



The world's first crypto market intelligence platform

Notice

This is the short version of the future "white paper". The goal here is to introduce main concepts and vision of what we are up to with fewer text and more visuals.

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Introduction

Abstract

Santiment.net is a crypto-economic network with one purpose: To make participating crypto-traders more profitable by helping them manage risk. Santiment achieves this by providing participants with sentiment analysis tools and incentivizing high quality content and analysis.

Problem definition

Every active crypto-trader and investor (those who are managing their crypto portfolios by themselves), faces the following challenges:

- When do we buy, sell or hold?
- What asset is the best to hold now? Tomorrow?
- How big should my crypto holdings be relative to fiat (USD, EUR, etc)?
- How can I improve my trading/investing skills?

The target groups

These active traders can be divided into two groups:

- Newcomer traders, who are just entering crypto
- Experienced crypto-investors

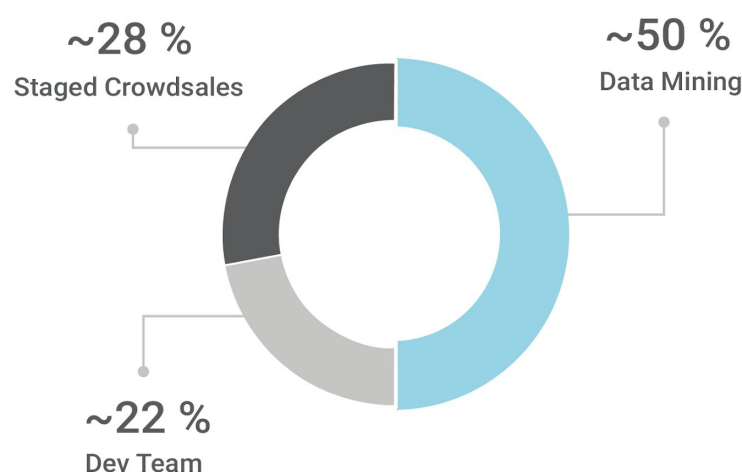
Newcomers are the most exposed to risk in crypto trading and investing. Buying the tops, based on FOMO (fear of missing out) and selling the bottoms (because of panic) are common experiences.

Solution

A Circular Financial-Social Analysis Network

To trade better, traders need actionable crypto-market intelligence. By building a crypto-economic network that incentivizes the sharing of high quality trading intelligence and analysis, we can create an environment where actionable intelligence is worth sharing.

- The crypto-economic network generates specific value, which is actionable crypto-market intelligence.
- Like any circular network, it is basically a “digital token economy”. The digital token represents value generated in the network and is used as an incentive for participants.
- The tokens can be:
 - **Earned**, by providing information and insights, and for structuring, packaging or processing, and visualizing this information
 - **Spent**, to access the information and insights
- Some tokens can be earned (“mined”) directly from the platform
- Others can be earned or spent in a P2P way between the network participants directly, without any middleman
- Tokens can also be obtained or sold on exchanges



Overview for the total Token Distribution

Roles in the network

Some market intelligence comes from the Santiment platform itself, based on data collected and provided by network participants. For instance, Santiment provides visualizations of “crowd sentiment intensity” and your own “sentiment patterns”.

Therefore the platform, created by the core dev team, is one of the key players as makers of sentiment mapping and analysis apps.

Additional market intelligence comes from the network participants. We can divide these participants into the following groups:

- Traders and investors
- Analysts and financial content writers
- Data scientists

Let's dive into the crypto market intelligence these players will make.

First insight - crypto market sentiment

Sentiment is key to understanding cycles in crypto markets. Sentiment is the net emotional trend of the crypto-crowd. “Tops” and “bottoms” are **always** built in specific sentiment environments, on any time scale.

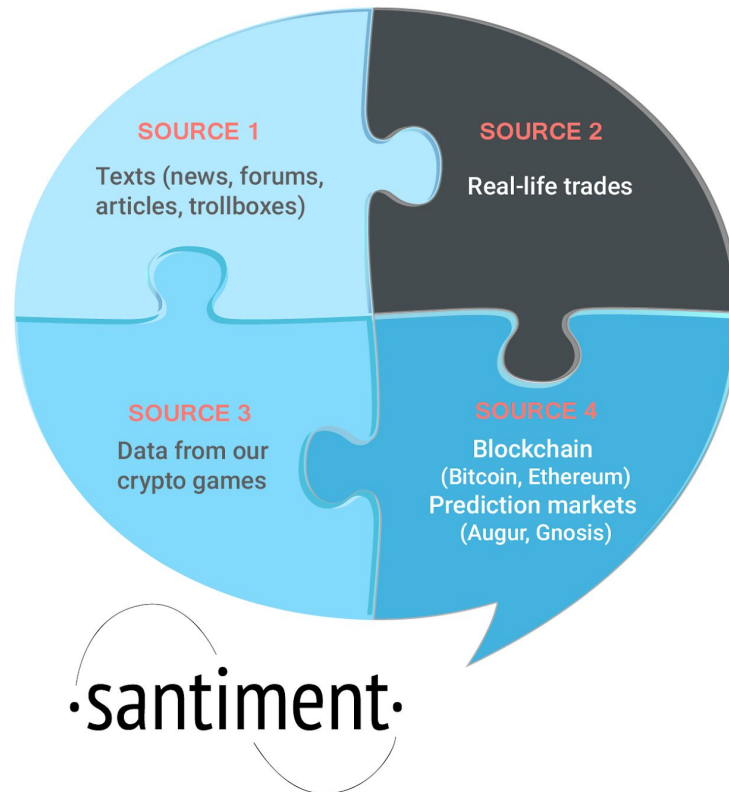
Every crypto market player contributes to this phenomenon, whether they’re aware of it or not. As part of the market all must participate for traders are always exposed to crowd emotions and acting under their influence. By leveraging these psychological trends, Santiment will provide unique access into the emotionally volatile crypto-markets.



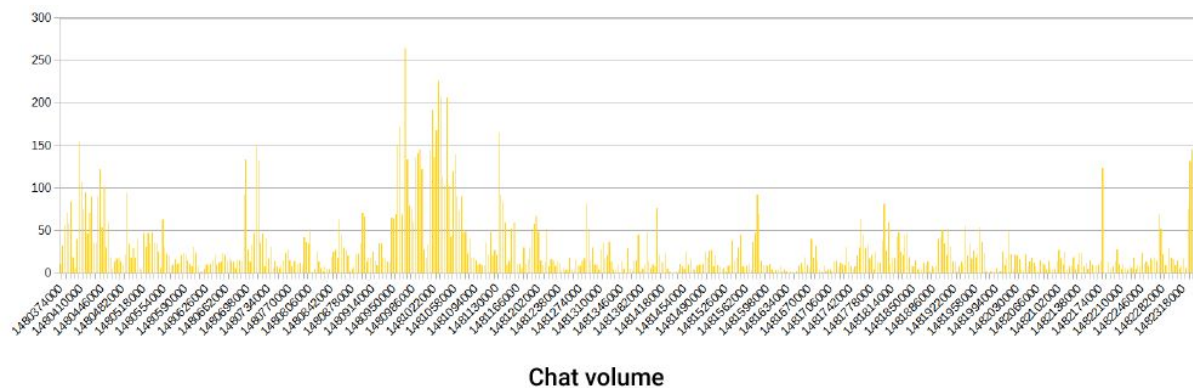
Simplified representation of the crowd sentiment

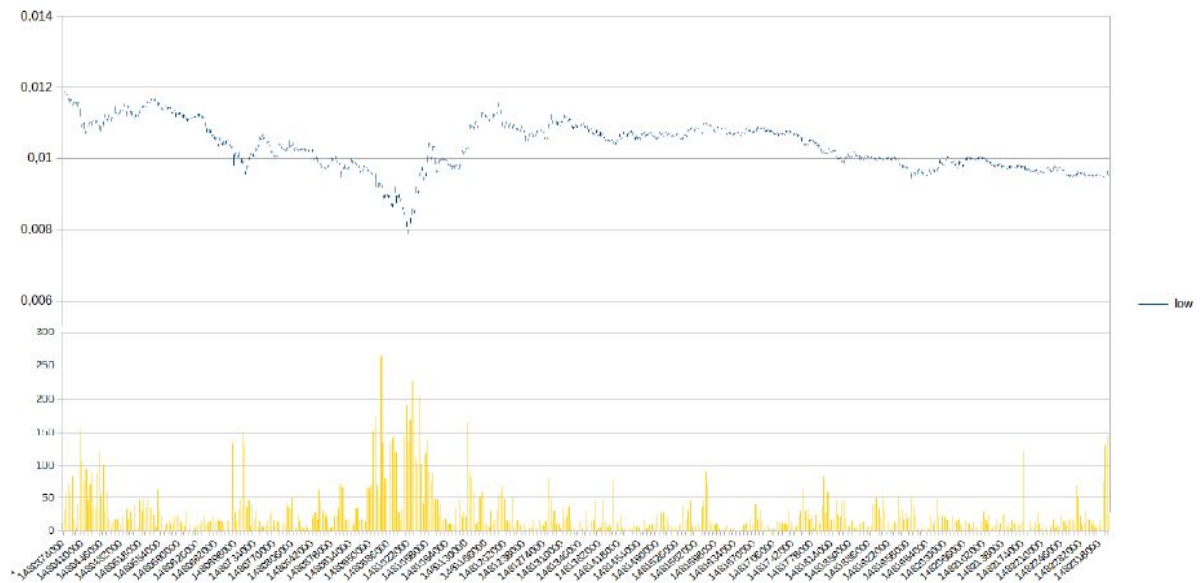
How we will build crypto market sentiment tools

1. Collect the data



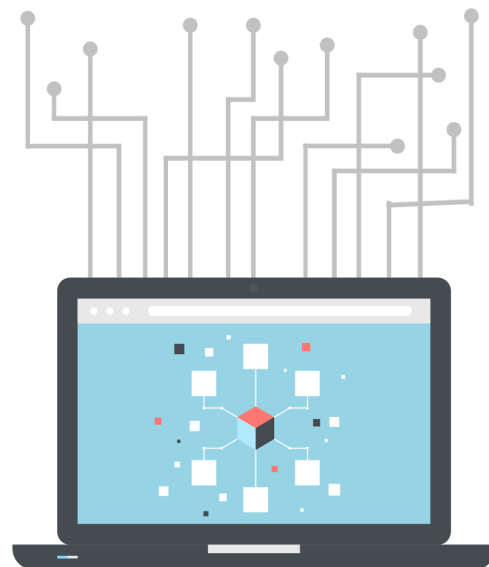
2. Structure the data and provide visualizations, such as crowd sentiment intensity, personal psychology patterns, etc.





ETHBTC Price with Chat volume

3. Release the data via community tools. The community can use these tools to analyze the data and share results.



Let the community work
on the collected data

4. Track the performance of the results. Those with good sentiment track records will be given a "Sentiment Score" and included in our general crowd sentiment index.

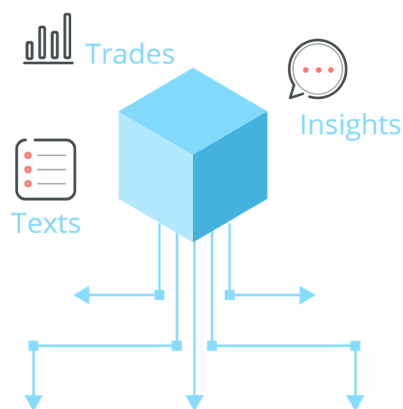
Other kinds of market intelligence

As fundamental as crowd sentiment is, it's not the only type of valuable market intelligence that will be available on the Santiment.net platform. We'll also incentivize the community to create and evaluate financial content such as:

- Trading strategy and activity from successful traders (with confirmed track-records)
- Indications when traders who are mostly right (or wrong) at specific parts of the market are acting
- Trading analytics, research, and articles
- Fundamental analyses

As the Santiment network matures, natural connections will emerge and grow between those who create valuable information and those who are willing to obtain it.

The providers will decide the price for accessing this information. The more unique and valuable the data, the higher the demand, and the higher the price. Because the value of the network is measured by the market intelligence it produces for users, the value between the two should be directly related.

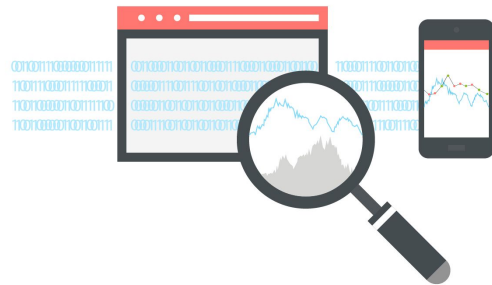


Peer to Peer

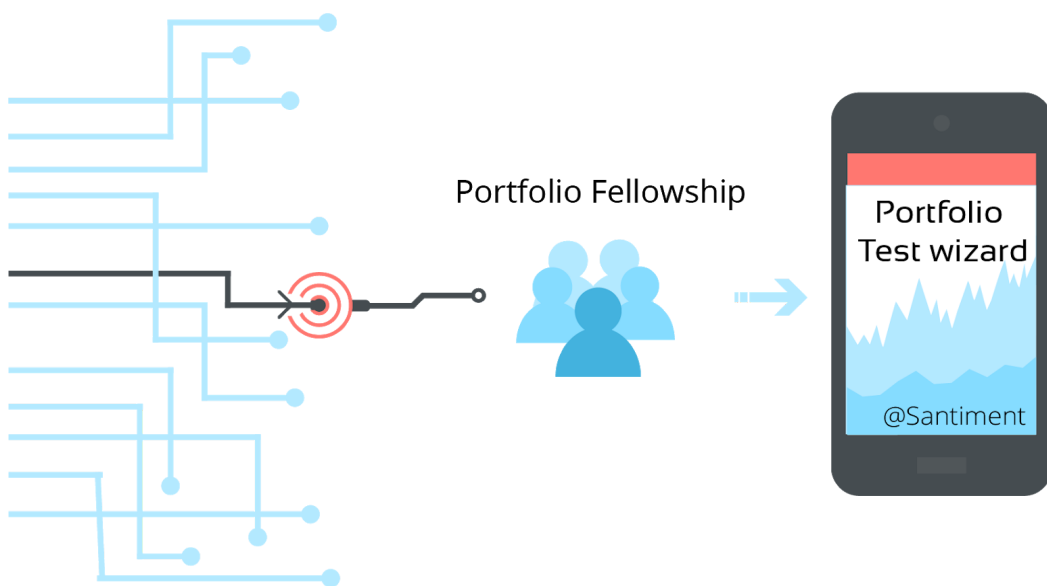
P2P platform for selling and sharing the generated financial contents/information (research, articles, news, trades, etc.)

Our platform enables the needed framework to deliver the market intelligence, including:

- User-friendly mobile interfaces
- “Selective disclosure”
- Visualized traders’ activity
- P2P micropayments



We expect that community members will use these tools to build trading teams that complement their skillsets.



Build up your trading teams: Locate the peers,
test out portfolio by simulation environment .

Some highlighted creativity and technical magic

Crypto simulator/financial games

We'll launch crypto financial games that provide traders and investors with unique learning opportunities. This data will then be used as sources of Santiment.net data and analysis. These financial games have the following features:

- A fun and risk-free way learn crypto portfolio management
- Modern UI/UX standards that lead the market
- Ability to collect sentiment data directly from the players
- Regular weekly/monthly distribution of tokens to winners as payment for success

Selective disclosure based on ZKP (Zero-Knowledge Proofs)

We are going to implement "Selective Disclosure" on a fundamental level on our platform in order to:

- Prevent front-running
- Make sure only those who pay with tokens have access to information
- Prevent resale of information disclosed to the target person
- Hide the real algorithms of the data processing providers, publishing processing results and validity proofs only.

As far as reasonable, we plan to implement Selective Disclosure using ZKP (Zero-Knowledge Proofs) and especially zk-SNARKs methods in order to prevent any information leakage to unadmitted parties.

Allow data scientists to work on the collected data

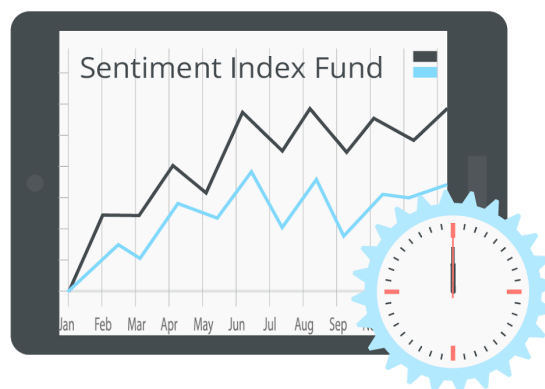
We'll open the our crowd sentiment data sets to network participants and let them analyze the data for themselves directly.

Combined with an open API for our “crypto simulator” the results of their work can be tested automatically, and with selective disclosure (zn-Snark) the work can be shared with the community without revealing the code/algorithm.

Those interested will be able to “follow” these data model signals. Based on popularity/demand the price will be set directly on P2P basis.

Our platform will continually measure certain parameters like consistency, risk level and performance. We might even introduce a “limit” to access particularly trendy models, so that only those who are willing to pay P2P will be able to follow the info produced by smart network participants.

We might even consider building something like:



Generate Sentiment Index Fund based on sentiment index when the time is ripe.

These are just ideas however - possibilities for the future. The community itself will ultimately decide what is the best for the network.

Conclusion

We hope this paper has given you a closer look at our plans to build a powerful and useful crypto market intelligence platform.

We have a lot of experience on our small team, but it's only the combined effort of many people that will bring real success to such a platform.

We are sharing everything we consider to be valuable and important in our current view, and hope the needed people will join us and make it happen.

With Metta and positive vibrations,
Sentiment.net Team