

TORN ECONOMIC REVIEW

Review Year: 2016

Published: April 15th, 2017

2016 UPDATE

- Torn has monitored economic performance since 2011.
- Economic data has been used to balance the economy, ensure fluid trade, and better inform game design.
- The purpose of this report is to keep players informed and interested in Torn's overall economic health.

INTERACTIVE ELEMENTS

- For the first time, Torn's economic data has been made available to you in an interactive format.
- Many visualizations in this report are accompanied by a link to interactive web-based charting.
 - Filters and date ranges are customizable, allowing you to dig deeper into the data.
- All underlying data is anonymized to ensure privacy.

SECTIONS

Money Supply



Commerce



Wealth





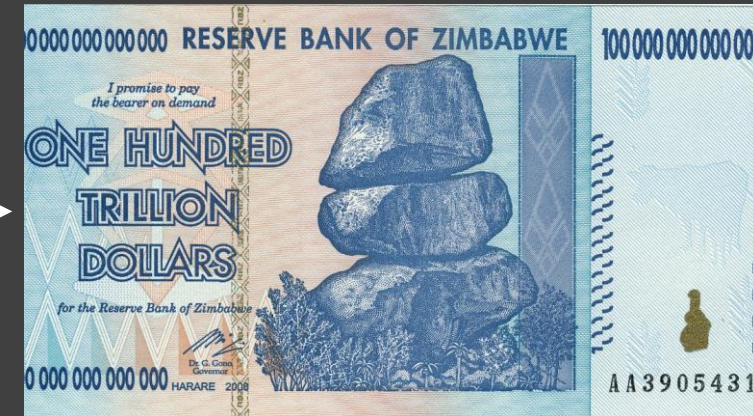
\$1: MONEY SUPPLY

WHAT IS THE MONEY SUPPLY?

- The Money Supply is the sum of all Torn City Dollars.
- There are three types of money on Torn:
 1. Instant Access: cash in Wallets, Vaults, Companies, and Factions.
 2. Delayed Access: cash invested in the Offshore Bank.
 3. Illiquid: cash invested in the Torn City Bank.
- Non-cash assets such as stock are not included in the money supply. However, some analytics on the stock market are available on Slide 10's interactive chart.

MANAGING THE MONEY SUPPLY

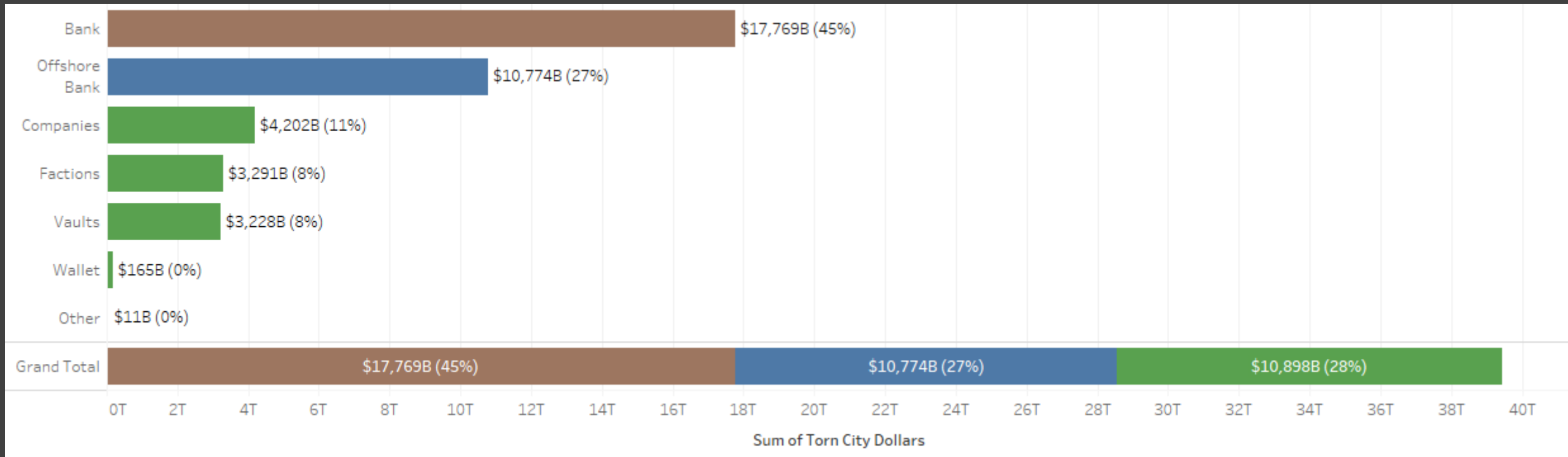
- A core economic goal is to prevent Hyperinflation.
- Hyperinflation is the extreme rise of prices.
 - Zimbabwe: 2008 Inflation Rate = 79,600,000,000% →
- Hyperinflation is caused by the rapid creation of money.
- To avoid hyperinflation, Torn targets a <20% annual expansion of the money supply.
 - 2015 expansion rate: 13.7%
 - 2016 expansion rate: 15.8%



[Click here for a deep report on Zimbabwe's hyperinflation crisis](#)

TOTAL MONEY SUPPLY

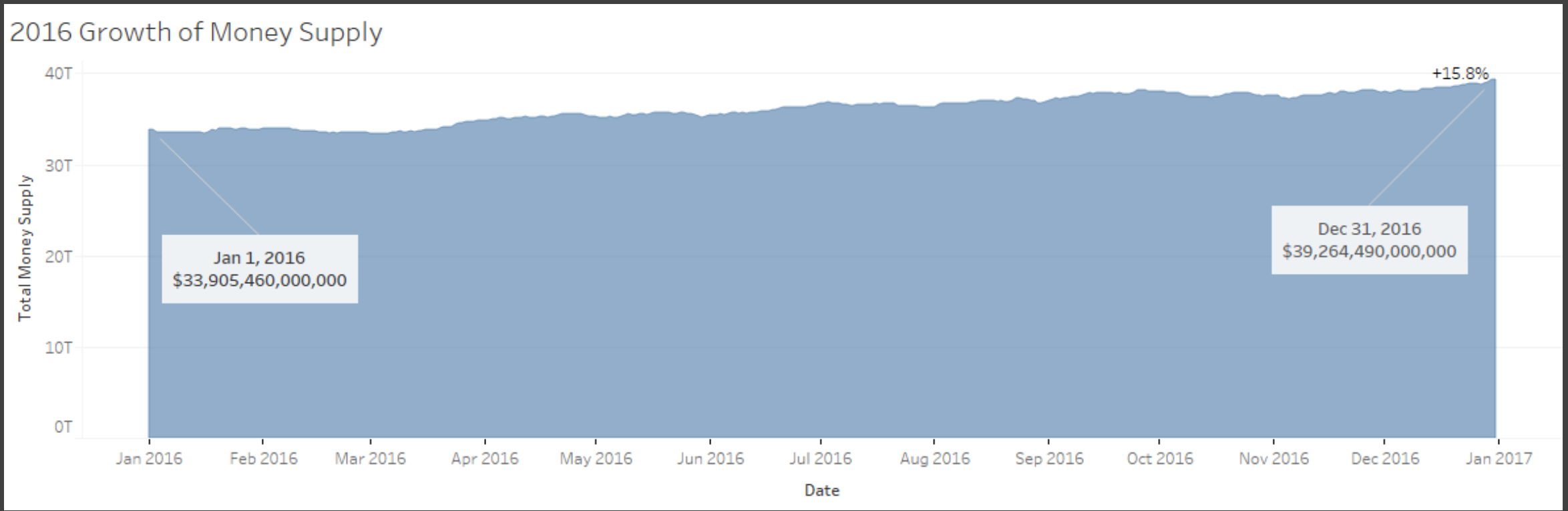
- Total money supply: \$39.3 trillion Torn City Dollars (TCD).
- 72% of TCD is invested in banks.



Liquidity Factor
Immediate Access
Delayed Access
Illiquid

MONEY SUPPLY GROWTH

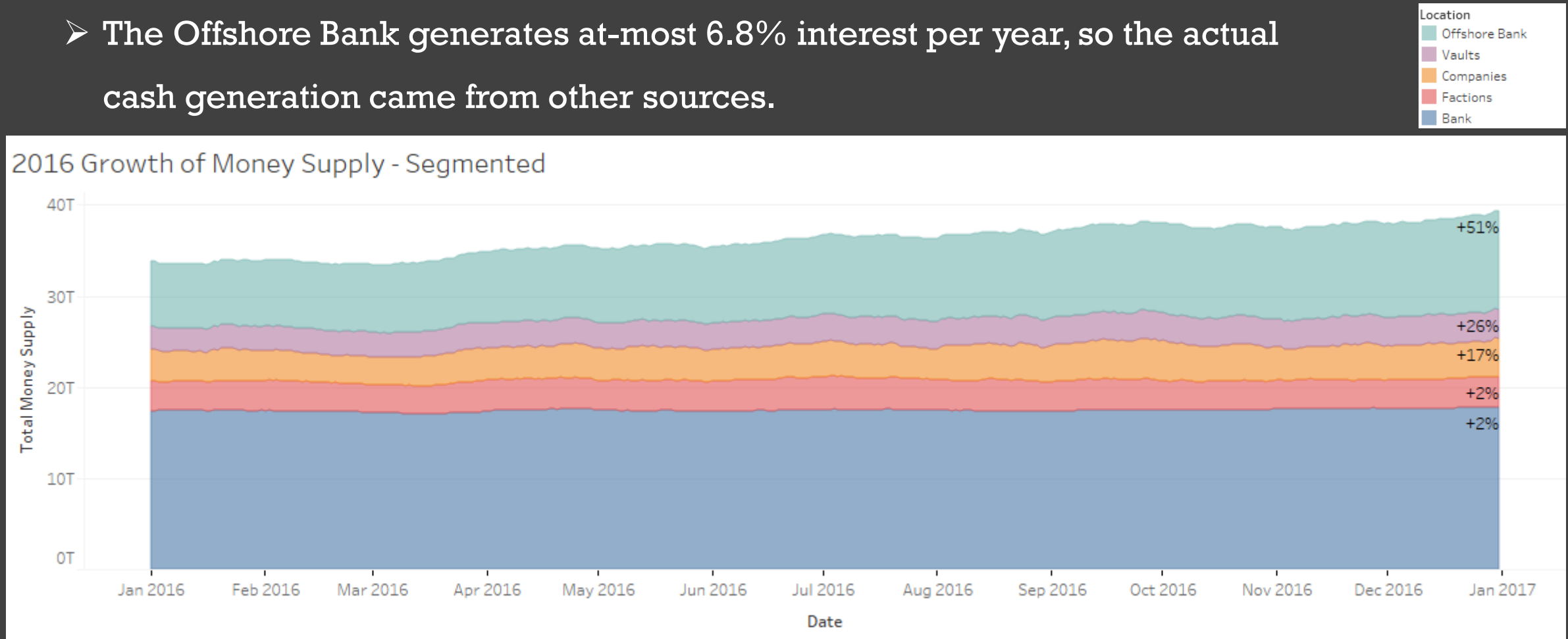
- In 2016, Torn's money supply increased by 15.8%.
 - Well within our <20% expansion target.
- The rate of expansion was consistent throughout the year.



[Click here for the interactive chart](#)

MONEY SUPPLY GROWTH

- The majority of growth has been funneled to the Offshore Bank.
- The Offshore Bank generates at-most 6.8% interest per year, so the actual cash generation came from other sources.



[Click here for the interactive chart](#)

BANK INVESTMENTS

- 45% of cash is held in the TC Bank; let's take a closer look.
- Large investors are more likely to prioritize return on investment by choosing a 61 or 91-day term.
- Small investors are more likely to prioritize liquidity, by choosing a 7 or 14-day term.

Investment Trends						
Cash Invested	Days Invested					Grand Total
	7 Days	14 Days	31 Days	61 Days	91 Days	
<\$10m	42%	12%	9%	3%	34%	100%
\$10m - \$100m	36%	15%	12%	4%	33%	100%
100m - 1b	29%	18%	14%	6%	33%	100%
1b - 2b	10%	14%	12%	28%	37%	100%
>2b	5%	8%	7%	43%	37%	100%



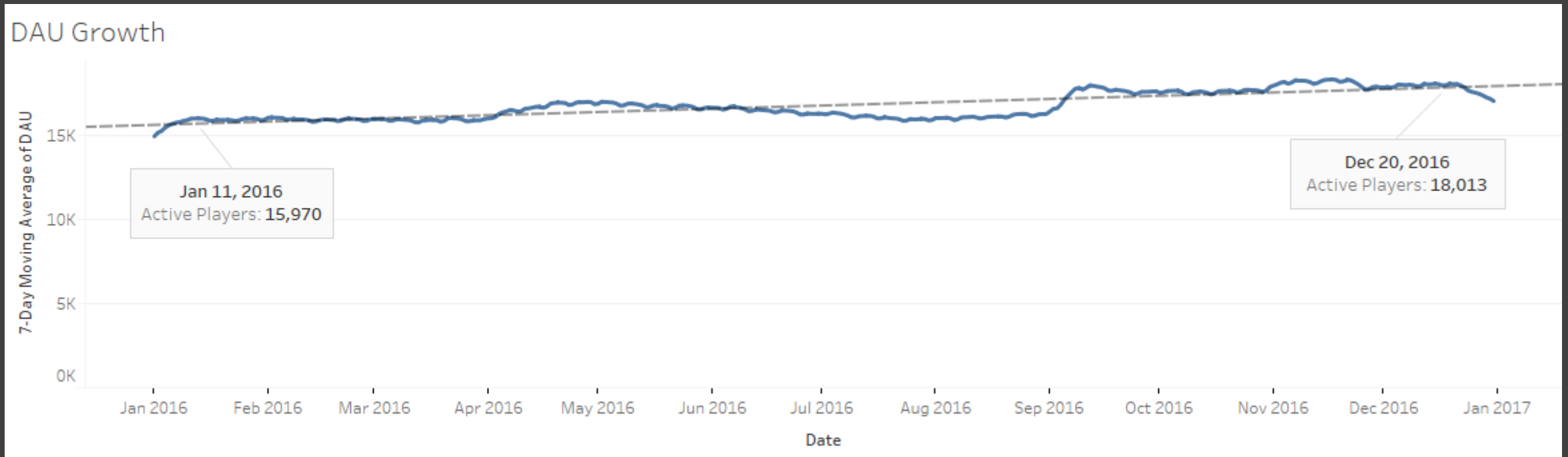
S2: COMMERCE

IMPORTANCE OF COMMERCE

- Consumption and player-to-player trade are central features of Torn.
- We are interested in observing overall trade and ensuring critical markets, such Donator Packs and Points, are not excessively volatile.
 - Price changes over time are acceptable, within reason.

DAU GROWTH

- Daily Active Users increased from 16,000 to 18,000 (+12.5%)
- This increase in active users is a contributing factor to increased trade and consumption observed in this section.



TRADE

➤ 2016 Total trade volume: \$14.8 Trillion.

➤ \$1.5 Trillion higher than 2015 (+11%).

➤ The majority of trade is related to Energy and Happy

➤ Donator Packs (under Special)

➤ Energy Boosters

➤ Drugs

➤ Points

Item Type	Item Category	Avg. Price	Cash Exchanged	Quantity Traded
Item	Special	51,695,301	3,866,252,509,124	150,888
	Booster	145,678,041	3,435,535,582,122	446,924
	Drug	147,352	1,937,730,087,910	4,505,169
	Energy Drink	1,801,323	1,328,573,188,176	744,729
	Flower	207,697	751,947,119,751	16,476,018
	Plushie	43,582	695,712,190,828	17,747,044
	Supply Pack	5,173,184	636,570,295,801	363,442
	Medical	789,730	391,129,823,354	12,262,281
	Enhancer	3,403,980	109,049,797,162	30,832
	Candy	520,296	87,041,456,970	4,877,787
	Collectible	261,335,588	84,152,606,347	301
	Alcohol	225,303	73,425,567,281	6,609,982
	Artifact	14,100,688	72,979,664,465	10,790
	Other	813,117	49,094,121,877	1,852,013
	Car	265,038	36,938,812,263	756,761
	Clothing	2,425,871	32,868,533,519	3,368,675
	Electronic	140,143	5,148,862,761	980,712
	Virus	68,772	2,373,254,276	126,301
	Jewelry	2,250	987,073,256	919,790
Armour	Defensive	10,933,409	511,421,636,902	124,520
Weapon	Melee	16,267,161	348,433,084,571	330,449
	Temporary	206,248	167,090,215,189	7,053,977
	Primary	1,719,499	118,826,551,989	89,139
	Secondary	2,140,340	30,983,786,461	86,637
Grand Total			14,774,265,822,355	79,915,161

*Excludes top and bottom 5% of prices, to avoid bias

TRADE – MOST CASH EXCHANGED

- 10 items had a 2016 trade volume >\$200m.
 - Accounts for 66% of all cash exchanged.
- Most of the top items are used to increase Energy or Happy.

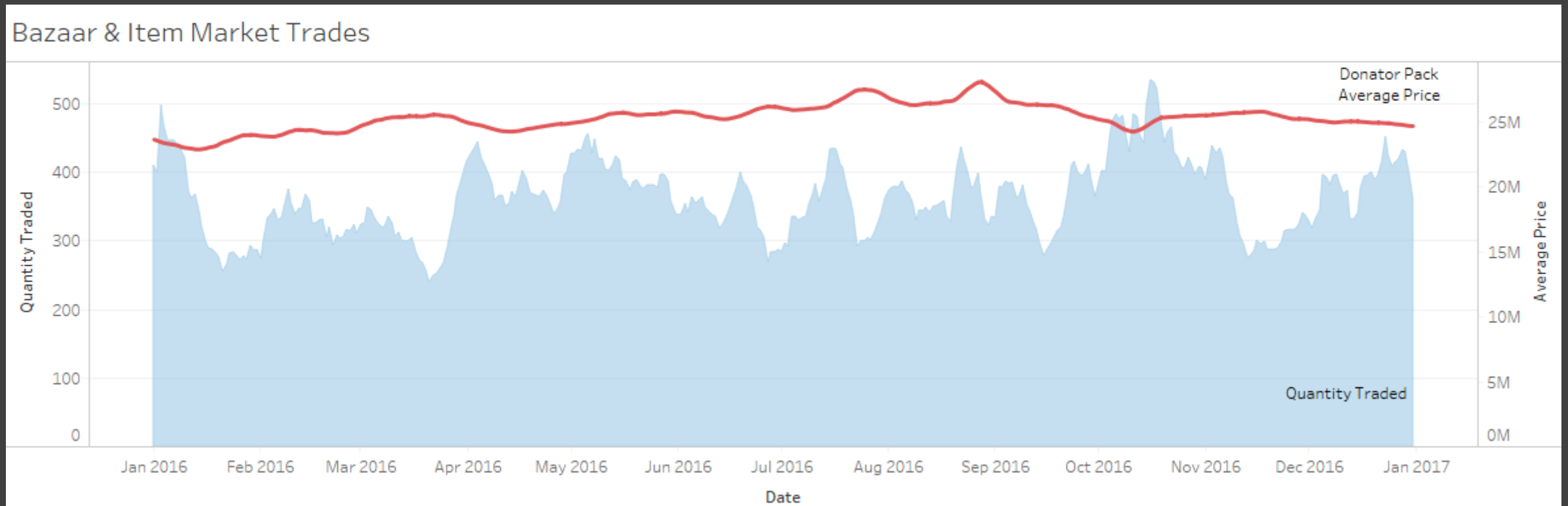
Item Type	Item Category	Item Name	Avg. Price	Cash Exchanged	Quantity Traded
Item	Booster	Feathery Hotel Coupon	13,872,808	2,208,535,980,459	159,179
		Erotic DVD	2,499,337	661,755,515,887	265,225
	Drug	Xanax	858,291	1,873,148,723,425	2,183,093
	Energy Drink	Can of Tourine Elite	2,331,820	317,386,581,449	136,489
		Can of X-MASS	2,338,062	282,440,531,816	126,325
		Can of Red Cow	1,716,764	229,297,179,557	133,881
	Special	Donator Pack	25,351,338	3,346,493,272,906	132,077
		Cesium-137	214,923,278	253,368,587,356	1,187
	Supply Pack	Drug Pack	4,408,286	326,841,188,936	74,138
Armour	Defensive	Hazmat Suit	4,787,500,000	239,300,000,000	34
Grand Total				9,738,567,561,791	3,211,628

*Excludes top and bottom 5% of prices, to avoid bias

[Click here for the interactive chart](#)

DONATOR PACK MARKET

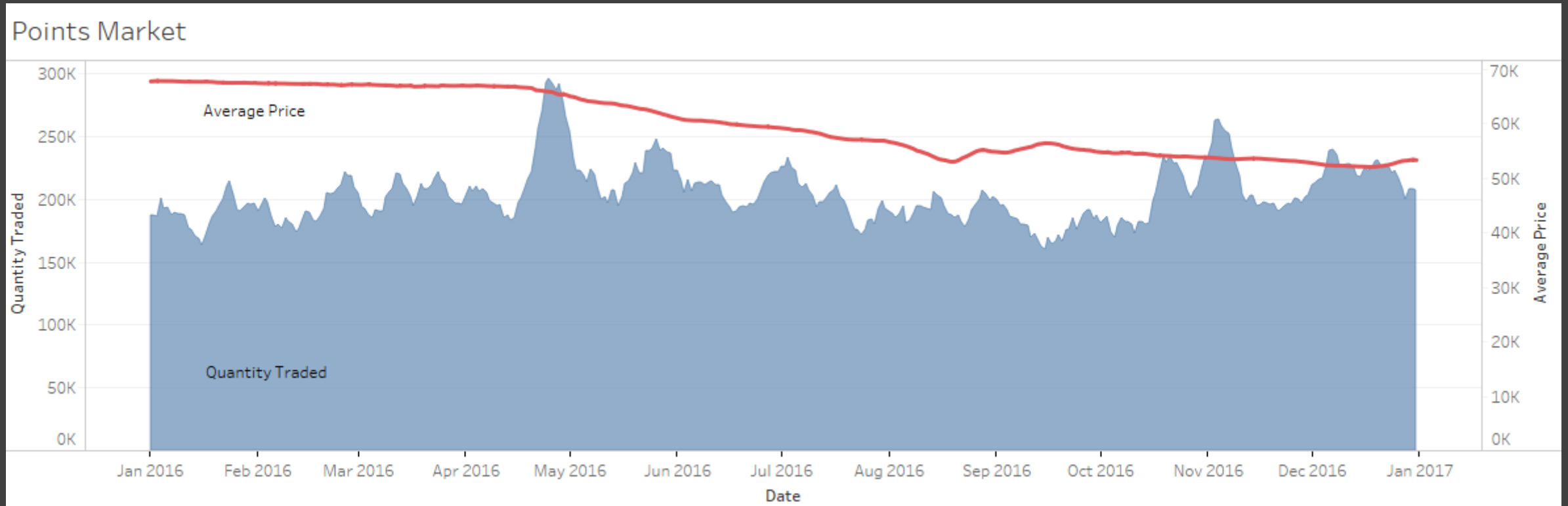
- The DP price varied between \$23m - \$28m.
- Trade volume has increased slightly, and has clear monthly cyclicalty.



[Click here for the interactive chart, with market data for 560 items](#)

POINTS MARKET

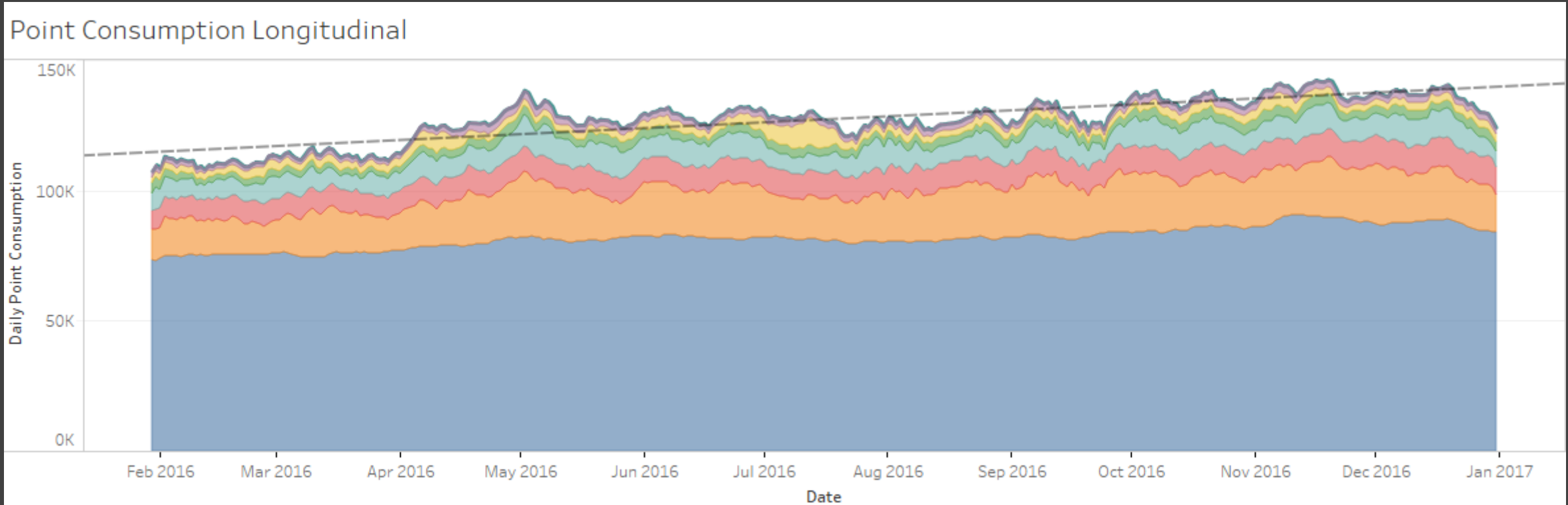
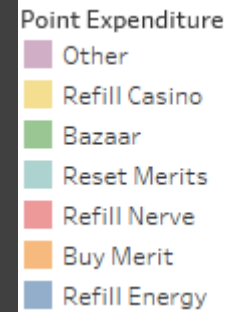
- The quantity of points traded has been stable at ~204k/week.
- The average price has steadily decreased from \$67k to \$53k.



[Click here for the interactive chart](#)

POINT CONSUMPTION

- Daily Point consumption has steadily increased from 115k to 140k.
- Partially driven by DAU growth.



[Click here for the interactive chart](#)

TOTAL POINT CONSUMPTION

- 64% of Points are spent on Energy Refills.
- 21% are spent on Merits (Buying and resetting).

Total Point Consumption

Group	Benefit Purchased	Points Used	% of Points Used	Total Purchases
Major	Refill Energy	29,785,400	64.3%	1,191,416
	Buy Merit	6,659,500	14.4%	26,638
	Refill Nerve	3,484,875	7.5%	139,395
	Reset Merits	3,098,500	6.7%	3,479
	Refill Casino	1,172,500	2.5%	46,900
	Bazaar	1,138,500	2.5%	4,554
Minor	Racing License	266,200	0.6%	5,324
	Display Cabinet	156,100	0.3%	1,561
	Stock Ticker	127,540	0.3%	6,377
	Gas Can	112,000	0.2%	1,120
	Laptop	101,300	0.2%	4,052
	City Watch	98,900	0.2%	1,978
	Friendlist	56,300	0.1%	2,252
	Blacklist	47,250	0.1%	1,890
Grand Total		46,304,865	100.0%	1,436,936



S3: WEALTH

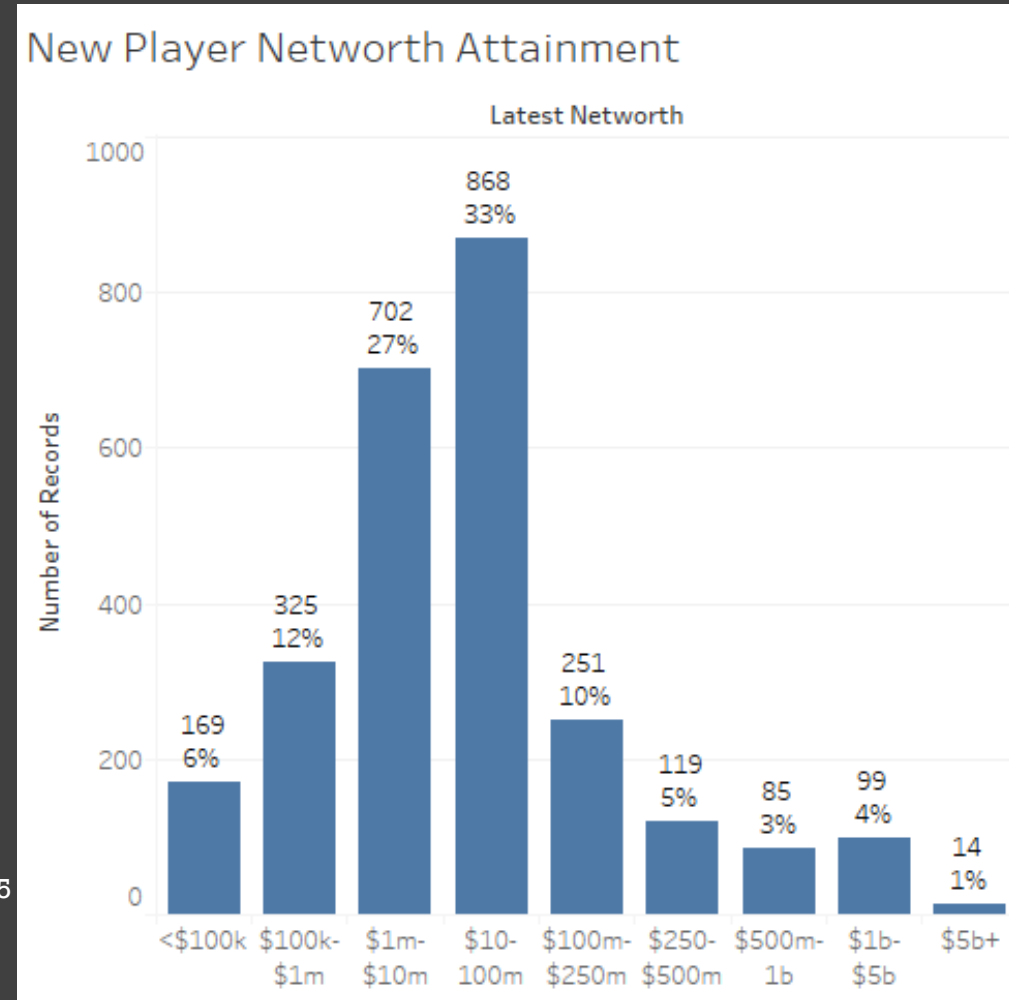
WEALTH

- Torn is a game with Persistence, and players tend to build wealth over time.
- Understanding the absolute and relative distribution of wealth is critical to design a balanced Torn which is engaging for the wealthy without excluding the poor.
- Importantly, we must ensure new players are capable of building significant wealth over time.

WEALTH MOBILITY – NEW PLAYERS

- New players are able to attain high networth within their first year.
- 568 early-2016 signups attained at least a \$100m networth by 2017 (22%).
- 113 attained a networth of at least \$1b (4%).

*Includes all Jan – Apr 2016 signups who reached Level 5 and logged in 180+ days after signup



[Click here for the interactive chart](#)

WEALTH MOBILITY – OLD PLAYERS

- Old players of varied wealth are still able to increase networth.
- 30%-40% increased networth during 2016.

Old Player Networth Attainment										
Early 2016 Networth	Latest Networth									Grand Total
	<\$10m	\$10m- \$50m	\$50m- \$100m	\$100m- \$500m	\$500m- \$1b	\$1b-\$5b	\$5b-\$10b	\$10b- \$50b	\$50b+	
<\$10m	77%	13%	4%	4%	1%	1%	0%	0%		100%
\$10m-\$50m	9%	65%	13%	10%	2%	1%	0%	0%		100%
\$50m-\$100m	5%	11%	51%	28%	3%	3%	0%	0%		100%
\$100m-\$500m	3%	3%	4%	66%	15%	8%	0%	0%		100%
\$500m-\$1b	2%	2%	1%	6%	49%	40%	0%	0%		100%
\$1b-\$5b	1%	1%	1%	1%	2%	74%	19%	1%	0%	100%
\$5b-\$10b	1%	0%	0%	1%	0%	4%	58%	35%	0%	100%
\$10b-\$50b	1%	0%	0%	1%	0%	1%	3%	90%	3%	100%
\$50b+	1%		1%		1%	2%	1%	10%	86%	100%

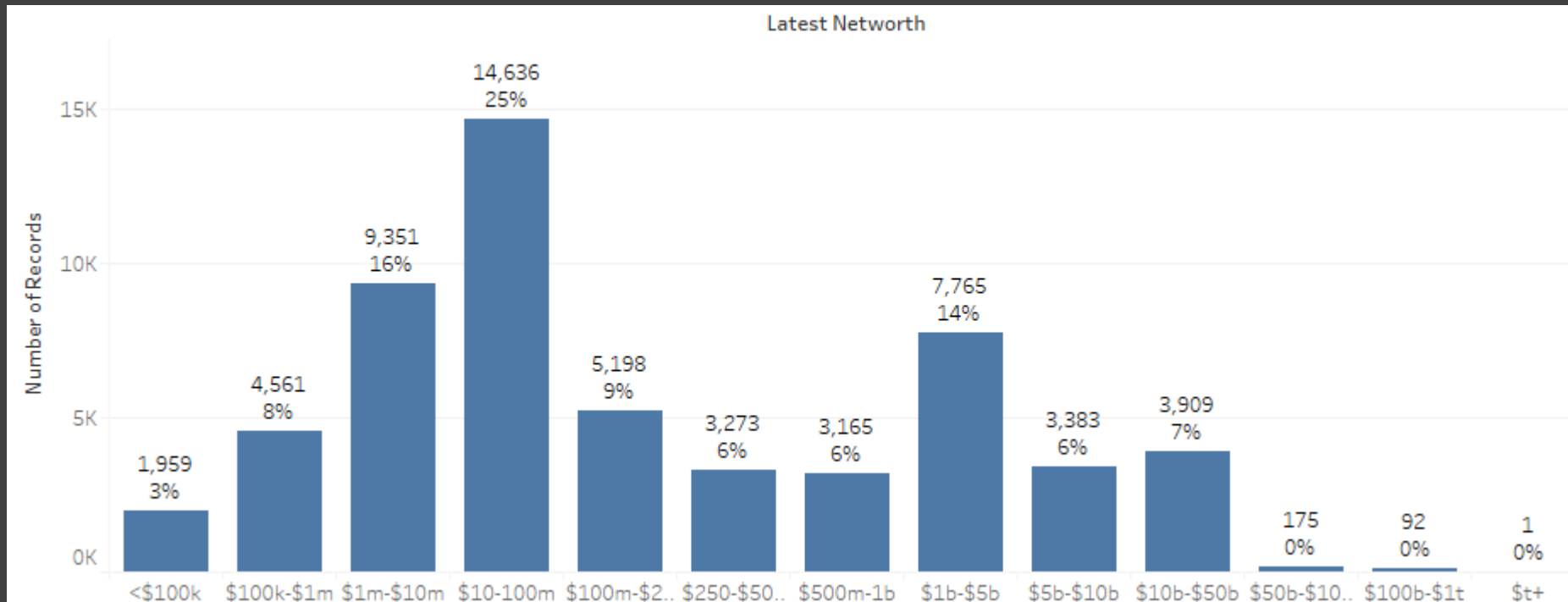
Percentages represent the % of players per row.

For example, 15% of players who had an Early 2016 Networth of \$100m-\$500m, ended with a Latest Networth of \$500m-\$1b.

[Click here for the interactive chart](#)

NETWORTH DISTRIBUTION

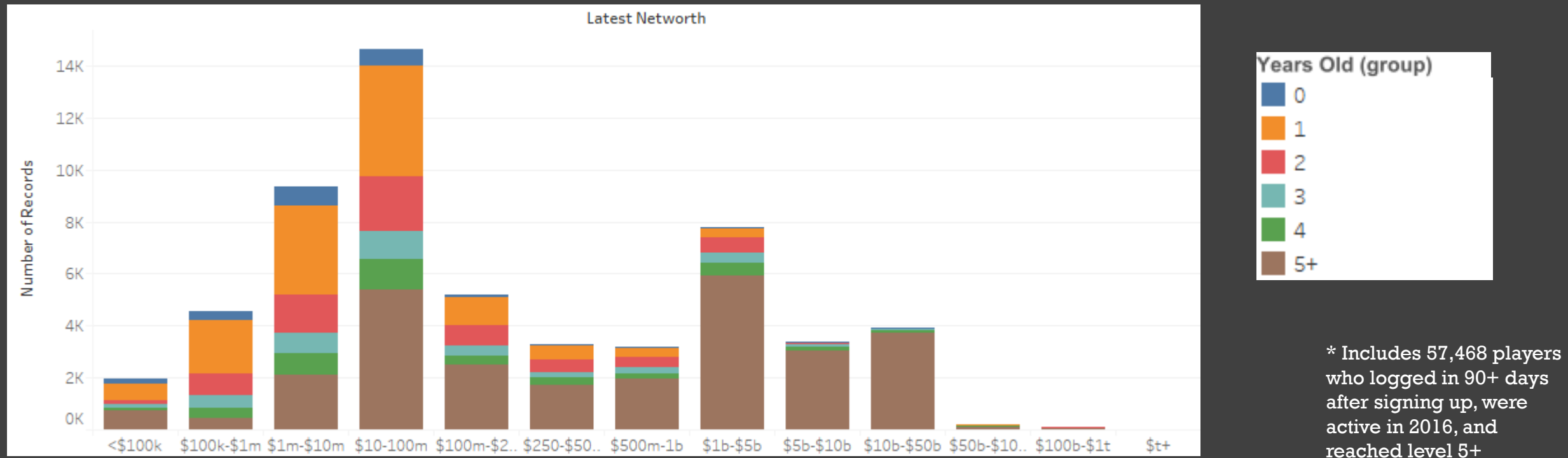
- Many active players hold significant fortunes.
 - 47% of players have a Networth greater than \$100m.
- Only 3% of players are extremely poor (<\$100k)



* Includes 57,468 players who logged in 90+ days after signing up, were active in 2016, and reached level 5+

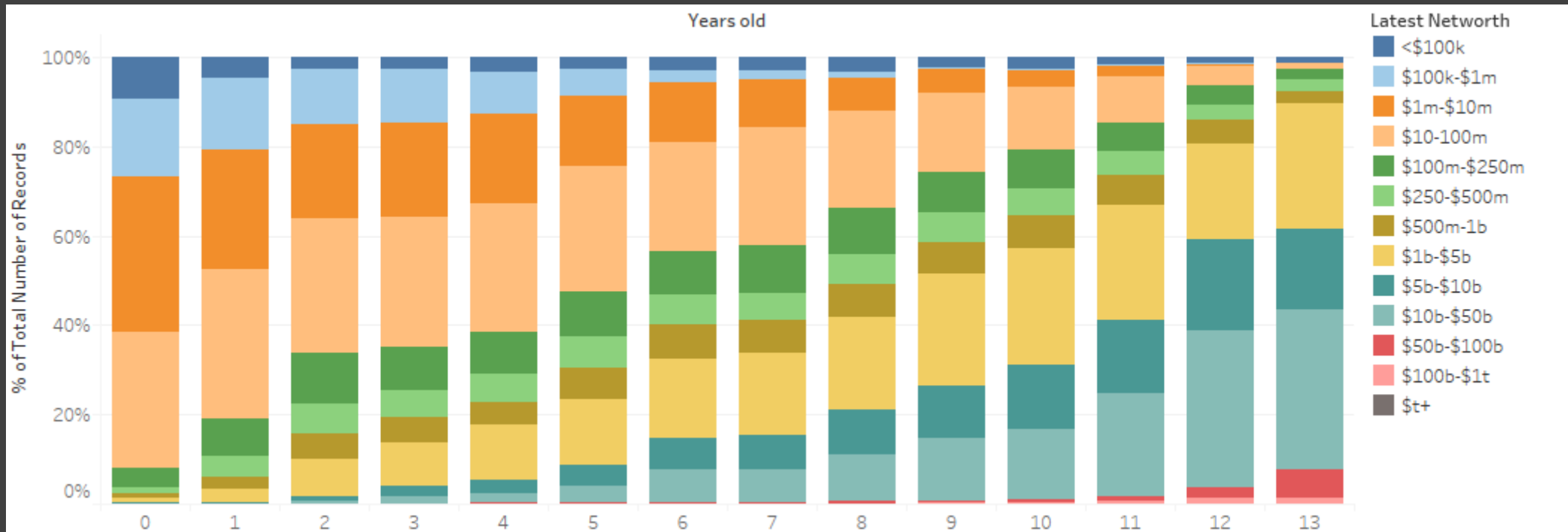
NETWORTH BY AGE

- Unsurprisingly, the wealthiest players tend to be at least 5 years old.
- Yet, many players aged 1-2 years old have attained high levels of wealth.



AGE BY NETWORTH %

- Active older players tend to be much wealthier than new players.
- For each year a player is active, they tend to become wealthier.
- Clear upward trending.



* Includes 57,468 players who logged in 90+ days after signing up, were active in 2016, and reached level 5+

CONCLUSIONS & COMMENTS

- Torn supports an extensive economic system with 50k+ annual users.
 - Maintaining that system is critical to ensuring Torn's longevity and success.
- Torn's 2016 economic performance was excellent.
 - Manageable rate of Money Supply expansion.
 - Healthy markets.
 - Wealth mobility.
- Let us know your thoughts and feedback.
 - Leverage the extended data from the interactive dashboards!

PHOTO CREDIT



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