



Blackbullswap – Whitepaper

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INTRODUCTION

DeFi is also known as decentralized finance which leverages existing blockchain technology into a decentralized micropayment platform without any intermediaries. DeFi is one of the technological concepts which got huge requirements from the banking sector as well as from those who deal with many the financial transaction. Cryptocurrency transaction is accepted in most of the countries around the world as it facilitates with an easy and fast transfer of money within seconds with an assurance of no middlemen. The DeFi is also known as open finance which is powered by blockchain.

The main problem with the current banking transactions is, it takes time to send money globally and it charges with a customer service fee for every single transaction, which isn't acceptable for all customers. Though the transaction fee for a big amount is acceptable, it isn't that feasible for those who transfer small amounts. The current banking system also puts a bar on the minimum amount a customer can transfer which makes the current banking system all more narrowed.

The most promising feature provided by blockchain for DeFi is a smart contract system. The system acts as a virtual medium between the two customers directly. One can send any large or small amount to another customer by calling a transfer function of this smart contract feature. This enables the user to send the money globally within seconds and no third person is watching that move, instead of that a bunch of pseudo-codes is executing that transfer for every customer.

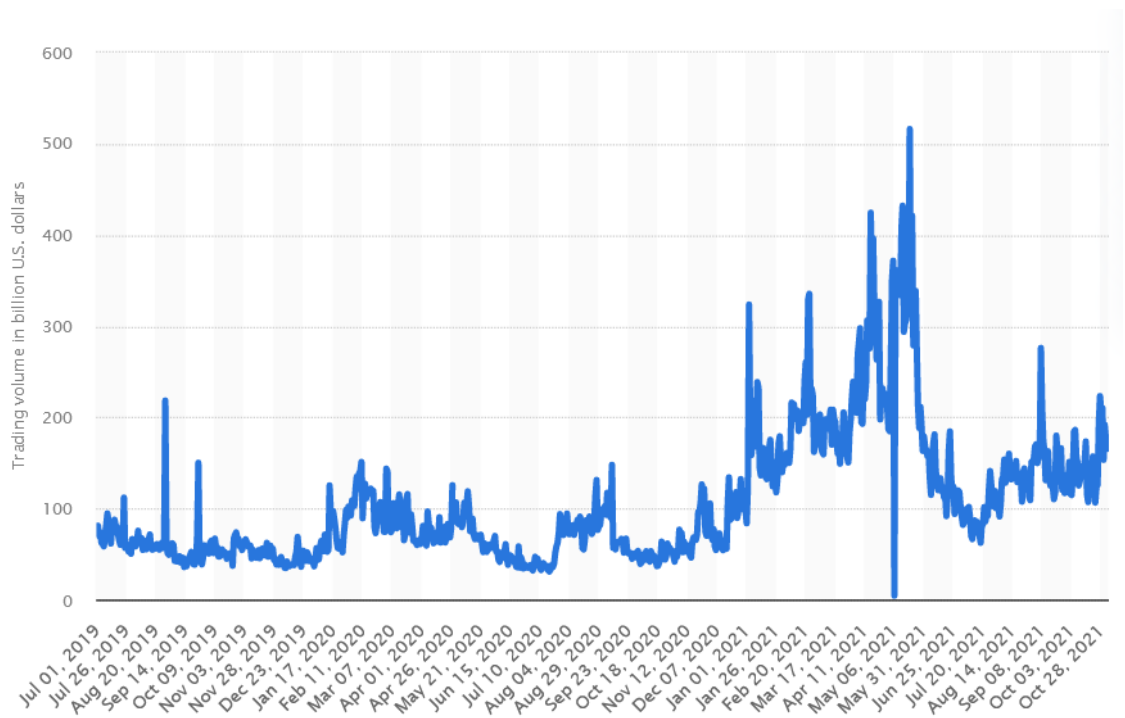
Since the DeFi summer of 2020 and with the explosion of NFT ERC721 tokens in 2021, the increase in investments in tokens in the L1 and L2 networks has been practically exponential. In general terms, people are losing the fear that they previously had to invest in cryptocurrencies because there are currently tokens that have greater stability, or at least, less volatility thanks to the DeFi ecosystem that had a great advance in the summer of 2020. Many users are discovering new ways to generate more profits on their investments, especially if we compare it with the traditional financial market, where the interest generated by the money is practically nil.



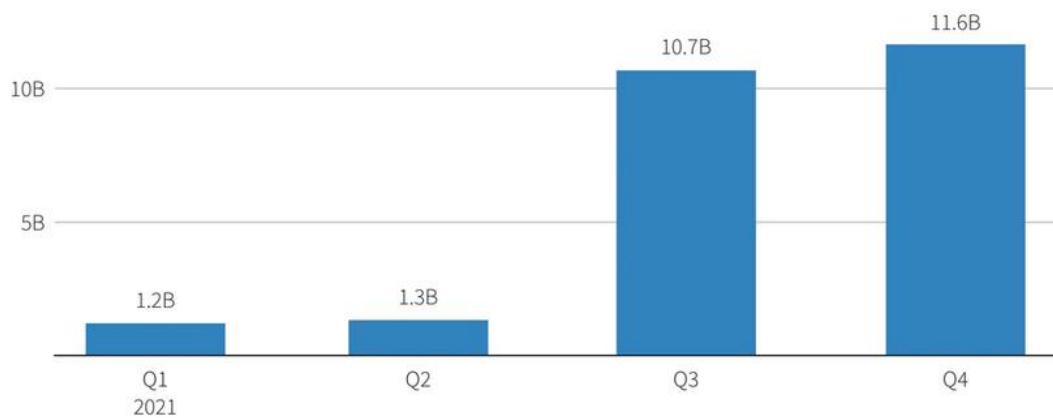
Numerous surveys of general media (USA and Europe), indicate that around a number between 25% and 30% of people plan to invest in cryptocurrencies in the year 2022.

If the growth of the DeFi ecosystem has been very high since the summer of 2020, the explosion of the NFT tokens of 2021 has generated economic figures rarely seen before in any type of product.

Trading Volume 2019-2021 (Font: Statista.com)



NFT Volume 2021 (Source: DappRadar)



Note: Data excludes "off-chain" sales.
Source: DappRadar



DEX (Decentralized Exchanges)

The basis of these public blockchain networks are the Dapps better known as decentralized exchanges (DEX). DEXs are peer-to-peer token services that allow two different parties to transact directly without going through a centralized intermediary or custodian. They are one of the most crucial essential functions needed within the DeFi space and currently also lock the largest amount of capital or Total Value Locked (TVL) compared to other DeFi protocols.

Thanks to DEXs, users can exchange tokens with the help of safe and fair technological utilities and applications. Traditional exchanges (better known as centralized exchanges or CEXs) offer similar options, but the investments offered are subject to the parameters of the managed exchange, determined costs, and a lack of democratic controls.

Uniswap is the great DeFi revolution of the Ethereum Networks. Founded in 2018 by Hayden Adams, Uniswap, which has been implemented on the Ethereum blockchain (although it is currently also present on Polygon and Arbitrium) was launched after receiving grants from multiple venture funds and support from the Ethereum Foundation. Uniswap automates cryptocurrency trading and trading using smart contracts and automated market makers (AMMs). The innovative and ingenious product of Uniswap can be considered one of the most successful on the market since the vast majority of current DEXes (including Blackbullswap) have Uniswap as the basis of their software.



MARKETS

Why did we start with Avalanche C-Chain and continue with Binance Smart Chain and Polygon Mainnet?

Avalanche C-Chain is a network that works in a very similar way to Ethereum, only that it has a much higher speed and a much lower cost, in addition to being called to be one of the main networks, Avalanche C-Chain has a volume of Blocked tokens very high compared to the number of DeFis they have providing service, so we believe it is a good network to start our development, in this way Avalanche C-Chain users will have more investment opportunities, more choice opportunities and more arbitrage opportunities.

We will continue with the Binance network since it is the great competitor of Ethereum by volume of business, but currently it already has numerous DeFi in its ecosystem, two of them, Pancakeswap and Pantherswap, being the main DeFi in this ecosystem, with a volume of enviable and hard to beat business.

Its speed and low costs are also a great attraction for our users who can find business opportunities on Binance that they do not find on Avalanche.

Finally, we will extend Blackbullswap to the Polygon Mainnet, which is a network that has had a very large growth in recent years thanks to its better speed than Ethereum, but above all, due to its low cost per transaction. Polygon seems interesting to us, but it is the last network where we are going to expand Blackbullswap for one main reason: Polygon is the second network by number of DeFis, however its trading volume is relatively low for the volume of DeFis they have, especially since Uniswap also operates on that network.



FORECAST

We believe that it is good for the financial health of the DeFi ecosystem that there are several DeFi platforms to avoid monopolies of some platforms and to provide Blockchain users with the greatest possible investment and profit possibilities. Currently there are several platforms such as Uniswap, Sushiswap, Pancakeswap, Quickswap or Pangolin Dex that have a very advantageous situation with respect to their competition, which means that the DeFi market may suffer and that users have fewer investment opportunities since, in the same way, as happens in other sectors, when there are large companies dominating markets, the competitors have fewer opportunities to survive. Diversifying the DeFi markets will improve the perception of Blockchain users as they will see that they can use numerous services, different services and they will always be able to compare where they want to invest their tokens, where it is more profitable for them or if they have arbitrage options.

That is why we want to introduce DeFi in what we believe may be three of the main networks of the future Blockchain: Avalanche C-Chain, Binance Smart Chain and Polygon Mainnet. We want to include a new Dex space with Farming and Stake Pools in the Blockchain, so that users have another option in Blackbullswap to monetize their tokens with their products and providing greater arbitrage opportunities.

The future

Every day it seems more evident that cryptocurrencies are going to be part of people's daily lives, cryptocurrencies comply with more parameters of legal currency than the current fiat currencies themselves, so that in the future, we hope that closer, these will be considered legal tender. Traditional financial institutions are seeing the gigantic advance of DeFi and MMA as a possible future for themselves but using fiat money, so everything seems to indicate that possibly, in several years, we will be able to pay with quite a few cryptocurrencies as if they were money. fiat.

For this reason, part of the development of Blackbullswap consists of developing new financial products for tokens that can respond to the financial needs of our users. In the same way that Yield Farms and Loan/borrow with tokens were born, we are valuing



creating financial products such as ERC721 token exchange with ERC20 token compensation, Yield Farming with ERC721 tokens and other financial products related to loan/borrow services so that our users can optimize the performance of their tokens.



FEATURES

Our goal is to implement a multi-service, multi-chain DeFi on the Avalanche C-Chain network. The Exchange and Liquidity Provider services are basic to give our users the basic services to manage their tokens, such as the exchange of tokens and the ability to add LP Tokens to obtain profitability on their tokens.

In this way we will introduce one more Exchange in the Avalanche C-Chain ecosystem so that traders can benefit from the existing arbitrage options between the different Avalanche C-Chain Exchange platforms.

Our clients can add tokens in Blackbullswap Pools to obtain benefits from those users who use their tokens to exchange tokens on our Exchange.

In this way we increase the liquidity of our Exchange while our users benefit economically from providing liquidity to Blackbullswap.

Swaps vs Transfers

Blackbullswap have functions that return purchased tokens to the buyer's address.

These functions allow buyers to make a trade and then immediately transfer purchased tokens to a recipient address.

Providing Liquidity

Adding Liquidity

Adding liquidity requires depositing an equivalent value of AVAX/Other Tokens and ERC20 tokens into the ERC20 token's associated exchange contract.



The first liquidity provider to join a pool sets the initial exchange rate by depositing what they believe to be an equivalent value of AVAX/Other Tokens and ERC20 tokens. If this ratio is off, arbitrage traders will bring the prices to equilibrium at the expense of the initial liquidity provider.

All future liquidity providers deposit AVAX/Other Tokens and ERC20's using the exchange rate now of their deposit. If the exchange rate is bad there is a profitable arbitrage opportunity that will correct the price.

Liquidity Tokens

Liquidity tokens are minted to track the relative proportion of total reserves that each liquidity provider has contributed. They are highly divisible and can be burned at any time to return a proportional share of the market's liquidity to the provider.

The number of liquidity tokens minted is determined by the amount of AVAX/Other Tokens sent to the function.

Depositing AVAX/Other Tokens into reserves requires depositing an equivalent value of ERC20 tokens as well.

Removing Liquidity

Providers can burn their liquidity tokens at any time to withdraw their proportional share of AVAX/Other Tokens and ERC20 tokens from the pools.

AVAX/Other Tokens and ERC20 tokens are withdrawn at the current exchange rate (reserve ratio), not the ratio of their original investment. This means some value can be lost from market fluctuations and arbitrage.

Fees taken during trades are added to total liquidity pools without minting new liquidity tokens. Because of this, tokens Withdrawn include a proportional share of all fees collected since the liquidity was first added.



Liquidity Tokens

Blackbullswap liquidity tokens represent a liquidity providers contribution to an AVAX/Other Tokens ERC20 pair. They are ERC20 tokens themselves and include a full implementation of EIP-20.

This allows liquidity providers to sell their liquidity tokens or transfer them between accounts without removing liquidity from the pools. Liquidity tokens are specific to a single AVAX/OTHER TOKEN ERC20 exchange. There is no single, unifying ERC20 token for this project.

Fee Structure

Whenever someone trades on PancakeSwap, the trader pays a 0.25% fee, of which 0.17% is added to the Liquidity Pool of the swap pair they traded on.

Swapping fees are immediately deposited into liquidity reserves. Since total reserves are increased without adding any additional share tokens, this increases that value of all share tokens equally. This functions as a payout to liquidity providers that can be collected by burning shares.

Since fees are added to liquidity pools, the invariant increases at the end of every trade.

Stake Pools

In our Pools users can generate more Bull tokens by investing with other tokens, in this way, users who have surpluses in a token, or if users know that a certain amount of tokens are not going to be used in the short term, they can put those tokens in our Pools to generate Bull tokens and thus monetize the tokens that they have stopped or that they do not plan to use in the short term.



Farms

Farms are one of the most consumed DeFi products during the year 2021 and it seems that the year 2022 will follow the same trend. In our case, we will create Farms so that our users can invest their LP Tokens and thus obtain a double return, the return they obtain as Blackbullswap Pool Liquidity providers as well as the Bull Tokens they will receive for having their LP Tokens in our Farms. Our goal is to create the largest number of Farms, at least to house the main pairs of most used tokens, to try to reach the largest possible number of users and that they have the largest number of investment options possible for their tokens.



BULL TOKEN

Bull Token will be born with a Total Supply of 1,000,000,000 tokens, initially the distribution of these tokens will be as follows:

- 79%: Community (IDO, AirDrop, Stake and Buy)
- 5%: Partners and Investors
- 11%: Invest develop and marketing (5% of Total per month)
- 5%: Team (5% of Total per month)

Bull Token can be used both as a standard use token (like a currency), but it will also be the governance token that will be implemented 5 months after starting this project, since to deploy the project and meet objectives we believe that the best option is to implement the main points of Blackbullswap project, thus avoiding the inclusion of possible whales that interfere with the project in its initial phase.

Although the Bull Token will be an inflationary Token, that is, it will not have an emission limit, initially the volume of tokens in circulation will be monitored to burn those tokens that, being in our reserve, are causing deflation in the value of our Token, new tokens are minted in those cases that are necessary to distribute among our community (Pools, Farms and Stake), by proposal of our community or to finance new proposals of our community.

Deflationary Mechanics

- Burns Initial Supply after IDO, AirDrop and Team and Marketing Initial Rewards (operating expenses)
- **0.05%** of every trade made on Blackbullswap
- **100%** of BULL sent to the Dev address
- Inflationist Observatory: It will monitor inflation, in case of advertise a high number of Tokens in circulation that may affect its price, reserve tokens will be burned in order to compensate the price of the Token.
- Increase LP Token-BULL to revalue Bull Token with 1% Deposit Fee for Stake Pools.



ROADMAP

This is a Roadmap, not a To-Do-List

LAUNCH

- ~~Idea Realization and Market Research~~
- ~~Architecture Design and Whitepaper~~
- ~~Partners Proposals~~
- ~~Twitter and Discord account for users~~
- ~~Apply for Listings on Coinmarketcap, Coingecko, DappRadar, Snowtrace, etc.~~

AMM

- ~~AMM Decentralized Exchange~~
- ~~Add Staking for Bull Token~~
- ~~Add Blackbullswap Farms~~
- IDO (Initial DEX Offering)

MULTI-CHAIN

- Add Polygon Network
- Add Binance Network

Other Features

- Voting
- Analytics
- AMM API EndPoint
- AirDrop (Get Bull Token and Rewards for more Bull Token)
- Increase the number of farms and tokens for Bull Token staking
- Publish our "Mad Blackbulls" NFT Collection