

ParaSwap quickstart: everything you need to know to swap like a pro

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Swapping tokens changed meaning: while it was initially just a pure exchange, swapping is now becoming the main entry & exit mechanism for decentralised finance protocols.

For instance, simply by swapping your DAI to aDAI, you're lending money to borrowers in the protocol and earning a continuously-paid interest

. ParaSwap is playing a key role in facilitating and enhancing such swaps.

SO, WHAT IS PARASWAP?

ParaSwap offers a simple, fast and safe way to exchange Ethereum-native tokens by pooling together the liquidity from many decentralised services in one unique interface

.

So when you go on ParaSwap and check the price for a given ETH/ERC20 token, ParaSwap combs through all the exchanges it supports offering this pair to find the best rate.

Sometimes, getting the best deal for your trade even requires splitting your order

, like this trade going through Kyber & Bancor:

A swap processed through Bancor (54%) & Kyber (46%).

PARASWAP = SWAPPING IN GOD+EASY-MODE

The most important thing with the optimization showed above (by splitting the order) is that you don't have to worry about it. Indeed, as a user, the path is always the same: you input your two tokens & ParaSwap will figure the rest.

ParaSwap abstracts the complexity of comparing prices (factoring gas costs and other variables) for you — so you can focus on your trading strategy or learning more about the fundamentals of the space.

It goes beyond just streamlining the swapping: ParaSwap will warn you if your desired transaction is at risk of price slippage or failing.

Highlight of the slippage warning.

PARASWAP'S EDGE

ParaSwap is an Ethereum-native application: our infrastructure sticks as close as possible to the chain

to maximize the service's resiliency and transparency.

Thanks to a carefully thought-of design making use of Ethereum's top services (GST, Chainlink, etc.), ParaSwap has been consistently serving its users since its inception, even when markets go haywire (gas price spikes).

ParaSwap is consistently the first DEX-aggregator to deliver access to relevant & cutting-edge new DeFi services, such as Aave or Idle Finance. Our swapping contract is also insured on Nexus Mutual for technical failures with a coverage able to reimburse up to 1000 ETH if necessary.

PARASWAP'S FEATURES

As a user, ParaSwap gives you access to several main features:

1. Swap

: simple & optimised token swap

1. Swap & Pay

: swap a given token in an address for another token in another address (ETH in address A -> DAI in address B)

1. Earn

: lock your asset to supply liquidity to Bancor and earn a share of the commissions generated.

1. Price Alerts

: to receive a notification by email or URI (developers) when one of your alerts is triggered.

On top of those main features, ParaSwap packs several optimisations to streamline your experience: we'll cover them in another article.

HOW TO USE PARASWAP?

There is no need to create an account on ParaSwap, all you need to get started is an Ethereum wallet such as [MetaMask](#).

If this is the first time you're using a cryptocurrency wallet, please take some time to understand recovery mechanisms and how to properly back up your seed phrase.

Metamask is easy to onboard and several [comprehensive onboarding guides](#) are available if you need more help.

WHAT TO DO NEXT?

So now that you're on board and ready, what can you do with this newfound power? Here are some ideas:

1. PAY IN ANY TOKEN

Do you owe a friend some DAI? Or want to maybe swap & send tokens from your Metamask to your Ledger?

ParaSwap Swap & Pay is perfect for that! On top of a regular token swap, this enables you to send the output tokens to any address. It's simple yet incredibly useful to avoid unnecessary transactions. ENS domains are supported.

Paying

[paraswap.eth

](<https://etherscan.io/address/paraswap.eth>) in cDAI from an USDT balance

2. PUT YOUR IDLE CAPITAL TO WORK

ParaSwap aggregates all the main lending protocols, as well as other related services such as yield optimisers. If you have idle capital, especially in stablecoins, you're just one swap away from earning interest.

You can check [LoanScan](#) to find the best opportunity for you. If you'd rather go autopilot, it's also possible thanks to our Idle integration. Swap your DAI or USDC for idle counterpart. IdleTokens dynamically rebalance to the best available rates, between Compound, bZx & Aave.

Putting a DAI balance at work thanks to Idle

Earning opportunities are usually the best on stablecoins — however, there are some other tokens where it might be interesting. For instance, if you want a stake in SNX without having to actively manage it and claim reward weekly, you can hold aSNX for an SNX return.

3. GOING FURTHER

If you're holding ETH & ERC-20 tokens for the long-term, you might be looking to put them to work too. Using ParaSwap, you can provide liquidity on Bancor token pairs in a click. Check the [Earn tab](#) to get started.

PARTING WORDS

We hope this article will help you get started with ParaSwap and Ethereum decentralised finance in general. If you have more questions, feel free to reach out:

- [On Twitter](#)
- [✈ On Telegram](#)
- [Or by email](#)