

Abstract

HyperDex DeFi - A revolution in DeFi

Mission and Vision

HyperDex's 4th Dimension Profits

HyperDex's Fix Income Cubes / HyperCubes

HyperDex - Algo Trading

HyperDex's Race trading

4

6

8

9

10

12

14

The dawn of Hyper Token

Need for Liquidity

Minting

Hyper Token - Tokenomics

Crypto lending in the near future!

Hyperdex's Referral Program

Simulation of price variation

Roadmap

17

17

18

20

21

23

24

30

Introduction to DeFi (Decentralized Finance)

Our inspiration comes from living in a digital world where written and financial communication is accessible and simple, from hemisphere to hemisphere. DeFi aims to create an ecosystem of financial applications deployed on top of the blockchain. It is decentralized, eliminating the need for traditional financial bodies like banks or third-party payment processors. Decentralized finance applications operate on top of a transparent blockchain network that effectively removes the reliance on human trust.

DeFi is not a single entity, but a collection of loosely bound ideas and platforms to revolutionize financial services through blockchain technology. Since its inception in 2017, DeFi has experienced an incredible expansion. It has emerged as the most exciting innovation in the finance and investment sectors. DeFi is critical for every cryptocurrency investor as it relies on smart contract protocols, offering better returns and options than banks. DeFi instruments are permissionless, peer-to-peer, mutualized, and often fully automated.

Abstract

Though DeFi has gained vast and rapid traction, there are some pervasive difficulties in accessing decentralized financial services. The world can experience the composability and flexibility of DeFi through platforms like HyperDex that offer safe, balanced and comfortable access to a wide variety of DeFi services. HyperDex DeFi allows cryptocurrency users to earn worthy returns on their investments with the click of a button.

HyperDex is designed for anyone owning digital assets to diversify their portfolio, accommodating the needs of risk-averse cryptocurrency investors. HyperDex allows its users to enjoy a seamless, first-class experience without having to deal with confusing and tedious intricacies. HyperDex offers a wide range of financial services built on top of DeFi instruments like staking, algorithmic trading (algo-trading), and race trading. HyperDex adapts well-tested investment strategies including mitigation of risks and hedging specific to platforms. The role of HyperDex is to develop and deploy smart contracts on top of the blockchain.

Problem statement

High barrier to entry

DeFi is heterogeneous and sophisticated with huge potential in the current trend and near future, each innovation paving the way for the following one. This is why DeFi is often referred to as money legos, in layman's terms.

DeFi offers a variety of products differing in the amount of risk involved and returns offered, increasing the complexity of DeFi instruments. The crypto market is highly volatile as it functions 24/7, unlike the traditional stock market. One needs to heavily research to successfully curate profitable strategies adapting to the ever-changing market. This creates a practical and psychological barrier for people to enter into DeFi.

In instances of dealing with smart contracts, a proper understanding of how it operates is required to select a proper platform, be it staking, algo-trading, or other forms of crypto-trading. This results in increased complexity for the users to achieve reliable and acceptable yields. Investing in DeFi schemes without its proper working knowledge may result in a precarious exposure of capital, putting an end to one's DeFi journey.

This creates a paradoxical situation for retail or home-based investors making DeFi the least accessible sector in crypto and finance.

HyperDex Decentralized Finance

A evolution in DeFi

HyperDex as a successful DeFi investment platform fulfills the crypto market need by routing the crypto assets of the users into different HyperDex products. It accomplishes this by using algorithms and staking with the ultimate aim of offering the best returns.

With their funds put in HyperDex, asset holders are stress-free. HyperDex mitigates the risks inherent to DeFi that cannot be managed by a single passive investor especially when they begin their journey as an investor.

HyperDex DeFi mainly focuses on investors who don't have time and energy to make the most out of DeFi opportunities. Investors are lured by the potential of the DeFi industry but lost by the inherent challenges of accessing reliable products. Investment in DeFi has become an optimistic and genuine factor for financial independence but is unachievable without proper tools and strategies. This is where HyperDex comes into the picture, allowing anyone owning crypto assets to invest in its platforms through the integration of crypto wallets such as MetaMask and Exodus. Even without any prior DeFi knowledge, the users will be able to connect to HyperDex's platform and invest in its products.

Cubes Explained

HyperDex DeFi investment platform offers three different types of investment strategies each with varied returns and risks. The following is the list of investments:

1. Fix Income

Fixed income cubes are investment strategies that offer a fixed income to the users on either stable coins or other crypto assets.

2. Algorithm Trading

Algo-trading cubes are automated trading protocols, based on a pure statistical arbitrage algorithm. Algo-trading cubes aim at bringing higher returns by identifying the market discrepancies among the leading crypto assets.

3. Race

Race trading cubes are very similar to that of cryptocurrency prediction markets. HyperDex's race-trading cube is based on a decentralized, trustless prediction-market platform, where the users can speculate the outcomes of future prices of the chosen crypto assets. In short, HyperDex will not make predictions, it just indicates what is being traded heavily at the moment in terms of shorts and longs. The user then makes a prediction on the future price, and then, the HyperDex Race Cube automatically calculates the necessary information for the user. Stops, as well the position in the market (long or short), with the proper leverage (risk chosen by the user).

Each of the above strategies is collectively put in containers to differentiate the strategy chosen and expiration time. These containers are called "cubes." Cubes function very similarly to the liquidity pools on decentralized exchanges. The user can opt for a cube of their choice to select a particular investment strategy and generate the expected income which will always be known without any hidden fees or market mechanics.

Mission

HyperDex DeFi envisions the creation of the first decentralized finance investment platform for digital assets. These mirror the standard financial products; however, everything is decentralized and automated. HyperDex aims to reach people from different financial backgrounds and geographical locations, offering them the fruits of DeFi. HyperDex will be the first step for many people in their DeFi journey, helping them build insights on DeFi and take further steps to become a savvy investor and enthusiast. Over the past few years, the digital assets industry has developed continuously to find bridge solutions from the current financial system into a digital one. For the first time, HyperDex allows the possibility to invest digital assets directly into its new decentralized concept, offering modern reliable income-generating tools.

Vision

HyperDex addresses the complex equation to enable everyone, from crypto players to small-scale investors, seamless access to DeFi services. Through automation, aggregation, and institutional management, HyperDex DeFi aims at presenting an economies-of-scale approach inspired by high-level algo-trading and staki

HyperDex's 4th Dimension Profits

The user, by investing in any of the Cubes, has the choice to simultaneously earn “parallel” profits by transforming the cube into a HyperCube. In fact, on the expiration date the Cube will only be paying a basic percentage reward on the underlying asset; however, the HyperCube will be paying a double reward and increasing the basic percentage reward. Therefore, the HyperCube profits will be generating a reward in the invested currencies (for ex. USDT or BNB) and in Hyper Token with its own percentage value indicated at the time of investment. As such, if the Cube's reward was 100 usdt, the HyperCube will add an additional profit in Hyper Token.

Practically speaking, an additional profit (in Hyper Token) is given to the user if they invest a small amount of Hyper Tokens together with the main cube's stable cryptocurrency investment. The result is a parallel exponential profit by having a doubled effect: a gain in the Hyper token amount, as well as the potential gain of the Hyper token price appreciation. In fact, a Hyper token steady price appreciation is the most probable outcome, as any peers who want to transform a cube into a HyperCube will have to swap stable coins or main crypto in the platform's liquidity pools. By minting on demand (see examples in the minting section), the system is built to find a stable equilibrium between the circulating supply and the real liquidity pool market cap.

By having this double reward (the underlying asset profit, such as USDT, and the freshly minted Hyper tokens) the user has received the possibility to add both values into the liquidity pools and farms, creating an equilibrium effect in the overall environment. By using this system, the overall production of new Hyper Tokens is well balanced by stable coins or crypto produced by the platform as profit or as swaps into the liquidity pools. The final effect will be that in as little as one year, we will not have a circulating supply that exceeds the amount of liquidity placed in the pools by a large number ($20 <$ times). This allows all users to swap at certain price levels without volatile fluctuations. The intention here is to obtain a total platform market cap that is close to the real liquidity placed in the pools, not just a multiplication of price multiplied by circulating supply.

Fixed Income Cubes / HyperCubes

Fixed income cubes are investment strategies that offer a fixed income to the users on either stable coins or other crypto assets. Users can choose from a variety of fixed income cubes based on their expiration dates and returns. Other terms and pay-back rules will also be mentioned in the respective cubes that users must take note of.

Fixed income cubes are more like the term deposits offered traditionally by banks, but with an added advantage of increased APY. The funds can be redeemed at the expiration of the cube, but early redemption is also possible with a flat fee of 20% of the investment. Fixed income cubes partly invest the user's funds in staking programs and proprietary arbitrage algorithms. This makes the fixed income cube a perfectly neutral strategy with proper risk management.

The cubes function based on smart contracts; codes to automate tasks including, but not limited to, the collection of funds and the distribution of rewards. HyperDex's flawless audited smart contracts collect the user funds for further distribution into staking and trading accounts. The smart contracts make the entire process transparent as the users can view the flow of funds on the BSC explorer.

When the cube reaches its expiration date, the smart contracts call back the funds necessary to fulfill the payment obligation and drop the assets automatically into the user's wallet, without any human intervention.

In addition to the existing cubes, a Hyper token cube with a 20% per annum fixed income return is created. The users can simply deposit into the cube any hyper token purchased through swaps in our liquidity pool or through the initial pre-sale phase without having to acquire an LP liquidity token.

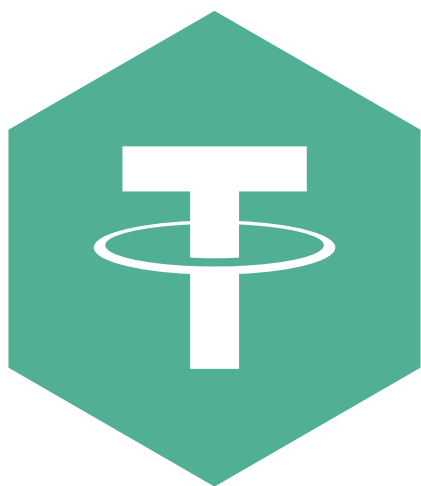
HYPERCUBES

The user will be able to select, from several cube choices, a fixed income investment offering returns on either stable coins or cryptocurrency. Every cube has its own expiration date and details about the final return on investment as well as its pay-back rules. An early redemption is possible with a flat 20% fee of the initial investment. The funds will be managed partly across fixed income generating staking programs, and partly traded with proprietary arbitrage algorithms. The user's investments will be initially collected into our smart contract, visible on the BSC blockchain for further distribution into our staking and trading accounts. At expiration, our smart contract will call back the funds necessary to fulfill the payment obligation.

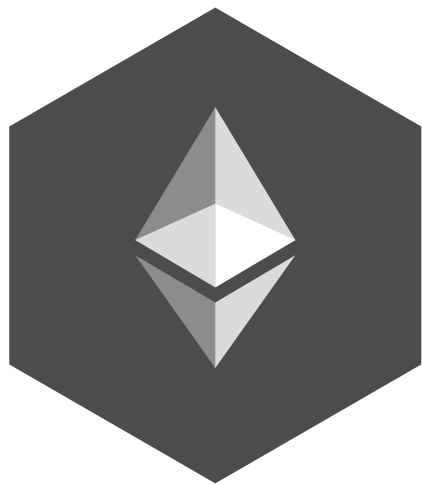
To transform a Cube into a HyperCube, the following steps are necessary:

1. The user must obtain Hyper tokens from swaps, the pre-sale, or other Hyper Cubes profits.
2. The user must invest into the cube an equivalent value of Hyper tokens in a range that varies from 10 to 100% of the main stable coin or crypto cube's investment.
3. Then the HyperCube status of the fixed income return of the previous basic Cube will increase. The HyperCube fixed income return also adds a bonus percentage onto the main investment and gives a Hyper tokens return on the secondary investment. See examples below.

A Hyper token cube with a 20% per annum fixed income return will be created as well. The users can simply deposit in the cube any Hyper token purchased through swaps in our liquidity pool or through the platform's rewards.



Cube 1
Asset: USDT
Expiration: December 2021 (3 months)
Entry fee: 0.3% Fixed return (annualized): 6%
Lock up Period: until 22 December
If transformed into HyperCube: 7% + 30% double return
Asset: USDT + Hyper token (10–100% of the usdt amount)
Fix return (annualized): 7% usdt + 30% of the usdt value in Hyper tokens



Cube 2
Asset: USDT
Expiration: December 2021 (3 months)
Entry fee: 0.3% Fixed return (annualized): 6%
Lock up Period: until 22 December
If transformed into HyperCube: 7% + 30% double return
Asset: USDT + Hyper token (10–100% of the usdt amount)
Fix return (annualized): 7% usdt + 30% of the usdt value in Hyper tokens

HyperDex – Algorithm Trading

Unlike the fixed income cubes that are based on staking, algo-trading cubes are automated trading protocols, based on a pure statistical arbitrage algorithm. Algo-trading cubes aim at bringing higher returns by identifying the market discrepancies among the leading crypto assets. HyperDex's algo-trading is a proprietary algorithm that has been used successfully for several years during various market conditions. Its trade execution is fully automated.

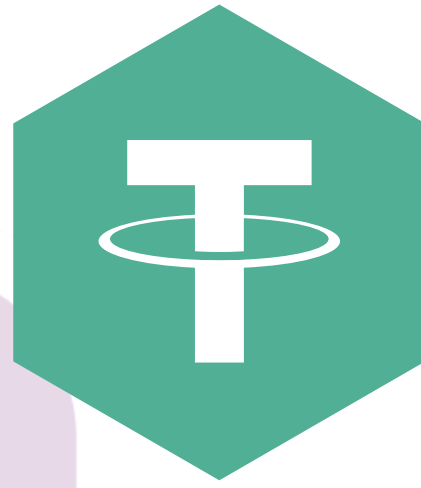
HyperDex DeFi uses complex formulae, mathematical models, and insights from experts to enhance decision-making. The algorithm is even suitable even for extremely volatile markets. Changing the myth that trade bots are accessible only to elite traders, HyperDex takes the power of algo trading to every aspiring DeFi trader, helping them to make worthy returns from the crypto market, capitalizing on every possible movement.

Unlike the fixed income cube, the algo-trading cubes are usually greater than fixed ones. Expectancy is for returns above 15% per annum, with a higher lock-up period. Early redemption is possible with a 20% fee.

This cube uses effective statistical technology to benefit from the asset price-movement. The users of HyperDex need not worry about diversifying their portfolio as these trading cubes analyze multifaceted strategies into the market. The trading cubes analyze cryptocurrencies at every instance, arriving at the most probable paths for users' assets which offers a dynamic payout to the Cube user.

The nature of this cube is statistical trading. This proprietary system will identify market discrepancies among the main cryptocurrencies and benefit from them. It's a multidimensional approach that stems from, and is not limited to arbitrage. A complex chain analysis of the cryptocurrency will be created at all times, finding at the end of each calculation the most probable path for the selected coins. The returns relative to the risks assumed are substantial. The system has an overview of the whole market and assesses the correct strategy according to the market moment.

This cube has a dynamic income pay out, the potential return is higher compared to the fixed income cubes. Expectancy is for returns above 15% per annum, with higher lock up period. An early redemption is possible with a 20% fee. All the trades will be shown next to the performance graph. For example:



Cube 1 (variable return)

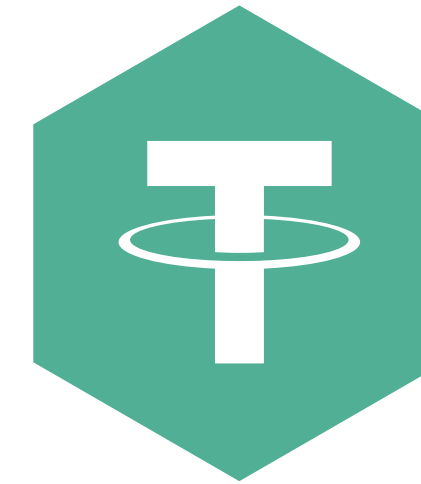
Asset: USDT
Algo Trading Expiration: March 2022 (6 months)
Entry fee: 2%
Performance fee: 20% of the net profit
Return (annualized): up to 50%
Lock up Period : until 22 March 2022

If transformed in HyperCube: double variable return + lower fees Asset: USDT + HyperToken (10–100% of the USDT amount).

Entry fee = 1%

Performance fee: 15% of the net profit Return (annualized): if the performance is 25%, the platform will charge a performance fee of 15% in USDT + 15% of the USDT value in Hyper Tokens.

Super performance fee: if the performance is above 35% (annualized) , the platform will charge a higher fee of an additional 5% for the cubes and hypercube status.



Cube 2 (variable return)

Asset: USDT
Algo Trading Expiration: September 2022 (12 months)
Entry fee: 2%
Performance fee: 20% of the net profit
Return (annualized): up to 100% Lock up Period: until 22 September 2022

If transformed in HyperCube: double variable return + lower fees Asset: USDT + HyperToken (10–100% of the USDT amount)

Entry fee = 1%

Performance fee: 15% of the net profit Return (annualized): if the performance is 35%, the platform will charge a performance fee of 15% in USDT + 15% of the USDT value in Hyper Tokens

Super performance fee: if the performance is above 35% (annualized) , the platform will charge a higher fee of an additional 5% for the cubes and hypercube status.

Features of HyperDex Algo-Trading

Overcome Volatility Predict Market Outcomes

High Frequency Trading Robust Algorithm

HyperDex's algorithm helps investors overcome the market's unpredictability and volatility. The trading algorithm uses multiple data points to predict the outcomes of the market better and faster than human trading. It also has the potential to handle a very large amount of data at any given time. It supports high-frequency trading, making tens of thousands of trades per second to make use of every opportunity in the market.

HyperDex's Race trading

The race trading cubes are very similar to that of cryptocurrency prediction markets. HyperDex's race-trading cube is based on a decentralized, trustless prediction-market platform, where the users can speculate the outcomes of future prices of the chosen crypto assets. The users who forecast the outcomes correctly will earn profitable returns from the cubes. The race trading cubes have an expiry and a user can choose a coin's long or short market direction, generating a profit if the coin achieves the predicted price before the cube's expiration day.

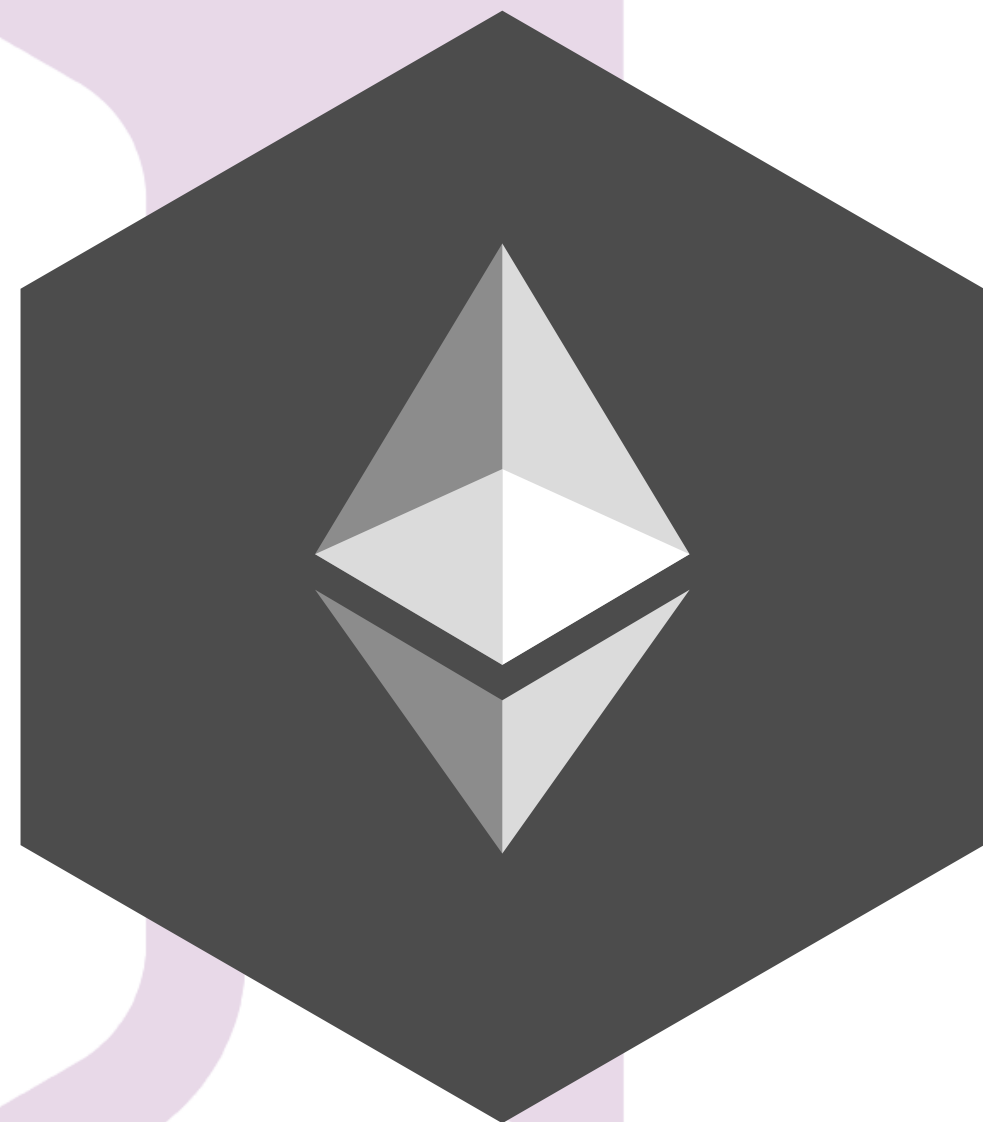
HyperDex race trading cubes allow users to predict the price of assets and win rewards at a very low entry-fee, as low as 0.5%, and are specific to a cube. The traditional centralized prediction markets are restricted to a set of investors and do not allow global participation. They limit the number of assets whose price can be predicted. Furthermore, the funds are handled by the centralized authority governing the platform. HyperDex Race trading cube resolves the situation by creating a decentralized prediction platform fueled by smart contracts. The only role of HyperDex is to develop and deploy smart contracts on top of the blockchain. There is no way HyperDex can control the trades or spend the users' funds. The transactions and trades carried out by smart contracts cannot be undone or disrupted by the HyperDex platform. In the future HyperDex is planning to add more pairs, not just against stable coins but crypto against crypto as well.

Race – An aggressive approach

Since this is based on the prediction of an uncertain aspect of the asset, the race is a more aggressive approach, similar to a future contract trade, but with the advantage that the profit and potential losses are immediately visible in a user's cube structure. The cube's trade will be active once it receives the user's coins through our smart contract.

A graph next to the race-cube will be always available for the user to check on their investment. The race-cube trades will be entered across our own platform or by external trading environments connected to our smart contract. Early redemption is possible with a 20% fee. Race-trading cube's formula considers the final price of the asset at expiration, or the achievement of the predetermined targets or stop.

The nature of the race cube lets the user make a market prediction on a certain crypto- currency. A user can choose a coin's long or short market direction, and generate a profit if the coin achieves the selected price value before the cube's expiration day. The race trading Cube cannot be transformed into a HyperCube (coming soon) . In the future we're planning to add more pairs, not just against stable coins but crypto against crypto as well. For example:



Cube 1

Asset: Eth 3000 Race

Trading Expiration: December 2021 (3 months)

Entry fee: 0.5 %

Target price: 3000 Usdt

Liquidation price: 1500

Usdt Return (annualized): profit based on price level Lock up

Period day: 22 December

For the payouts, the formula considers the final price at expiration, or the achievement of the predetermined targets or stop.

Cubes renewal

Any cube has inbuilt the auto-renewal function, and it's active by default. The user has the possibility, before the expiration date, to unlock part of or the whole investment from the cube. At renewal, the unlocked funds can be withdrawn, otherwise, if not unlocked, the funds will continue generating profit until the next expiration/renewal period.

The Dawn of Hyper Token

Hyper Token (HYP) - A token running on the Binance smart chain. The native token will derive its value from the generation of transactional demand from a heterogeneous user base. The Hyper Token is created with an intention to enhance the utility and productivity of the HyperDex platform. Introducing a native token (HYP) into HyperDex allows the users to enjoy a better DeFi experience at comparatively low transactional costs and also helps in the capitalization of the platform's growth. HYP increases the attractiveness of HyperDex at an early stage by acting as an ideal reward token for the platform. Crypto assets are the best form of reward tokens because their value is driven by the market demand, reaching new heights as the platform improves and expands.

Introducing HYP tokens on the HyperDex platform encourages early adoption while also stabilizing the user base. This occurs because early users expect the value of their tokens to appreciate over time resulting in lower carry-costs when using the tokens at later dates.

Need for Liquidity

The primary risk associated with any token is its liquidity. If liquidity is not present, it can lead to highly volatile price action for the platform's utility token. The market of the platform's token may be illiquid at times, especially during the early stages of token adoption. To address liquidity issues, HyperDex creates an initial liquidity token pool with the token value set at 1 USDT. The pool will have continuous USDT flows, as 10% of the overall commissions gained by the HyperDex platform will be distributed inside the liquidity pool automatically. The token will act like a normal Binance smart chain token, oscillating in price according to the user's swaps similar to any other token.

Minting

HYP can only be obtained through swapping or minting. After the pre-sale phase, the token's minting will occur every time a user's profit is due (see CUBE section). In order to mint tokens and prevent inflation or deflation issues, any of HyperCube's profits will be minting only the Hyper tokens expected from the percentage reward. For example, at expiration the fixed-income basic Cube generates a profit of 100 USDT for the user. The HyperCube generates a higher return on the 100 USDT plus 100 USDT in Hyper tokens. If the Hyper token at that moment is worth 1 USDT, an additional profit of 100 Hyper tokens will be minted for the user. In the example above, if at expiration the Hyper token was worth 2 USDT, the total minting amount would have been 50 tokens, and so on.

$$\text{Tokens minted} = \text{profit in usdt} / \text{HyperToken usdt value}$$

The HyperDex platform's commissions for any new USDT or other coin investments will not mint new tokens, but will deduct tokens directly from the investment. See examples below:

The user invests into a fixed income Usdt HyperCube 1000 USDT plus 100 Hyper tokens. The commission will be 3 USDT (1000 USDT * 0.3%) and 0.3 Hyper tokens (100 HyperTokens x 0.3%).

The user invests 1 ETH plus 1000 Hyper tokens into a fixed income HyperCube. The commission will be 0.003 ETH (1 ETH * 0.3%) and 3 Hyper tokens (1000 Hyper tokens x 0.3%).

Pre-sale

In the presale phase up to 10 million Hyper tokens will be minted, and it will last about 4 weeks once the Launch page is active. The pre-sale phase will be ongoing until the total collected amount reaches up to 5 million USDT or once the 4 weeks are over. The minimum investment in the pre-sale phase will be 1.000 USDT to a max of 100.000 USDT for retail clients (up to 500.000 USDT for institutional clients).

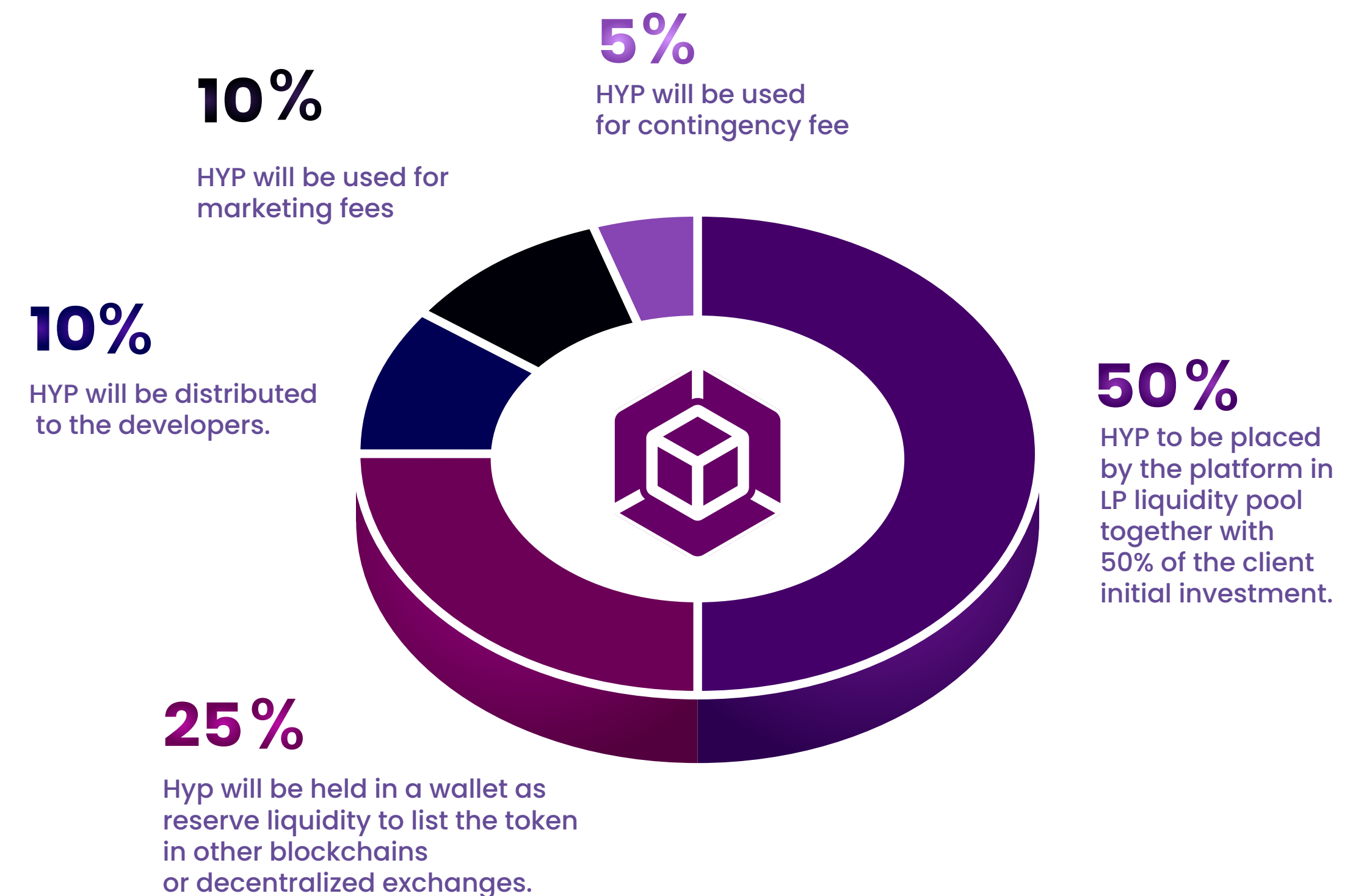
The client investor receives an equal amount of token for every USDT (or stable coin) invested (the price is set at 1 USDT for the whole pre-sale phase). For example, if the Client invests 100.000 USDT, an amount of 100.000 HYP (hyper token) will be minted and delivered to the client with a pre-declared vesting period of 12 months.

Simultaneously, for every new client's minted token, the platform will mint an additional one.

Therefore for every 100.000 USDT investment, there will be an instant minting process of 200.000 tokens, basically for every usdt or stablecoin flowing into the system during the pre-sale phase the platform will mint 2 tokens.

Once the platform launches, the regular “minting on demand” processes will happen as described in this white paper, and clients can get HYP either by swapping usdt/stablecoin/crypto or by participating in the hypercubes investments.

Therefore if we consider the below example of a 100.000 USDT investment, an additional 100.000 HYP will be minted for the following purposes:



Tokenomics

Once the pre-sale phase is completed, the official tokenomics will be activated with the following criteria:

- 1.** In the pre-sale phase up to 10 Mil Hyper token will be minted: 5 Mil for the users/clients, 2.5 Mil for LP pools, 1.25 Mil as reserves liquidity for other blockchains listings, 0.5 Mil for marketing/advisory fees, 0.5 Mil for developers and 0.25 Mil for contingency fee (Certifications, legals fee general setups etc).
- 2.** In the regular phase minting will occur on demand, only in the amount matching the profit value of the HyperCube at expiration/renewal.
- 3.** The platform's fee as well as any other fee, will be minted on demand or deducted by the users investments/profits.

Crypto lending in the near future

Most of the crypto players choose to hold their assets idly until the price appreciates. This is very similar to putting fiat currencies in bank's term deposits for low-interest rates hindering growth. The question is, how can anyone let crypto assets grow?

Crypto lending is a fairly simple concept that allows lenders to receive interest on their crypto assets and borrowers to unlock the value of their assets by placing them as collateral for loans.

HyperDex investment platform will soon launch its own 100% decentralized DeFi lending platforms handled by smart contracts rather than a centralized authority. Smart contracts on the Binance chain automates the loan and interest payouts. Anyone can access HyperDex's lending protocol with enhanced transparency as every transaction is recorded on the blockchain. Unlike the centralized financial institutions, HyperDex's lending platform involves no middlemen or financial regulators. The DeFi lending interest rates are also much higher compared to CeFi.

Getting a loan is seamless

Getting a crypto loan is made easy with HyperDex, as the users need no prior knowledge in the space. HyperDex offers a first-rate UI to help people of any DeFi experience. Users need to sign up with the lending platform and send the assets (collateral) to the smart contract address associated with the lending platform. Collaterals can be either a stable coin or a cryptocurrency.

HyperDex's lending platform creates a win-win situation for lenders and borrowers. The borrowers need not go through a series of paperwork and formalities as they must in banks. They can enjoy easy and immediate access to funds as soon as they send the collateral. There is no fear of a reduction in the allocated funds if the price of the collateral is in a swing. This is a certain game-changer in the DeFi and investment sectors.

Commission Plan

Each cube will have its own commission parameters as listed below:

Fix income cube

Fix income cube — deposit fee 0.3% (deducted immediately from the deposited coin)

Algo Trading

Algo Trading — Deposit/management fee 2% (deducted immediately from the deposited coin) & net profit performance fee of 20% (deducted at cube's expiration)

Race Cube

Race Cube — Deposit fee 0.5% (deducted immediately from the deposited coin)

Hyperdex's Referral Program

The platform has developed a reward plan for any promoter or entity that will bring new users. A simple referral system acting through the promoter's wallet will be available for everyone helping the growth of the community for a limited time after launch. With the referral code, the user will generate 3–5% more Hyper Token profit on its cube investment at the first expiration/renewal, and an additional 3–5% Hyper Tokens will be minted to the promoter as soon as the user invests in the cube. The user will be allowed to use the referral code only once per cube.

User Incentivization

The following steps are used to incentivize the user's investments, with extra bonuses on the profit given in form of tokens:

- 0–100 (usdt value) no additional Hyper token
- 101–500 (usdt value) 2.5 % extra Hyper token on top of the profit
- 500–1000 (usdt value) 5 % extra Hyper token on top of the profit
- 1001–10000 (usdt value) 7.5 % extra Hyper token on top of the profit
- >10001 (usdt value) 10 % extra Hyper token on top of the profit

Simulation of price variation

The price of the smart chains liquidity pool is determined by the following formula: $\text{price} = \text{amount of token \#2} / \text{amount of token \#1}$
For example, CAKE/BUSD liquidity pool: $\text{price} = \text{amount of BUSD} / \text{amount of CAKE}$. If the amount of BUSD is 100.000 and the amount of CAKE is 5000, the final price is 20 BUSD.

Usually a platform's token is used to create several liquidity pools independent among themselves. For example, CAKE can be swapped for BUSD, USDT, ETH, etc. (Each one of these pairs has its own liquidity pool (CAKE/BUSD, CAKE/USDT, CAKE/ETH, etc). The existence of many liquidity pools can create divergences for the platform's token price, as a swap executed within one pool (see formula example above), for example CAKE/BUSD will determine a price change for only that pool. However, the prices will be balanced automatically by the platform router every time the users are using it for any pool's swap. This happens because the algorithm of the router finds the best possible chain among the pairs for the most convenient token trade. For example, if a user wants to swap ETH for CAKE, the best possible path could be swapping first ETH to BUSD and then BUSD to CAKE. Therefore, they are in two different pools. As a result, this routing system obtains an equilibrium in the price value among all the existing token's pools.

Sometimes, when the volume is either very low or very high, and the router is still balancing the price, it can happen that some pools have a slightly different price than other pools. This scenario is more likely to occur when the router is distributed among several DeFi platforms, for example the defi pancake router exists in many other projects. In those circumstances, a particular algorithm written by some users, called BOT, uses the discrepancies to close the gap and profit from it. This process balances the price even quicker than the router. However, as the token's market becomes continuously more efficient, those discrepancies become less frequent but more difficult to target. Thus, they are less convenient for the BOT transaction.

Examples

Part 1

If we start a pool with 100,000 TOKENS and 100,000 BUSD, the price of the TOKEN is set at 1 BUSD (100,000 BUSD / 100,000 TOKEN). According to the formula, if a peer wants to earn 10,000 tokens with a swap, they'll have to pay 11.113,33 BUSD. After this swap, applying the formula to the new liquidity pool's values, the price will be set at 1,2346 BUSD. Therefore in this simulation, by subtracting just 10% of the token's liquidity, the price has an upward impact of more than 23%.

TOKEN	BUSD	Price
100.000,00	100.000,00	1,0000
-10.000,00		
90.000,00	100.000,00	1,1113
90.000,00	111.133,33	1,2346

Examples

Part 2

In the price simulation above, two additional swaps were executed after the price reached 1,2346 BUSD. The first peer purchased an additional 15.000 tokens by paying a price of approximately 1,4818 BUSD ($15.000 \times 1.4818 = 22.227,11$ BUSD), increasing the BUSD liquidity to 133.340,44 and sinking the token liquidity to 75.000. The final price after this process is set to 1,7779 BUSD. Here, the token's liquidity sank by 25%, while the price rose by 77%. The same process applies to the next swap on this example, by sinking the token's liquidity to 50% and raising the price at a value of 300%.

TOKEN	BUSD	Price
100.000,00	100.000,00	1,0000
-10.000,00		
90.000,00	100.000,00	1,1113
90.000,00	111.133,33	1,2346
-15.000,00		
75.000,00	111.113,33	1,4818
75.000,00	133.340,44	1,7779
-25.000,00		
50.000,00	133.340,44	2,6673
50.000,00	200.024,00	4,0005

Examples

Part 3

A peer has swapped tokens for BUSD, selling 20,000 tokens into the pool and earning 57.161,14 BUSD (20,000 x 28,581). In this scenario, the token’s liquidity increases by 40% (from 50,000 to 70,000) but the price sinks approximately 50% (from 4,0005 to 2,0409).

The above examples indicate that the price does not have a linear growth, but rather an exponential one according to how many consecutive swaps are made to purchase the token. The same happens in a nonlinear price decrease scenario.

TOKEN	BUSD	Price
100.000,00	100.000,00	1,0000
-10.000,00		
90.000,00	100.000,00	1,1113
90.000,00	111.133,33	1,2346
-15.000,00		
75.000,00	111.113,33	1,4818
75.000,00	133.340,44	1,7779
-25.000,00		
50.000,00	133.340,44	2,6673
50.000,00	200.024,00	4,0005
20.000,00		
70.000,00	200.024,00	2,8581
70.000,00	142.86,86	2,0409

CIRCULATING SUPPLY

The trend of the common DeFi platform token is to create an indefinite future of circulating supply. Normally, the technique is to provide a large fixed amount of tokens to the platform at launch and mint additional tokens for the platform users, block after block. This process inevitably creates a massive, uncontrollable inflation after mere months. To prevent this phenomena, the platform developers have adjusted the system by burning the exceeding tokens or by reducing the amount of tokens minted per block. However, such methods are not soundly logical: why would you create something that you already know you're going to delete? And why mint at every block token artificially, even though the platform may not be generating new, authentic liquidity?

The result of this magnitude of token production usually generates a market cap that does not reflect the real available liquidity. For example many tokens have a market cap that exceeds thousands of times the real number of stable coins or main cryptocurrency available in the liquidity pools. The effect of this discrepancy creates a faux market cap, sometimes in the billions.

Illiquid tokens face the problem that a small amount of investors' movements can create a strong downward movement in the price. It does not matter in the long run if one owns a token with 160 billion in circulating supply with a 50 billion market cap, if just a few million of the circulating supply are able to drop the price to zero. In other words, the prices we read on the market cap of any given token are always virtual and distant from the truth of the liquidity. Therefore, a user who thought to have a certain value in tokens may find themselves in an awkward situation where suddenly in their swaps could send the price towards zero, or their own tokens become worthless.

After a few months to a year in projects where farming and staking is the main platform feature to attract peers and investors, the already massive circulating supply will increase even further. Theoretically the tokens produced by the staking or farming rewards (if swapped in the liquidity pools) could empty the whole liquidity. Of course all these events described above are possible only in DeFi token-projects where the ratio of the circulating supply and actual liquidity placed in the pools are not calculated properly. Any circulating supply-ratio that exceeds 2-3 times the pools' liquidity supply is dangerous. 10 times the amount would be the limit. If we analyze the main tokens existing on the Binance or Ethereum chains, we see that this extreme ratio is exceeded by 99% of the tokens, occasionally by hundreds of times. The circulating supply of minting planning is not sustainable. Sooner rather than later, the investors' token values start dropping.

HYPERDEX SYSTEM

Our system is based on the Binance Smart Chain, similar to a standard DeFi project with profound added layers; we are calculating with vast simulations, based on the price formula variation, the optimal minting and liquidity supply correlation. In order to obtain predictable control over the circulating supply, we have developed a system that mints tokens on demand when someone generates profit using one of our platform's features. Only during the pre-sale phase we are minting a determined amount of tokens, capped to a maximum of 200% of the total initial liquidity invested by the users.

Therefore, even in the long term, the ratio between circulating supply and liquidity pools will always be under control and never exceed the extreme numbers. In fact, with our on-demand minting system, we always mint new tokens as a reward for a previous user's injection of liquidity into the pools. The main advantage of HyperDex is that we don't need an exponential production of tokens to obtain the user's interest, usually based on high-yielding returns. However, we are attracting them by creating a stable ecosystem where the price value rises as more liquidity flows into the system with a controlled minting structure. The goal is to obtain a token-scarcity production, as the more the price increases, the less the system mints new tokens. This is because minting occurs with a formula directly proportional to the platform's stable coin or main crypto rewards.

On our platform, the early investors have the advantage to be able to keep their tokens for longer, reaching for high prices long-term, without the worry of sudden price fluctuations and manipulations by developers or larger investors.

Road Map

