SECTION 1: APPLICANT INFORMATION

Provide personal or organisational details, including applicant name, contact information, and any associated organisation. This information ensures proper identification and communication throughout the grant process.

Applicant Name or Alias: Stanley He

Project Name: SYM Finance

Project Description: SYM Finance lets users get non-liquidatable and interest-free leverage on yield-bearing assets, and creates an efficient market to trade the leveraged yield.

Team Members and Qualifications:

Stanley He - Co-founder and product architect, previously Head of Research at MetaWeb Ventures

Daniel Wang - Co-founder and core developer, previously senior engineer at Near Protocol and Salesforce

Robert Yan - Co-founder and core developer, previously Dev-rel lead at Near Protocol and engineering director at Microstrategy

Kris Liu - Co-founder and product manager, co-founder of LiNEAR Protocol and Phoenix Bonds

List item

Project Links:

Twitter

Docs

Whitepaper

Grant Type: Open Grant

Contact Information:

TG: StanleyH17

Twitter: @symfinance

Email: stanley@symfi.io

SECTION 2: GRANT INFORMATION

Detail the requested grant size, provide an overview of the budget breakdown, specify the funding and contract addresses, and describe any matching funds if relevant.

Requested Grant Size: 50,000 ARB

Grant Matching: With native token

Grant Breakdown: All received funds will be used to incentivize liquidity provision on Tidal AMM, SYM Finance's in-house market for leveraged yield, in three months. Since SYM will start with GMX v2, all granted ARB tokens will be contributed to higher TVL on GMX.

Funding Address: 0xa448D1aD72e2a4c4BAE98a14cB754b9BDEFdc034

Funding Address Characteristics: The address is a 3 of 5 Gnosis Safe multisig wallet on Arbitrum. A different individual controls each owner's wallet.

Distribution Contract Address: To be specified

Incentivised Contract Addresses: To be specified

SECTION 3: GRANT OBJECTIVES AND EXECUTION

Clearly outline the primary objectives of the project and the Key Performance Indicators (KPIs) used to measure success. This helps reviewers understand what the project aims to achieve and how progress will be assessed.

Objectives:

1. Create a Sustainable Market for Leverage on GM Tokens: We aim to innovate within the GMX ecosystem by introducing a sustainable, long-term model for leveraging GM tokens. This involves innovative mechanisms to enhance market stability and user engagement.

2. Increase Total Value Locked (TVL) in GMX v2: We aim at bringing over $5,000,000 in new, long-term TVL to GMX v2, focusing on strategies that encourage both new and existing users to contribute to and benefit from the ecosystem.

Key Performance Indicators (KPIs): TVL in the form of GM tokens.

How will receiving a grant enable you to foster growth or innovation within the GMX ecosystem?:

1. SYM is NOT another JonesDAO, Vesta Finance, Alpaca, or Rage Trade. It enables the first real long-term (perpetual) leverage on yield bearing assets, and creates a special AMM to price the leverage fairly, which brings consistent SUPPLY to the leveraged yield market. By receiving a grant we will make GMX the first protocol that benefits from this new mechanism.

2. Leveraged positions on SYM tend to be long-term positions, since there's no liquidation or interest rate. This will make GMX v2 liquidity more sticky, by providing HODLers a more profitable option for long-term holding and converting more users into HODLers. With a grant, SYM can accelerate this process.

3. SYM Finance will provide the highest organic APR to both passive LPs and active traders. A grant will help us speed up GTM and make GM the asset that earns the highest real yield in DeFi.

4. Under the hood, SYM is matching long-term LPs and short-term traders/speculators to let them provide value to each other. A market is thus created for better value discovery of both the yield-bearing asset per se and the yield outlook. A more efficient value allocation becomes possible. With a grant, we can introduce this new paradigm to the GMX ecosystem and enable more legos to be built on top of us, such as financialization of leveraged GM, yield trading, etc.

Justification for the size of the grant:

50,000 ARB will be distributed within 3 months to GM markets on SYM Finance. Assume ARB is being traded at $1, average liquidity of GM markets at $2M, and only half of the liquidity will be incentivized (it's in the design of SYM), then we get an annualized return of ($50,000/$1,000,000)/3*12 = 20%, which is a reasonable level of extra boost for the GTM of a new product with a new mechanism.

Moreover, the ROI of those 50,000 ARB will be extraordinary. Even with conservative estimation, at least $5M worth of new GM liquidity, that is perpetually leveraged and staying for the long-term, will be drawn by SYM.

Execution Strategy: [Describe the execution plan, including resources, products, use of funds, and risk management. This includes allocations for specific pools, eligible assets, products, etc.]

1. A fixed amount of ARB will be linearly remitted to GM liquidity pools and fee pools on SYM Finance.

2. LPs will be able to enjoy block-by-block reward streaming while their liquidity stays in the pools.

3. When LP's liquidity is utilized (bought) by leverage buyers, he will be able to claim his share of fees from the fee pool (this is separate from rewards they received while liquidity was still in the liquidity pool), which contains ARB rewards.

4. The program will run for three months, thus roughly 4166 ARB will be distributed to GM markets every week.

5. BTC/USD, ETH/USD, and ARB/USD GM tokens will be eligible for the rewards.

6. By wrapping both buying and selling leverage into one-click set-and-forget products, we can easily push it to the market with native CT contents which are already prepared.

Grant Timeline and Milestones:

We accept milestone-based grant distribution.

Time

Milestone

Grant distribution

January 2024

SYM Finance launches GM markets

10,000 ARB

February 2024

GM markets reach $1M TVL

20,000 ARB

Feb-March 2024

GM markets reach $3M TVL

20,000 ARB

Fund Streaming: Yes

SECTION 4: PROTOCOL DETAILS

Provide details about the protocol requirements relevant to the grant. This information ensures that the applicant is aligned with the technical specifications and commitments of the grant.

What date did you build on GMX?: The protocol is currently on testnet, and will launch in December.

Protocol Performance: /

Protocol Roadmap:

1. Mid 2024: Permissionless deployment of new markets. This will enable everyone to get perpetually leveraged yield on any asset they want, starting from every GM token.

2. End of 2024: Tokenization and secondary market of leveraged yield position to further increase capital efficiency and enable more flexible strategies. This will help GM tokens become a more important DeFi building-block.

Audit History (if any): Currently being audited by Blocksec

SECTION 5: Data and Reporting

Provide details on how your team is equipped to provide data and reporting on grant distribution.

Is your team prepared to create Dune Spells and/or Dashboards for your incentive program?: Yes

Does your team agree to provide bi-weekly program updates on the GMX Forum thread?: Yes

Does your team acknowledge that failure to comply with any of the above requests can result in the halting of the program's funding stream?: Yes

Please note: Labs and the Grants Committee retain the right to approve, disapprove, or subsequently disqualify any grant from the programs they are administering at their sole discretion.