

Bisq Support for rBTC (Presentation)

An Entry to the Sovrython



@harrigan



@tomlloyd92



@hash-guesser

Bisq and the RSK Sidechain

The Cost of Liquidity

Bisq as an Alternative

Bisq and the RSK Sidechain

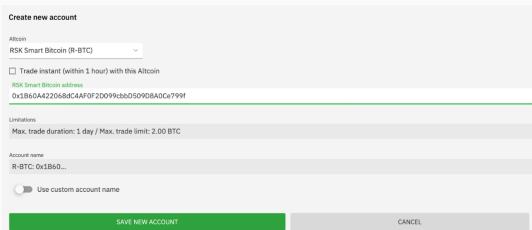
Bisq and the RSK Sidechain

- Bisq is a decentralised exchange.¹ We can use it to trade bitcoins for altcoins and fiat currencies.
- One side of every Bisq trade must involve bitcoins.
- We can use it as a decentralised on-ramp and off-ramp to the RSK sidechain.

¹<https://bisq.network>

Bisq and the RSK Sidechain

- Alice can use Bisq to trade rBTC for BTC.
- Similarly, Bob can use Bisq to trade BTC for rBTC.
- Our pull request to the Bisq project was merged on 13th July.²



The screenshot shows the 'Create new account' interface in the Bisq application. It features a dropdown menu for 'Altcoin' with 'RSK Smart Bitcoin (R-BTC)' selected. Below this is a checkbox for 'Trade instant (within 1 hour) with this Altcoin'. A text field displays the 'RSK Smart Bitcoin address' as '0x1B60A422068dCAAF0F2D099cbb0509D8A0Ca799f'. A 'Limitations' section indicates 'Max. trade duration: 1 day / Max. trade limit: 2.00 BTC'. The 'Account name' field shows 'R-BTC: 0x1B60...'. A toggle switch for 'Use custom account name' is currently turned off. At the bottom, there are two buttons: 'SAVE NEW ACCOUNT' (green) and 'CANCEL' (grey).

Bisq Support for rBTC

²<https://github.com/bisq-network/bisq/pull/5611>

You can see a video demonstrating Bisq Support for rBTC at:

<https://youtu.be/dEkF6RHYx18?t=17>

The Cost of Liquidity

The Cost of Liquidity

- Suppose you have BTC and rBTC, and you want to provide liquidity to the system.
- You can:
 1. Make offers on Bisq to buy and sell rBTC for BTC.
 2. Occasionally, peg-in to exchange BTC for rBTC.
 3. Occasionally, peg-out to exchange rBTC for BTC.

The Cost of Liquidity

Make an Offer

BSQ Trade Fee +
BTC Mining Fee

11.45 BSQ/BTC +
239 vB tx

\$14.15/BTC +
\$2.36

Peg-In

BTC Mining Fee

163 vB tx

\$1.61

Peg-Out

RSK Mining Fee +
BTC Mining Fee

44k gas +
1074 vB tx

\$0.09 +
\$10.63

@ 3746 sat/BSQ, 30 sat/vB, 0.06 gwei, 33 000 \$/BTC

The Cost of Liquidity

Additionally,

- The party selling rBTC needs to mine an additional transaction to send the rBTC.
- The taker of a Bisq offer needs to mine three additional Bitcoin transactions to complete the trade.

A peg-out transaction currently pays approximately twice the fee market rate!

The Cost of Liquidity

We will provide liquidity using Bisq. We are developing some tools to semi-automate this process.

Bisq as an Alternative

Bisq as an Alternative

Converting between BTC and rBTC using Bisq has a number of benefits:

- While Bisq trades are somewhat more expensive than pegging-in, they can be much faster.
- Pegging-out is more expensive than pegging-in, and for conversions of less than 0.65 BTC, Bisq is a cheaper alternative.

That's it!