



SMD EX

Trade Globally with Crypto-Crypto

WHITEPAPER V1.0

WEBSITE: WWW.SMDEX.IO

Disclaimer

- ▶ Crypto assets are not legal tender. Any individual does not guarantee the value of crypto assets.
- ▶ Customers will be charged fees for purchases and sales on our Buy/Sell service. Therefore, the corresponding crypto assets' actual buy and sell prices will differ.
- ▶ Our Fees and Taxes page lists the fees and other expenses incurred, as well as the calculation methods used, when we trade crypto assets or over-the-counter derivatives of crypto assets (hereafter collectively referred to as "crypto assets trades").
- ▶ Margin deposits are necessary before trading over-the-counter derivatives of crypto assets.
- ▶ Neither the principal of crypto assets nor the principal of over-the-counter derivatives of crypto assets can be guaranteed. Due to fluctuations in the prices of the crypto assets being traded, losses may occur.
- ▶ Be sure to read and understand all of our documents that require a user agreement and trade when your resources, trading experience, and trading purpose seem appropriate. Trade at your own risk.
- ▶ In the case of over-the-counter derivatives of crypto assets, the amount being traded may exceed the amount in the customer's margin deposit, resulting in losses in excess of the margin deposit.

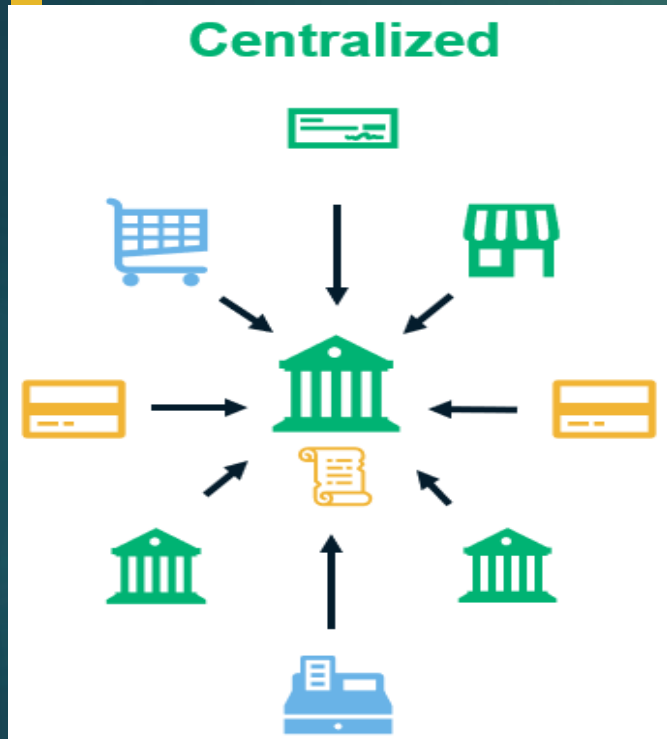


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The Future of Cryptocurrency 2021 was a big year for cryptocurrency. But what's next in 2022? Several new all-time high prices have been reached for Bitcoin and institutional buy-in from major companies. Ethereum, the second-largest cryptocurrency, has also gained a new all-time high recently. Biden administration officials and government officials have expressed interest in new cryptocurrency regulations. Crypto has surged in popularity over the past few years, not just among investors but also in popular culture, thanks to everyone from long-standing investors like Elon Musk to that kid from your high school on Facebook. Dave Abner, head of global development at Gemini, a popular cryptocurrency exchange, says 2021 was a "breakthrough" in many ways. There's a lot of attention and focus being paid to the crypto industry." However, the industry is still in its infancy and constantly evolving, and this is one of the main reasons a big drop can easily follow every new Bitcoin high. In the coming months, experts plan to follow themes from regulation to institutional adoption of crypto payments to try and get a better sense of the market. Crypto ETF Approval An important milestone has already been reached on this front, with the first Bitcoin ETF debuting on the New York Stock Exchange in October. This represents a more conventional approach to investing in cryptocurrencies. The BITO Bitcoin ETF allows investors to buy cryptocurrency directly from investment brokerages with whom they may already have accounts, such as Vanguard or Fidelity. ETF approval has been in consideration by the SEC multiple times over the past few years, but BITO is the first to gain approval. Broader Institutional Cryptocurrency Adoption In 2021, mainstream companies across numerous industries took an interest in cryptocurrencies and blockchain, and in some cases invested themselves in them. AMC recently announced it will accept Bitcoin payments by the end of this year. Companies like PayPal and Square are also betting on crypto by allowing users to buy it on their platforms. Tesla has been back and forth on accepting Bitcoin payments, despite holding billions in crypto assets. Crypto experts predict this trend will continue. Bitcoin's Future Outlook Because Bitcoin is the largest cryptocurrency by market capitalization and the rest of the market tends to follow its trends, it's a good indicator of the crypto market in general. After a wild ride in 2021, Bitcoin's price hit a new all-time high in November when it reached over \$68,000. The new high follows previous records of over \$60,000 in April and October and a summer drop to less than \$30,000 in July. Because of this volatility, experts recommend keeping crypto investments to less than 5% of your portfolio at the start. What will the price of Bitcoin be like in the future? According to several experts, Bitcoin is likely to hit \$100,000 sooner rather than later. According to Kiana Danial, author of "Cryptocurrency Investing for Dummies," Bitcoin's past may provide some clues as to what to expect going forward. Since 2011, there have been plenty of spikes followed by pullbacks in Bitcoin's price, according to Danial. "What I expect from Bitcoin is volatility short-term and growth long-term." The Future of Cryptocurrency It's possible to speculate on what value cryptocurrency will have for investors in the coming months and years (and many will). However, cryptocurrency is still a new and speculative investment without much historical precedent. Whatever an expert says or thinks, no one really knows. Because of this, it's important to only invest what you're prepared to lose and to stick with more conventional investments for long-term wealth building. Frederick Stanfield, CFP with Lifewater Wealth Management in Atlanta, Georgia, asked NextAdvisor recently if crypto became worthless if it were to be banned by developed nations. Do not put crypto investments ahead of other financial goals, such as saving for retirement or paying off high-interest debt.



What is Centralized Exchange (CEX)?



CENTRALIZED EXCHANGES IS A TRADING CRYPTO PLATFORM THAT WORKS AS A MEETING PLACE FOR PEOPLE TO EXCHANGE THEIR CRYPTOCURRENCY. CEX IS BUILT BY A CENTRALIZED ORGANIZATION COMPANY ACTING AS A THIRD PERSON TO STORE ASSETS, REGULATE EXCHANGES, AND CHARGE EXCHANGE FEES.



What is Decentralized Exchanges? (DEX)

A decentralized exchange (DEX) is a peer-to-peer marketplace where transactions occur directly between crypto traders. DEXs fulfill one of crypto's core possibilities: fostering financial transactions that aren't officiated by banks, brokers, payment processors, or any other kind of intermediary. Peer-to-peer exchanges are what these types of exchanges are all about. Assets are never held by an escrow service, and all transactions are completed using smart contracts and atomic swaps. The key distinction between centralised and decentralised exchanges is the presence or absence of a middleman. When compared to centralised exchanges, decentralised exchanges are less common and popular. Nonetheless, there are more decentralised exchanges appearing all the time, and it's possible that they will outperform centralised exchanges in the future.



What is the distinction between CEX and DEX Exchange?

The exchange process at CEX took place through an order book. It determines the price of a particular cryptocurrency based on current buy and sell orders. This type of crypto exchange is currently the most popular in the world, and it is typically used by crypto newcomers because CEX is a user-friendly platform that makes purchasing crypto easier.

While Decentralized exchanges (DEX) are autonomous financial protocols powered by smart contracts that enable crypto traders to convert one digital asset for another with all transactions viewable on the blockchain.

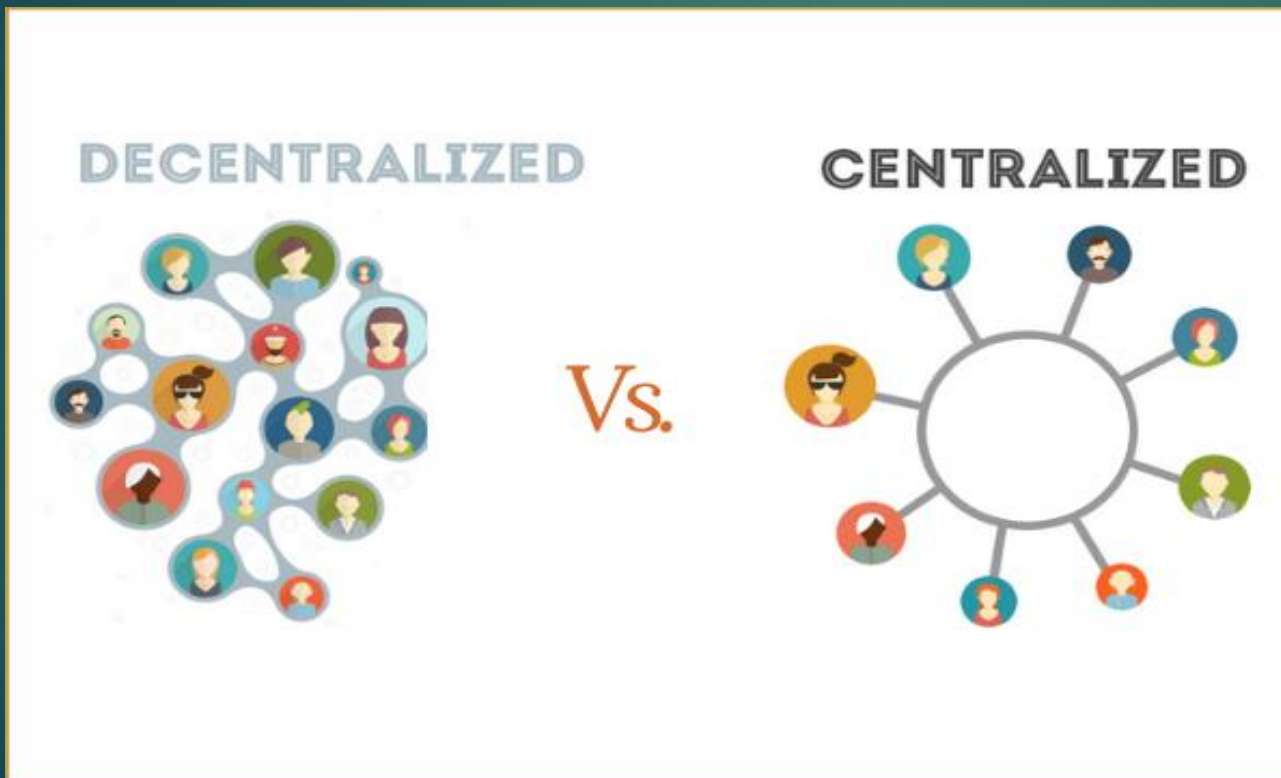
The main difference between centralized and decentralized exchanges is that the former has control over your funds while you are interacting on the trading venue while, with the latter, users retain control over the funds while trading.



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What is the distinction between CEX and DEX Exchange?



Advantages of CEX Exchange

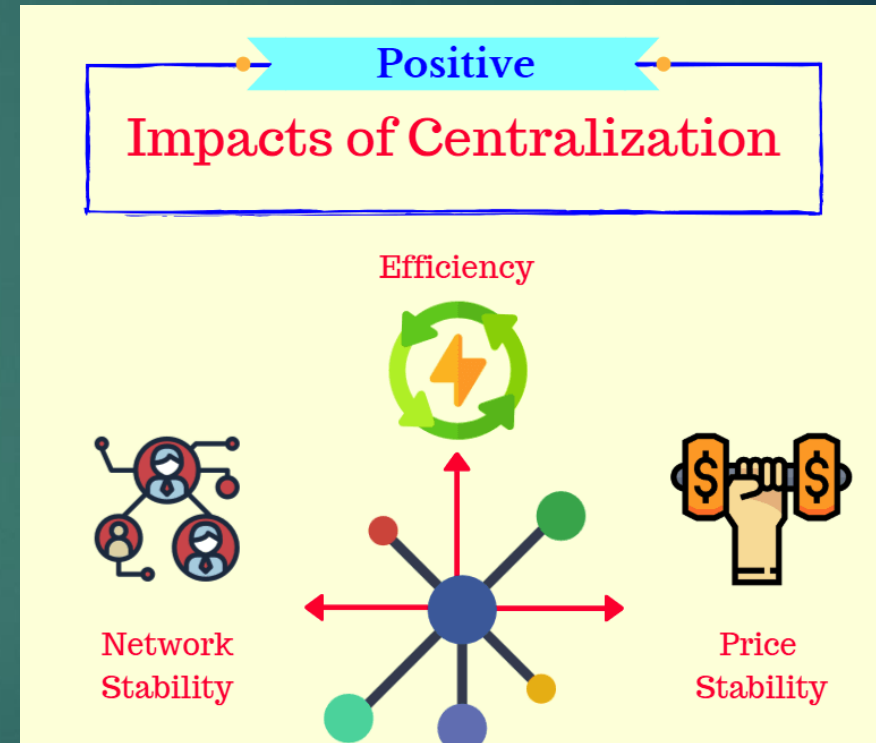
CEX has several advantages, including a high trading volume and liquidity. Because CEX is well-known and used by a large number of active users who buy and sell their assets, it has a higher trading volume than DEX. High trading volume has an effect on liquidity as well. The ability of an asset to be converted into cash or other cryptocurrencies is referred to as liquidity. Liquidity is important for a variety of reasons, including the fact that it makes a cryptocurrency exchange less vulnerable to market manipulation.

Trading in fiat currency versus cryptocurrency and vice versa Centralized exchanges support fiat to crypto on and off-ramps, making it easier for people to begin their crypto journey by simply exchanging their fiat money for cryptocurrency.



High level of usability CEX serves not only as a cryptocurrency trading platform, but also performs other functions. or functions like margin trading, crypto derivatives trading, exchange staking, and margin lending.

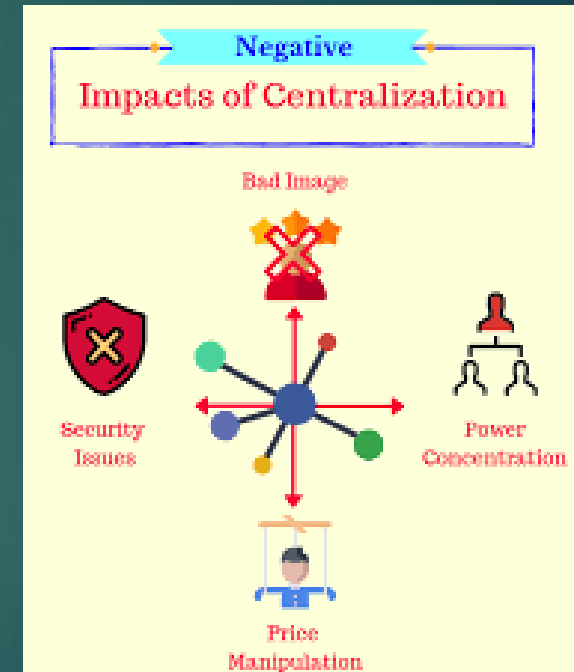
Simple to use Even for crypto newcomers, CEX's user interfaces are simple to grasp, and the processes and procedures can be quickly internalised. CEX also provides simple and straightforward access to the respective trading options.



Disadvantages of CEX Exchange

In comparison to DEX, the CEX mechanism is trust-based, as CEX stores their users' crypto assets and has integrated wallets that are part of their system (custodial services). This mechanism is uncontrollable by the user. As a result, users must have complete faith in exchanges that their money is secure. Because of this, CEX is a prime target for cybercriminals.

According to government regulations Because centralised exchanges are governed by regulators, third-party providers, and legal requirements. As a result, in order to prevent money laundering exchanges, operators must collect extensive data on their customers (KYC). This consistency runs counter to the fundamental concept of cryptocurrencies.



Decentralized Exchange (DEX)



DEX stands for Decentralized Exchanges. DEX is the next step in CEX's evolution. The system is not governed by a centralised entity; rather, every trade or transaction on DEX is governed by an automated procedure run by a smart contract. When compared to CEX, the availability of smart contracts speeds up and reduces transaction costs.

Unlike CEX, which uses the custodial framework, DEX uses the non-custodial framework, which means that every user has full control of their private keys when transacting through DEX. This mechanism provides users with a true sense of ownership of their assets because they have full control over their digital assets. Dex (TRON), Newdex (EOS and TRON), Switchero Network (Ethereum, NEO, and EOS), Uniswap, and Sushiswap are examples of DEX. Compound, as well as Curve Finance.

Even before the rise in popularity of Decentralized Finance (DeFi) products, DEX had gained traction due to the rush of the decentralised exchange Uniswap, which highlighted the advantages and disadvantages of DEX and CEX. As a result, crypto enthusiasts believe that the market share of DEX will grow in the future.

According to Coinbase data, there will be \$217 billion in transactions flowing through decentralised exchanges in the first quarter of 2021. There were more than two million DeFi traders in April 2021, a tenfold increase from May 2020.



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Advantage of DEX exchange

DEX has the following advantages: high security against hacking DEXs are more secure than CEXs due to two factors. First, DEXs operate on a non-custodial framework, which gives users complete control over their assets, preventing hackers from accessing user wallets unless they expose them themselves. Hackers primarily targeted the central exchange database in order to obtain users' private keys and withdraw their funds. Second, because no identity verification process is required, there is no risk of private user data being leaked.

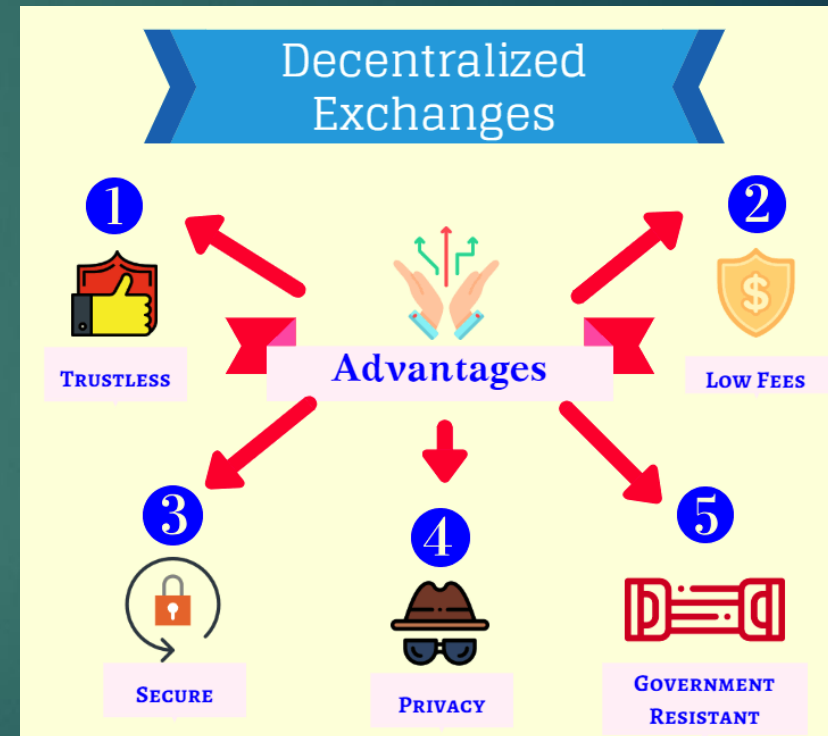
Fee is low. Because a large number of trading pairs pass through the DEXs network, the trading fee at DEXs is low.

There has been no third-party fraud. There will be no fraud because there are no centralised organisations or third parties acting as financial intermediaries. regulators or authorities in charge of monitoring or enforcing regulations on the exchange as a decentralised application

Integration of DeFi and NFT DEXs employ a smart contract that grants users access to the world of smart contracts, as well as DApps that provide financial services such as lending and savings products, as well as NFT projects.

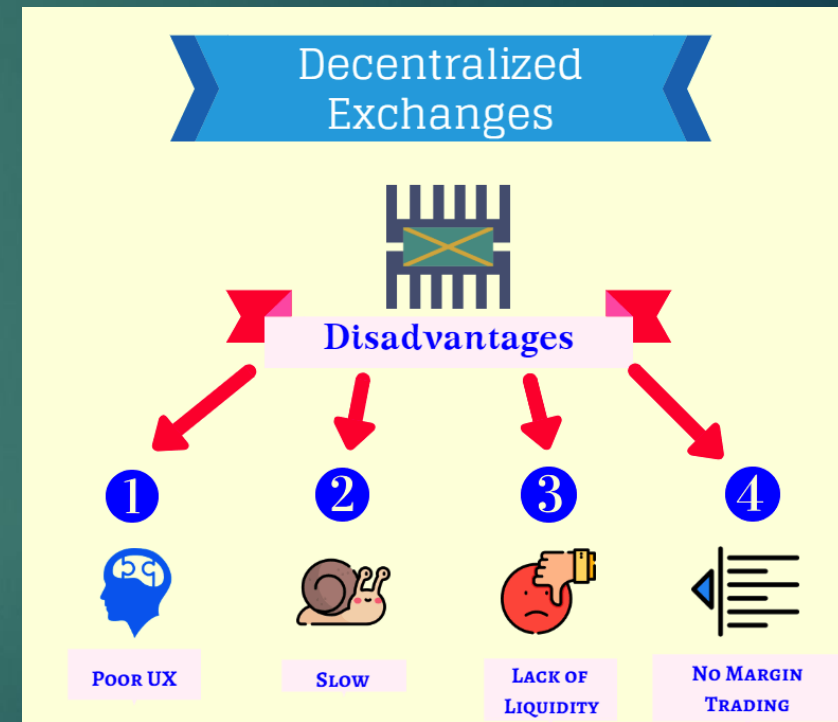
Make a variety of tokens available. Anyone can create a liquidity pool for an Ethereum-based token. As a result of this activity, DEXs now offer a wide range of tokens.

The government cannot close it. DEXs are free of government requirements, regulations, or monitoring in the absence of third parties, including the government, and cannot be closed by the government.



Disadvantages of DEX

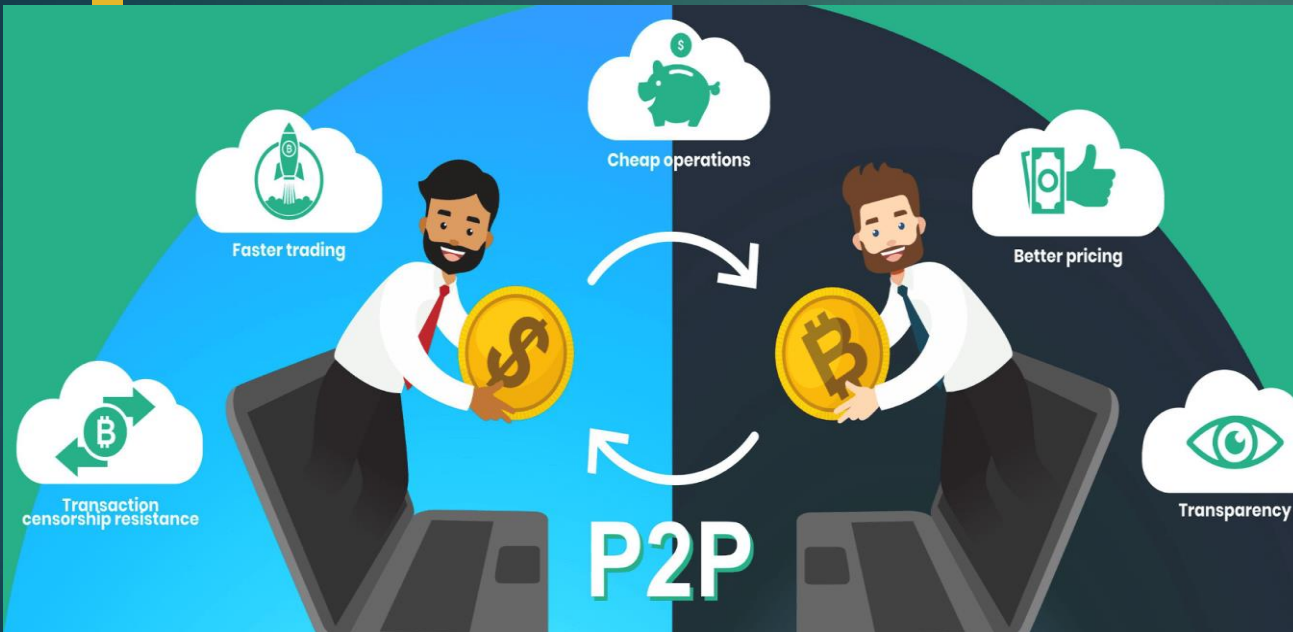
Low liquidity compared to CEX, DEX is still relatively a new concept and there are fewer traders compared to CEX therefore DEX liquidity is lower. Nonetheless, as DeFi has grown in popularity, so has asset liquidity on the DEX. Functionality is limited. DEX's graphical user interfaces are still overly complicated, especially for newcomers. Many traders do not have access to functions such as limit orders, margin trades, or stop losses. Nonetheless, most DEX attempts to adapt the functionalities known from CEX, so that DEX will be more user-friendly in the future.



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What is a P2P (Peer-to-Peer) Service?



A peer-to-peer (P2P) service is a decentralized platform in which two people interact directly with each other without the use of a third-party intermediary. Instead, the buyer and seller transact with each other directly through the P2P service. The P2P platform may offer services like search, screening, rating, payment processing, and escrow accounts



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How do trades take place on peer-to-peer exchanges?

The exchange software is used to connect buyers and sellers automatically based on the terms they prefer.

First, let's go over how a "normal" cryptocurrency exchange works. People looking to sell Bitcoins specify the amount and price at which they want to sell them. All of these requests, known as 'orders,' are recorded in a common ledger known as the 'order book.'

When someone else wants to buy Bitcoins, they either look for a suitable offer in the order book or, if none is found, they create their own 'buy order,' specifying the terms of the transaction as they see fit. The exchange processes trades by matching buy and sell orders by price whenever possible.

Bitcoin is now available. Transactions can take a long time - anywhere from five to ten minutes to several hours. Fiat money transfers typically take even longer; international payments may take several days to complete in some cases. To expedite the trading process, the exchange acts as a trusted intermediary: it settles all trades immediately, even if the actual transactions have not yet been completed.

P2P exchanges operate differently in order to eliminate the need for a third party.

They match the people behind the orders rather than the orders in the order book. That is, when matching buy and sell orders are found, the exchange software does not immediately process the trade, but rather connects to the exchange. the buyer with the seller, allowing them to complete the transaction without the use of an intermediary

Third parties may still be involved as arbitrators in the event of a dispute, but no human involvement in the exchange is required by default.



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How do trades take place on peer-to-peer exchanges?



What is margin trading?

MARGIN TRADING



Trading on margin entails borrowing money from a brokerage firm in order to execute trades.

Margin trading has a higher profit potential than traditional trading, but it also has higher risks. Buying stocks on margin magnifies the effects of losses. In addition, the broker may issue a margin call, which requires you to liquidate your position in a stock or front more capital in order to keep your investment.



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What is spot trading?

Spot trading is the ongoing process of buying and selling tokens and coins at a fixed price for immediate settlement. A trader intends to profit from cryptocurrency market fluctuations by trading their tokens on a spot market.

Spot trading is simple to learn because of its simple rules, rewards, and risks. When you invest \$500 in BNB on the spot market, you can easily calculate your risk based on your entry and the current price.



What is copy trading?



Portfolio management is a type of copy trading. The goal is to find other investors whose track record you want to emulate. Copy trading allows traders to study the strategies of other successful traders. Traders, like any other trading system, are best served by following the investor before putting real money at risk.

Copy trading can be beneficial for traders who do not have the time to monitor the markets. In general, copy trading is focused on short-term trading, specifically day trading and swing trading strategies, but there are several different revenue-generating strategies.



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What is an IEO?

IEOs are cryptocurrency exchanges that raise funds on behalf of start-ups. They must fulfil the necessary commitments and exercise due diligence. Projects that decide to hold a token sale on the exchange platform IEOs do not make crypto tokens available to the general public.

An IEO event can only be attended by users of the exchange platform.



What is SIP?

SIP stands for systematic investment plan, and it is a plan in which an investor makes regular, equal payments into assets that he chooses.

SIPs enable investors to use smaller amounts to make larger investments while reaping the benefits of cost averaging.



What is option trading?

Options trading allows you to buy or sell stocks, ETFs, and other securities at a predetermined price and on a predetermined date. This type of trading also allows buyers the option of not purchasing the security at the specified price or date.

While options trading is more complicated than stock trading, it can help you make relatively larger profits if the price of the security rises. This is due to the fact that in an options contract, you are not required to pay the full price for the security.

Similarly, options trading can limit your losses if the price of the security falls, which is known as hedging. The right to buy a security is referred to as a 'Call,' while the right to sell is referred to as a 'Put.'



An Overview of the SMDEX

SMDEX is a centralised exchange where users can easily trade (buy/sell) crypto to crypto in an environmentally friendly manner. SMDEX strives to provide a professional, smart, intuitive, and innovative trading experience for retail and professional clients worldwide. SMDEX is committed to fostering a fair, transparent, and efficient trading environment, and provides support 24 hours a day, seven days a week. For security purposes, SMDEX had also attached DDOS security and two-factor authentication for users. SMDEX supports major cryptocurrencies such as Bitcoin, Ethereum, Binance, and Tron, as well as stable coins such as USDT with network (ERC 20 – TRC 20 – BEP 20).

Users of the SMDEX can easily trade using the Web version & Android app, IOS app which will be available very soon.



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SMDEX Exchange has Key - features such as

- Spot Trading
- P2P
- IEO
- Margin trading
- Staking
- Lending
- Copy trading
- Option trading
- SIP with crypto assets



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Development of SMDEX Exchange

Phases of SMDEX exchange development

1. In the first phase, SMDEX will offer – Spot trading – P2P – IEO.
2. SMDEX will launch – Staking – Margin trading – Copy trading in the second phase.
3. Lending will be launched in the third phase of SMDEX.
4. SMDEX will launch – Option trading – SIP in the fourth phase.



SMD COIN INFORMATION

SMD COIN is the name of SMDEX's native token (SMD). It's built on the BEP 20 network (Binance platform), and it supports SMD Coin with Meta Mask and Trust wallet DEX wallets for storing SMD Token. SMD Coin is featured on CoinMarketCap, CoinGecko, and many other websites, so users can easily track it.

SMD Coin is already listed on a number of centralised exchanges and is actively trading. Users may easily purchase SMD on these exchanges.



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SMD Coin is listed on the following exchanges.

- 1.Lbank is ranked 24th in terms of coin market cap capitalization.
- 2.Bitmart is ranked 120th in terms of coin market cap capitalization.
- 3.Hotbit is ranked 131th in terms of coin market cap capitalization.
- 4.Vidax is ranked 135th in terms of coin market cap capitalization.
- 5.Bankcex is ranked 90th in terms of coin market cap capitalization



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