Canton Coin ($CC) Test, Version 2: The Rules and Why Each One Is There

Rules as amended 18 Nov 2026 · @NoBullCryptoBen

This post was written with AI (Claude), using my own research, data and rules. The test design and every decision in it are mine. All the numbers were checked against the source data.

What changed on 18 Nov

This post replaces the 15 Nov version. The old one stays up so you can compare them. No result has been judged under either version.

- **The "fees must cover new coins" check is now shown for information only.** It required a number to reach 1.0, which contradicted my own view that it doesn't need to. Fees are set in dollars, so any rise in CC's price pushes this number down, even a rise that's just the whole market going up. Thanks to @eventmaker33 for spotting it.
- **New: a pass can be taken back.** Before, nothing happened if CC passed and later lost all its gains.
- **New: only sell-offs that start after the rise count.** The old rules didn't cover a sell-off that was already underway, and the Dec–Feb example depended on it.
- **New: a fail condition.** These rules replace my 17 Oct test, which had one. Replacing it left this version with no way to fail.
- **CC against Bitcoin is now a real check.** Before, it was a "second opinion" with no rule attached.
- **The hold date is now defined.** A hold has four check dates, and the old version didn't say which one the traffic check uses.
- **When Canton's burn rules change, only the traffic and fee starting figures reset.** The old wording could be read as resetting everything.
- **The traffic section is corrected, and its weak spots are listed.**
- **Four extra numbers are now reported together with every result** (section 11).
- **"The one real run" is now "the one rise that held".** My own view on 24 Sep was that the Dec–Feb rise was early hype fading.
- **The starting figures are filled in.** They were blank placeholders before.

What this is

On 24 Oct I published, in advance, the rules for a test of Canton Coin ($CC). This post sets out every rule and why it's there.

The question is simple: **is the market pricing CC on the fees it expects Canton to earn in future?** That's all. I'm not claiming the burn mechanism works. I can't measure that. Wayne Collier of Digital Asset describes the design the same way: CC's price should reflect demand for the network today, plus what people expect it to be (15 Nov).

A pass would be evidence, not proof. Other things can hold a price up, like one-off buying. The checks below narrow those down, but they can't rule them all out.

Why publish the rules first? If you set the rules after seeing the data, you can make any result look good. Writing them down first, with a date, means I can't move the goalposts. If it fails, it fails in public.

Words used in this post

- **CC:** Canton Coin, the token of the Canton Network.
- **The basket:** 10 other large cryptocurrencies, averaged together. It stands in for "the market".
- **The ratio:** CC's price divided by the basket. It only goes up when CC does better than the market.
- **The base:** the ratio on 24 Oct, the day the test started: 77.0.
- **The hold line:** 30% above the base: 100.1.
- **A rise:** the ratio climbing above the hold line.
- **A sell-off:** the basket falling 20% or more.
- **Traffic:** the data apps pay to send through Canton. They pay by burning (destroying) CC.
- **Sats:** a satoshi is one hundred-millionth of a bitcoin. CC's price in sats shows how CC is doing against Bitcoin.

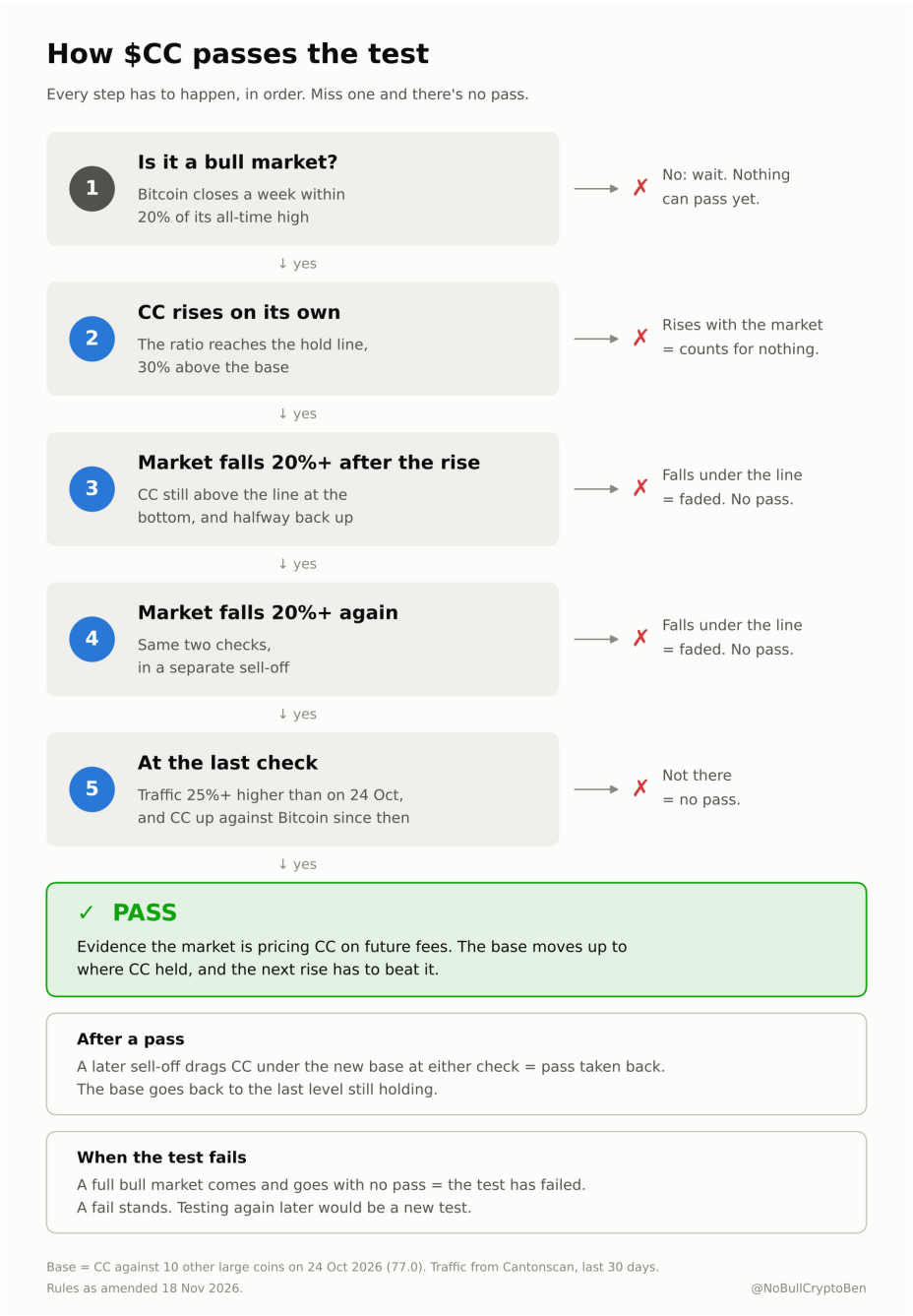
The short version

To pass, every step has to happen, in this order. Miss one and there's no pass.

1. **Wait for a bull market.** Bitcoin has to close a week within 20% of its all-time high. Until then, nothing can pass.
2. **CC has to rise on its own.** The ratio has to reach the hold line. If CC only rises because everything rises, it counts for nothing.
3. **CC has to hold through a sell-off.** When the market then falls 20% or more, the ratio has to stay above the hold line at the bottom, and again when the market has won back half of its fall.
4. **And through a second, separate sell-off.** Same two checks.
5. **Usage has to grow, and CC can't lose to Bitcoin.** At the last check, network traffic has to be at least 25% higher than on 24 Oct, and CC's price in Bitcoin has to be higher than on 24 Oct.

If it passes: that's evidence the market is pricing CC on expected fees. The base moves up to where CC held, and the next rise has to beat it. If a later sell-off drags CC back under, the pass is taken back.

If it fails: if a full bull market comes and goes without a pass, the test has failed.



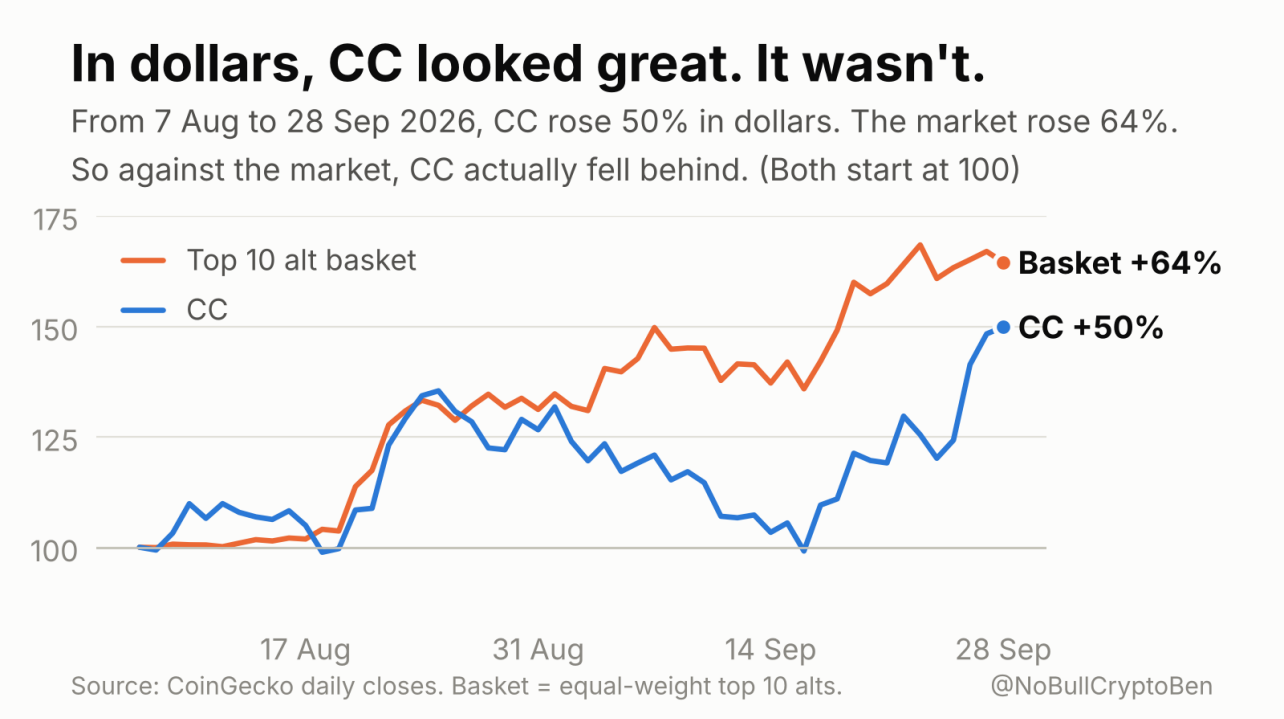
1. Measure CC against the market, not in dollars

The rule: CC is measured against the basket, not in US dollars. What I track is the ratio: CC's price divided by the basket's.

Why: crypto prices mostly move together. When Bitcoin falls 10%, most coins fall with it, often by more. When it rises, most coins rise. So a coin can go up just because the whole market went up, and that tells you nothing about the coin.

Measured in dollars, a market-wide rally would make CC look like it was working, and a market-wide crash would make it look like it was failing. Dividing by the basket takes the market out. If CC and the basket both rise 20%, the ratio doesn't move. The ratio only moves when CC does something the rest of the market isn't doing.

Bitcoin isn't in the basket, so it gets its own check (section 3).



How the ratio is worked out: every coin is set to 100 on 10 Nov 2025, CC's first trading day, so a $0.10 coin and a $2,000 coin count the same. The basket is the simple average of its 10 coins. The ratio is CC's number divided by the basket's. Prices are daily closing prices from CoinGecko.

Data note: in my saved data file, the LINK and ADA prices from 10 Jan to 27 Mar 2026 differ from CoinGecko's current figures by up to 14%. Using the current figures changes the 6 Feb reading from 209.6 to 210.8 and doesn't change any result.

2. The basket

The rule: the 10 biggest cryptocurrencies by market value, leaving out stablecoins, "wrapped" and "staked" versions of other coins, exchange tokens, and CC itself. Right now that's ETH, XRP, SOL, TRX, ZEC, HYPE, DOGE, XMR, LINK and ADA. The list is updated every three months, using the same rule.

Why:

- **A fixed rule picks the coins, not me,** so I can't pick a basket that makes CC look good.
- **Stablecoins are out** because they're pegged to the dollar and barely move.
- **Wrapped and staked coins are out** because they're copies of coins already in the list. Staked ETH is still ETH.
- **Exchange tokens are out** because they move with the exchange's business, not with the crypto market.
- **Every three months** because the top 10 changes. Updating every day would fill the basket with whatever just pumped.

- **When the list changes, the new basket carries on from where the old one finished,** so the ratio doesn't jump on the day of the swap.

Two things to know:

- HYPE is a borderline call. It's the token of a trading platform, so you could call it an exchange token. I've kept it in.
- The history in this post uses today's 10 coins for the whole period. That makes the basket look a bit stronger in recent months, because ZEC and HYPE rose a lot. I re-ran the Dec–Feb example without them and the result didn't change.

3. CC against Bitcoin

The rule: at the hold date (section 7), CC's price in Bitcoin has to be higher than it was on 24 Oct. It doesn't have to be higher by any set amount. How far ahead it is gets reported (section 11).

Why: the basket only holds other coins, not Bitcoin. If Bitcoin was rising while other coins lagged, CC could beat the basket just by moving like Bitcoin. This check stops that from counting.

Its limit: if CC moves almost exactly like Bitcoin, ending just above or just below is close to a coin toss. So this check shows CC didn't lose to Bitcoin, not that it clearly beat it. I haven't tested a margin on the data, so I'm not adding one.

Tested on the past year: the Dec–Feb example passes easily. CC went from 70.9 sats on 8 Dec to 249.6 sats on 16 Jun. The May–Jun example isn't affected either: Bitcoin fell over that stretch while CC rose 10%.

4. The base

The rule: the base is the ratio on 24 Oct 2026, the day the test started: **77.0**. CC's price in Bitcoin that day was 124.8 sats. Both stay fixed until a hold counts. Then the base moves up to where CC held (section 7).

Why: you need a fixed starting line. If I could choose the base later, I'd choose a low point, and any bounce would look like a win.

To be upfront: the base was set after a big fall. The ratio was about 210 at the Feb peak and about 80 by late Oct. Starting low makes a pass easier than starting at the old peak would, and you should know that.

5. Judge the sell-off, not the rise

The rule: I judge where CC ends up, not how far it rises. There are three outcomes:

- **It rises with the market:** counts for nothing.
- **It rises on its own, then falls back:** a pump that faded. Counts for nothing.
- **It rises on its own, then stays up through two sell-offs and passes the checks in sections 3 and 9:** a pass.

Why: anything can pump a price: news, a listing, one big buyer, very little trading. The rise itself tells you almost nothing. What tells you something is a sell-off. If people bought CC for a reason they believe in, like future fees, they hold on when everything else drops. If it was hype, the gains get given back.

Think of a rising tide. It lifts every boat. I'm looking for a boat that rose on its own and stays up when the tide goes out.

6. The hold line

The rule: the hold line is 30% above the base: **100.1**. In each sell-off it's checked twice: at the market's lowest point, and again when the market has won back half of what it lost. Above the line both times means CC held. Below it either time means it faded.

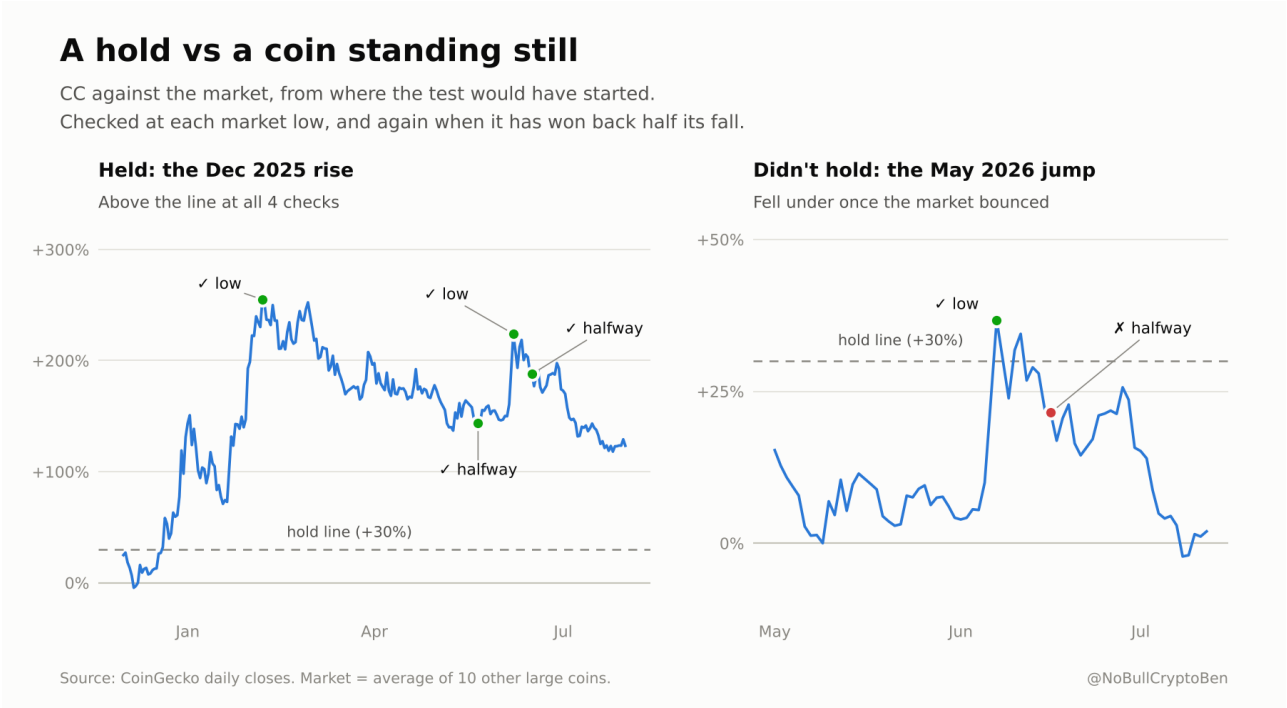
Why 30%: the ratio moves around on its own. Over the past year, leaving out the Dec–Feb rise, it moved about 13% in a typical month and about 35% at most. A lower line would count normal movement as a result. 30% sits near the top of a normal month. Normal movement could still cross it now and then, which is why CC has to hold through two separate sell-offs, months apart.

Why two checks per sell-off: checking only at the bottom has a trap. If CC just sits still while the market falls, the ratio goes up, without CC doing anything.

That actually happened. From 9 May to 7 Jun 2026, CC rose 10% while the basket fell 19%, so the ratio jumped 37% and cleared the line at the bottom. But by 16 Jun, when the market had bounced halfway back, CC hadn't moved with it, and the ratio fell back under the line. CC was standing still, not being valued higher. The second check catches that.

Tested on the past year: in the Dec–Feb rise, the ratio went from about 59 to about 210, and it stayed above the line at all four checks in the two sell-offs that followed. The May–Jun jump failed. So the rule passes the one rise that held and rejects the one that didn't.

Holding isn't the end of it. By late Oct the ratio was about 80, far below where it had held. Under the rule in section 7, that pass would have been taken back. It couldn't have counted anyway, because there was no bull market (section 8).



7. Sell-offs, the hold date, and taking a pass back

The rules:

- **A sell-off** is the basket falling 20% or more from its highest close in the previous 90 days. It starts on the first day the basket closes 20% below that high.
- **Only sell-offs that start after CC first closes above the hold line count.** A new sell-off only counts once the basket has won back half of the previous one. A hold needs two.
- **The new base** is the lowest ratio across the four checks in those two sell-offs.
- **The hold date** is the last check: halfway back up in the second sell-off. The Bitcoin check (section 3) and the traffic check (section 9) use this date.
- **A hold counts once.** The base then moves up to where CC held, and the next rise has to beat it.
- **Taking a pass back:** if a later sell-off has CC under that new base at either check, the pass is taken back. If CC falls through more than one level, every pass it falls through is taken back. The base then goes back to the last level that's still holding.

Why:

- One sell-off can be luck. Two separate ones, months apart, are much harder to fake.
- A pass says the market defended a level. If it later stops defending it, the pass was only true for a moment. Without this rule, a rise that gets given back would stay "passed" forever.
- The base goes back to the last level still holding, because a level that already broke can't be what the next rise is measured against.
- The hold date is fixed so I can't pick whichever check date makes traffic look best.
- Sell-offs have to start after the rise because the steps happen in order. The Dec–Feb rise first closed above its line on 20 Dec, one day after the bottom of a sell-off that had started before it. That sell-off tells you nothing about whether the rise held.

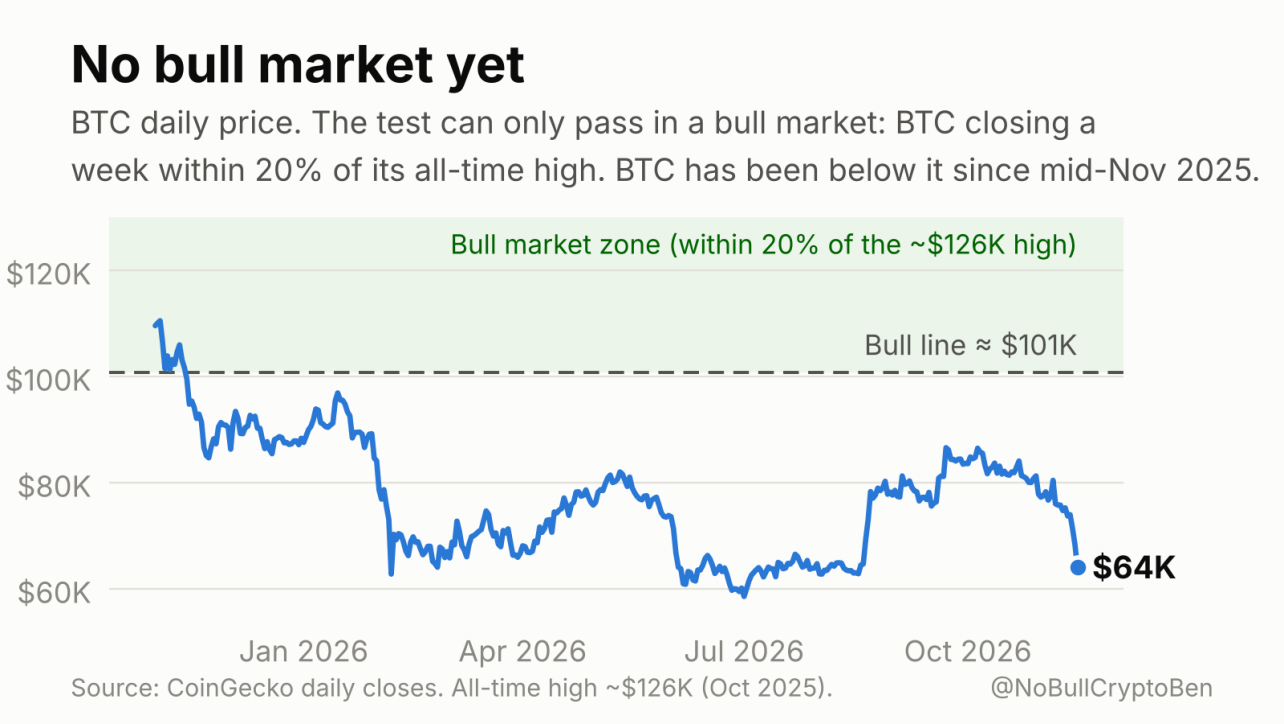
8. Bull market only

The rule: the bull market is "on" when Bitcoin closes a week within 20% of its all-time high, and "off" when it closes a week more than 20% below it. A sell-off counts if the bull market was on when the sell-off started. CC holding up in a bear market is a good sign, but it doesn't count as a pass.

Why: in a bear market, everything follows Bitcoin down, good news or bad. You can't tell what's CC and what's the market. Also, CC launched in Nov 2025, so it has never been through a bull market. I want to see how it behaves when money is flowing into crypto.

Why this line and not another: I looked at others. "Bitcoin 20% above its 6-month low" calls bear-market bounces bull markets. In July 2022, Bitcoin was about 32% above its June low, in the middle of a bear market. "Bitcoin above its 200-day average" switched on in Sept 2026 with Bitcoin still a third below its high. That's a bounce, not a bull market.

Within 20% of the all-time high means the market really is near the top. With Bitcoin's high at about $126K, the line is about $101K on a weekly close.



Why "when the sell-off started": a 20% fall in other coins often drags Bitcoin more than 20% below its high too. Without this, the bull market would switch off in the middle of the very sell-off I need to judge, and that sell-off would never count.

9. Traffic (network usage)

The rule: at the hold date, the total traffic over the previous 30 days (measured in bytes, from Cantonscan) has to be at least 25% higher than it was on 24 Oct.

Why check at the hold date, not during the rise: during a rise, fee figures tend to move with the price. One reason is how traffic is bought. Operators can choose to buy more when CC's price is higher (Wayne Collier, 31 Oct), and @reikopuls argues large holders do exactly that. So during a

rise, the fee chart mostly copies the price chart. By the hold date the rise is months old, and the traffic figure is much closer to real usage.

Why bytes: bytes measure an amount of data, not dollars, so a higher CC price doesn't make the same traffic look bigger. But how many bytes people buy can still move with price (see the limits below).

Why 25%: since April, the 30-day traffic figure has never moved more than 18% in a month, so 25% is above a normal month's swing. But the hold date will probably be many months after 24 Oct, and several normal months can add up to 25%. So treat 25% as a minimum, not proof the growth is real. I won't change it until I've tested a better number on the data, and any change will be dated and posted before I judge a result.

What falling short means: missing the 25% means no pass for that rise. It doesn't prove the market isn't pricing future fees, because the market can price expected fees before the usage shows up (Wayne Collier, 31 Oct). Requiring some real usage by the hold date, months after the rise, is a deliberate choice.

Why "fees must cover new coins" is no longer a check: until 18 Nov there was a second check. The dollars burned in fees had to be at least the dollar value of new CC created (a ratio of 1.0). It's now only reported (section 11), for two reasons:

- **It contradicted my own view.** The ratio doesn't need to reach 1, because the market can price future fees before they arrive. A CC that was working could have failed it. Wayne Collier expects it to stay "a little less than 1" (17 Oct), and says there's "a good chance" it always will (22 Oct).
- **Fees are set in dollars.** So any rise in CC's price pushes the ratio down, even a rise that's just the whole market. This test only judges in a bull market, so it would mostly have failed for that reason.

Thanks to @eventmaker33 for pointing it out.

Known limits:

- **Buying follows price.** How much traffic gets bought moves with CC's price. @reikopuls argues large holders buy more when CC is high (15 Nov). Wayne Collier says there's no structural reason to buy large amounts up front, though operators can time their buying (31 Oct), and he's since said traffic holding patterns are worth looking into (15 Nov). In some stretches, buying has followed price for months at a time.
- **Rewards encourage traffic.** Apps earn CC rewards for their activity. When CC is higher, those rewards are worth more in dollars while traffic costs the same, so there's more reason to buy traffic. That's still true at the hold date. Wayne Collier's view is that burning will grow over the long term only if many apps burn more CC than they earn back in rewards (31 Oct). Across the whole network, that isn't happening yet. Over the 30 days to 24 Oct, the CC burned on traffic was 0.77 times the CC paid out to apps and validators (0.82 to 16 Nov). Validators count too, because they also buy traffic (Wayne Collier, 4 Nov). For apps alone it was 0.92 and 0.98. Those are network totals, so some single apps may already burn more than they earn. For now I'm reporting this with every result (section 11), not trying to remove it.

- **Rewards are bigger than designed.** Wayne Collier says rewards are meant to have only a small effect on what apps spend (15 Nov). But over the 30 days to 16 Nov, apps were paid 455M CC in rewards, more than all the CC burned on traffic (446M). Rewards are still paid under an older system that, by its own CIP-0104 document, over-counts activity, and a fix is planned. Until it's in, some of the traffic counted here may effectively be paid for by rewards.
- **Bought, not used.** Cantonscan's traffic figure counts data bought, not data used: each day it equals the dollars burned divided by $60 per megabyte. Wayne Collier says traffic gets used up the same way whatever the price, so buying alone says nothing unique about demand (31 Oct). There's no public record of how much traffic is actually used across the whole network, so it can't be measured back to 24 Oct.

So passing this check shows more traffic. It doesn't prove all of it is real usage.

10. Big news

The rule: big announcements only count if real transactions follow, at the level of "BlackRock is using Canton", or DTCC once its data is public. Deals that happen privately only count if they show up in traffic. In practice, the traffic check in section 9 handles this: news that creates no traffic can't help a rise pass. It doesn't matter who pays for the traffic. The total burned is the same whether DTCC pays or its members do (Wayne Collier, 31 Oct).

Why: an announcement can move the price without a single transaction. "X is exploring Canton" isn't usage. This test asks whether the market is pricing fees, so news only matters if it creates fees.

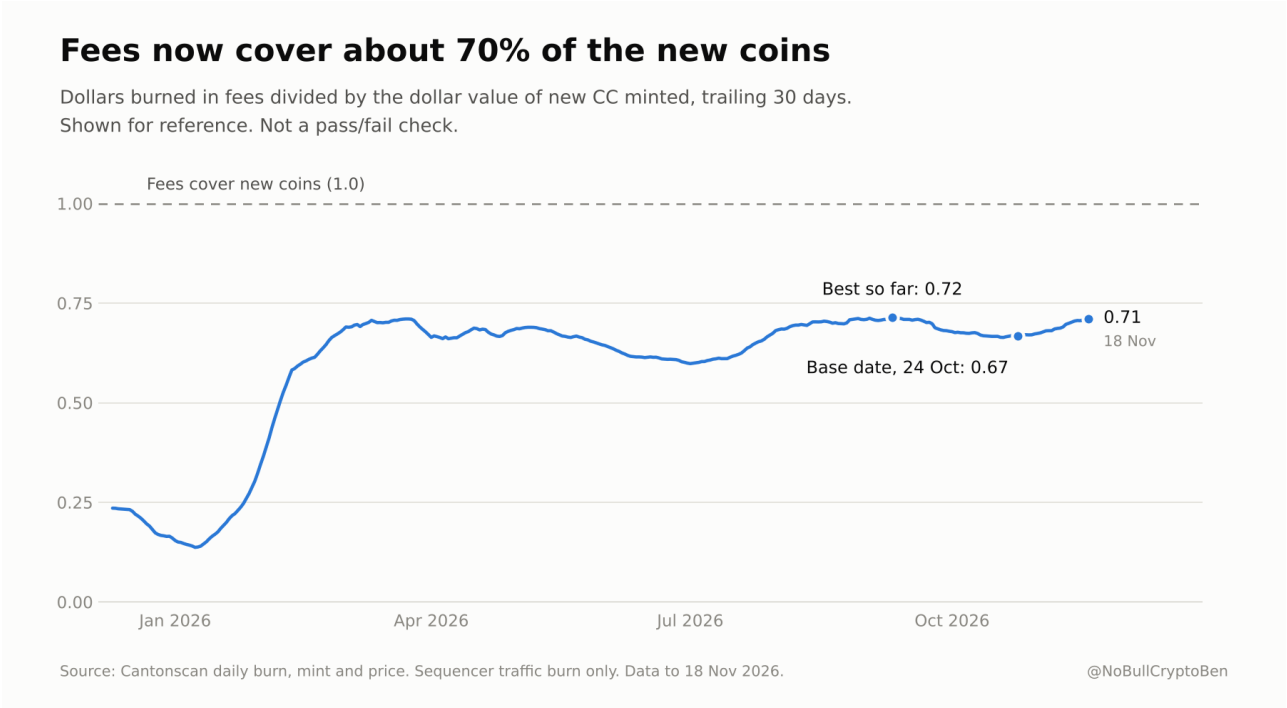
A lot of Canton's activity is private, so I can't see most deals. But I can see fees and traffic. If a private deal is real, it shows up there. If it doesn't show up, I can't count it. That's a blind spot, and I'm accepting it now so it doesn't look like a loophole later.

11. Reported with every result, but not pass or fail

Four numbers are shown with every judged result. None of them decides a pass.

Fees vs new coins: the dollars burned in fees, divided by the dollar value of new CC created, over the last 30 days, from Cantonscan. It shows how much of the new supply fees are covering. Below 1 can just mean the market is pricing in growth that hasn't arrived yet, so it isn't a failure on its own (section 9).

Comparing it on 24 Oct and at the hold date is useful. If it stayed about the same, traffic grew as fast as the price, which Wayne Collier describes as the same support as before. If it fell, the rest of the price rests on confidence in future traffic (15 Nov).



CC's lead over Bitcoin: how far CC's price in Bitcoin is above its 24 Oct level at the hold date. Section 3 only asks that it's above. This shows by how much.

Net traffic buying: the CC burned on traffic, divided by the CC paid out to apps and validators, over the last 30 days, from Cantonscan. Above 1 means that, as a group, they burn more than they earn back. Wayne Collier's condition for burning to grow over the long term is that many apps do that. A network total can't show how many single apps do, so this is the closest public measure. He's also said validator rewards should be included, since validators buy traffic too (4 Nov). On 24 Oct it was 0.77, and to 16 Nov it was 0.82 (apps alone: 0.92 and 0.98). Rewards are still paid under the older system, so treat it as a rough measure. It isn't a check because I haven't tested a threshold for it.

Trading volume: the median amount of CC traded per day on Bybit (CC/USDT) and Kraken (CC/USD) during the rise, compared with the 30 days before it.

The original idea was that a rise on thin trading shouldn't count. I tested that on the past year, and it didn't work:

- **Volume didn't separate the rise that held from the ones that didn't.** The Dec–Feb rise traded at 0.89 times its earlier volume. The May–Jun jump was 1.72 times. The Aug rise, which just moved with the market, was 1.92 times.
- **A "volume must double" rule would rule out everything.** After the launch month, volume never reached twice its earlier level, including in the rise that held.
- **The hold checks already cover thin trading.** A thin pump can't stay above the line through two 20% sell-offs and both recoveries, months apart.

Why these sources:

- **Bybit and Kraken only.** Bybit has the biggest CC trading pair. Kraken is a regulated exchange with a US-dollar pair. I leave out Temple, an exchange on Canton, because it pays rewards for

trading, which encourages lots of tiny trades. Sites like CoinGecko include Temple in their totals and can't separate it out.

- **Medians, not averages.** Bybit had four days where it traded 2 to 2.5 billion CC, 15 to 56 times normal. One day like that throws off an average. A median ignores it.
- **Coins traded, not dollars.** If the price rises 50%, the same trading looks 50% bigger in dollars. Counting coins avoids that.

12. When Canton's burn rules change

The rule: when "subnet" or "universal" burn switches on, I reset the starting figures for traffic and fees only. The ratio base and the Bitcoin base stay the same. The fee figures so far only count traffic on Canton's main shared network (the Global Synchronizer). Universal burn is expected in early 2027 (Wayne Collier, 4 Nov).

Why: these changes mean traffic from private parts of the network starts being counted too. Traffic would jump overnight just because more of it is counted, and the traffic check would pass for free. The change doesn't affect CC's price against the market, so the price bases stay where they are.

When it happens, I'll post the new starting figures, with the date.

Where it stands

There's nothing to judge yet. Prices are CoinGecko daily closes to 19 Nov. Fees and traffic are from Cantonscan to 18 Nov.

- **CC moved with the market.** CC is down 19% since 24 Oct, and so is the basket. The ratio is **76.6**, against a base of **77.0**. That counts for nothing either way.
- **CC is slightly ahead of Bitcoin.** CC is at about 130 sats, against 124.8 on 24 Oct. That's about 4%, too small to mean much on its own.
- **No bull market.** Bitcoin is about $63K, roughly half its high. The line is about $101K on a weekly close. Until Bitcoin gets there, nothing can pass.
- **Traffic is down.** 30-day traffic is 706 GB, against 846 GB on 24 Oct, about 17% lower. The check needs it 25% higher.
- **Fees cover about 71% of new coins,** up from 67% on 24 Oct. That isn't fee growth: dollars burned per day fell from about $1.69M to $1.41M. The number rose because CC's price fell faster. That's exactly why it's only reported now.

I'll check every week: Bitcoin's weekly close, the ratio against the line, and any 20% fall in the basket.

If it fails

When the test fails: if the bull market switches on and later switches off without a pass, the test has failed, once any hold still being judged has finished. That includes a bull market where CC holds up but traffic never grows enough. If no bull market comes, the test can't be judged, and I'll say that too.

A fail stands. Testing again in a later bull market would be a new test, published before it starts, with this result on the record.

If it fails, I'll say so.

Every number here was set before any result was judged. Anything I change from now on will be dated, explained and posted before I judge the result it affects.

Thanks to @reikopuls for extra data and the pushback that shaped this, and to @eventmaker33 for catching the fee check.

Sources: Wayne Collier's posts

Wayne Collier (Digital Asset) on X, @waynecollier111. Newest first.

- **15 Nov** (reply to @reikopuls): traffic holding patterns are worth looking into. Section 9.
- **15 Nov:** if traffic grows as fast as the price, the price has the same support; if slower, it rests on confidence. Section 11.
- **15 Nov:** CC's price is designed to reflect current and expected demand for traffic. What this is.
- **15 Nov:** the floor rises with traffic and confidence; CC is designed to rise and fall around a reference price; rewards are meant to have only a small effect on app costs. Sections 5, 7 and 9.
- **4 Nov:** universal burn is expected in early 2027. Section 12.
- **4 Nov:** a clearer picture includes validator rewards, since apps and validators buy traffic. Section 11.
- **4 Nov:** the maximum minting schedule always holds, and minting can fall slightly below it. Section 11.
- **1 Nov:** CC's price reflects current burning plus expected burning; burning hasn't risen recently. What this is, section 12, Where it stands.
- **1 Nov:** traffic costs $60 per megabyte whatever CC's price, so it costs less CC when CC rises. Section 9.
- **31 Oct:** there's no structural reason for large up-front traffic buys; operators can time their buying; traffic is used the same way whatever the price. Section 9.
- **31 Oct:** the total burned is the same whether DTCC or its members pay. Section 10.
- **31 Oct:** burning grows over the long term only if many apps burn more than they earn in rewards; the price can trade above its break-even level; burning faster than minting doesn't shrink supply. Sections 9 and 11, What this is.
- **23 Oct:** there's no way to know in advance how the market will react to a burst of burning. Section 5.
- **22 Oct:** there's a good chance the burn-to-mint ratio always stays below 1. Section 9.
- **17 Oct:** the ratio depends on both price and supply, and should stay a little less than 1. Sections 9 and 11.