



Sample One-Page Project Analysis Report

[Centrifuge](#) brings real-world assets (RWA) to the blockchain, supporting diverse asset pools such as mortgages, invoices, microlending, and consumer finance. Users can tokenize these assets, unlocking substantial liquidity. Centrifuge offers fast, affordable capital for small businesses and stable yields for liquidity providers.

Access my comprehensive research report on Centrifuge [here](#)

PROBLEMS SOLVED

Small and Medium-sized Enterprises (SMEs) cannot get direct access to liquid capital markets as large corporations do. Centrifuge Protocol solves this problem by tokenizing RWA that SMEs have and provides competitive borrowing rates.

PRODUCT

Centrifuge Prime

Prime provides organizations with a streamlined solution to onboard and scale portfolios of RWAs.

Centrifuge Pools

In Centrifuge pools, borrowers tokenize RWAs to access on-chain financing from lenders (LPs).

Centrifuge Connectors

A cross-chain solution that connects and aggregates liquidity from various chains.

- on its own Centrifuge Chain, has wrapped version (wCFG) on Ethereum
- Total token supply: 425M
- Circulation supply: 360M
- Market Cap: 61M

TRACTION / METRICS

The graph depicting the number of unique addresses (tokenholders) shows a consistent adoption trend (35% YoY growth):



TEAM

CEO: Lucas Vogelsang, with software development experience.

CFO & COO: Martin Quensel, who was a co-founder and general manager of financial supply chain startup Taulia acquired by SAP.

MARKET

(the author's reasonable estimate; not reported by the project)

TAM = ~\$30T (total value of major real-world assets) / 4 (collateral ratio for crypto) = \$7.5T

SAM = median of global cryptocurrency total marketcap = \$2T

SOM = \$2T × 5% (reasonably assumed market share) = \$100B

FUNDING AND INVESTORS

- has raised \$15.8M to date
- from Galaxy Digital, AU21, and Coinbase Venture, etc.

COMPETITIVE LANDSCAPE

Centrifuge faces competition in three areas:

1. In **DeFi lending**, Centrifuge stands out by using real-world assets, unlike most competitors.
2. Competitors focusing on **tokenizing** real-world assets could invite regulatory scrutiny.
3. In **real-world asset financing**, Polytrade and Persistence differ in focus from Centrifuge.

TOKENOMICS

The Centrifuge Token (CFG) is the primary token

RISKS

Borrower adoption risk, regulatory risk, collateral risk, and platform security risk. Read more [here](#).

HAYDON'S INVESTMENT THESIS

From an **external** perspective, Centrifuge capitalizes on two **macroeconomic trends**:

- **Onboarding Growth:** As DeFi platforms seek to tokenize RWA, research indicates a 19% CAGR in the RWA tokenization market. Centrifuge leads as the first to bring such assets on-chain.
- **Collateral Diversification:** Top lending protocols increasingly use RWA to mitigate risks inherent in crypto assets. Centrifuge accelerates this by collaborating with MakerDAO and AAVE.

Internally, Centrifuge showcases **strengths**:

- **Integrated Ecosystem:** Their offerings - Prime for tokenization, Pools for matching lenders and borrowers, and Connectors for liquidity aggregation - form a robust ecosystem.
- **Experienced Team:** With founders grounded in financial operations and a diverse team including BD/marketing experts, they stand apart from many startups.
- **Value-Driven Token:** Unlike some projects, Centrifuge's CFG token has a tangible value accrual mechanism, with transaction fees and CFG burns benefiting its holders.

While Centrifuge faces **risks** like borrower adoption, regulation, and collateral, they're manageable. Given this, I have a **high conviction** of a substantial long-term return from CFG.

Source: Centrifuge official website, blog, & documentation, PitchBook; Token Terminal, CoinMarketCap

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