

Forum:[Hack Forums](#)

Thread: [What do you guys think of Zephyr Protocol?](#)

Dannisthethird - December 7, 2024, 7:54 am

What do you guys think about Zephyr protocol?

for me it looks like a solid project with low market cap and a possibility of at least x20 in a few years.

looking for your opinions as I'm sure we have many crypto-experienced fellow members

SUI-3183372 - December 7, 2024, 9:07 am

Yikes, they're taking DJED's model, but the reserve currency that they're backing the stablecoin with is also one their own coins that they created. DJED at least used a giant, ADA, as the reserve currency. And while ADA isn't exactly stable, it's far less volatile than backing your stable with a coin you just pulled out of thin air, with a minuscule marketcap and no solid reach (Mexc appears to be largest exchange supporting it). Their stable is backed 7:1, which would be sufficient if your reserve currency was anything other than your own token.

My take is there are extreme death spiral risks. Returns will look good until suddenly everything is imploding LUNA style.

AeroBlue - December 8, 2024, 3:23 am

(Dec 7, 2024 10:07 AM)SIM-3183372 Wrote: [\[CITE\]](#) Yikes, they're taking DJED's model, but the reserve currency that they're backing the stablecoin with is also one their own coins that they created. DJED at least used a giant, ADA, as the reserve currency. And while ADA isn't exactly stable, it's far less volatile than backing your stable with a coin you just pulled out of thin air, with a minuscule marketcap and no solid reach (Mexc appears to be largest exchange supporting it). Their stable is backed 7:1, which would be sufficient if your reserve currency was anything other than your own token.

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Man even just the mention of LUNA gives me PTSD. What a fucking disaster that was, luckily I only lost a couple hundred. It cracks me up that they still have the "improved" LUNA token on the market and it's worth almost nothing.

Dannisthethird - December 9, 2024, 1:53 am

(Dec 7, 2024 10:07 AM)SIM-3183372 Wrote: [\[CITE\]](#) Yikes, they're taking DJED's model, but the reserve currency that they're backing the stablecoin with is also one their own coins that they created. DJED at least used a giant, ADA, as the reserve currency. And while ADA isn't exactly stable, it's far less volatile than backing your stable with a coin you just pulled out of thin air, with a minuscule marketcap and no solid reach (Mexc appears to be largest exchange supporting it). Their stable is backed 7:1, which would be sufficient if your reserve currency was anything other than your own token.

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But if it manages to not follow LUNA path I see great possible returns, probably x25 investment, some risk with big reward imo,

thanks so much for your point of view, this will make me more careful with the amount I put in it