ICO Market Research Q2 2018

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About the Company

ICORating is the global market leader for independent, non-affiliated analytical research on ICO projects, conducting detailed evaluations and assigning them investment ratings.

Our main aim is to create transparency in the market, and to provide investors with the tools they need to make informed, evidence-based decisions in order to bridge capital and transparent ICOs.

Our team members have an average of 6 years of experience with companies including hedge funds, large investment banks, major consulting groups, and venture funds. Two years ICO market analysis, combined with this diverse set of skills and experience, has enabled us to develop a unique multidisciplinary approach. We have evaluated over 400 ICO projects for both private and institutional clients since we started doing business in September 2016.

Over 30 crypto-focused funds, with a combined AUM of $2 billion, regularly receive our weekly newsletter featuring ICO projects that we have analyzed. These funds rely on our analyses to decide which ICO projects are worthy of being passed on to their in-house analysts for a closer look. Our detailed, unbiased reports evaluate ICO-project technical elements, business models, and tokenomics, teams, and other critical factors.
Welcome Message

In Q2, we have observed how the nature of investment in the sector continues to change, and how the amount of money and degree of requirements for projects has multiplied.

The key market trends in Q2 2018 include:

1. A sharp increase in the share of institutional capital and a continued decline in the number of retail investors. This leads to a situation where project requirements increase and the amount of funds raised during an ICO increasingly depends on how well projects cooperate with investment funds.

2. A significant rise in the impact that crypto exchanges have on the market. High efficiency strategy and relationships with exchanges has become a crucial factor for success on the secondary market.

3. Lastly, a shift in the structure of most token sales. In Q2, many projects preferred to raise the majority of their ICO funding in private sales rather than public sales.

We at ICORating believe that the market should be more transparent and safe for every player and the first step to accomplish this is to create a higher standard of information disclosure for every pre-ICO and especially post-ICO project. Our fundamental aim and mission is to deliver this higher level of transparency to investors and exchanges.

Sasha Kamshilov,  
*Chief Executive Officer*
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Review of Q2

$8,359,976,282

is the total funding amount raised by 827 projects over the quarter, compared to the $3,331,005,381 collected in the 1st quarter of 2018. Thus, there has been a 151% increase in Q2 of 2018. Funds raised by EOS project account for most of this increase, they have collected $4,197,956,135 for a year-long ICO.

ICO market has more than doubled in a year

Collectively, ICOs of 2018 have already raised $11,690,981,663 of investments, which is 10 times bigger than the cumulative sum of investments from ICOs of Q1-2 2017. Excluding EOS, the cumulative amount of funding received from ICOs of Q1—2 2018 is 6.4 times bigger than the one of Q1-2 2017. The ICO market has more than doubled in a year.
Review of Q2

Half of the projects couldn’t raise more than $100 K

50% of the ICO projects announced in Q2 of 2018 were not able to attract more than 100,000 USD. Comparing the current state of affairs with what was happening a year ago, the percentage of ICOs which could not raise $100,000, has increased from 13% in Q1-Q2 2017 to over 50% in Q1-Q2 2018, which tells us that the overall quality of projects has significantly worsened. That being said, generally, the quality has improved compared to the end of 2017.

Only 7% are listed on exchanges

Only 7% of all announced ICOs were able to be listed on exchanges. In Q2, the average time for listing increased by 6 days. The number of projects listed in the shortest time possible after ICO completion decreased by 22%.
Review of Q2

In May 2018, the number of successful projects doubled compared with the same data in January 2018. In June, the number of successful projects decreased dramatically compared to May. This proportion is the same as the decrease in total raised funds.

55% of all ICOs failed

55% of all ICOs failed to complete their crowdfunding (5% more than in Q1). On average, in Q2, projects raised either $1-5 million (17%) or $10-25 million (12%).

10.83%

Compared with Q1, the number of projects that intend to attract funds at the idea stage increased by 10.83%.
Review of Q2

The top projects raised $50 M

On average, the top projects for Q2 raised 50 million USD. Only 3 mentioned projects attracted all their funds in the course of 1 day. On average, these projects raised their money within 63 days (the average campaign duration time is the same as in Q1, but there is an evident tendency for an increase, at least by 10%). Compared with Q1, the number of projects offering tokens with service characteristics decreased by 24%. The share of projects that offer security tokens decreased by 8%. The number of projects with utility tokens increased by 32%.

15% projects with an already-operating business

The number of projects with an already-operating business comprised 15% of the total number (+6% compared with Q1). The absence of a working business had no effect on fundraising success.
Review of Q2

Projects at the idea stage raised the lowest average funding compared to other categories (4.5 million USD).

Numbers and Geography

In Q2 2018, the majority of projects were launched in Europe — 46% of all projects. North America was the leader in terms of funds raised — 64.67% of all funding attracted. Asia-based projects showed an increase in funds raised (+20%), but a decrease in the number of projects launched (~40%).

39% of unregistered projects

The number of unregistered projects was 39% (15% more than in Q1).
Review of Q2

-55.38% was the median return from tokens

According to the results from the 2nd quarter of 2018. The median return for Q1 was +49.32%.

53% of all DApp ICOs were unsuccessful

53% percent of all DApp ICOs were unsuccessful, i.e they failed to raise more than US$500,000. 21% of the projects which offered protocol solutions, and 32% of the custom blockchain campaigns, were unsuccessful.

7871 ICO investors on average

Average number of ICO investors was 7871 (including bounty and airdrop token holders) for the projects that did not announce funds participation in a crowdsale. Medium number of ICO investors for these projects were 1411.
ICO Market Review
Main Figures for ICOs

50% of the ICO projects announced in Q2 2018 were not able to raise more than 100,000 USD. Only 7% of all announced ICOs were listed on exchanges.

In Q2, the average listing time increased by 6 days. The number of projects that were able to be listed in the shortest time possible after ICO completion decreased by 22%. In general, these changes might be connected with stricter exchange listing rules, for instance, the situation with IDEX. Another factor is the change in the requirements for sufficient token liquidity.

It is worth mentioning that 9% of the projects that announced their ICOs have already deleted their social network accounts and websites this quarter. 2% of the projects that claimed they had raised more than 100,000 USD have also done so.

It took 27 days on average from the completion of an ICO to the vesting of tokens for secondary trading.

827 ICOs were staged in Q2 2018

417 of them raised more than $100,000

61 were able to be listed on exchanges
We have updated the data on successful projects and the cumulative sum of funds raised for Q1 2018 due to diversification of data sources. It must be mentioned that the EOS ICO was not taken into account in the final statistics. In May 2018, the number of successful projects doubled compared to January 2018.

In June, the number of successful projects decreased dramatically compared to May. The proportion is the same as the decrease in total funding raised.

*A project is considered successful if its soft cap was reached, or the project raised more than $500,000 if there was no soft cap.
The graph shows the distribution of ICO campaigns by the amount of funds raised.

- 55% of all ICOs failed to complete their crowdfunding. Most often in Q2, projects raised either 1—5 million (17%) or 10—25 million (12%).
The chart shows the amount of investments attracted by the top 20 ICO campaigns in Q2 of 2018.

The average amount of funding attracted by the top Q2 ICO projects is 50 million USD.

<table>
<thead>
<tr>
<th>Project</th>
<th>Raised funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>MoneyToken</td>
<td>117 M</td>
</tr>
<tr>
<td>KELTA</td>
<td>75 M</td>
</tr>
<tr>
<td>CashBet Coin</td>
<td>50 M</td>
</tr>
<tr>
<td>FANTOM</td>
<td>40 M</td>
</tr>
<tr>
<td>Patron</td>
<td>35 M</td>
</tr>
<tr>
<td>SIX.Network</td>
<td>30 M</td>
</tr>
<tr>
<td>Consentium</td>
<td>25 M</td>
</tr>
<tr>
<td>Shopin</td>
<td>20 M</td>
</tr>
<tr>
<td>Fresco</td>
<td>15 M</td>
</tr>
<tr>
<td>UCMG</td>
<td>10 M</td>
</tr>
<tr>
<td>GoNetwork</td>
<td>5 M</td>
</tr>
<tr>
<td>Hybrid Block</td>
<td>2 M</td>
</tr>
<tr>
<td>DCC</td>
<td>1 M</td>
</tr>
<tr>
<td>VideoCoin</td>
<td>0.5 M</td>
</tr>
<tr>
<td>Gold Bits Coin</td>
<td>0.25 M</td>
</tr>
<tr>
<td>MOOVER</td>
<td>0.1 M</td>
</tr>
<tr>
<td>Nexo</td>
<td>0.05 M</td>
</tr>
<tr>
<td>HYCON</td>
<td>0.025 M</td>
</tr>
<tr>
<td>Flashmoni</td>
<td>0.01 M</td>
</tr>
<tr>
<td>PumaPay</td>
<td>0.005 M</td>
</tr>
</tbody>
</table>
The projects shown in this chart raised more than 60 million USD over Q1 and Q2 2018. Two of them (EOS and Telegram) are ICO unicorns.

Projects that have raised over 1 billion US dollars.
Amounts and Rates of Funding for ICO Campaigns

The graph shows the relation between funds raised during ICOs, and the duration of campaigns for the top 20 ICOs by the amount of funds raised. The Y-axis indicates ICO funding in USD, and the X-axis indicates the ICO duration in days.

Only 3 of the projects mentioned managed to attract all their funding in 1 day. The average fundraising period was 63 days.
Tokens and Products
Tokens and Products

Having analyzed statistics from the ICO campaigns, we determined:

A. What value and meaning organizers give to the token they aim to sell.

B. The stage of development of the product offered to the market.

C. How many projects are planning to tokenize an existing business.
Tokens and Products

In the 2nd quarter of 2018, ICO organizers offered the following types of crypto assets for sale:

- **Vote token**: Tokens which confer on a holder the right to vote and the ability to influence project development.
- **Cryptocurrency**: New cryptocurrency (without additional exceptional properties).
- **Security tokens**: Tokens secured by an obligation (here we include promises of dividend payment, receipt of company shares, credit tokens).
- **Reward token**: Used to reward the contributions of participants to the network.
- **Service token**: A token used as the internal currency to pay for project services (can be replaced, for example, with ETH without damage to the product; this is evident when analyzing a project).
- **Hybrid token**: Payment for services + bonuses for work performed.

- **Utility tokens**: being tokens of the protocol itself (there is a real need for tokens being sold).
Token Types Found in ICO Projects

The graph shows the distribution of projects staging ICOs depending on the type of the project’s token.

Compared to Q1, the number of projects offering tokens with service characteristics decreased by 24%. The share of projects offering security tokens decreased by 8%. The number of projects with utility tokens increased by 32%.

**HOW TO READ THE GRAPH**

- **42.5%** Service token
- **35.37%** Utility token
- **15.04%** Hybrid token
- **0.27%** Vote token
- **0.81%** Reward token
- **1.36%** Cryptocurrency
- **4.88%** Security token
The graph shows the distribution of the mean of funds raised during ICOs depending on the project’s token type. Projects offering utility tokens were the leaders in terms of the mean of raised funds. The lowest mean amount of funds were raised by projects that offered security and vote tokens.
The graph shows the distribution of the number of unsuccessful projects depending on the project’s token type.

*A project is considered unsuccessful if the project raised less than $0.5 million.

Similarly to Q1, projects that offered service tokens were among the least successful projects in this category. There were also a large number (49%) of unsuccessful ICOs among projects with utility tokens. It is worth mentioning that emission conditions, token type, and metrics had indirect effect on fundraising success.
**Development Stages for ICO Projects**

The graph shows the distribution of projects staging an ICO by the development stage* of their product at the start of their ICO.

*defined by the project's team

Compared with Q1, the number of projects that aimed to attract funds at the idea stage increased by 10.83%. The number of projects with an already-operating business was comprised of 15% of all projects (+6% compared with Q1). The presence, or absence, of an operating business had no effect on the fundraising success.
Mean of ICO Funds Raised by Development Stage

The graph shows the distribution of the mean of funds raised during ICOs, depending on the development stage of products of different projects.

Projects at the idea stage raised the lowest amount of funding on average, when compared with other categories (4.5 million USD).
The graph shows the number of distribution of unsuccessful projects depending on the development stage of the project's product.

* A project is considered unsuccessful if the project raised less than $0.5 million.

The highest percentage of unsuccessful ICOs in terms of product readiness arose from projects at the idea stage. 58% of such projects failed to raise more than half a million dollars.
Industries Review
The graph indicates the 20 industries with the largest average hard cap. The X-axis indicates the average declared amount of funds for the implementation of projects from particular industries.

Over the past quarter, projects have undergone a radical change in terms of the declared hard cap. It is worth mentioning that energy-and-utilities, and real-asset projects had the highest declared hard caps. In general, there is no stable correlation between type of industry and amount of funds declared at the crowdsale. However, financial, mining, and infrastructural projects still require the largest amount of investment for product implementation.
**Top 10 Most Popular Industries**

The graph shows the top 10 industries by the number of projects belonging to these industries. The Y-axis indicates the number of projects, and the X-axis indicates the industry names.

Following Q1 trends, the most popular industries with the largest number of projects were finance, gaming, and infrastructure. The number of gaming projects doubled compared with Q1.
Top 5 Most Popular Industries by Month

The graph shows the change dynamics in the top 5 industries by the number of projects that belong to these industries. The Y-axis indicates the number of projects, and the X-axis indicates the month.

Looking at changes in the popularity of different industries, financial and gaming projects consistently prevail each month. Interestingly, projects in social media and communications, marketing and advertising, commerce and retail, and exchanges and wallets industries had increased popularity during certain months.
Top 10 Industries by Funds Raised

HOW TO READ THE GRAPH
The graph shows the top 10 industries by amount raised. The X-axis indicates the number of projects, and the Y-axis indicates industry type.

The most popular industries in terms of total attracted funds in Q2 were infrastructure and healthcare projects. This partially resembles the Q1 trend with the exception of healthcare projects.
Top 5 Industries by Amount Raised per Month

The graph shows the change dynamics in the top 5 industries by the amount raised of every project belonging to these industries. The Y-axis indicates the number of projects, and the X-axis indicates the month.

Looking at changes in the most profitable industries, infrastructure and gaming projects consistently prevail each month.

Regarding other sectors, the most profitable industries vary completely each month. It is quite unusual to see projects from the art and music, and transport industries on the list as they have not shown good results in the past.
The graph shows the distribution of the top 20 industries selected by the total amount raised during their ICOs, depending on the number of projects belonging to these industries.

It is worth mentioning that financial services projects, just as in Q1, still led the way in terms of funds attracted, and in the number of projects. Other leading industries, in terms of funds raised, are blockchain infrastructure, and banking and payments. The investment industry has the largest number of projects.
Average Return for ICOs in 2018 by Sector

Exchanges and wallets, real assets, and computing & data storage demonstrated the highest mean ROIs in Q2.
ICO
Geography
Geographical Distribution for Projects Based on the Country of Registration

HOW TO READ THE GRAPH

The map shows the total investment amount and number of projects, depending on country of registration.

*The ‘Country of registration’ means the country in which the company's legal entity is registered at the time of the ICO. If a project does not have a legal entity, it is not included in this map. The country of the project registration is determined on the basis of open data, including the project's official websites and public databases of registered companies.
Top-20 Countries of Registration based on Median Raised Funds excluding EOS

We have filtered out countries hosting fewer than 3 projects in order to make the analysis less biased.

As for average raised funds, the best results were shown by projects with company registrations in Malta, Gibraltar, and Singapore. In many respects, we attribute this to an openness to blockchain projects and the legal changes enacted by financial authorities in Malta and Gibraltar. The percentage of unregistered projects was 39% in the 2nd quarter.
Geographical Distribution of Projects Based on Origin of the Project Team

The map shows the total investment amount and number of projects, depending on project country of origin.*

HOW TO READ THE GRAPH

*Country of origin’ means a country in which more than 50% of team members were actually residing at the time of an ICO. If projects have an international team, they are not included in this map. The country of origin is determined on the basis of open information about the team, including official project websites and team members' social media.
Top-20 Countries of Origin based on Median Raised Funds excluding EOS

HOW TO READ THE GRAPH

We have filtered out countries hosting fewer than 3 projects in order to make the analysis less biased.

The best results based on median funds raised in the 2nd quarter were shown by projects with teams from South Korea.
Regional Project funding as a Percentage of the Total Amount of Funds Raised

The graph shows project funding as a percentage of the total amount raised during the ICO, according to the project region. The project region is determined on the basis of data for the country of project origin.

In the second quarter of 2018, the majority of projects were based in Europe, which was the origin of 46% of all projects. Meanwhile, the leader in fundraising was North America — with 64.67% of all funds raised there. Projects in Asia showed an increase in raised funds (+20%), and a drop in the number of outgoing projects (~40%).

- **North America**: 64.67%
  - $4.98 B raised funds
  - 116 projects

- **Europe**: 14.55%
  - $1.12 B raised funds
  - 303 projects

- **Asia**: 9.76%
  - $751.9 M raised funds
  - 81 projects

- **Rest of the world**: 11.03%
  - $849.5 M raised funds
  - 155 projects

HOW TO READ THE GRAPH

In the second quarter of 2018, the majority of projects were based in Europe, which was the origin of 46% of all projects. Meanwhile, the leader in fundraising was North America — with 64.67% of all funds raised there. Projects in Asia showed an increase in raised funds (+20%), and a drop in the number of outgoing projects (~40%).
Post-ICO
Performance
The graph shows the percentage change in market capitalization for projects listed on exchanges.

**Projects**
- Docademic
- Ternio
- SLT
- GoChain
- Holo
- NKN
- Paymon
- Quark Chain
- DAOstack
- EOS
- Nebula AI
- PCHAIN
- CEEK
- XYO Network
- Phantasma Protocol
- Bigbom Eco
- Bezant
- Auctus
- DCC
- Invacio

**Capitalization change**
- 0
- 100%
- 200%
- 300%
- 600%
- 750%

**Close price exchanges**
- Docademic: 0.235758
- Ternio: 0.073997
- SLT: 2.14
- GoChain: 0.078004
- Holo: 0.000477
- NKN: 0.239723
- Paymon: 0.002943
- Quark Chain: 0.094399
- DAOstack: 0.094399
- EOS: 0.153309
- Nebula AI: 8.71
- PCHAIN: 0.0064
- CEEK: 0.06765
- XYO Network: 0.036991
- Phantasma Protocol: 0.002179
- Bigbom Eco: 0.139699
- Bezant: 0.005121
- Auctus: 0.084121
- DCC: 0.158583
- Invacio: 0.035643

**Market cap**
- $0
- $20 M
- $40 M
- $60 M
- $80 M
- $85 M
- $419 M
- $7.72 B

**Raised Funds**
The graph shows the distribution of amount of funds and ROI.

According to results from the 2nd quarter of 2018, the median return from tokens was -55.38%. The same indicator was +49.32% in the 1st quarter. From those listed on exchanges, 75% of tokens were traded below the ICO price. A large amount of funds raised gives no guarantee of a high return on investment.

ROI was calculated using the formula: (Current Value – Beginning Value) / Beginning Value, where Beginning Value is the minimum price for 1 token at the ICO, and Current Value is the closed price for 1 token on 2018-07-08. We have excluded EOS from calculations to simplify the analysis.
Tokens ROI after 3 Days on Exchanges by Raised Funds

The graph shows the distribution amount of funds raised, and ROI.*

According to results from the 2nd quarter of 2018, the median return from tokens is -21.59%. 57% of tokens were traded below the ICO price. A large amount raised does not guarantee a high return on investment.

*ROI was calculated using the formula: (Current Value – Beginning Value, where Beginning Value is the minimum price for 1 token at the ICO, and Current Value is the closed price for 1 token after 3 days of being listed on exchanges. We have excluded EOS from calculations to simplify the analysis.
Token Sale Structure
The Distribution of Projects Based on the Percentage of Tokens Allocated to Private and Pre-Sale Stages

One of the trends in the 2nd quarter was an increase in the share of tokens allocated to private and presale stages, and, accordingly, a decrease in allocations for crowdsales.
Median of Raised Funds Based on The Percentage of Tokens for Pre-sale

The graph shows the median distributions of raised funds based on what percentage of all of the token supply was dedicated to presale and/or private rounds.

HOW TO READ THE GRAPH

The graph demonstrates the median distributions of raised funds for different percentage ranges of tokens dedicated to presale. The x-axis represents the median raised funds, ranging from $0 to $2.5 M, while the y-axis shows the percentage for presale ranging from 1—10% to >60%.
Number of Successful ICOs by Percentage of Tokens Allocated to the Pre-Sale

Projects, in which less than 10% of tokens were allocated to the private and pre-sale stages, were unsuccessful in 46% of the cases.

**HOW TO READ THE GRAPH**

- Projects with more than 60% allocated to the pre-sale had the lowest success rate.
- Projects with 1-10% allocated to the pre-sale had the highest success rate.

- Projects with less than 10% allocated to the pre-sale were unsuccessful in 46% of the cases.

**Number of Successful Projects vs. Number of Unsuccessful Projects**

- 1-10%: Highest number of successful projects.
- >60%: Highest number of unsuccessful projects.

- The distribution shows a clear trend towards higher success rates with lower pre-sale allocations.
Token Sale Platforms

The initial emission of tokens in 95% of cases occurs on the basis of the Ethereum platform, at this stage of the ecosystem development, Ethereum continues to monopolize the market due to easy listing on DEX (most tokens are built on Ethereum or the 0x protocol.). 2nd-quarter projects also used platforms such as NEO, NEM, Stellar, and Waves.
### Advantages and Disadvantages for the Platforms

<table>
<thead>
<tr>
<th>Name</th>
<th>Strengths</th>
<th>Weaknesses</th>
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</table>
| ETHEREUM   | *Globally accepted benchmark:* Ethereum is the biggest blockchain infrastructure at the moment, and Solidity is a well-known, smart contract language with armies of contributors.  
*Solidity:* Solidity is one of a few Turing-complete languages for smart contracts.  
*ASIC resistant:* In Ethash (Ethereum mining algorithm) the most costly operations are input/output, making ASIC meaningless as regular PCs are optimized for this.  
*Universal solution:* Ethereum is a universal solution, suitable for sharing any type of value.  
*Can host ICOs.* | *Excessive flexibility:* Research by the National University of Singapore shows that a significant portion of Ethereum smart contracts can be manipulated by third parties, creating a means for hacker attacks.  
*Low TPS rate:* 15 transactions per second.  
*Inefficient consensus mechanism:* Ethereum still uses a Proof-of-Work consensus mechanism that is considered to be energy-inefficient and expensive. The cost of one transaction is approximately $0.3. |
Advantages and Disadvantages for the Platforms

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<thead>
<tr>
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<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
</table>
| NEO   | **Efficiency:** NEO uses a dBFT consensus protocol which is considered to be more efficient than traditional PoW or PoS.  
**Smart contract language:** Smart contracts are currently written in C# and Java. Transition to Python is planned.  
**Speed:** NEO’s tps rate is 1000 transactions per second.  
**Built-in KYC functionality.**  
**Can host ICOs.** | **Divisibility issue:** NEO native tokens are not divisible and can only be assigned an integer value.  
**China-focused:** The majority of information about the platform, including tech-case discussions, is in Chinese, making the platform less friendly for non-Chinese users.  
**Poor decentralization:** Since dBFT implies the community selecting bookkeepers who validate transactions, the level of decentralization decreases. |
## Advantages and Disadvantages for the Platforms

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<th>Weaknesses</th>
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| NEM  | *Compatibility:* The NEM blockchain is compatible with the current IT business infrastructure.  

*Private chain speed:* Using the Catapult engine created by NEM, companies can increase the speed up to 4,000 tps on their private chains.  

*Security:* NEM has increased security through the implementation of a Proof-of-Importance consensus mechanism and two-tier architecture.  

*Easy to use:* NEM is an API-driven platform, making project development on NEM relatively easy.  

*Can host ICOs.* | *Low speed:* At the moment, the project has artificially lowered its tps to 2 transactions per second.  

*Customized for corporations:* NEM primarily focuses on corporations, not on traditional ICO projects. |
## Advantages and Disadvantages for the Platforms

<table>
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<th>Weaknesses</th>
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| STELLAR | *Tailored for finance:* Stellar was created to facilitate financial transactions using its own consensus mechanism based on the Federated Byzantine Agreement.  
  
  *Fast performance:* 1,000+ transactions per second; one block is created every 3—5 seconds.  
  
  *Low transaction fee:* $0.00001  
  
  *Increased security:* Stellar uses multisignature verification in its smart contracts.  
  
  *Can host ICOs.*                                                                                                                                                                                                                                                                 | *Smart contracts are less flexible than that of Ethereum.*  
  
  *Smart contract execution is expensive.*                                                                                                                                                                                                                                           |
## Advantages and Disadvantages for the Platforms

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<thead>
<tr>
<th>Name</th>
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<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>WAVES</td>
<td><em>Speed:</em> Tps rate is up to 100 due to the Waves-NG consensus protocol, can potentially reach 1,000.</td>
<td><em>Lower flexibility:</em> Non-Turing-complete smart contracts are less flexible compared to Turing-complete due to the nature of their programming language.</td>
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<tr>
<td></td>
<td><em>Smart contract uses Turing-incomplete language:</em> Turing incompleteness guarantees the predictability of how smart-contracts will behave after initiation.</td>
<td><em>Poor adoption:</em> Waves has not hosted any big ICOs yet, therefore more technical issues may be discovered as the platform gains new users.</td>
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<td></td>
<td><em>User-friendly:</em> Waves is considered to be the easiest platform to use for ICO and smart contract writing.</td>
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<td></td>
<td><em>Has imbedded DEX:</em> On the Waves DEX, all Waves-based tokens can be easily exchanged, lowering the transaction cost for value transition between blockchains.</td>
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</tr>
<tr>
<td></td>
<td><em>Can host ICOs.</em></td>
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Types of Products Created by Projects

About 90% of projects stage their ICOs with the intention of creating a Dapp on a third-party blockchain. Infrastructure projects still form a small fraction of the total number of projects. It is important to note that, according to DappRadar, as of July 10, 2018, the highest number of users per day was in the exchanges category (#1 – IDEX – 2,209 users / 24h).

In order to be in the top 10 by the number of users per day, a marketplace, or a game, should be used by at least 100 people. Additionally, 495 Dapps registered on DappRadar by 10.07.18 (78% of the total number) did not have a single user per day.
Distribution of Successful Projects by Product Type

53% of all Dapp-based ICOs were not successful. Unsuccessful campaigns by category: protocol — 21%; custom blockchain — 32%.
Projects Disclosing Information on Funds Allocation

41.2% of projects do not provide any details on the planned allocation of funds for ICO participants (We have only looked at the presence of percentage distribution of received funding).

48% of these projects launched their ICO campaigns without any development proposals.
Projects with a Fixed Token Emission

Only 5% of 2nd quarter projects did not limit the emission of their own tokens.
Distribution of Projects Based on Whether the Project is Open-source or not

64% of closed-source projects did not submit anything to the community other than ideas at the time of their ICOs.
Distribution of Successful Projects Based on Whether the Code is Open-Source or not

57% of projects that either did not have GitHub repositories, or had closed ones, were unsuccessful in terms of raised funds. As for the projects with an open-source code, 37% of them were unsuccessful.
Distribution of Projects Based on the Company’s Age

The majority of companies (73%) staging their ICO have existed for less than a year. The average age of projects is 1 year, and the median age is 8 months.
Distribution of Projects Based on the Number of Developers

80% of all projects staging their ICOs had fewer than 5 developers on their teams. Only 2% of the projects had more than 10 developers on board.
Distribution of Projects with and without an Airdrop

ICO airdrops were conducted by 35.4% of all projects in the 2nd quarter.
Have a question or want to learn more about market dynamics? Contact us.

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