Investment fund built on blockchains data indexing

A White Paper

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Graz Network

Blockchain and Digital Assets Management

1. Introduction

The technologies of decentralized finance are constantly opening up new investment opportunities, broadening the spectrum of entrepreneurial possibilities. Once the speculative euphoria is over, we expect markets to be focused on the utility and the rationality promising projects.

Thus, the time seems right to invest in an emerging technology based on solid fondamentals, offering real added value to the community.

To this end, Graz Network is specialized in the indexing of information held by blockchains. By choosing *The Graph Protocol*, we are investing in an ecosystem that combines returns and revenues, while meeting the demand for information from decentralized application developers.

2. Abstract

DeFi or Decentralized Finance, allows three types of income: *Investing*[1] , *Trading*[2], *Staking*[3]. For those who choose conservative risk management, the probability of achieving a return higher than the market, remains low. So, how to find additional incomes, independent of the market's volatility, but benefiting from its dynamics?

This issue is the problem statement of our value proposition and behind the creation of *Blue Sky Mine* investment fund.

As we do not consider market speculation a source of revenue. In our mind, the value of a cryptocurrency is an expression of its future use. Thus, we anticipate the emergence of the blockchain's indexing market, by funding interfaces for *Web3* developers.

3. Problem Statement

Blockchains generate large amounts of raw information. These data are difficult to use, asking the problem of processing it, in order to put the results of each search in a comprehensible and accessible form.

In the nineties, Internet faced similar problem. Then necessary investment for the development of search engines imposed centralized solutions, facilitating Ads revenues. But thirty years later, the centralization is questioned, for monopoly and privacy reasons.

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1   Long term assured gain, controlled risk taking.

2   Short term potential gain, high return for a corresponding risk taking.

3   Regular income for a substantial investment, long-term gain, low risk.

Nowadays, *Web3* application creators are increasingly demanding the information held in Blockchains. Unable to finance the infrastructure required to their own search systems, they are willing to pay services to format and distribute this untapped source of business value.

Graz Network's goal is to monitor this demand and take advantage of disruptive technologies to position his investments by financing competitive offerings.

4. Proposed Solution

First Swiss investment fund based on blockchains data indexing. We are taking part in *The Graph Protocol* ecosystem, in order to maximize our returns and capitalize them in potentially disruptive emerging technologies.

The Graph is a distributed indexing protocol. It organizes blockchain data to make it easily accessible with the *GraphQL* language. Anyone can build and publish open interfaces, called *Subgraphs*, making information easily accessible.

Subgraphs are able to compose a Global *GraphQL API* of all the public information in the world. This data can be transformed, organized, and shared between applications so that anyone can query it.

The GRT token is used to secure and govern the network. It encourages behaviors that are essential for the network to thrive. Customers pay in GRT, a decentralized network to index, cache and query data stored on the various blockchains.

Our business model optimizes the revenues earned through in-house reinvestment. Value is created by traditional *DeFi* revenue, query fees, indexing rewards, query market trading and GRT *tokenomics* inflation.

Application

Graz Network invests in blockchains indexings and in decentralized cryptocurrencies. We only trade the assets needed to acquire GRT tokens and for risks hedging. We support the creation of decentralized applications by funding, developing and publishing *GraphQL APIs*.

Capital management :
- 1/3 risk coverage
- 1/3 asset acquisition
- 1/3 development

Distribution of the invested capital :

- 37 % risk coverage
- 27 % acquisition purposes
- 36 % development costs

Certifications awarded :

- *Delegator*, *Curator* and *Subgraph Developer Courses* by *The Graph Academy*

Publication of the *Blue Sky Mine* index (*BSM*)

- Current value of assets held / Nominal value of equity
- ROE = BSM - 1

5. Future Direction

Knowledge Management

- Create Business Intelligence database about *Blockchains*, *Tokens, Indexers* and *Subgraphs* which likely generate high demand.
- Develop *Subgraphs* for indexing high potential cryptocurrencies. Publish them, to be supported by *Curators* and used by *Indexers*.
- Obtain certifications. Optimize ROA. Commercialize *Subgraphs* developments.

Business Strategy

- Stake GRTs to successful *Indexers* as *Delegator,* to receive a percentage of their query fees and indexing rewards earned.
- Invest GRTs in *Subgraphs* validations as a *Curator,* to receive *Subgraph Mint Shares* and a part of 10 % from query fees generated by the validated *Subgraphs*.
- Manage Nodes as an *Indexer*, to receive the query fees generated by the use of hosted *Subgraphs* and the *Indexing rewards* that are generated via the 3% annual protocol inflation.

Corporate Strategy

- Initial coin offerings (ICO), equity token (BSM)
- Apply business model to other ecosystems.

6. Conclusion

Graz Network is a Hedge Fund build on decentralized technologies, specialized in blockchains indexing. Our strategy is to take position in the market in order to identify trends and opportunities.

Searching for information is an important issue for Web3. If the *Google of Blockchains[4]* is to come, it will likely be decentralized and its solution close to *The Graph Protocol*.

Being able to participate in the youth of its development is a considerable competitive advantage. As *open source[5]*, the technology itself cannot be protected. But the experience of its implementation and its use constitutes over time, an effective technological defense.

The more blockchains develop, increasing information to process, the more expensive it is to process. Thus, in addition to the experience acquired, first arrivals have the advantage of a complete and reliable indexing.

Graz Network invests in breakthrough innovations that provide different solutions. These innovations are rare. But they are the ones that precipitate the falls of the leaders, and generate important ROI.

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4   The Graph Is the 'Google of Blockchains', Bloomberg Technology

5   Made by many people and distributed under an OSD-compliant license

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