

Connecting Decentralized Liquidity

Intra-chain and Inter-chain

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What is decentralized liquidity?

1. Liquidity that is available in the decentralized ecosystem

- a. trustless between providers and taker
- b. transparent & verifiable rates

1. Utilised by decentralized apps

- a. accessible by smart contracts

Why decentralized liquidity?

**Centralized liquidity is neither
secure nor transparent**

e.g. counterparty risk, fraud & manipulation

Dapps need decentralized liquidity

- Technically hard for dapps to talk to centralized sources of liquidity
- Work seamlessly without breaking trust assumption or security model

Current Decentralized Liquidity is Scattered

Available on several sources



Uniswap

Kyber Reserve



Bancor

OASIS



MELONPORT

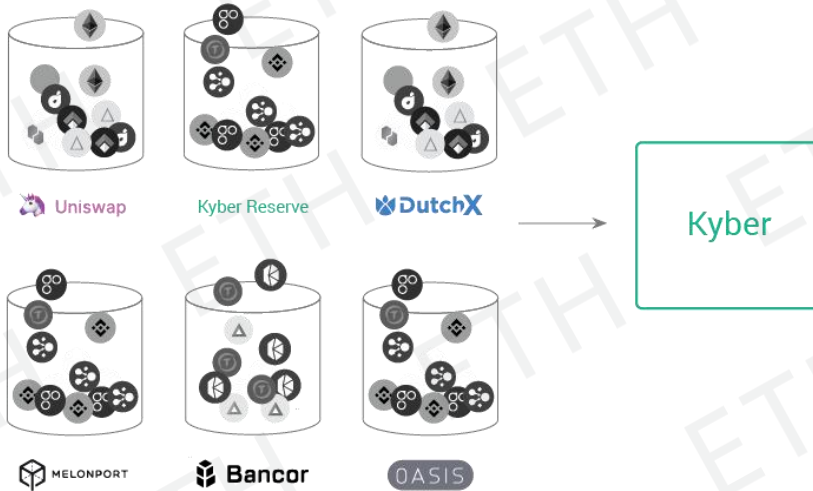


DutchX

Making it hard for any dapp to find the best rate or to even find enough liquidity

Kyber: On-chain liquidity protocol

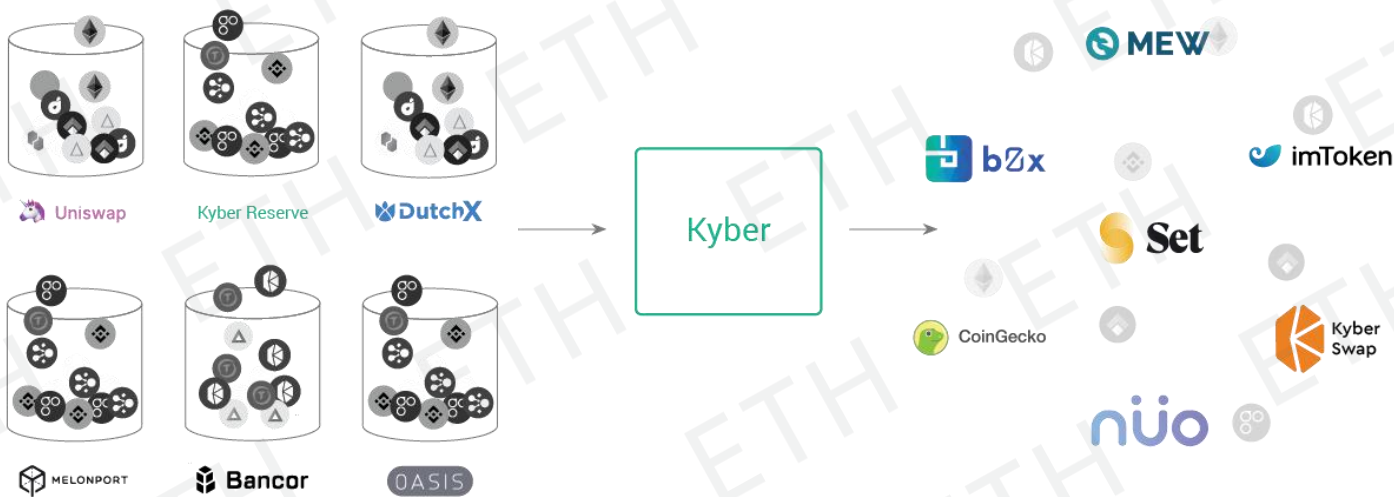
Connect all on-chain liquidity sources



Kyber: On-chain liquidity protocol

Connect all on-chain liquidity sources

- Aggregate liquidity from these sources
- Obtain the best rate
- Make it available in a single interface



Protocol properties

- **Aggregated liquidity pool**

Various liquidity sources into one liquidity pool

Making it easy for takers to find the best rates offered with one function call

- **Flexible liquidity models**

Different types of liquidity sources to be plugged into

Liquidity providers may employ different strategies, implementations

- **Fully on-chain**

Ease of integration

Transparency

Compatible security model

Network Numbers

\$7m+

Total Inventory*

31

Reserves

66

Wallets & Dapps integrated

74

Tokens Supported

**Estimated from all possible aggregated liquidity sources*

Ecosystem on Ethereum

End User Token Swaps

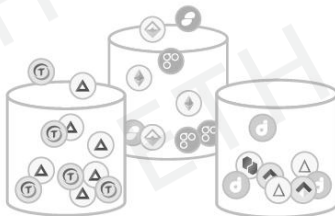


Powered by  kyber network

Decentralized Payments



Reserves (25+ Reserves to date)



Exchanges & Trading



Decentralized Finance

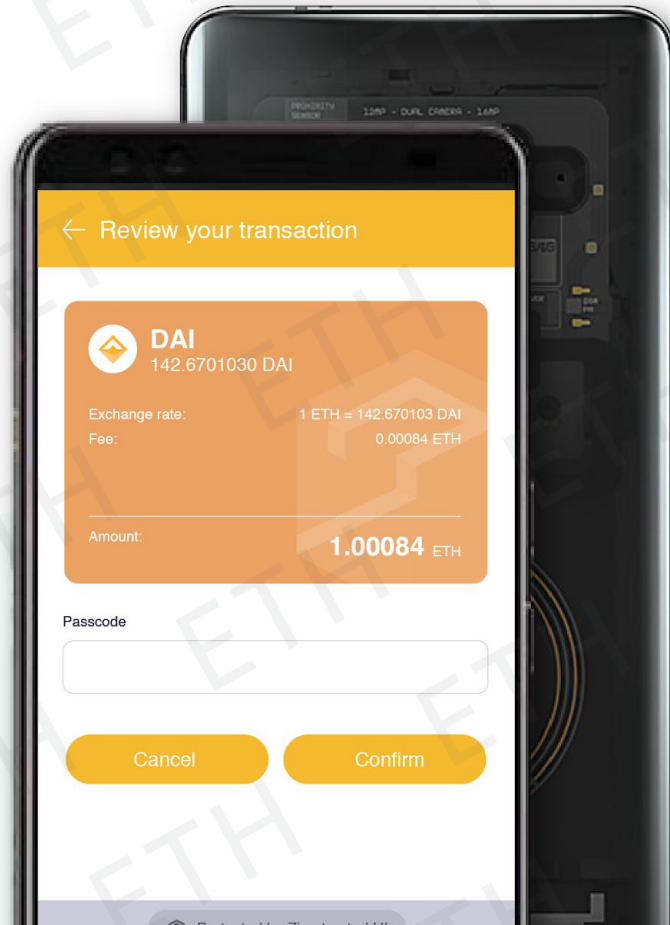


Powering Decentralized Crypto Trading

EXODUS
htc



kyber
network



Connecting Liquidity Cross-chains

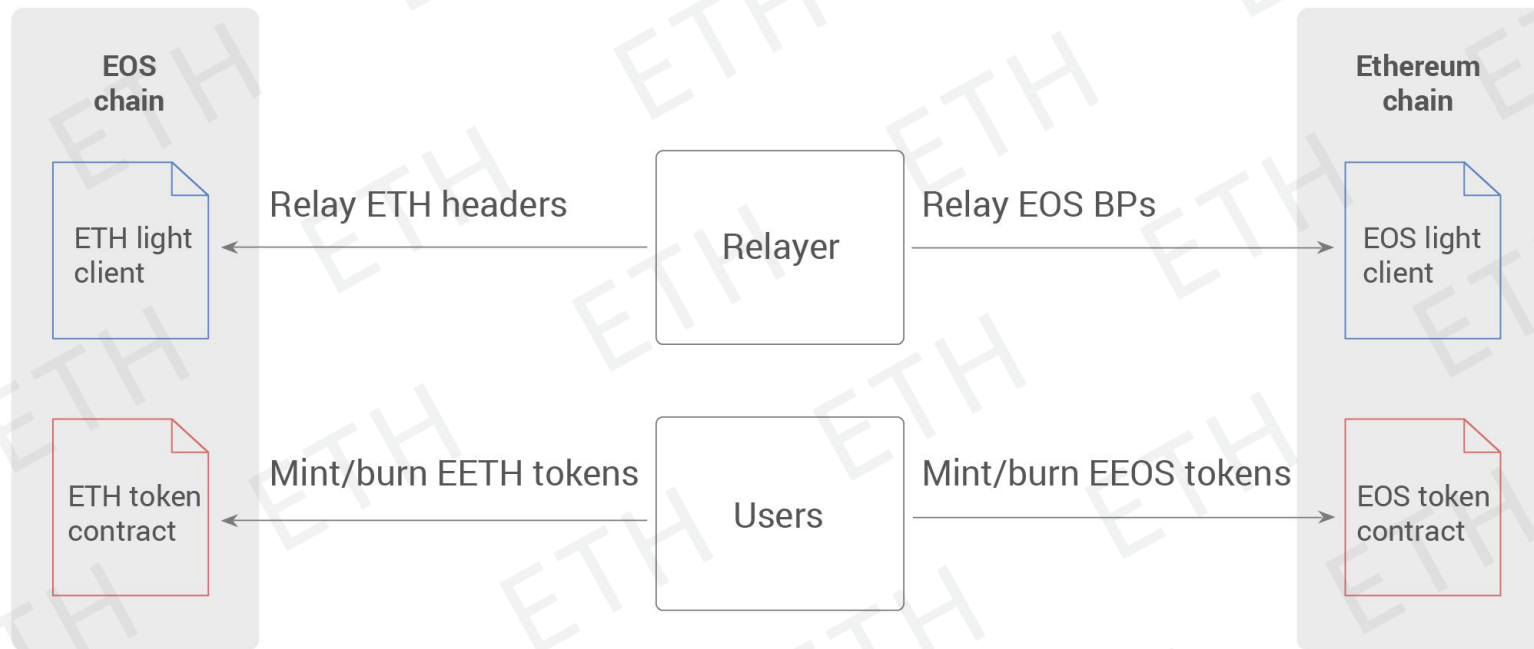
Goal:

Allow assets to be moved between chains trustlessly and freely

Overall approach:

Bidirectional relay for smart contract enabled chains

Project Waterloo & PeaceRelay

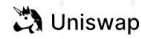
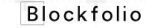


WBTC: Practical Cross-chain Solution

- **Goal:** Make bitcoin usable and accessible to smart contracts
- **Wrapped BTC Approach**
 - Tokenise Bitcoin, allowing users to deposit Bitcoin to mint Bitcoin token
 - Burn Bitcoin token on Ethereum to redeem Bitcoin
- **Question**
 - Who will custody the Bitcoin for users?
 - Currently Bitgo, working towards decentralized custody



WBTC: Supported by a Large Community



Final Thoughts

- **Decentralized Liquidity is important for dapps**
 - Still scattered, within chain and across chains
 - Hard for dapps to utilize all available liquidity
- **Kyber is connecting all on-chain liquidity sources**
 - Make it natively available to dapps/ smart contracts
- **More work needed to be done in cross-chain spaces**
 - Reduce trust assumption
 - Make it seamless for assets to flow across chains

More info

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