Long TSLA

Short AAPL

Hedge CHF

Buy VIX

All on

SuperTrade

The platform for global capital markets

The situation today (1/2)

Fire breaks out in one of TSMC's foundries on the weekend, affecting 20% of its manufacturing capacity

North Korea unexpectedly conducts pre-dawn military drills in the Yellow Sea and Sea of Japan

MSFT announces merger with ALPHABET, after the close of the market on Friday

A positive/negative earnings surprise corporate announcement is made after conventional trading hours

In all these cases, traders need to wait for the next available market opening hours to take a position – or adjust an existing position.

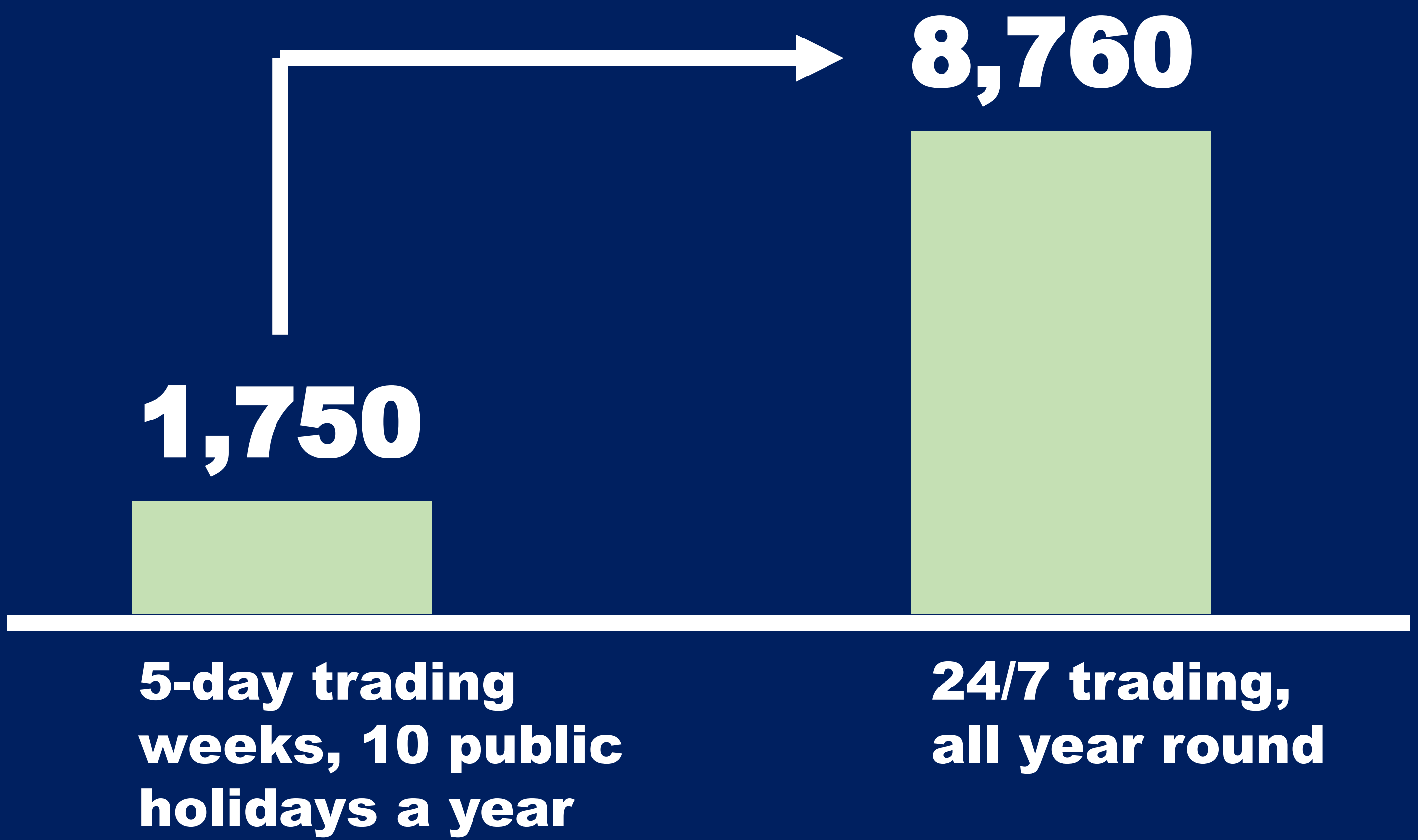
That window to act before the market opens is valuable.

The situation today (2/2)
On-chain trading is substantially cheaper

Intermediary-related fees	Brokerage fee (if not built into spreads). 1bps to 5bps for self-directed, online trading. Custody fee.	Trade global equities **without paying for additional intermediaries** e.g. no custody fees* *Specific to a pure derivatives approach, not tokenized RWA.
Regulatory-related fees	Regulatory transaction fee. Collected by & paid by FINRA to SEC. Trading activity fee. Covers FINRA's costs of supervising brokerages.	Trade global equities **without paying the regulatory costs**.

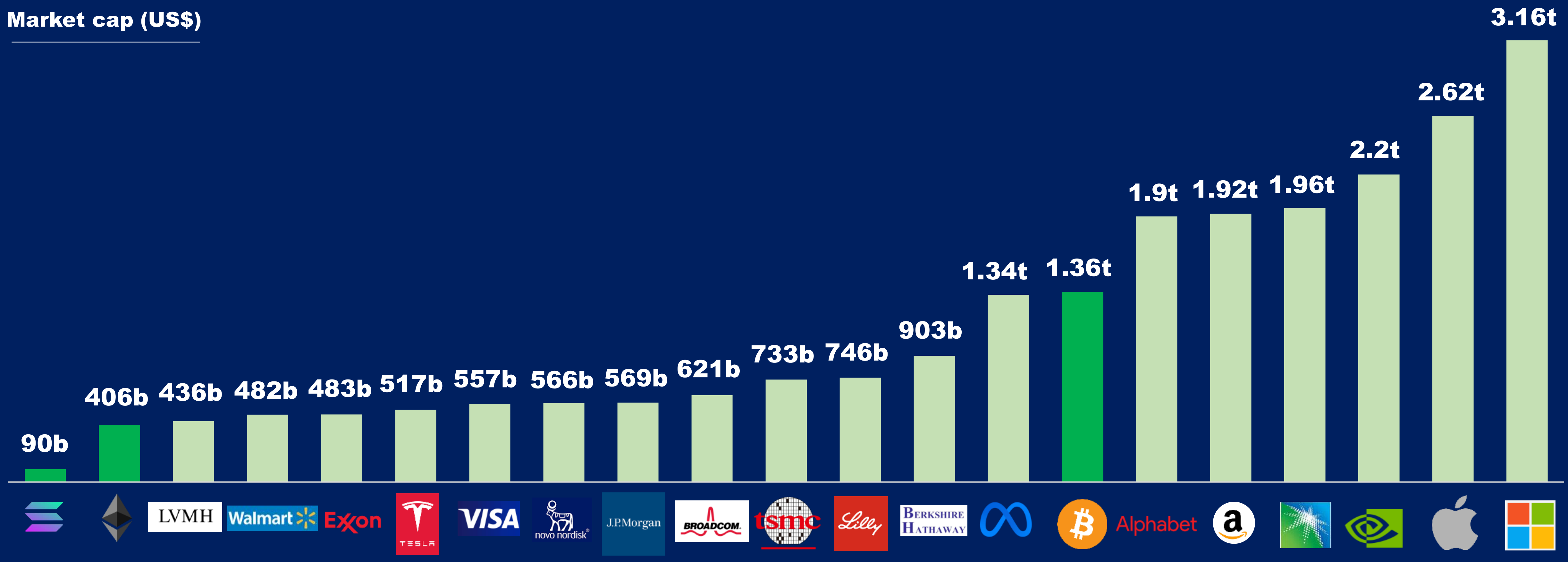
The scale of the opportunity (1/4)

Increase trading hours by 5x



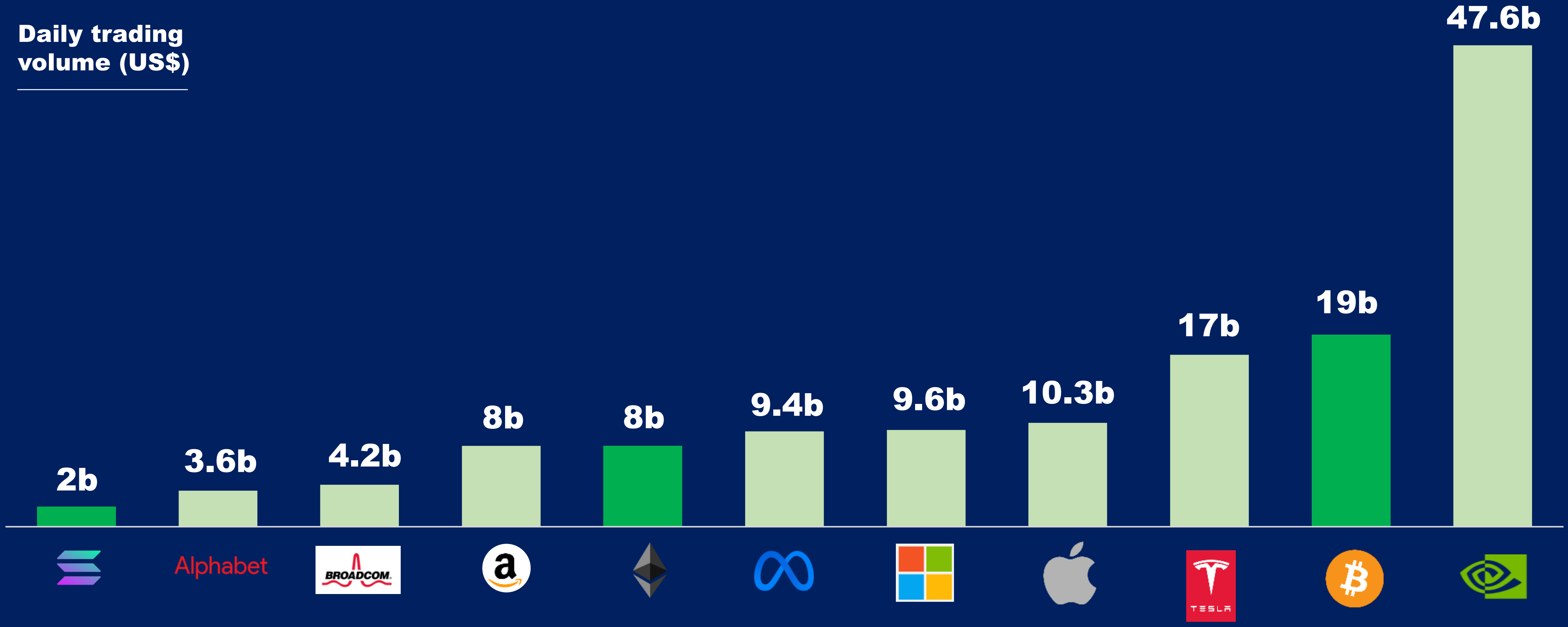
Traders can capitalize on events happening outside conventional trading hours.

The scale of the opportunity (2/4)
On-chain access to brand name equities



The scale of the opportunity (3/4)

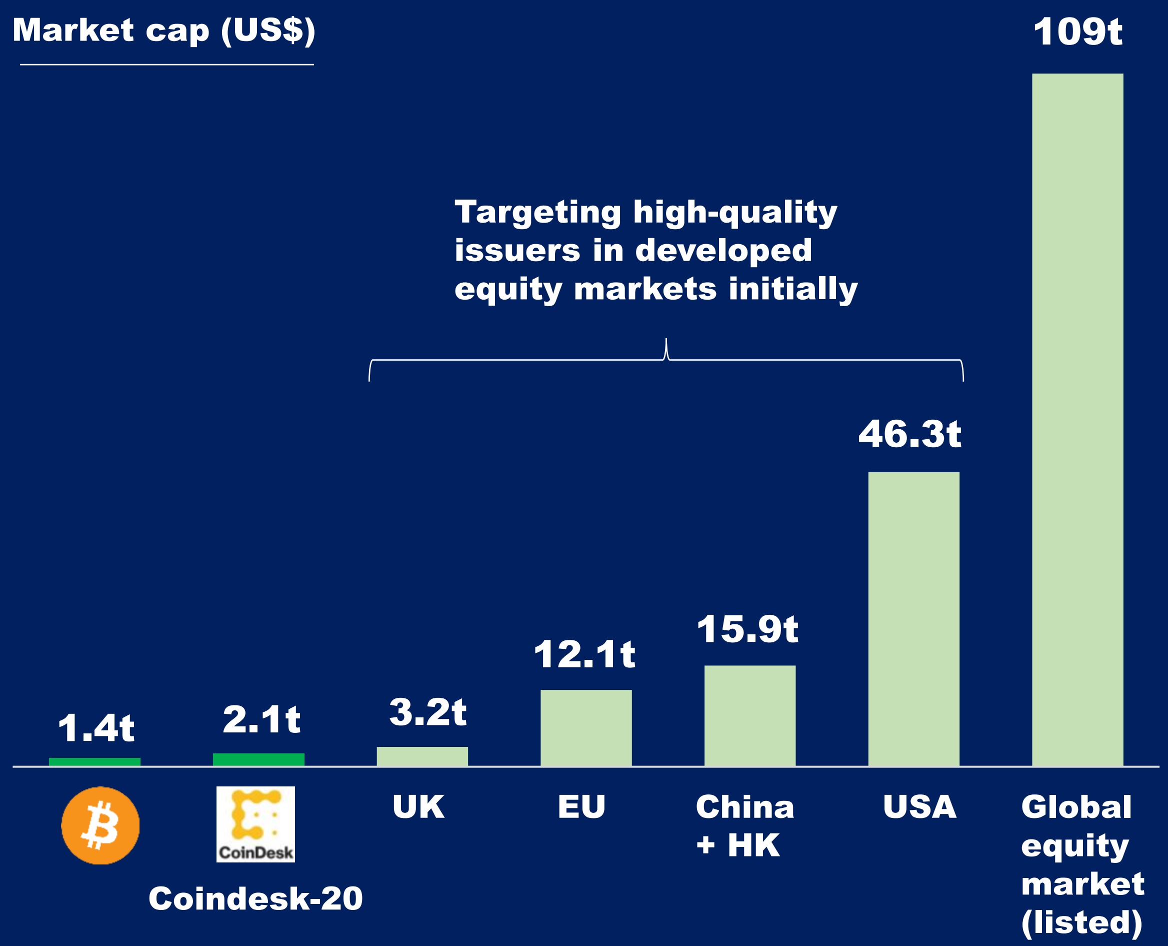
$110b daily trading volume for 8 equities

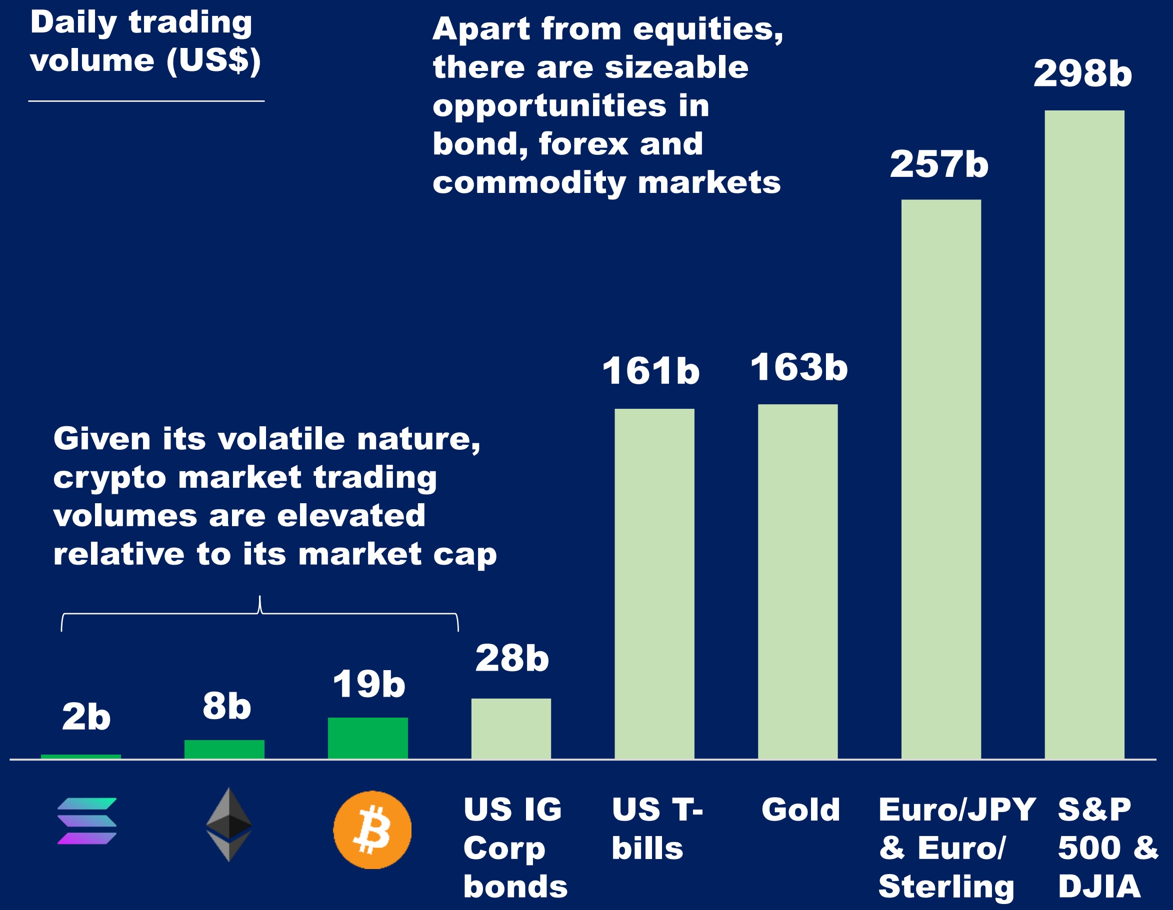


Daily trading volume as % of market capitalisation	**2.2%**	**0.2%**	**0.7%**	**0.4%**	**2.0%**	**0.7%**	**0.3%**	**0.4%**	**3.3%**	**1.4%**	**2.2%**

The scale of the opportunity (4/4)

US$109t global equities





Existing limitations / issues

1. **Price feed limitations** e.g. conventional global capital markets do not trade 24/7

2. **Off-chain events not easily mirrored** on-chain e.g. conversions, splits, dividends.

3. **Friction** e.g. collateral-based RWAs require official custodians.

Solution: A derivatives approach (1/2)

1. An idealistic approach is to custody an RWA and trade its tokenized version. This is not practical for adoption. Instead, **a derivatives approach reduces friction**.

2. Incentivizing a **centralized counterparty pool** to provide liquidity for quotes is key.

3. **Integrating a money market** that increases tradeable liquidity will help it scale.

Solution: A derivatives approach (2/2)

An RWA tokenisation approach has too much friction.

Custodian for mint / redeem	Off-chain txn to transfer RWA from broker to custodian. Attestation of balances held by custodian.
Transferable, fungible RWA token	RWA tokens minted onto blockchain. Option for tokenholders to redeem RWA tokens for off-chain equivalent and take ownership.
DeFi solutions for those RWA tokens	On-chain RWA tokens can be applied in a variety of ways e.g. traded on decentralized markets, used as collateral on money markets.

3 levels of deviation minimization:

- Central counterparty pool provides quotes based on RWA price feed.
- Incentivize through the use of dynamic funding rates.
- Incentivize user quotes around oracle through use of tokens.

Architecture

RWA price feeds

- On-chain price feed from Pyth.
- Plus off-chain price feeds.

Engine: Leverage, CLOB, X-Margin, ADL

- Up to 100x leverage.
- HFT friendly e.g. API functionality.

Market-making options: AMM, algorithmic

- User-specified LP range.
- Non-directional HFT MM vault.

Integrated money market

- Collateral to fund trading wallet based on stablecoins, BTC, ETH, SOL.

Central counterparty pool

- Counterparty for trades.
- Position limits to manage risk.
- Realized P&L shared with stakers.

Off-chain hedges

- Use of 3rd-party brokers to hedge position.

Liquidity is our moat & flywheel

Scaling liquidity to support markets

Sharing profitability (and risks) with LPs

Reliable availability of quotes 24/7

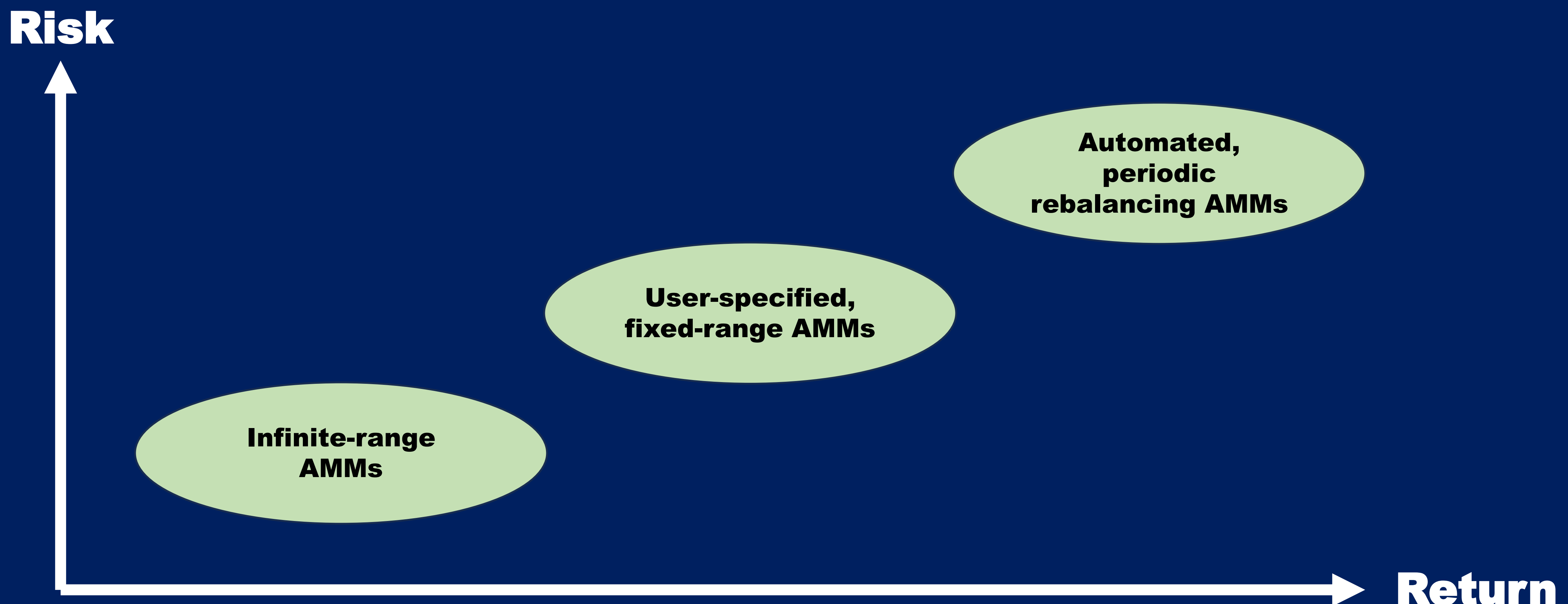
A token to incentivize all 6 elements

Vary market participation across R/R spectrum

Broadening market breadth & depth

Tightening market spreads

Example of varying market participation across the risk/return spectrum



Some design considerations

1. **Derivatives, not collateral-backed RWAs.** Constrained to platform. Not based on tradeable CDO approach (Mirror, USD-funded creation of equal long + short position). Central counterparty approach (Synthetix, GMX).

2. **Trading wallet based on USD, BTC, ETH, SOL.** Other currencies in integrated money market, as collateral for USD, BTC, ETH, SOL loans.

3. Users can add orders to **CLOB**, specify ranges for **Uniswap-style LP pools** (but with only USD to fund leveraged trading of the entire range) or participate in **algorithmic market making vaults**.

4. **Structured products interface** e.g. ability to construct a hedged position in electric vehicles with a long position in BYD and a short position in TSLA.

5. Positions **hedged out periodically to off-chain brokers** to realize profits in the central counterparty pool.

Key risks

1 **Regulatory pursuit & enforcement** is the key risk. Allowing users to trade heavily regulated equity assets on-chain without the associated regulatory costs (which conventional markets pay for). Compliance challenges will ensure regulators take notice e.g. insider trading.

2 **Oracle failure** is another key risk. The platform's quotes are dependent on reliable oracles. Hence, multiple price feeds apart from Pyth are utilized.

3 **Blowup of central counterparty pool** is another key risk. A well-funded pool is necessary to jumpstart the markets, by consistently providing breadth and depth of quotes to the markets. Position limits & off-chain hedging is used to manage the risks.