

micro cap strategy general

Okay so first off if you're in communities you can trust that's a significant bonus that's hard to overlook. Where there is a clean track record & where you could get great calls thanks to someone knowing the right people before a launch. Not necessarily one of my criterias, more like a big help where you don't have to rely on your own research too much which could be a nice change of pace. So before going deep on the criterias, one of those groups is for an example: this one <https://t.me/catsmagicroom> Good groups are hard to find though Now onto the criterias. And also important to understand that a project doesn't have to meet every criteria but then the exception have to be for good reason. Like for an example that the team has trustable history or is doxxed. If you're getting into new projects with low market cap you want to make sure: 1. There's locked or burned liquidity. The longer the better & make sure the full percentage is locked otherwise ask. If it's only 1 month which is usually the shortest scenario that many projects go with, maybe you should only consider this investment a short flip. Depends. 2. Contract is renounced & verified. Both very important & prevents the team from going back and changing fundamental stuff which could lead to different kinds of rug pulls. Most projects renounce if their contract isn't the type that has to evolve down the road. Some projects actually need to be able to make changes to their contracts but then there's good explainable reasons for that which you should always make sure you know if that's the case. But most projects don't need to so you want to see a renounced contract more often than not. 3. No tax is ideal of course if the project has a good revenue model & no issues with treasury/capital at hand. If there's a tax you always want to know what it's for & make sure it's for good reason. For some projects there's great reason but there's a consistent theme in crypto where projects fit most criterias but micro cap strategy general 2 are just there to get some volume hype so they can tax farm & then remove liquidity once the lock is finished when they've farmed enough tax. 4. Check how much initial liquidity was added when the project started. The more the better. A few eth is ideal. Less than one is somewhat worrisome. Meaning they don't have much skin in the game. 5. Wallet distribution. This one is really important. Contract wallets can have large % of total supply, that's fine, even potentially good depending on for what. Like liquidity wallets for uniswap holding a large % is fine. Staking pools having a large percentage is fine. Burn wallet with lots of supply is great. What's not great is having pre-salers vesting wallets with large % or personal wallets. You really don't want to see personal wallets with more than 2-3% of supply, one or two could be fine but many is big no-no. A 2% wallet dumping has huge effect on price if liquidity isn't super high. And if a normal team wallet (not a contract) holds a large % that could be fine if you're certain that you know what it's for. Like they could be saving funds for something upcoming, multichain liquidity etc. 6. A doxxed team is a great sign but you usually don't get that in new projects so no need to be on the lookout for it, just take it as a great bonus sign if you were to see it. 7. If a team does buybacks that's also a great sign but make sure you can see it for yourself on the blockchain or dextools/wherever. Never trust blindly. 8. Check their socials. Telegram & twitter. It's a bit more subjective, hard to explain exactly what to look for but once you've done it enough times you start to get a hang of it. You want to see professionalism, transparency etc. Pinned posts should be about essential stuff, fundamentals & not about buybots or callers (at least not too much). Also look out for groups that are too botted or spam a bunch of silly moon commands etc. 9. Make sure most of the supply is circulating otherwise they'll be adding more and more of the supply whenever they wish which could really lead to big dumps on you.