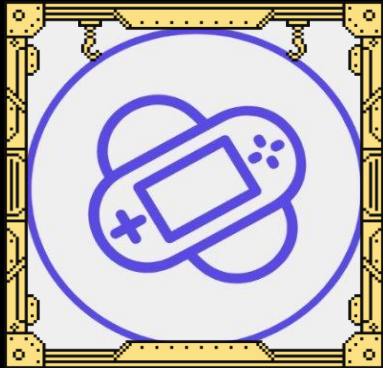




Permissionless Shorts and Leverage with Metaplex Core



@DaoPlays



@Dave_Kayac

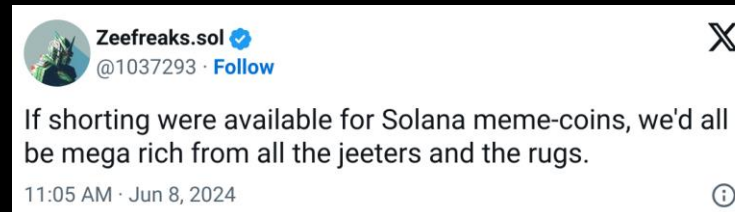


@frnzgs



The Problem

AMMs have been around a long time.. and yet:



Going short or entering leveraged long positions still
primarily via centralised exchanges



The Problem

Decentralised platforms that do offer leverage or shorts are not permissionless – they only provide curated lists of accepted tokens (e.g. flash.trade)

We have a decentralised, permissionless system for borrowing from an AMM that solves these issues



Our Solution

Borrow From The AMM

Long Short

User Balance: 4.954 SOL

AMM Balance: 90000 SPL2

AMM Fee (bps): 100

Borrow Fee (bps): 200

Short:

1000

Deposit:

0.01

Liquidation Price:

4.575e-5

Enter

- AMM allocates fraction of its liquidity to a short pool and a leverage pool
- User specifies the deposit they want to pay for the position
- Larger deposit -> More headroom before position can be liquidated but more capital at risk
- Borrow Fees are annualised – The longer you hold the position the larger the fee. Fees collected when position is exited and go to liquidity providers



Our Solution



Powered By Metaplex Core



- When borrowing from the AMM the user receives a core asset as a receipt
- On-chain attributes contain all the metadata describing the position
- Whomever owns that asset can exit the position – they have value and are tradable in their own right!
- Any wallet or marketplace that supports Core will support our borrowed positions out of the box



Our Solution

Liquidation Is Decentralised

- Any user can liquidate a borrowed position once it passes its liquidation price.
- They earn the SOL used as rent for the core asset (~0.0035 SOL per liquidation) as a fee.
- Could provide other platform specific rewards to further engage community

 Solana	+0.00351 SOL
Network	 Solana
Network Fee	\$0.0040



Core Is A Powerful Tool


The screenshot shows a mobile application interface for creating an option. It features a dark theme with orange and green accents. The interface includes several input fields and a date selector, all framed by a pixelated orange border. At the bottom, there is a prominent green 'Create' button.

Available Balance: 19,755.30 SPL2


Transfer Fee (bps): 0

Max Transfer Fee (SPL2): 0


Number of Tokens you will sell to option owner:

0 


Strike price per token:

0 

Price of the option:

0 

Expiry Date:

 SAT JUN 08 2024 00:00 GMT+1

Create

Options Trading Program

- Core asset encodes a Call or Put option
- Option metadata stored as on-chain attributes
- Owner can execute it at any point
- Can be traded on any Core supported marketplace
- After expiry creator can reclaim assets in escrow.



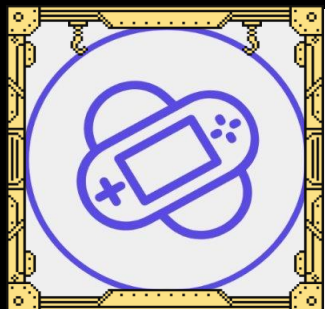
Path To Market



- Initial launch of both options and leveraged trading on MemeFi platform Let's Cook.
- Invite selected DeFi influencers, Developers, and Early Adopters to test the platform and provide feedback.
- Refine product and build initial trust within Let's Cook community
- Provide additional rewards (e.g. \$SAUCE) for liquidators and liquidity providers on Let's Cook to bootstrap AMM pools - similar to platforms like Meteora.
- Partnerships with existing DeFi Projects (Flux, Raydium etc) to bring leveraged trading to their platforms



The Team



@DaoPlays

- Runs a Solana dev blog at daoplays.org started in 2022
- Developing Solana meme coin token/hybrid launchpad letscook.wtf
- Built crypto projects include push-your-luck dungeon game sol-dungeon.com
- Ph.D. in Astrophysics from Cambridge University with over 5000 citations from published papers and now works in quantitative TradFi.



@frngs

- Frontend Developer and Technical Project Manager with 4+ years of experience leading cross-functional teams.
- Founded Deez Jobs (deezjobs.xyz), a decentralized freelancing platform built on the Solana blockchain, and Coterie Labs (coterie-labs.gitbook.io), a web/software design and development solutions.



Many Thanks to the organizers!
We look forward to the next

BONKATHON!!!