

The current state of ICOs

A concise overview of ICO overall developments, regions, raised capital and the biggest projects


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Preface

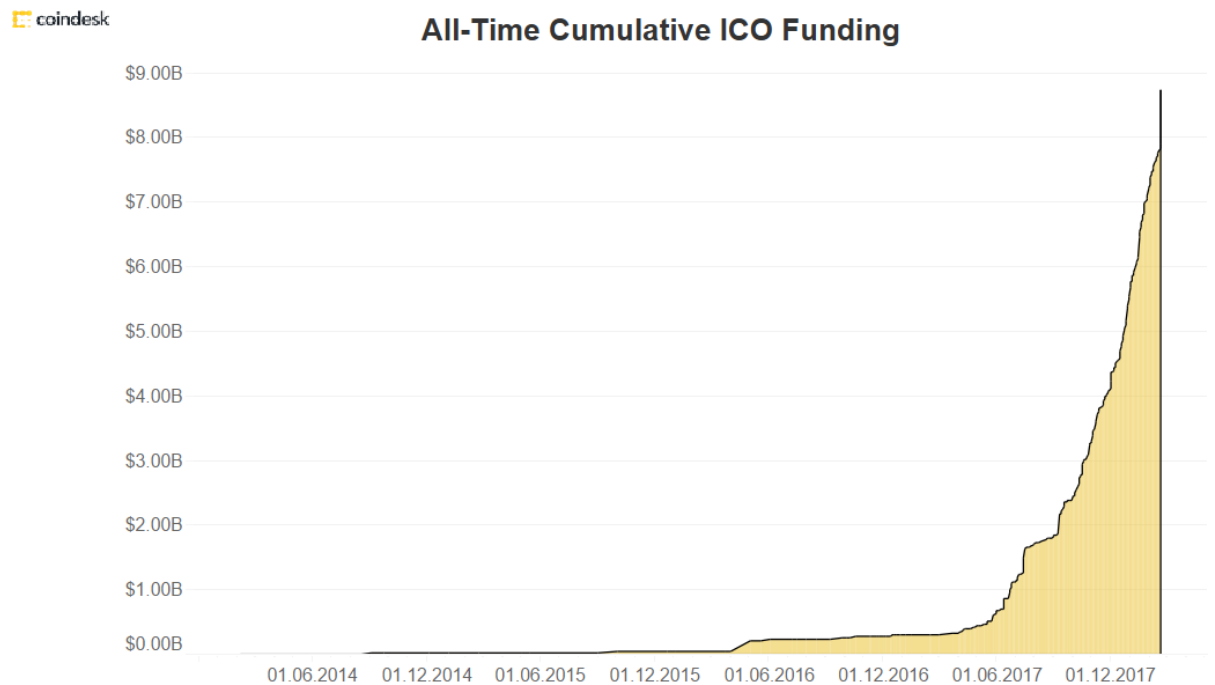
After *The Blockchain* went into the mainstream, ICOs also became a word that a wide audience has heard of. Especially the enormous amounts of money raised in ICOs, which was rising in the previous months, pointed a great attention on this topic.

This report summarizes the previous developments especially in the first quarter of 2018 in a quantitative way, surrounded by comments with subjective opinions and experiences I developed while being in this sphere.

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1. Current ICO developments in Q1 2018

1.1 Raised ICO funds in 2018 so far



Graph 1: source <https://www.coindesk.com/ico-tracker> (25/02/2018)

2018: 3.06 billion USD (25/02/2018)

2017: 5.384 billion USD

1.2 Monthly Amounts of ICO investments

February 2018 (so far): 1.47 billion USD (25/02/2018)

January 2018: ~ 1.59 billion USD (+0,15 billion USD compared to the previous month)

December 2017: ~1.44 billion USD in

1.3 Average ICO size

2018: 33.26 million USD (+17.52 million USD)

2017: 15.74 million USD

2. Distributions of Tokensales between regions

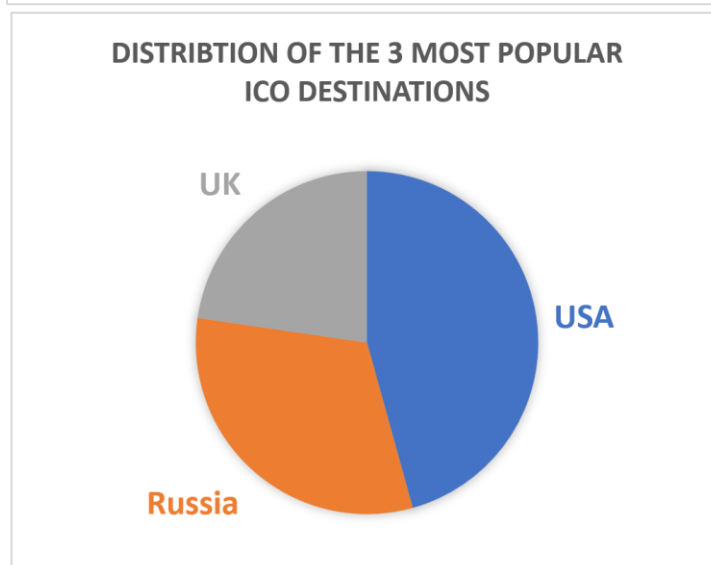
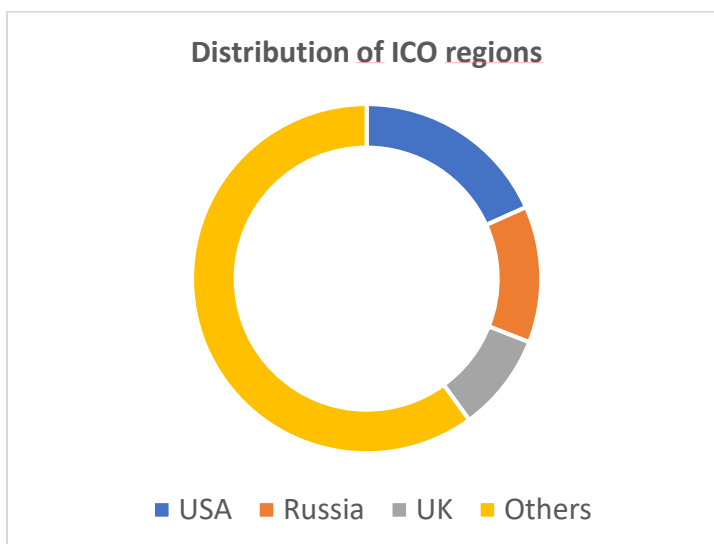
In the following, I analyzed the regions where Tokensales were executed or are currently scheduled. It contains all ICOs with the start date later than 01/01/2017 that are listed on ICObench.

You can find the detailed table with all countries in the Appendix.

The three most significant ICO destinations

1. USA | 292 ICOs
2. Russia | 202 ICOs
3. UK | 145 ICOs
4. Others | 958 ICOs

Overall amount of scheduled ICOs: 1,597



3. ICOs vs. Venture Capital

ICOs can be compared to Venture Capital in being a competitive way of funding startups at an early stage. According to the graphics (right) contained in a Goldman Sachs publication, the ICOs were already able to outpace venture capital in September of 2017 the first time. Comparing the Angel & Seed VC Funding in the Internet sector, ICOs raised higher amounts.

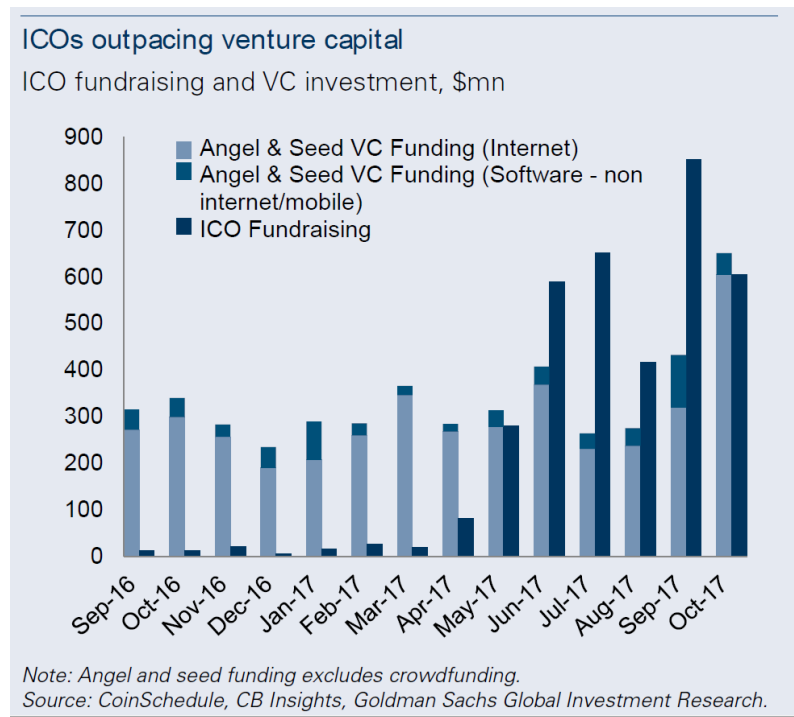


Figure 1: ICOs vs. VCs

extracted from: Goldman Sachs | Global Macro Research, Issue 64 | February 5, 2018

Are VCs already having a look at ICOs?

Indeed, it seems like ICOs are partly shifting to the view of VCs. It happens that ICOs are raising venture capital before executing the tokensale campaign.

This is making the investment into ICOs more competitive – partly removing the advantage for investors of being able to invest in startups with fractional amounts of the money VCs are usually sponsoring. On the other hand, they enable projects to be better prepared for the ICO phase and establish sophisticated marketing campaigns with the necessary capital.

4. The biggest ICO projects

4.1 Telegram

Existing Messaging-Service that aims to build a broader decentralized network with the raised funds.

Raised amount: 850 million USD

Year: 2017

4.2 FileCoin

Decentralized storage network (DSN) with an integrated marketplace for storage.

Raised amount: 262 million USD

Year: 2017

4.3 Tezos

Decentralized Blockchain that governs itself and implements changes according to on-chain governance decisions

Raised amount: 232 million USD

Year: 2018

5. Success rates of ICOs

Although the market of tokensales seems to be characterized by many good news, higher invested amounts and more projects, there are some less well developments they have surpassed. A figure that is rarely referenced is the proportion of projects that actually reached their fundraising goals or failed the campaign. The amount of failed project has heavily increased during the last months, being grounded in not reaching the minimum goal of raised capital (the soft cap) of an ICO.

Since successful tokensales are much more visible than the ones that reasonably don't prone to haven't achieved their goal, the real numbers are hard to determine. Although, [it was found out](#) in a study that classified all ICOs that reached less than 75% of their target as failed, that for example in September 2017 more than 60% of the tokensales were not successful.

If the classification of a successful ICO is made by the fact if he reached the hard cap, the ratio is even less. Looking at the development from mid to end of 2017, the success rates were continuously decreasing, reaching a ratio of less than 25% in November.

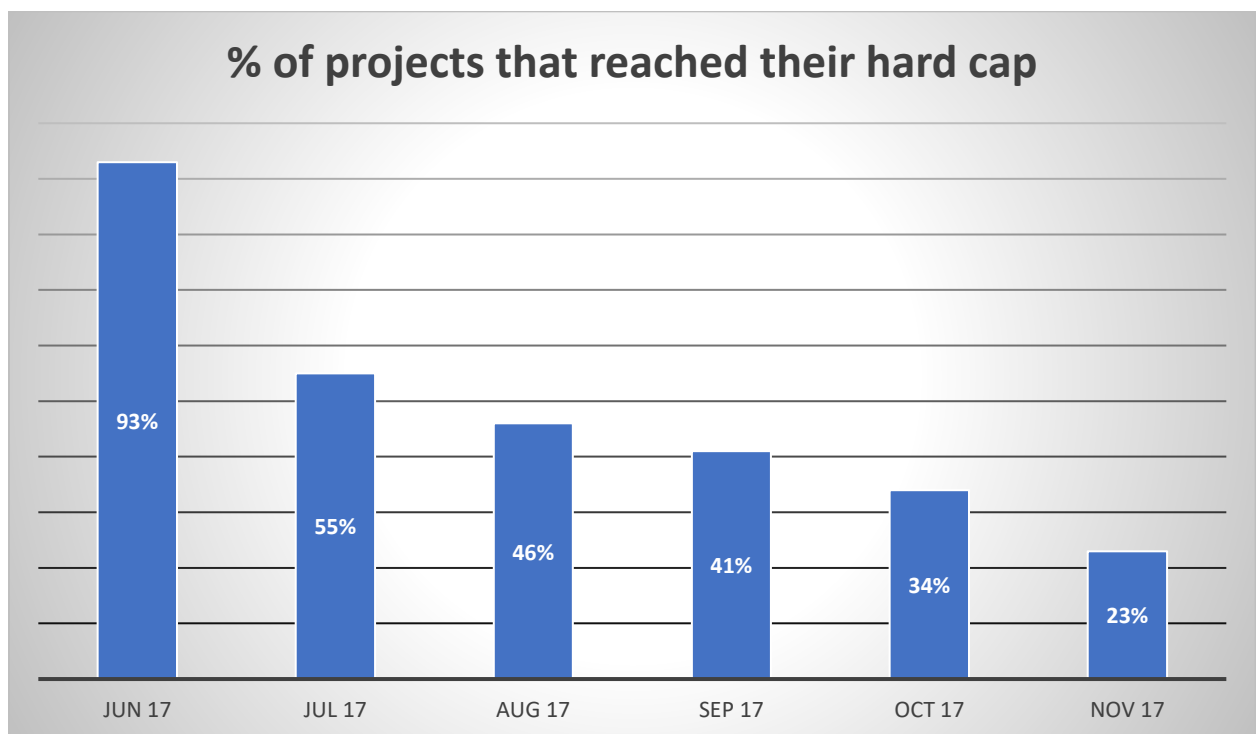


Figure 2: % of projects which reached their hard cap (sources: CoinSchedule, Architect Partners, TokenData)

6. What's next?

Apparently, the market of ICOs has been growing in the previous weeks and months. Higher overall investments and higher funds raised per project are indicating that it is performing well. Although, the number of ICOs which didn't match their soft cap and therefore failed their funding is rising.

In my opinion, later 2018 and the following years will show the real utility and values projects are serving, diving the market into successful and less successful projects. So – keep your eyes open and be rational.

If you are interested to dive deeper into the field of ICOs and not miss future stories and reports in my blog, I would be happy to welcome you in my newsletter. You can subscribe to my newsletter [here](#).

Sincerely,

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This is not investment advice. The information presented here only serve for information purposes and should not be considered as any consultancy or advice. They are based on subjective opinions.

Sources: *CoinDesk ICO Tracker* <https://www.coindesk.com/ico-tracker/>

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Appendix

Number of ICOs scheduled per country

= Sorted by country name

Country	Number of ICOs
Afghanistan	2
Andorra	2
Argentina	3
Armenia	1
Australia	29
Austria	8
Bahamas	1
Barbados	1
Belarus	7
Belgium	8
Belize	16
Brazil	5
British Virgin Islands	16
Bulgaria	12
Cambodia	2
Canada	41
Cayman Islands	11
Chile	3
China	16
Colombia	3
Costa Rica	6
Curacao	1
Cyprus	11
Czech Republic	14
Czechia	1
Denmark	4
Dominican Republic	0
Ecuador	1
Estonia	61
Finland	3
France	18
Georgia	4
Germany	36
Gibraltar	23
Globally	1

Greece	4
Guinea Bissau	1
Hong Kong	43
Hungary	2
India	17
Indonesia	7
Ireland	3
Isle of Man	5
Israel	14
Italy	8
Japan	19
Jersey	1
Kazakhstan	4
Kenya	2
Kyrgyzstan	1
Laos	1
Latvia	13
Liechtenstein	3
Lithuania	16
London	0
Luxembourg	7
Malaysia	7
Malta	9
Marshall Islands	3
Mauritius	3
Mexico	3
Moldova	1
Monaco	1
Netherlands	21
New Zealand	1
Nigeria	3
Norway	2
Pakistan	2
Panama	4
Philippines	3
Poland	13
Portugal	2
Romania	6
Russia	202
Saint Lucia	1
Serbia	3
Seychelles	10
Sierra Leone	0

Singapore	108
Slovakia	2
Slovenia	27
South Africa	14
South Korea	8
Spain	14
Sweden	3
Switzerland	74
Taiwan	8
Tanzania	1
Thailand	10
The Netherlands	1
Turkey	3
Turks and Caicos Islands	1
UK	145
Ukraine	20
United Arab Emirates	18
USA	292
Vanuatu	1
Vietnam	2
Virgin Islands	3