

Should Uniswap provide Rage Trade with an additional use grant?

[Snapshot Temp Check](#)

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Related Discussion: Our proposal is similar to [Voltz Additional Use Grant](#)

## What is Rage Trade?

[Rage Trade](#) is a new perpetual swap protocol built using Uniswap v3. Many on-chain perpetuals currently use Uniswap v2 style vAMMs. However, traders and LPs benefit from v3's concentrated liquidity so we opted to build on v3 to design the most capital efficient perp.

## Why do we need an additional use grant?

Our proposal is most similar to the proposal by Voltz Protocol. Unlike Voltz we have not forked UNI v3's code but instead we have built on top of it. Think of Uniswap as our matching engine, and on top we have built a risk engine to enable leverage trading. We have wrapped the following on top of Uniswap's core: leverage trading, leverage LPing, cross-margin, liquidations, and real time funding rates.

## What changes have we made that require additional use?

We have built libraries to enable leverage trading, leverage LPing, and real-time funding rates. Each of the libraries below makes use of Uniswap's BUSL protect code (that we require an additional grants use for):

- [SimulateSwap](#): This library is used to simulate a swap on Rage. It makes use of Uniswap's TickBitmap and SwapMath libraries.
- [TickBitmapExtended](#): This library is a slightly modified version of Uniswap's TickBitmap, required in SimulateSwap for using tick data from UniswapV3Pool contract.
- [TickExtended](#): This library is used to enable realtime funding payments on Rage Trade. They borrow from Tick libraries of Uniswap v3.
- [LiquidityPosition](#): This library enables leverage liquidity providing (and the accompanying margin logic). It utilises the Uniswap SqrtPriceMath library to do so.

## How will approving this proposal benefit Uniswap?

1. Onchain Perps bring new liquidity to UNI v3: Since we are strictly built on top of UNI v3 (not a fork) all additional TVL + trading volume is strictly additive to UNI v3.
2. Rage Trade will spend significant R&D resources on designing efficient v3 LP strategies: Rage has already designed a new LP strategy known as the 80-20 strategy that composes with Curve's tricrypto.
3. Liquid & composable on-chain perpetuals enable a whole new world of Uniswap spot strategies: Using perps, Uniswap v3 users can mitigate impermanent loss on Uni v3 via delta hedging. Additionally multi-collateral perps open new avenues and payoffs that are currently not possible on the spot market.

## Conclusion

Rage Trade stands to benefit Uniswap in many ways and strictly adds to Uniswap's value as a protocol. We look forward to discussing our proposal with the Uniswap community and answering questions in the comments below.