



Almanak Token Economy: Designing Resource Markets for Financial Agents

Version: 1.0

Abstract

The Almanak Ecosystem democratizes access to AI Agent-driven financial strategies through a permissionless platform that leverages AI capabilities and blockchain-based financial markets. The platform enables users to build, train, and deploy sophisticated financial strategies using a swarm of specialized AI agents.

The ecosystem is built on two foundational roles — Strategy & Vault Curators, and Liquidity Providers — ensuring quality strategy development, composable assets management, and access to liquidity. Inspired by proven practices in traditional hedge funds and battle-tested blockchain protocols such as *Bittensor* and *Curve Finance*, Almanak’s key features include a merit-based emission allocation, composable tokenized AI strategies, customizable privacy setups for strategy development and sharing, and a veToken governance model leveraging “bribes-based” decentralized decision-making. As the future of finance becomes increasingly AI-centric, Almanak creates a market to incentivize AI-driven asset management in crypto.

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Almanak Agentic AI-Swarm as Core Decision Makers - Introduction

Almanak's AI Agentic Swarm provides users with access to financial intelligence that possesses both quantitative and qualitative reasoning abilities and is intimately familiar with Almanak workflows and deployment infrastructure. Almanak's agentic infrastructure allows Agents to assist users with specific steps in the financial strategy discovery & development process. Agents key objective is to discover, develop, optimize, and ultimately manage (on behalf of the Curator) the sophisticated financial strategies with the highest expected return for the current market conditions. We encourage users to learn more and follow the latest discoveries around Almanak's Agentic AI Swarm by browsing the following page: <https://agents.almanak.co/manifesto/secret.html>

1. Almanak Token Ecosystem

1.1. Introduction

Almanak's vision is to lower the entry barrier and decrease the time of deployment of sophisticated financial strategies, provide infrastructure that is capable of accommodating billions of dollars, and provide access to a new, composable AI-managed asset class. By leveraging a Swarm of AI Agents, it enhances processes such as strategy design, autonomous optimization, and automated execution, while at the same time utilizing blockchain to foster the development of a reliable ecosystem of actors and capital. The goal of its Token Economy is to establish an efficient and attractive network for value exchange among key participants, ensuring a seamless environment for all stakeholders.

Almanak Token Ecosystem

A key challenge in building an ecosystem capable of supporting Almanak's vision lies in incentivizing network participants to share access to high-quality strategies.

Inspired by solutions from the traditional financial markets, Almanak intends to address this challenge by a marketplace where quality strategies will be efficiently matched with free capital (GP & LP model). To achieve that, the ecosystem distinguishes the aforementioned two key roles: Strategy & Vault Curators and Liquidity Providers

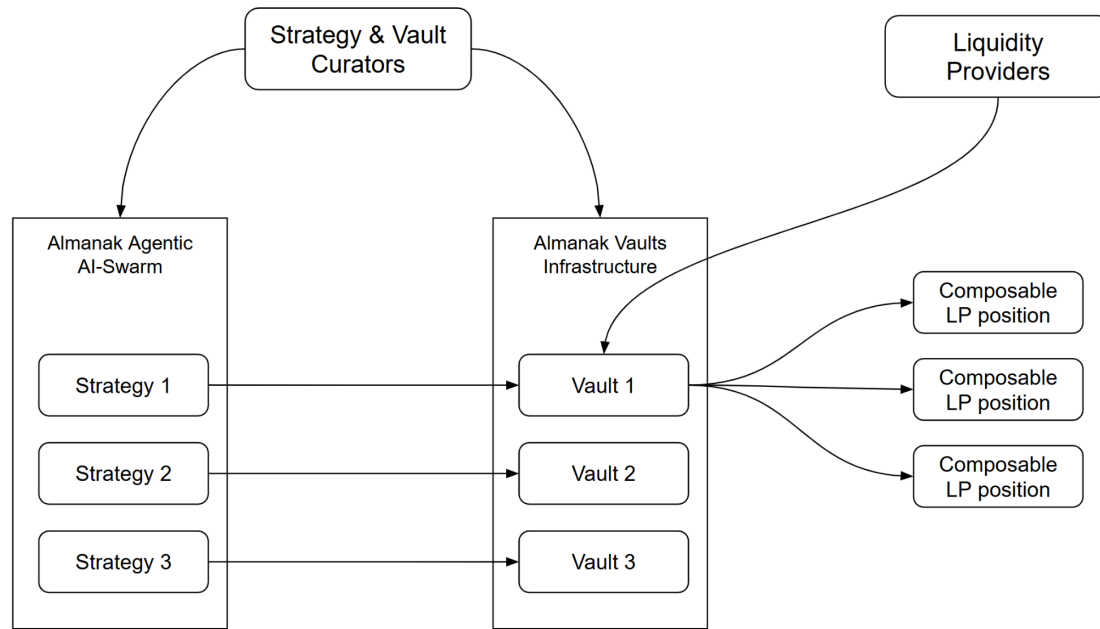


Figure 1: Network Participants and Almanak Ecosystem Architecture

Strategy & Vault Curators

Strategy & Vault Curators are the primary users of Almanak Agent AI-Swarm and Vault infrastructure. They use Almanak Agent AI-Swarm to design, optimize, and manage their own fully verifiable and deterministic strategies in a no-code environment. In order to get access to the external capital, Curators can deploy their own Vaults, which are then connected with the strategies they created. Similarly to the role of contributors in Bittensor Subnets¹, Curators are rewarded with Almanak Tokens for delivering high-quality Strategies and connecting them with the Vaults. Connecting the strategy to the Vault and making it accessible for Liquidity Providers allows Strategy & Vault Curators to earn performance and management fees based on the TVL and returns of the Vault, without sharing the strategy code.

Liquidity Providers

A passive user of the platform. Liquidity Providers can deposit capital directly into the Vaults to get exposure to fully AI-designed algorithmic strategies, administered by the Strategy & Vault Curators. In exchange for their deposits, Liquidity Providers are being issued with a fully fungible and composable position in the Vault, which can be further used within the DeFi ecosystem.

¹Bittensor Subnet: See References, page 14.



1.2. Strategy Privacy Setups

Since Strategy & Vault Curators are sharing valuable intelligence with other network participants, Almanak software equips these Curators with two different possible privacy setups, which allow them to keep their strategy and IP private while at the same time enabling their monetization.

1. Private setup - no one but the Strategy & Vault Curator has full access to the Strategy. The Strategy is closed source and unlisted: effectively, no one else knows of its existence. The Strategy Curator is free to connect the strategy to the selected Vault.
2. Public setup - Strategy code is open source and publicly listed in the Strategy Library - any Almanak Platform user can get access to it and its code. This setup allows for a peer-to-peer exchange of strategy ideas, code, and knowledge within the community, as well as provides a repository for third-party protocols to publish strategies supporting their own ecosystems.

1.3. Inspired by Battle-Tested Practices

In designing the Almanak Token Economy, the team drew inspiration from the proven practices of leading hedge fund trading desks. These entities excel in capturing market opportunities by continuously backtesting and simulating thousands of Strategies from libraries available in the fund's arsenal, to ultimately identify those with the highest potential for returns under the current market conditions. Strategies with the highest expected performance are allocated with greater weights and, subsequently, higher assets under management (AUM) for trading. This approach proved highly effective and battle-tested in closed-source systems, where a single entity oversees the curation and deployment of the Strategies.

At Almanak, we adapted this model to align with the decentralized and permissionless nature of the crypto space. This required the creation of a fully market-driven and open network with proper incentives. We believe that this market-based framework can drive even greater efficiency and innovation than the traditional closed-source models, and ultimately foster a much more dynamic and competitive ecosystem.

Almanak's token economy also draws inspiration from successful models of *Bittensor*² and *Curve Finance*³, by integrating some key elements to cultivate a dynamic and participatory ecosystem.

Bittensor's Influence:

- Incentivized Contributions: Similar to *Bittensor*, where miners and validators are rewarded for providing AI models and computational resources, Almanak encourages the deployment of Strategies

²Bittensor: See References, page 14.

³Curve Finance: See References, page 14.



& Vaults by Curators by offering these participants token rewards.

Curve Finance's Influence

- Governance and Emissions: Almanak's future governance would adopt a mechanism akin to *Curve's* bribe system, where token holders can stake their tokens to influence emissions toward specific Vaults, thereby making liquidity provision and Vault curation more attractive. External protocols would naturally become interested in this "AI - driven traffic", even further increasing the demand for the Almanak token and its related governance

By merging these models, Almanak creates a token economy that rewards active participation and aligns incentives with community-driven decisions, promoting a robust and engaged ecosystem.

1.4. Demand-based emission allocation function - the Bittensor-inspired growth model.

As mentioned before, the two core groups of users that stimulate the growth of Almanak's ecosystem are:

- Strategies & Vaults Curators that supply and manage the best strategies and vaults.
- Liquidity Providers that supply the capital that strategy and vault curators compete for.

It would be therefore strategically valuable for the ecosystem to channel the emission towards Strategy & Vault Curator with the highest capital attraction qualities. The distribution would be based on the proportion of AUM & returns being made by a particular Curator Vault, in comparison to other Almanak's Ecosystem Vaults' AUM & returns. Liquidity Providers will be rewarded with emissions based on the LP shares they hold in proportion to other LPs.

Figure 2 below illustrates a simplified example:

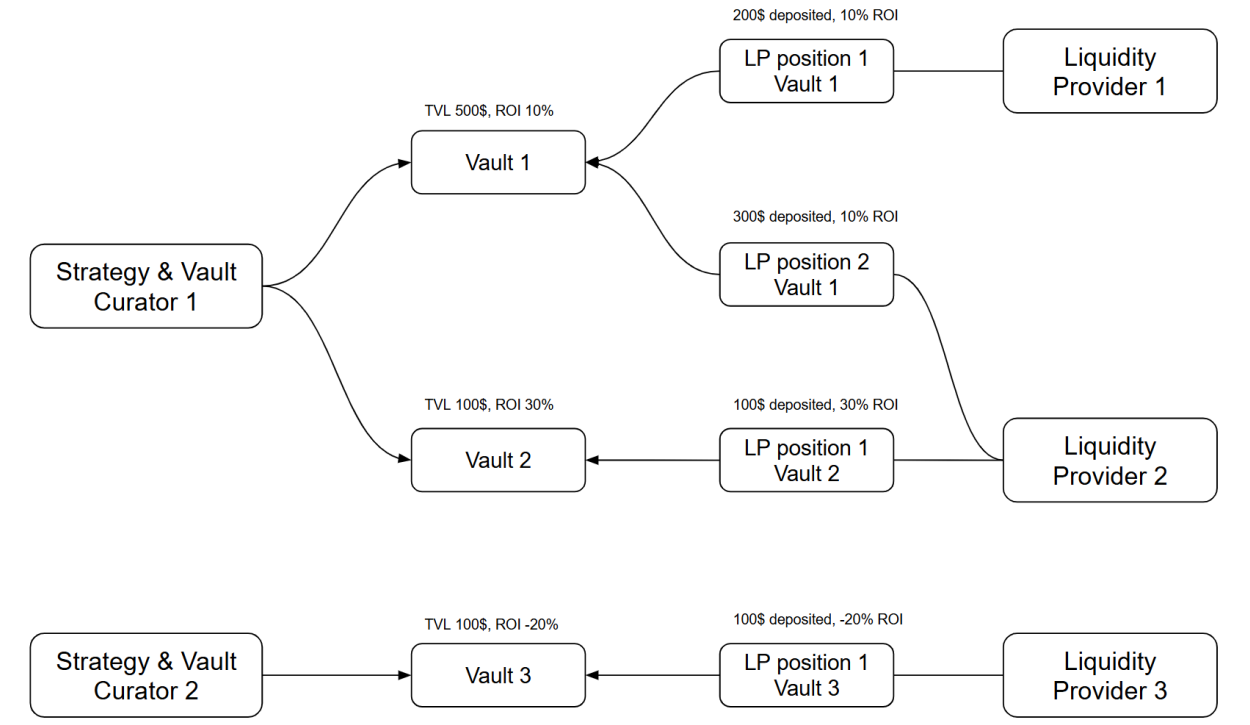


Figure 2: Emission Allocation Based on the Vaults TVL & ROI.

Let's analyze an example with two Strategy & Vault Curators and three Liquidity Providers

- Strategy & Vault Curator 1 has deployed two Vaults with two different strategies
 - Vault 1, which has generated a 10% ROI over the last accounting period
 - Vault 2, which has generated a 30% ROI over the last accounting period
- Strategy & Vault Curator 2 has deployed one Vault (Vault 3) that has generated a -20% ROI (loss) over the last accounting period.
- Liquidity Provider 1 has deposited 200\$ into Vault 1
- Liquidity Provider 2 has deposited 300\$ into Vault 1 and 100\$ into Vault 2
- Liquidity Provider 3 has deposited 100\$ into Vault 3

Adding to the above allocations, returns (or losses) for the last accounting season, the following USD-denominated Weights are being assigned to each of the Almanak ecosystem participants to reward them with the emission.

The Almanak ecosystem would use the following equation to calculate the weight for each of the Strategy & Vault Curator and Liquidity Providers, assuming the accounting period is 7 days:

- $\text{Weight} = x * \max(0, (1 + y * z))$



Where

- x = 7 days averaged TVL
- y = 7 days ROI - (Current TVL - TVL 7 days ago) / AUM 7 days ago
- z = strategy performance multipliers from the last 7 days is a variable that increases the sensitivity of the model, currently 1

Using the above formula, the emission for the last season (7 days) would look as follows:

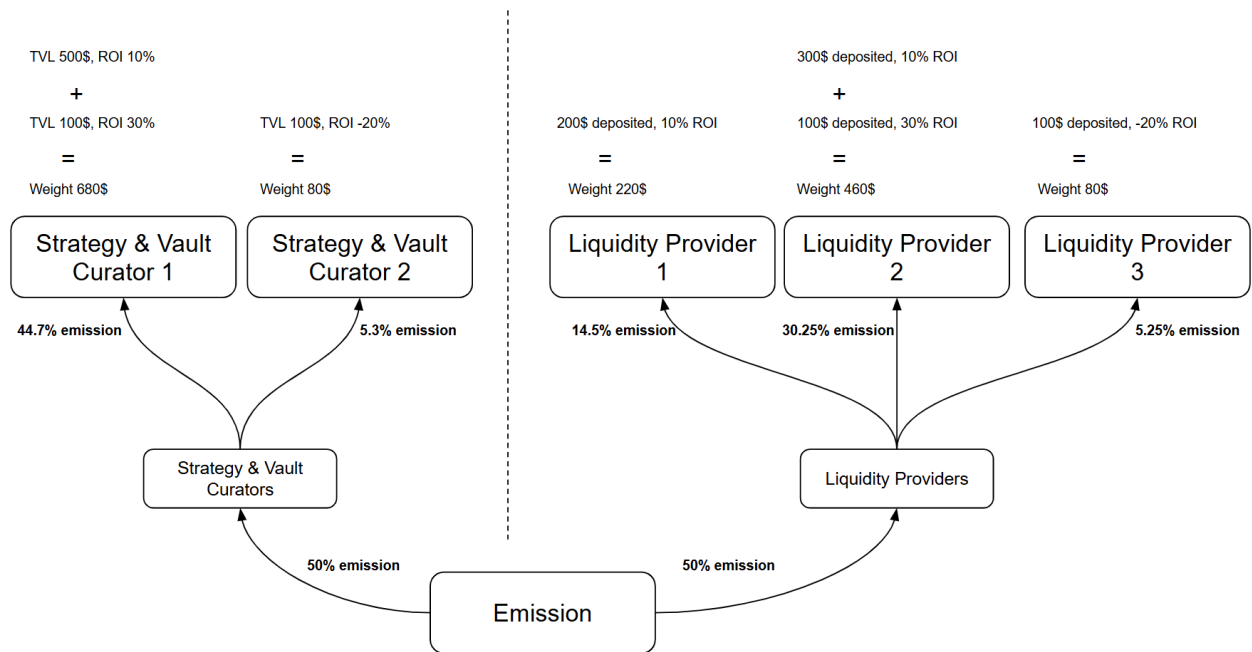


Figure 3: Emission Allocation Based on the Vaults TVL & ROI.

Strategy & Vault Curators and Liquidity Providers would be rewarded with the following token emissions for the last season (accounting period).

- Strategy & Vault Curator 1 with 660\$ Weight would be rewarded with 44.7% of the token emission
- Strategy & Vault Curator 2 with 80\$ Weight would be rewarded with 5.3% of the token emission
- Liquidity Provider 1 with 220\$ Weight would be rewarded with 14.5% of the token emission
- Liquidity Provider 2 with 480\$ Weight would be rewarded with 30.25% of the token emission
- Liquidity Provider 3 with 80\$ Weight would be rewarded with 5.25% of the token emission

This model above was inspired by the Bittensor framework. Given the anticipated scale of agents' blockchain activity (projected to reach billions), the most utilized Vaults are expected to gain the lion's share of emissions.

This mechanism establishes a clear distinction in how network participants optimize their contributions and are rewarded:



- Strategy & Vault Curators are incentivized through emissions, which increase as their Vaults manage more assets and generate higher yields.
- Liquidity Providers deploy assets to successful Vaults and pay a fee to Vaults Curators for having access to successful strategies.

This setup encourages innovation, with new Strategies being rapidly created to seize emerging market opportunities, enabling swift emission rewards towards Vaults with the highest liquidity and returns.

1.5. Almanak *Wars* - Curve Finance Inspired Growth Management Model.

The majority of blockchain activity, including trading volumes and Total Value Locked (TVL), will increasingly be driven and managed by AI-based strategies. These metrics are critical for the success of DeFi protocols, and therefore will naturally adopt and steer towards the most efficient solutions - inevitably powered by AI. Almanak believes that securing AI-driven trading volumes and TVL (loosely called “*agentic traffic*”) will become an essential component of every successful contemporary and future DeFi protocol. Inspired by Curve’s innovative approach of creating a market for liquidity provision incentives (bribes), Almanak aims to extend this concept by introducing a market to incentivize AI-driven activities in crypto (*bribes for agentic traffic*).

Currently, no solution exists to enable protocols to incentivize this traffic effectively.

Almanak ecosystem would address this gap by allowing protocols to stake Almanak tokens. By using mechanics similar to Curve’s, protocols would then vote to increase emissions to a Vault that interacts with a specific set of contracts (beneficial for that particular protocol). This creates a powerful incentive system for Strategy & Vaults Curators to build successful Vaults that operate on a set of demanded protocols’ contracts.

- Protocol contract example :

The XYZ Protocol is preparing for its launch and aims to boost AI-driven volumes (*agentic traffic*). To achieve this, XYZ Protocol would stake Almanak tokens and vote to apply an emission multiplier to the Vault that utilizes its contracts. This increases the emissions directed toward this particular Vault, thus incentivizing greater AI-driven activity on the XYZ Protocol.

- Token contract example :

A newly launched XYZ Project seeks to bootstrap AI-agent-driven trading activity, liquidity provision, and market-making for its token. XYZ Project would use Almanak Token to vote towards applying an emission multiplier to the Vault that integrates the XYZ token’s contracts. This multiplied emission would increase activity and liquidity for the XYZ Project Vaults, thus accelerating its adoption and growth.

The emission would be further increased by applying a Weight multiplier on the TVL & Returns that are generated by particular Vaults. The maximum Weight multiplier the Vault would get is up to +3x, considering



every single voter has voted on this particular Vault & its Strategy. Depending on the market dynamics, the formula could change and would be a subject of the decision of the future DAO.

You can find a simplified example in Figure 3.

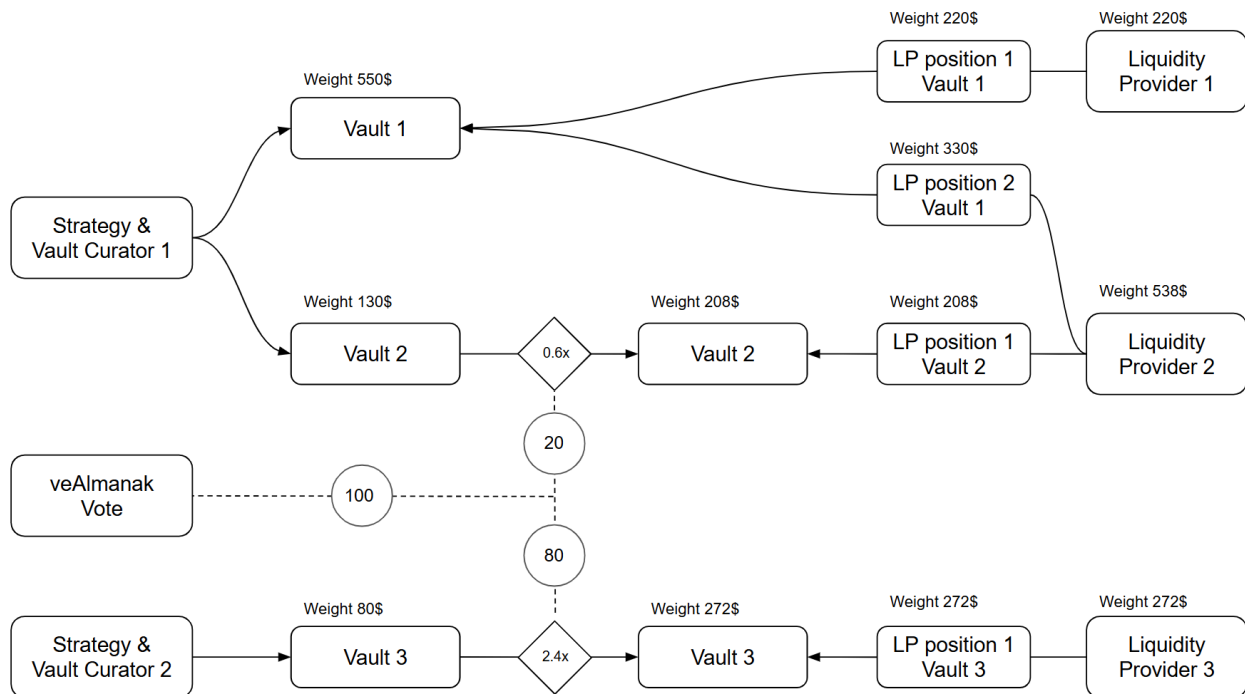


Figure 3: Weights Amplification Using Almanak Governance

Following the example above, 100 veAlmanak tokens have participated in voting with the collective power of adding a +3x weight multiplier on the Weight of the Vault. The veAlmanak votes have been allocated in the following way:

- 0 on Vault 1
- 20 on Vault 2
- 80 on Vault 3

This gives the following weight increase to the Vaults

- Vault 1: n/a
- Vault 2: $130 + 130 \times (0.6) = 208$
- Vault 3: $80 + 80 \times (2.4) = 272$

Following the above methodology, after applying the additional Weight multiplier, the Strategy & Vault Curators and Liquidity Providers would report the following Weights to the emission contract

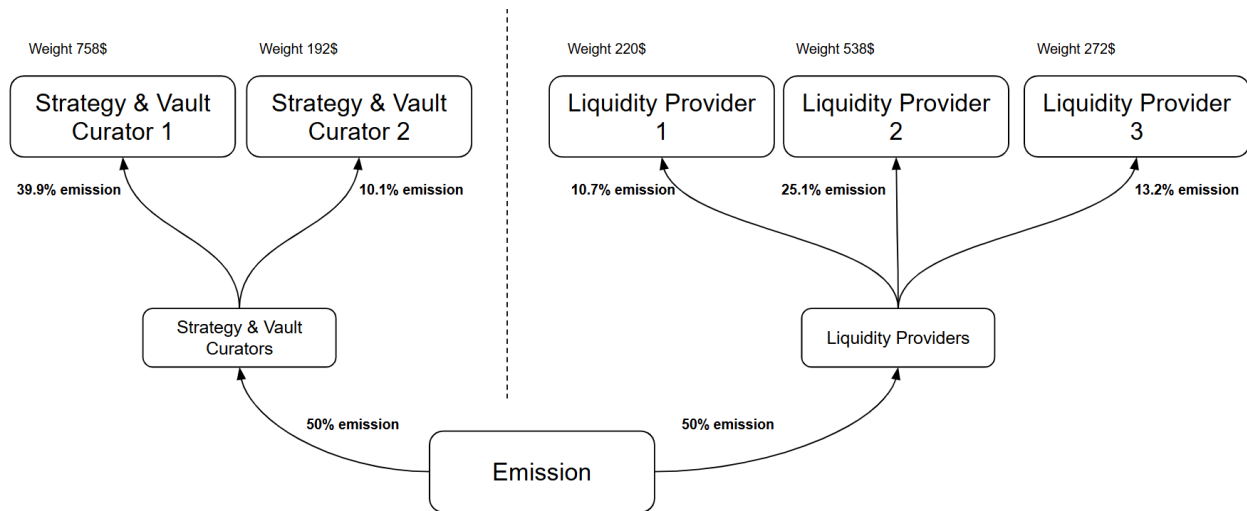


Figure 4: Weight Amplification After Almanak Governance

- Strategy & Vault Curator 1 with 758\$ Weight is rewarded with 39.9% emission
- Strategy & Vault Curator 2 with 192\$ Weight is being rewarded with 10.1% emission
- Liquidity Provider 1 with 220\$ Weight is being rewarded with 10.7% emission
- Liquidity Provider 2 with 480\$ Weight is being rewarded with 25.1% emission
- Liquidity Provider 3 with 80\$ Weight is being rewarded with 13.2% emission

The above model is again inspired by the Curve Wars model, which focuses on bootstrapping the liquidity for newly created protocols. Almanak model creates similar dynamics between Projects, Strategy & Vault Curators, and Liquidity Providers, but focuses on bootstrapping AI-driven traffic instead.

In the models discussed above, Strategy & Vault Curators are being rewarded for their work not only with fees from running their own Vaults but also with emissions if their Vaults accumulate a lot of TVL and generate high ROI.

1.6. Network Development and Sustainability

In order to maintain the long-term sustainability of the above model, similar to the Curve model, a portion of the protocol fees would have to be redistributed back to the emission pool. That would guarantee the long-term sustainability of the ecosystem, ultimately offsetting emissions once adoption increases.



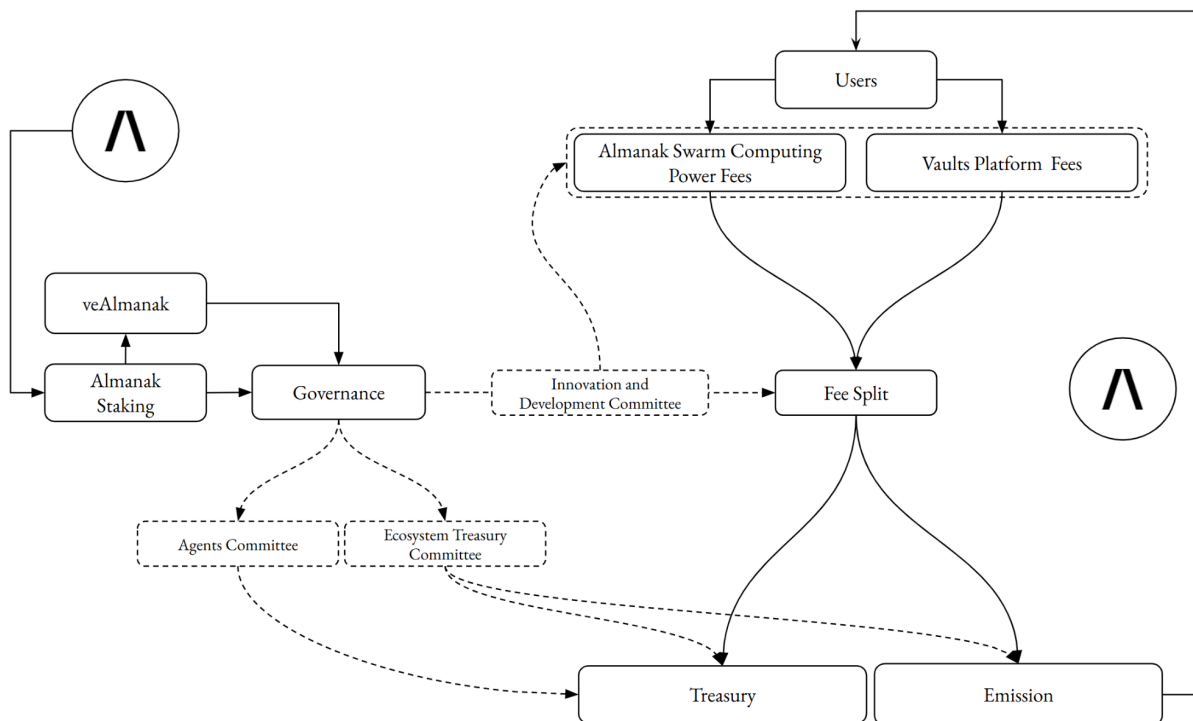
2. Ecosystem Fees Model Proposal

Almanak Ecosystem distinguishes 2 potential streams of fees that could be applied to the ecosystem:

1. Taxing the Vaults: Vault owners (Curators) can turn on management and performance fees, and Almanak DAO could potentially charge a % fee from this fee. Introduction of such a fee would be up to the vote of the future Almanak DAO.
2. Computing Power Margin: Whenever a user pays for computing power to use Almanak Agentic Swarm, a 1-10% margin would be added to the cost of the cloud computation.

Fees collected that way would be distributed back to the Treasury and/or the Emission in the form of Almanak tokens.

3. Token Functionality



- Dotted Arrow - Governance Flow
- Solid Arrow - Value Flow



Figure 5: Almanak Ecosystem Token Functionality and Value Flow

3.1. Almanak Staking Utility

Almanak token holders would be able to stake the Almanak token in a staking contract to:

- Get a discount on the computing power within the platform, necessary to use the strategy building AI Agentic Swarm. The more tokens a user stakes, the greater the discount the user gets on using Almanak Agentic Swarm and other sophisticated platforms' features.
- Stake the token in a veToken contract to increase the voting power.
- Vote towards increasing the emissions towards Vaults that use the particular protocols.
- Vote in DAO and participate in matters concerning the management of the ecosystem.

3.2. Governance - the DAO

Almanak token stakers would be able to participate in voting within the Almanak Committees focused on a particular governance issue. A couple of subDAOs could be distinguished:

- Ecosystem Parameters Committee - managing the protocol parameters such as:
 - Margin on the Computing Power (1-10%)
 - Margin on the value generated by Vaults on the platform (1-10%)
 - Emission schedule and function shape - default 35% of tokens distributed with a halving event every year.
 - Split of revenues between the DAO treasury (10-20%) and the Emission (80-90%),
- Innovation and Development Committee - handles financial matters related to the DAO, including items such as treasury management, grants management, and emission management.



4. Token Metrics

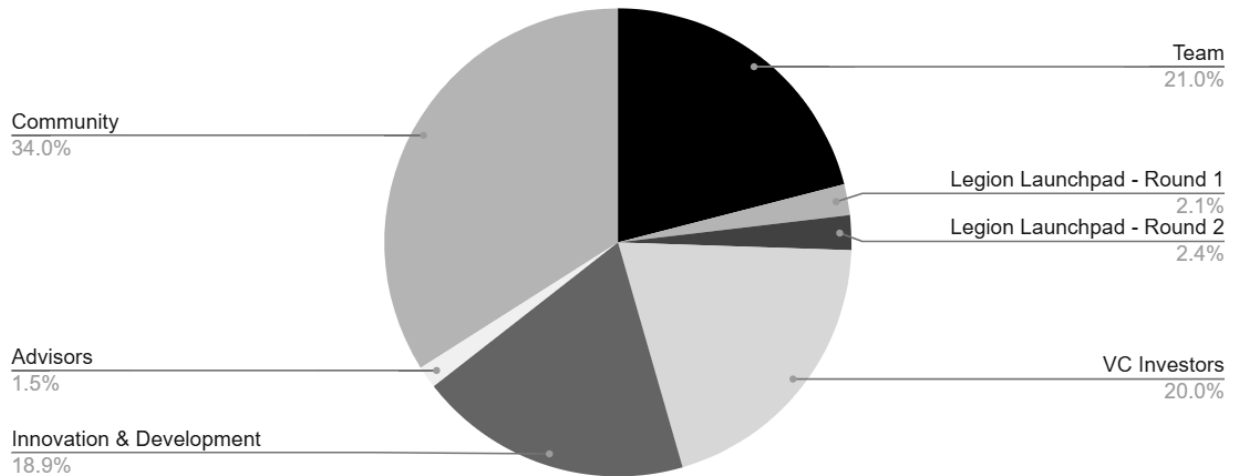


Figure 6: Token Metric

- Team - Almanak Team.
- VC Investors - Institutional Investors.
- Advisors - Partners, Advisors, and others.
- Innovation and Development - Liquidity, Exchange Listings, Grants, Partnerships, Ecosystem Development, Future Rounds
- Emission - Almanak Ecosystem Emission for Network Participants + Early Participation Rewards.
- Legion Round 1 - Community round.
- Legion Round 2 - Pre-TGE Community round.

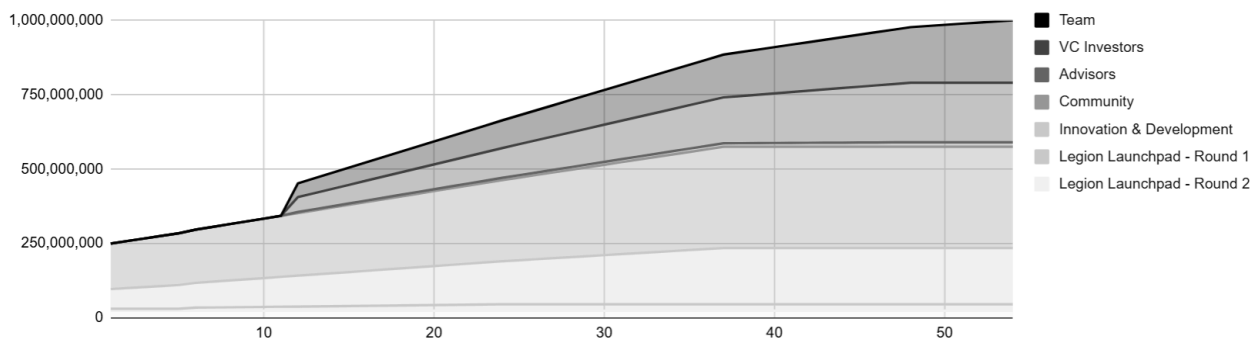


Figure 7: Token Vesting

- Team - linear vesting over 54 months with a 12-month cliff
- VC Investors - linear vesting over 48 months with a 12-month cliff
- Advisors - linear vesting over 48 months with a 12-month cliff
- Innovation and Development - 35% at TGE, the rest linearly over 36 months
- Community - 45% at TGE (Early Participation Rewards), the rest linearly over 36 months



- Legion Round 1 - 30% at TGE, the rest linearly over 24 months with a 6-month cliff
- Legion Round 2 - 100% at TGE

References

1. Bittensor Subnets: <https://taostats.io/subnets>
2. Bittensor: <https://bittensor.org/wp-content/uploads/2024/02/bittensor.org-whitepaper.pdf>
3. Curve: <https://resources.curve.fi/crv-token/overview/>