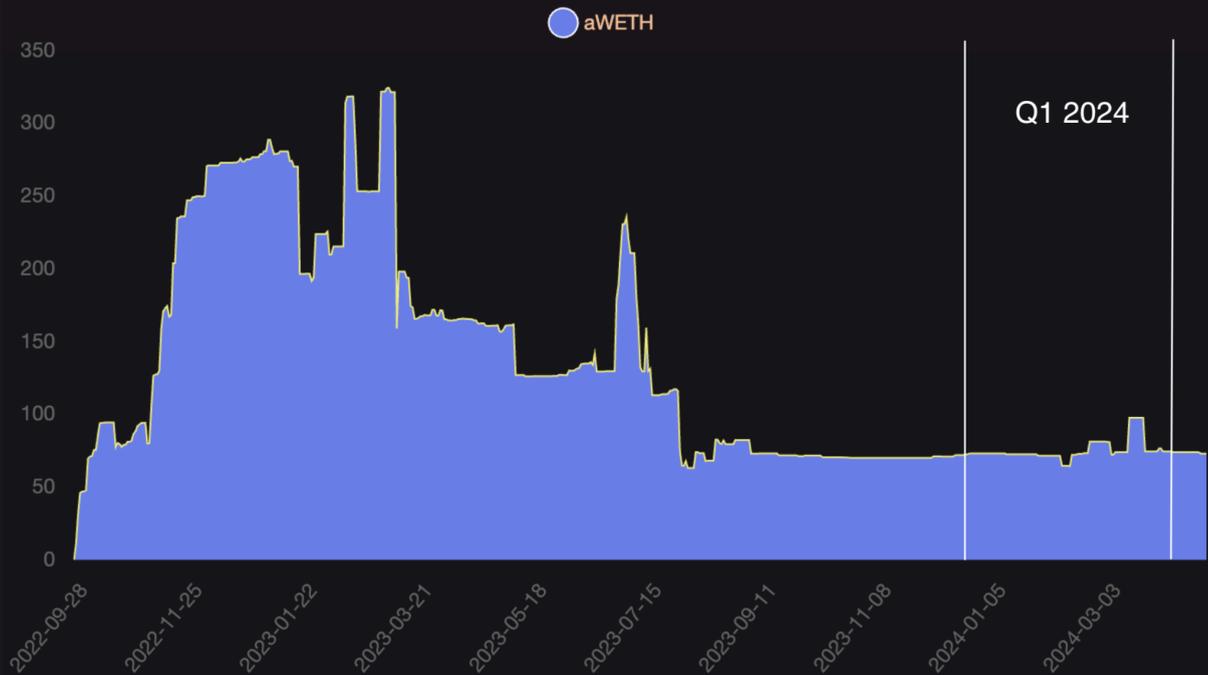
◆ Net Deposits on Mainnet at Quarter End

	Jan 1st	Apr 1st	Change QoQ
Stablecoins	$6.2M	$5.41M	-$0.79M (-12.7%)
ETH	$38.45M (15864)	$42.38M (11668)	+$3.93M (+10.2%)
Total	$44.65M	$47.79M	+$3.14M (+7.0%)

OP Net Deposits on Optimism at Quarter End

	Jan 1st	Apr 1st	Change QoQ
Stablecoins	$0.1M	$0.64M	+$0.54M (+540%)
ETH	$0.18M (73)	$0.58M (160)	+$0.40M (+222%)
Total	$0.28M	$1.22M	+$0.94M (+336%)

Gross Deposits Mainnet

	yvUSDC	yvDai	yvUSDT	aUSDC	aDai
Q2 2023	7,200	1.3M	19,600	289	28,700
Q3 2023	14,355	0.5M	30	0	91
Q4 2023	995	0.35M	0	0	0
Q1 2024	1,150	50,000	0	9,940	4,440

	aUSDT	vaUSDC	vaDai	aFRAX	vaFRAX
Q2 2023	0	91,300	0	0	28,300
Q3 2023	0	15,100	0	0	0
Q4 2023	389	6,500	0	37,000	394
Q1 2024	0	35,390	137	12,000	0.11M

	wstETH	rETH	yvWETH	aWETH	vaETH	sfrxETH
Q2 2023	1,935	1,082	1,444	177	0	405
Q3 2023	257	103	256	253	0	93
Q4 2023	164	392	151	0.1	0	0
Q1 2024	242	126	747	0	0.01	86.1

Gross Deposits Optimism

	aDai	aUSDC	aUSDT	yvUSDC	yvDai
Q2 2023	10,600	0.25M	58	-	-
Q3 2023	20,900	0.36M	1,050	860	0
Q4 2023	35	3.3M	93	70,000	21,000
Q1 2024	32,600	0.58M	9,800	0.51M	0.2M

	aWETH	wstETH	yvWETH
Q2 2023	648	-	-
Q3 2023	890	0.02	19.6
Q4 2023	4	0.05	2.93
Q1 2024	63	0.01	364

In Q4 2023, there were over 3.7 million in USD equivalents, and more than 714 ETH and staked equivalents deposited.

In Q1 2024, there were over 1.5 million in USD equivalents, and more than 1,600 ETH and staked equivalents deposited.

Number of Unique Depositors Mainnet

	Q2	Q3	Q4	Q1
alUSD Alchemist	126	50	31	26
alETH Alchemist	124	47	43	64

Tokens Minted Mainnet

	Q2	Q3	Q4	Q1
alUSD	0.25M	0.27M	0.19M	0.12M
alETH	2,827	513	315	738

Number of Unique Depositors Optimism

	Q2	Q3	Q4	Q1
alUSD Alchemist	19	23	30	34
alETH Alchemist	29	27	19	39

Tokens Minted Optimism

	Q2	Q3	Q4	Q1
alUSD	0.22M	0.21M	1.7M	0.64M
alETH	401	466	3.2	185

In Q4 2023, 61 unique addresses deposited into the alUSD Alchemists across all networks, and 62 unique addresses deposited into the alETH Alchemists across all networks.

In Q1 2024, 60 unique addresses deposited into the alUSD Alchemists across all networks, and 103 unique addresses deposited into the alETH Alchemists across all networks. Only addresses that made a deposit in each respective quarter are counted here. Addresses that made deposits in previous quarters, but did not make any deposits while still carrying a balance are not counted.

In Q4 2023, 1.8 million alUSD and 318 alETH were minted across all networks. In Q1 2024, 0.76 million alUSD and 923 alETH were minted across all networks.

First-time depositors on Mainnet

Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
394	165	293	248	172	64	51	56

First-time depositors on Optimism

Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
24	72	44	31	32	36	42

The above table shows the number of first-time depositors on Mainnet and Optimism v2 Alchemists by quarter. This is measured by addresses making first-time deposits, not individual people, as it is impossible to know what addresses are controlled by whom. It is possible that some individuals have made multiple deposits in Alchemix across multiple addresses.

Withdrawals Mainnet

	yvUSDC	yvDai	yvUSDT	aUSDC	aDai
Q2 2023	0.14M	0.44M	0	265	29,500
Q3 2023	2,450	5.9M	0	14,000	0
Q4 2023	0.16M	1.6M	11,200	0	0
Q1 2024	35,000	0.94M	24,200	242	0

	aUSDT	vaUSDC	vaDai	aFRAX	vaFRAX
Q2 2023	0	0	0	0	0
Q3 2023	0	0	0	0	0
Q4 2023	0	0	0	0	20,000
Q1 2024	440	3,600	49	0	12,000

	wstETH	rETH	yvWETH	aWETH	vaETH	sfrxETH
Q2 2023	934	29	706	174	50	0.2
Q3 2023	3,350	254	1,812	121	0	71
Q4 2023	160	396	732	1.9	0	0
Q1 2024	102	492	4,400	78	0	325

OP Withdrawals Optimism

	aDai	aUSDC	aUSDT	yvUSDC	yvDai
Q2 2023	32K	0.13M	100	-	-
Q3 2023	21K	0.45M	50	0	0
Q4 2023	403	3.4M	4,400	48,000	0
Q1 2024	5,800	0.22M	10,300	0.34M	0.22M

	aWETH	wstETH	yvWETH
Q2 2023	286	-	-
Q3 2023	960	0	18.4
Q4 2023	1.69	0	0
Q1 2024	63	0	277

In Q4 2023, more than 5.2 million in USD equivalents, and more than 1,200 in ETH and staked equivalents were withdrawn from the Alchemists across all networks.

In Q1 2024, more than 1.8 million in USD equivalents, and more than 5,700 in ETH and staked equivalents were withdrawn from the Alchemists across all networks.

Self-Liquidations Mainnet

	yvUSDC	yvDai	yvUSDT	aUSDC	aDai
Q2 2023	31K	0.3M	0	0	108
Q3 2023	17.7K	0.22M	0	0	0
Q4 2023	93K	0.97M	10K	0	0
Q1 2024	0	0.17M	2,100	20,100	0

	aUSDT	vaUSDC	vaDai	aFRAX	vaFRAX
Q2 2023	0	0	0	0	0
Q3 2023	0	0	0	0	0
Q4 2023	0	0	0	0	0
Q1 2024	0	8,100	0	0	11,400

	wstETH	rETH	yvWETH	aWETH	vaETH	sfrxETH
Q2 2023	8.65	0.6	123.7	0.8	0.8	0
Q3 2023	7.8	0	128.6	0	0	26.6
Q4 2023	56.2	0	133.5	5.5	1.1	0.03
Q1 2024	6.78	2.46	143	4.3	0.5	0

Self-Liquidations Optimism

	aDai	aUSDC	aUSDT	yvUSDC	yvDai
Q2 2023	1	1	0.01	-	-
Q3 2023	407	0	0	96	0
Q4 2023	98	0	0	0	0
Q1 2024	433	6,900	0	0	310

	aWETH	wstETH	yvWETH
Q2 2023	327	-	-
Q3 2023	78	0	0
Q4 2023	0.05	0	0.02
Q1 2024	0.09	0	0

In Q4 2023, users self-liquidated more than 1 million in USD equivalents and more than 196 ETH and staked equivalents from the Alchemists across all networks.

In Q1 2024, users self-liquidated more than 219,000 in USD equivalents and more than 157 ETH and staked equivalents from the Alchemists across all networks.

Repayments Mainnet

	USDC	Dai	USDT	FRAX	alUSD	ETH	alETH
Q2 2023	23,700	3,500	1,400	0	30,100	27.5	843.5
Q3 2023	52,200	1,000	197	0	2.5M	14	2,865
Q4 2023	703	75,700	8,800	1,300	0.14M	11.56	321
Q1 2024	8,600	30,100	7,600	0	0.29M	47.25	1,230

Repayments Optimism

	USDC	Dai	USDT	alUSD	ETH	alETH
Q2 2023	2	0.1M	1K	60K	0.13	58
Q3 2023	50,555	10,000	0	0.19M	1.71	445
Q4 2023	5,025	11	0	1.7M	0.04	0.91
Q1 2024	4,500	1,600	850	0.32M	0.2	140

In Q4 2023, users manually repaid over 1.9 million in USD-equivalent debt, and over 333 in ETH-equivalent debt across all networks.

In Q1 2024, users manually repaid over 660,000 in USD-equivalent debt, and over 1,400 in ETH-equivalent debt across all networks.

Transmuter Deposits Mainnet

	USDC	Dai	USDT	FRAX	ETH
Q2 2023	0.1M	0.35M	989	0	757
Q3 2023	0.14M	0.41M	40K	219	1,988
Q4 2023	0.13M	1.18M	348	212	39
Q1 2024	43,600	0.34M	20,100	16,500	1,633

Transmuter Deposits Optimism

	USDC	Dai	USDT	ETH
Q2 2023	0	0.1M	2K	45
Q3 2023	60K	10K	25	871
Q4 2023	44K	819	11k	313
Q1 2024	3,900	1,500	1,500	750

In Q4 2023, over 1.3 million alUSD, and over 352 alETH were deposited into the Transmuters across all networks.

In Q1 2024, over 425,000 alUSD, and over 2,300 alETH were deposited into the Transmuters across all networks.

Transmuter Withdrawals Mainnet

	USDC	Dai	USDT	FRAX	ETH
Q2 2023	85K	86K	1.5K	0	517
Q3 2023	30K	90K	40K	0	1,978
Q4 2023	20K	60K	348	0	52
Q1 2024	4,050	41,000	0	0	870

Transmuter Withdrawals Optimism

	USDC	Dai	USDT	ETH
Q2 2023	0	1K	2	35
Q3 2023	8.5K	10.1K	25	871
Q4 2023	20K	101	10K	328
Q1 2024	1,200	70	1,500	806

In Q4 2023, over 110,000 alUSD, and over 380 alETH were withdrawn from the Transmuters before successful transmutation across all networks.

In Q1 2024, over 47,000 alUSD, and over 1,600 alETH were withdrawn from the Transmuters before successful transmutation across all networks.

Transmuter Claims Mainnet

	USDC	Dai	USDT	FRAX	ETH
Q2 2023	34.2K	0.37M	0	0	286
Q3 2023	0.1M	0.37M	451	0	145
Q4 2023	0.1M	1.12M	0	500	6
Q1 2024	49,200	0.28M	20,100	16,500	162

	USDC	Dai	USDT	ETH
Q2 2023	0	0.1M	2K	25
Q3 2023	51K	10K	0	384
Q4 2023	6K	713	177	0.35
Q1 2024	14K	1,100	800	0.68

In Q4 2023, over 1.2 million in USD equivalents, and over 6 WETH were claimed from the Transmuters across all networks.

In Q1 2024, over 380,000 in USD equivalents, and over 162 WETH were claimed from the Transmuters across all networks.

Other Networks

The following section provides information for activity on other networks

Arbitrum Deployment

Alchemix launched a bridge for the Arbitrum network. Arbitrum is an Ethereum Layer 2 (L2) solution. It is a form of an optimistic rollup. Read more about Arbitrum here. As of this writing, only a bridge has been deployed, but no vaults/strategies have been implemented. Reporting will begin once Alchemist strategies are deployed.

There are currently liquidity pools operational for alUSD and alETH on RAMSES Exchange. In anticipation of Alchemix deploying Alchemists on Arbitrum in the near future, RAMSES granted Alchemix a veNFT on 23 May 2023.

Alchemix launched its first Alchemist yield strategies for Arbitrum in the last few days of Q1 2024. Reporting for this will begin with Q2 2024.

Other Information

This section covers other non-numerical and/or interesting information, such as governance updates.

Governance

The following are Governance proposals that were voted on in Q1 2024:

- **AIP-104: Change OP Vault Boost Allocation.** This proposal sought authorization to update Optimism vault boost allocations.
  Read the proposal and discussion here.
  See the snapshot here.
  The proposal passed with 99.55% of the vote. 48,000 ALCX voted for the proposal, 216 ALCX abstained, and 0 ALCX voted against.

- **AIP-105: Deposit to Spark.** This proposal sought authorization for Alchemix to make a deposit of $150,000 of treasury ALCX into the Spark protocol.
  Read the proposal and discussion here.
  See the snapshot here.
  The proposal passed with 94.77% of the vote. 34,000 ALCX voted for the proposal, 1,800 ALCX abstained, and 66 ALCX voted against.

- **AIP-106: Invest in Blueprint.** This proposal sought authorization for Alchemix to make a seed investment of $50,000 in Blueprint.
  Read the proposal and discussion here.
  See the snapshot here.
  The proposal passed with 99.81% of the vote. 36,000 ALCX voted for the proposal, 67 ALCX abstained, and 0 ALCX voted against.

- **AIP-107: Invest in Blueberry.** This proposal sought authorization for Alchemix to make a treasury investment of $50,000 or $25,000 in Blueberry.
  Read the proposal and discussion here.
  See the snapshot here.
  The $50,000 option passed with 38.71% of the vote. 20,600 ALCX voted for the proposal, 21,000 ALCX abstained, and 0 ALCX voted against.

- **AIP-108: Alchemix Grants Program Via Questbook.** This proposal sought authorization for Alchemix to spend a maximum of $100,000 of treasury ALCX for the Alchemix grants program.
  See the snapshot here.

The proposal passed with 99.62% of the vote. 73,000 ALCX voted for the proposal, 75 ALCX abstained, and 200 ALCX voted against.

- **AIP-109: Alchemix Market Making Agreement.** This proposal sought authorization for Alchemix to enter market-making agreements for the ALCX token.
 See the snapshot here.
  The proposal passed with 45.98% of the vote. 42,000 ALCX voted for the proposal, 49,000 ALCX abstained, and 0 ALCX voted against.

Other Stats

The following are some miscellaneous statistics:
- Gas: Between 1 January 2024 and 31 March 2024, on Mainnet, 1.78 ETH was spent on gas by users transacting with the alUSD Alchemist contract, and 3.42 ETH was spent on gas by users interacting with the alETH Alchemist contract.

aIETH Alchemist
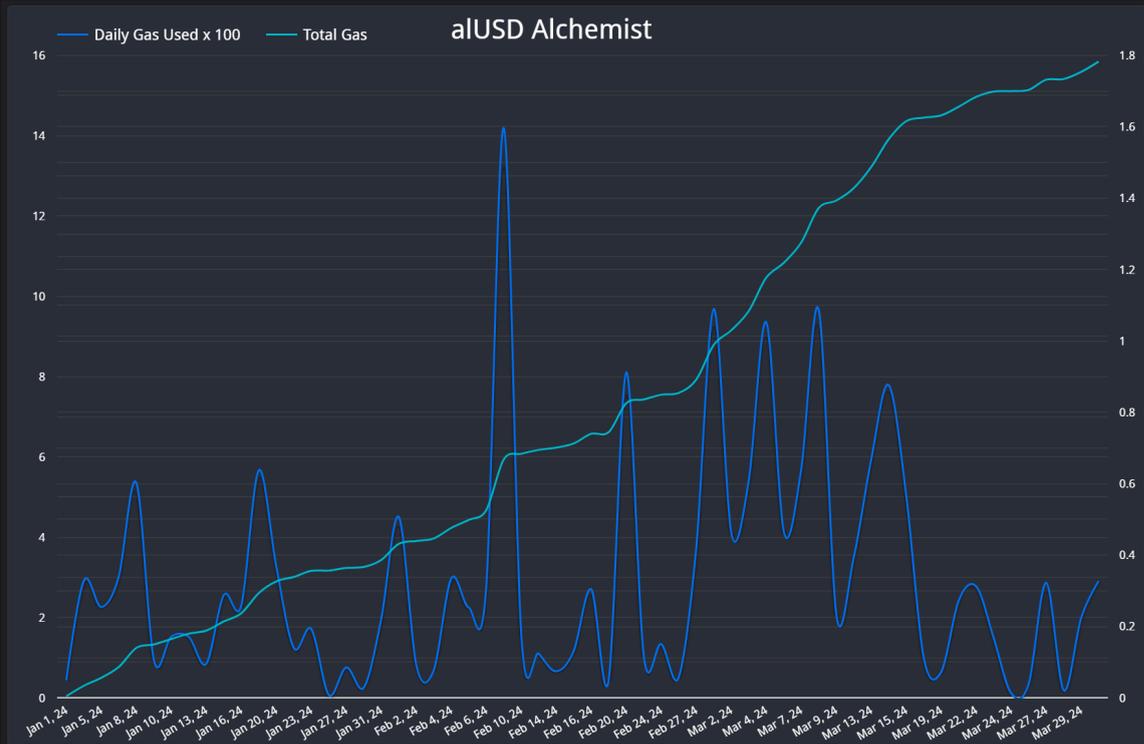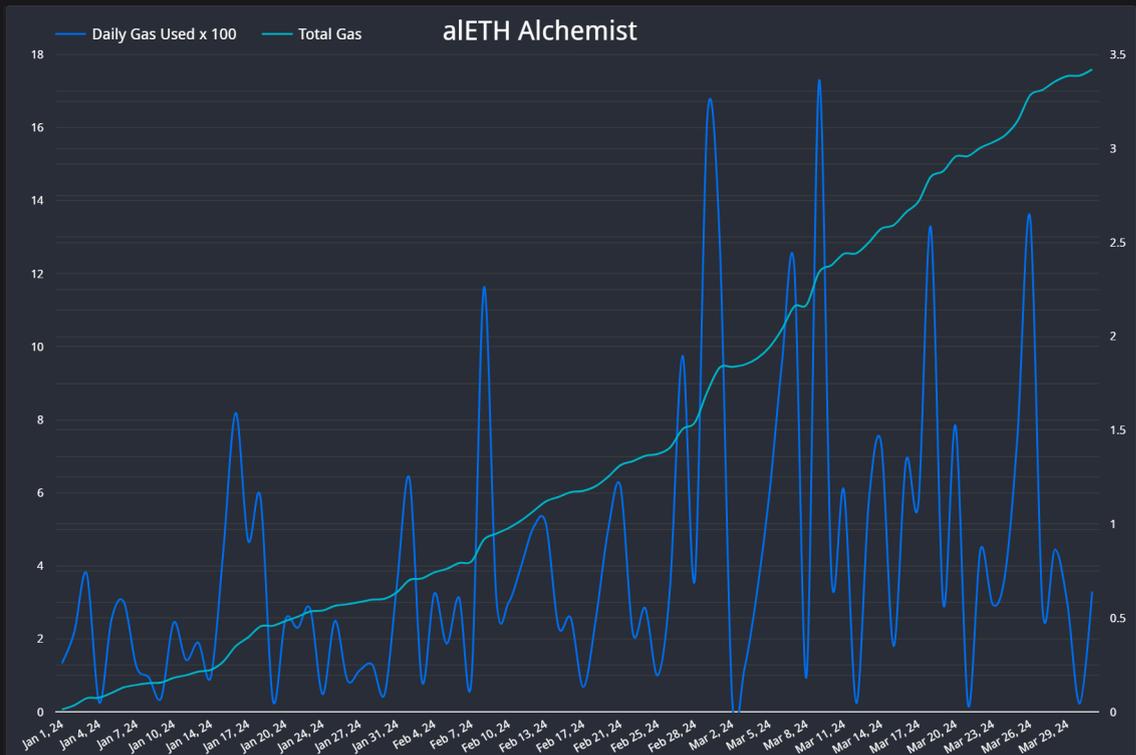
- The numbers for some of this report's metrics are available for review here and here.
- See Google Trends for Q1 2024 for Alchemix here.

Links

- Alchemix website
- Alchemix Newsletter
- Alchemix statistics
- Alchemix GitHub (includes contract addresses)
- Alchemix Development GitBook
- Alchemix User Docs and quarterly Financial Reports