



January, 29th 2026

From: The Wise Architect

To: Everyone — Especially the Short-Termists

Primary Announcement

ITO Market Structure Update

Dear You,

As part of our market-structure strategy, Kiyosito has decided to introduce ITO initially exclusively via a private liquidity venue operated by a Tier-1 institutional market maker.

This is a deliberate choice.

ITO is not designed as a retail price-discovery instrument. It is an access token to a production-grade signal engine, and its early distribution must reflect that purpose. Public order books optimize for visibility and velocity; private liquidity venues optimize for capital quality, execution integrity, and information containment.

For the initial phase, we are prioritizing:

- controlled liquidity,
- reduced information leakage,
- minimized reflexive volatility,
- and counterparties capable of evaluating ITO on utility and structure, not momentum.

Broader market access will be evaluated later, once the access layer and signal demand reach operational equilibrium.



Why have we decided to do so?

1) Information containment

Public exchanges leak information by design. For assets tied to alpha-producing systems, early public trading often destroys value through adverse selection and copycat dynamics. Private venues reduce leakage and preserve the economic edge of the underlying system.

2) Price discovery is not the objective—access is

ITO's value is derived from consumption of Julia signals, not speculative turnover.

A private venue aligns pricing with actual usage demand, not transient retail flows.

3) Controlled liquidity reduces reflexive volatility

Thin public books amplify noise and create artificial drawdowns unrelated to fundamentals. Private liquidity enables negotiated execution, reduced slippage, and stability during early demand formation.

4) Institutional counterparties act as quality filters

Membership-gated venues naturally select participants with longer time horizons, better risk controls, and higher tolerance for non-Gaussian dynamics.

5) How serious capital actually trades

At scale, the most successful trading systems do not rely on public exchanges:

- internal crossing,
- RFQ systems,
- and private liquidity pools dominate.

ITO is being introduced where serious capital already operates, not where attention is loudest.



SHORT FAQ – Market Structure Rationale

Q: Why not list ITO on a major exchange immediately?

A:

Public exchanges are optimized for visibility, velocity, and retail participation, not for correctness or signal preservation. Early public listings tend to attract reflexive behavior—momentum chasing, copy trading, and narrative-driven flows—which can distort pricing before real usage patterns emerge.

ITO's primary function is not price discovery; it is access to a signal engine. Introducing it first in a private venue allows price formation to be anchored in use and necessity, not attention.

Q: Does this limit liquidity?

A:

It limits unstructured liquidity, not economic liquidity. Public order books maximize volume but often at the cost of information leakage and adverse selection. Private venues prioritize intentional liquidity—capital from participants who understand the asset's role and are transacting for functional reasons, not speculation.

For an access-based token, that distinction matters more than headline volume.

Q: How does private liquidity benefit the broader ecosystem?

A:

Private liquidity venues reduce noise, stabilize early price formation, and protect the underlying system from premature reflexivity. This benefits:

- Users, by aligning price with utility rather than hype;
- Developers, by preserving signal integrity;



- Future market participants, by avoiding distorted baselines created during early speculative phases.

In short, it improves market quality before expanding market reach.

Q: Why is being traded in a private venue a form of recognition?

A:

Private liquidity venues are membership-gated by design. Access is not granted to every asset; it is extended selectively, based on structural compatibility and counterparty quality. Being accepted into such an environment signals that the asset is being evaluated on architecture, behavior, and role within a system, not on marketing or retail appeal. It is recognition of fit, not endorsement.

Q: Is this permanent?

A:

No. This is a phased market-structure approach. Private liquidity allows usage-driven demand to stabilize first. Broader venues can be evaluated later, once the access layer and consumption patterns are mature enough to withstand open-market reflexivity without degrading the underlying signal.

Q: Does this imply exclusivity with a single firm or venue?

A:

No. It implies a structural choice, not dependence. The decision reflects a preference for private, high-quality liquidity environments during the early phase, not a permanent or exclusive relationship with any single counterparty.



Q: How should I think about ITO's value today?

A:

ITO should be understood as a claim on signal access, not as a vehicle for short-term price discovery. Its value is tied to consumption, not turnover.

Price matters, but it is secondary to whether the token is being used in the way it was designed to be used.

Q: Why is this approach aligned with how serious capital operates?

A:

At scale, most sophisticated trading systems do not rely on public exchanges for primary execution. They use:

- private crossing,
- RFQ systems,
- internal netting,
- and controlled liquidity pools.

Introducing ITO in a similar environment aligns it with how serious capital actually trades, rather than how markets appear to trade from the outside.

Q: What's the guiding principle behind this decision?

A:

Simple: protect signal before amplifying price.
Once signal integrity is lost, it cannot be recovered by liquidity alone. The reverse, however, is often true.



A Completely Fictional Story Explaining Why an Imaginary Person Would, for Purely Didactic Reasons, Choose Jump Trading as a Private Liquidity Venue

I met the people from Jump Trading at a moment when I was thinking less about markets and more about structure.

At the time, I was a major partner at Link Corretora, back when BMF and Bovespa were still member-owned institutions. This was before demutualization, before IPOs, before the exchange became a corporation with shareholders instead of members. When the decision was taken to demutualize, my position meant that I would receive a meaningful allocation of shares in what would later become B3. Naturally, I was invited to participate in the strategic committee assembled to think about what this new entity should become.

That committee met in Chicago. CME was already a significant shareholder in BMF, and the discussions were pragmatic rather than ideological. We weren't debating slogans or narratives; we were debating how an exchange actually grows in value once it stops being a club and starts being a company. In the end, we converged on two simple, actionable drivers. First, absorb existing high-frequency and electronic trading technology and internalize it, transforming the Brazilian exchange into something operationally comparable to CME. Second, increase the penetration of exchange products in the domestic retail market.

As a technologist, it was the first driver that stayed with me. It wasn't about speed for its own sake; it was about market quality, resilience, and who truly shapes price formation. When the committee work wrapped up, I didn't go looking for banks, consultants, or presentations. I went looking for the people who already lived inside that first driver.

I was told there was an office by a lake where some of the smartest traders in town worked. A place described as meritocratic and Darwinian, where the trader was also the modeler and the coder of his own strategy, and where



survival depended on whether the system actually worked. That was Jump Trading.

I didn't approach them with a pitch deck. The first thing I did was try to speak their language. I showed them the mathematics I actually knew, not credentials. I talked about systems, regimes, and execution, not returns. At some point, almost incidentally, I mentioned that I had been inside Jim Simons' house—not for markets or mathematics, but because of a shared concern around autistic children. It wasn't name-dropping; it was context. It signaled proximity to people who care about signal, not noise.

I also rented a rooftop facing the baseball stadium. We watched games, talked, drank, argued, and spent time together. There were no formal meetings and no sales process. Trust didn't come from contracts; it came from alignment and long conversations about how markets actually behave when nobody is watching.

That was how Jump became my first client within the model we were building for the Brazilian exchange. Not because of marketing or reputation, but because they recognized the structure. They understood what we were trying to do before it had a name.

That way of thinking—about access, execution, and information containment—never left me. It stayed with me long after the committee work, long after demutualization, and long after B3 became what it is today.

Years later, when it came time to decide how ITO should be introduced to the market, that experience resurfaced immediately.

ITO was never designed to be an object of spectacle or a vehicle for noisy price discovery. It was designed as an access layer to a production-grade signal engine, whose value depends on information integrity, execution quality, and controlled exposure. Public order books optimize for attention; they reward reflexivity and punish anything tied to genuine signal. I have seen too many good systems decay the moment they were exposed to environments built for noise.



Jump operates in the opposite direction. Liquidity there is intentional, not performative. Execution matters more than visibility. Information is treated as something fragile, not something to be broadcast. The same culture I encountered years earlier—the one where the trader is also the modeler and the coder, and where survival depends on whether the system works—still defines how they think about markets.

Choosing a private liquidity venue for ITO was not about exclusivity or prestige. It was about alignment. ITO needed an environment where pricing would emerge from use and necessity, not from momentum and imitation. A venue where counterparties understand non-Gaussian behavior, regime shifts, and volatility as state variables, not as flaws.

In that sense, the decision was not strategic so much as inevitable. Once you have seen how serious capital treats signal, you stop pretending that all markets are created equal. ITO belongs where signal is protected long enough to matter. That is why, for now, it lives in private liquidity.

– The Author

Who Is Not You

And Certainly Not Me

Finally signed by



– Kiyosito Founder & Architect

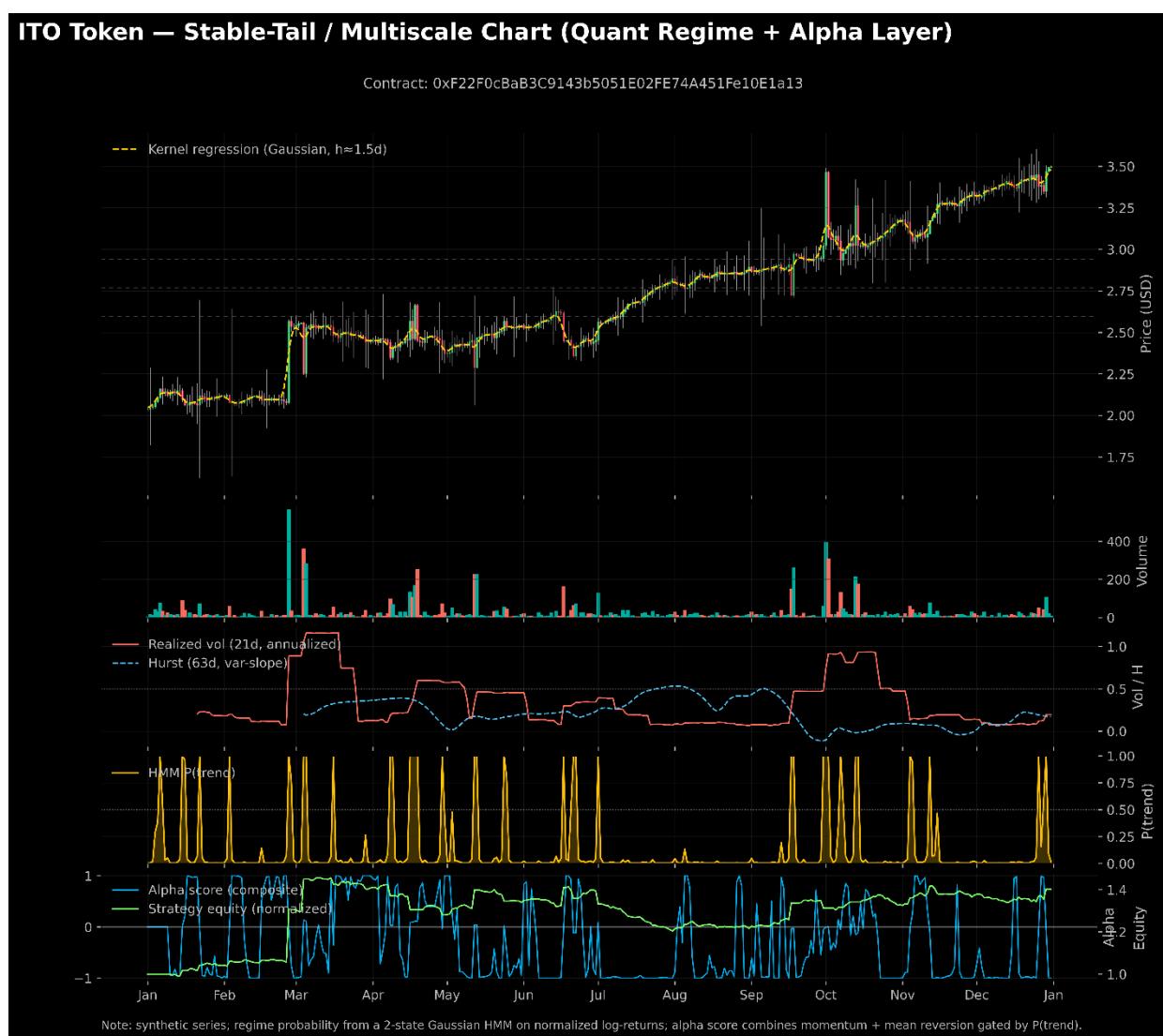


APPENDIX I

HOW ITO IS LOOKING LIKE IN PRIVATE VENUES

ITO Token — Stable-Tail / Multiscale Chart (Quant Regime + Alpha Layer)

Contract: 0xF22F0cBaB3C9143b5051E02FE74A451Fe10E1a13





APPENDIX II

SMART, PATIENT PEOPLE TALKING ABOUT ITO (short-termists may experience discomfort)

FROM: DES Research
TO: DES Systematic Strategies
SUBJ: ITO – structure confirmed; access > listing

This is not a Gaussian diffusion. Returns exhibit persistent heavy tails, volatility clustering, and discrete jumps that do not wash out under aggregation. Classical random-walk assumptions are invalid here; the process is better described as Mandelbrotian with state-dependent volatility. Key observation is cross-layer regime consistency: Hurst (63d) remains predominantly above 0.5 (often 0.6–0.7), indicating statistically persistent behavior. This is not visual trend-following; it is structural persistence. Regime classification (HMM) identifies intermittent but coherent trend states. These states align with elevated Hurst values, suggesting genuine regime shifts rather than noise. Volatility acts as a state variable, not a failure mode. Vol spikes do not destroy price structure; they precede redistribution and continuation. Fixed stops would be suboptimal; sizing should be volatility-aware. The composite alpha layer (momentum vs mean reversion gated by P(trend)) behaves as expected in a regime-aware system. When trend probability is high, momentum dominates; when it collapses, the model naturally fades extremes. This avoids the usual trend-following drawdowns in lateral regimes. The equity curve is deliberately non-convex: steady growth, controlled drawdowns, no martingale signature. That is a positive diagnostic. Artificial convexity would be a red flag. This does not imply targets, inevitability, or forecasts. It does imply that: the asset exhibits sufficient statistical persistence to justify exploratory allocation, regimes are detectable with low-lag classifiers, alpha appears exploitable provided volatility is used for exposure control.

I wouldn't rush to buy spot and hope. I'd rather accumulate a pile of ITO and spend it consuming Julian signals. That's where the convexity is. I'm saying this explicitly because I'm one of the very few who has actually seen the system running in production. It works. That matters more than any listing narrative. Internal translation: Not noise. Not hype. Real structure. Real alpha. ITO is the access layer; the signal engine is the asset. Recommend allocation under a controlled quant sleeve. Let the data, not the listing, decide scale.

- Quant Research