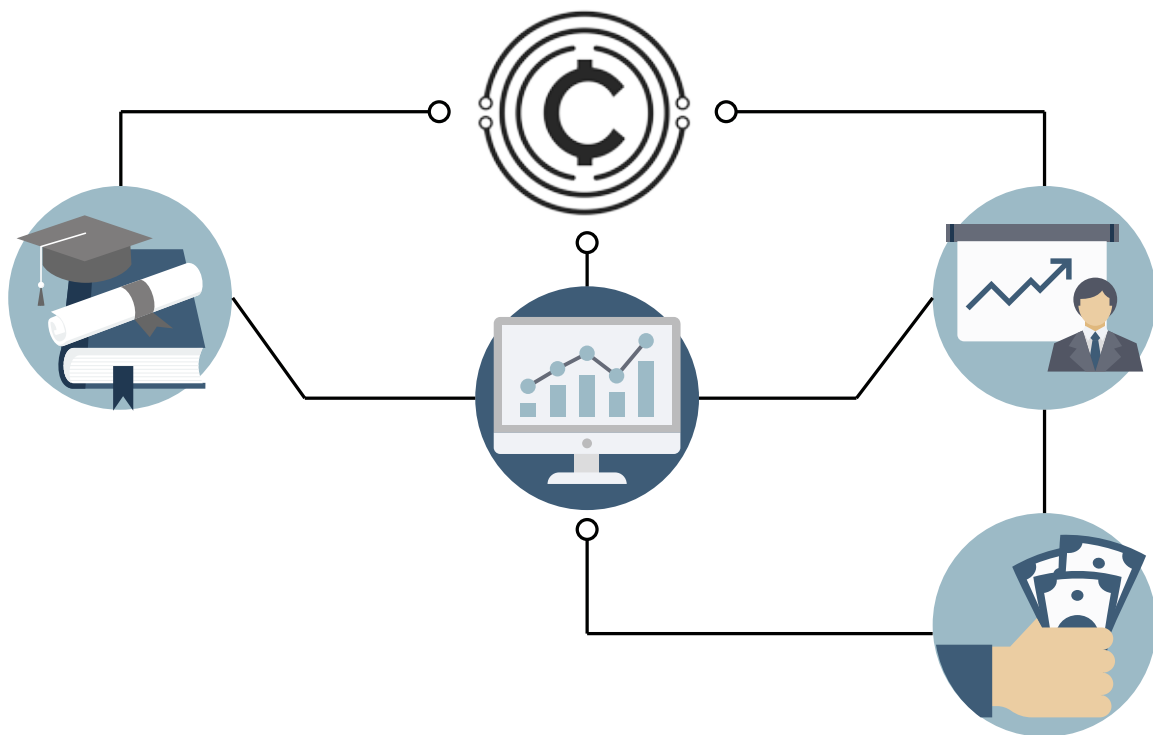# lightpaper

Problem:

Efficient and stable markets are a plus for everyone: that was long proved in conventional markets. Cryptocurrencies made an important step to a new economy, in particular providing better means of financing entrepreneurial projects. The markets in cryptocurrencies are of the great interest for all market participants, however the lack of stability prevents these markets from reaching their full potential and threatens to impose regulations onto them. Stability can be provided by traders and investors who post liquidity, but in this new markets traders are more cautious of taking liquidity risk due to lack of reliable forecast models and understanding of market dynamics.

Solution:

Our goal is to increase safety and reliability of cryptocurrency markets, since it is so vital for the new economy they are helping to build. CRYPTICS will provide a support for market participants, who take the risk of drastic changes on the market and provide liquidity on exchanges and a safety cushion for the retail investors by increasing transparency and understanding of cryptocurrency markets. We believe in the power of diversification and healthy competition.
CRYPTICS provides a platform and connects individual investors, traders, financial quantitative researchers as well as academia.

Forecast: CRYPTICS develops algorithms to predict changes in the value of cryptocurrencies
• Current state: for 24h horizon the average accuracy 62% over major cryptocurrencies including BTC, ETH, LTC and etc. (higher for some cryptocurrencies, e.g. 82% for ETH)
• In the pipeline : predictions for shorter time horizons to provide the aid for high-frequency traders.
• Methods used: machine learning and deep learning to combine quantitative (e.g. prices) and non-quantitative (e.g. news) data

Funds: CRYPTICS bridges the gap between the knowledge and capital
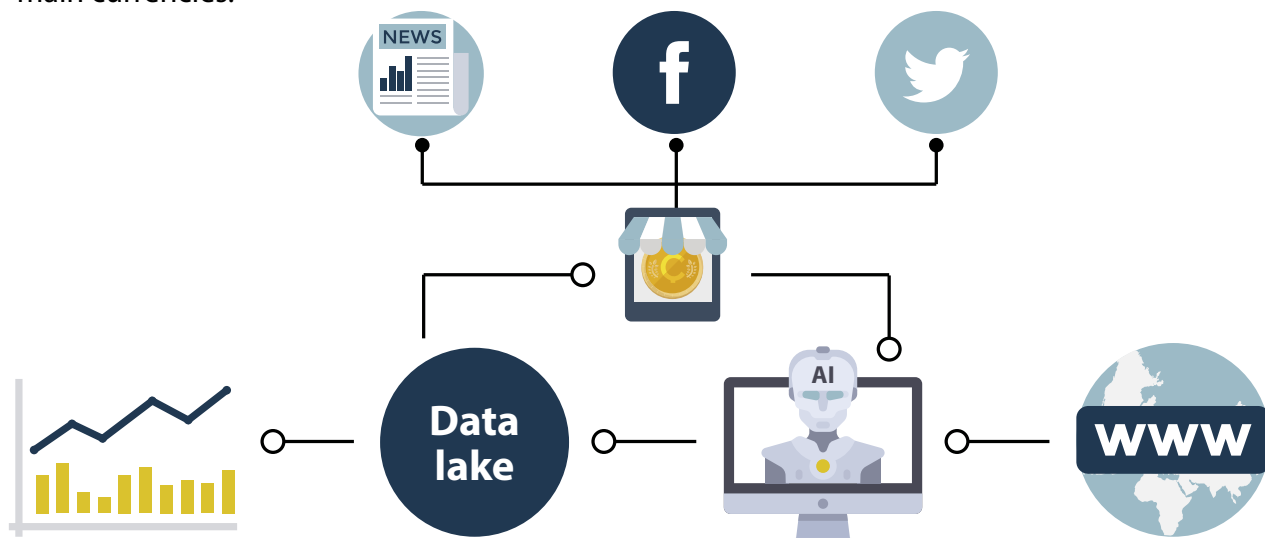• Traders can run their own strategies or use CRYPTICS forecasts
• The users of the platform can make a personal investment in a particular cryptocurrency and/or in a strategy developed by traders
• Customers can establish private funds where they will be able to act as portfolio managers for retail investors who supported them with their capital

Research: CRYPTICS relates to the academic community by connecting research with practical challenges and the data scientists by providing a better understanding of the cryptocurrency markets
• Organizing scientific contests, webinars and training events

Forecast engine outline

Besides relying on quantitative market data for forecasts, CRYPTICS also uses non-quantitative data from selected list of news sources and social networks accounts to estimate the market sentiment, which is of extreme importance not only for the most of altcoins, but also for some main currencies.

CRYPTICS token and monetization structure

The CRYPTICS token (CRP) is released on the basis of ETH. It can be purchased when exchanging it for ETH during the pre-sale. BTC and other cryptocurrencies are planned to be added as means of purchase later during ITO.

Any CRP owner can exchange it for subscription services. In addition, CRP is going to be the transaction currency between traders that open private funds on CRYPTICS and their investors. Not only this makes CRP unique in its functionality among other tokens, but also is likely to develop it to be one of the most fairly valued cryptocurrencies.

The CRYPTICS revenue is going to be based on two main sources of income:

- In the beginning the revenue is going to be mostly coming from the CRYPTICS forecast engine. The forecasts will be provided as a subscription service, priced on their accuracy, time horizon, number of currencies.

- On a later stage with attracting fund managers and traders to the CRYPTICS platform, a new revenue stream will come from fund managers, as a small percentage over their profits and/or turnover.

CRYPTICS also plans an additional revenue from non-core activities, e.g. wallet services for customers of the fund managers, advertisement of tested and reliable products from cooperation partners etc.

Team

The CRYPTICS team has more than 5 years of experience in the field of analytics and IT technologies, experience in working with Big Data and fintech technologies, as well as 4 years of machine learning experience. Key team members:

Stanislav Maer
CEO
Project Management
Marketing

Oleg Tereshchenko
CEO
Strategic Management
Process Optimization

Maxim Maslennikov
CTO
Software Architect
Data Scientist

Ilya Tkachev
Head of R&D
Quant Trader
Research Development

Sergei Holmeckis
Advisor
Bussiness Development
and Finance

Alexey Voronetsky
Financial analyst
SEO-optimization
Advertising Campaigns

Yaroslav Khomenko
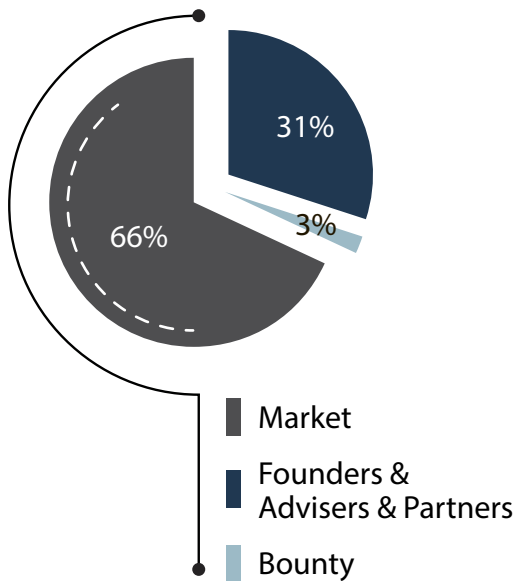Data Scientist
Algorithm Development
Data Analysis

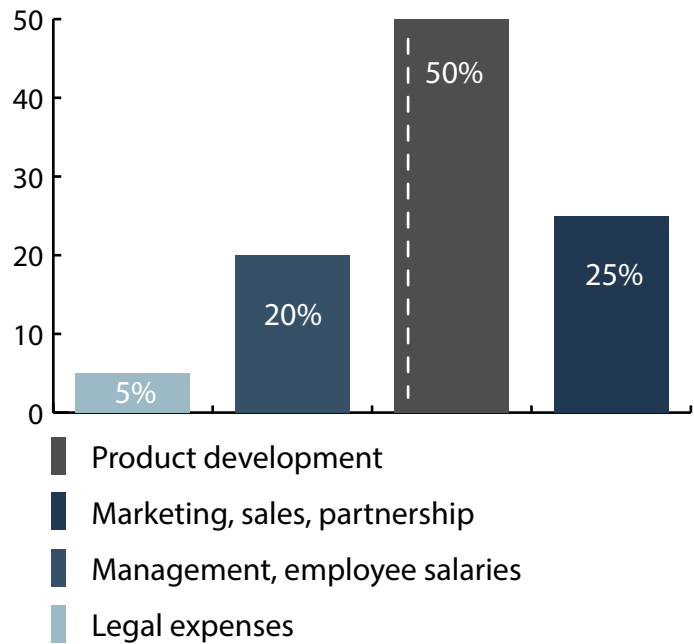**Andrew Konstantin**
UX Expert
Graphic Design
Users Interface

Dmitry Shcherbakov
Data Scientist
Scientific Research
Data Analysis

Financial structure

Token Allocation

- Market
- Founders & Advisers & Partners
- Bounty

Market 66%
Founders & Advisers & Partners 31%
Bounty 3%

Budget allocation

- Product development — 50%
- Marketing, sales, partnership — 20%
- Management, employee salaries — 25%
- Legal expenses — 5%

Pre-ITO
starts 30 October 2017

ITO
planed 09 December 2017

Bonuses

Stage	Amount,USD	Bonus,%	Tokenprice,USD
Privatesale	0-0.5M	70%	0.40$
	0.5-2.5M	60%	0.40$
	2.5-5M	50%	0.40$
Publicsale	5-10M	40%	0.40$
	10-12M	30%	0.40$
	12-16M	25%	0.40$
	16-20M	0%	0.40$

Projected interest of investors

238,300

Value in ETH

Launch of development (Q1-2/2017)	ICO Process (Q3-4/2017)	Launch of Operations (2018)	Automation & Robotization (2019)	Launch of Decentralized Funds (2020)	Planned value by 2020
0	66,490	26,596	55,852	89,363	238,300