

## What is LI.FI

### Overview

LI.FI is a multi-chain liquidity aggregator that combines three types of liquidity sources: DEX aggregators, solvers, and cross-chain bridges. It streamlines the trading process by providing a comprehensive order routing, saving you the time and effort required for research, integration, and maintenance.

- DEX Aggregators
- : Aggregate data from decentralized exchanges (DEXs), which use on-chain price functions for asset pairs in liquidity pools. DEX aggregators compute prices using this data to minimize slippage.
- Solvers
- : Similar to DEX aggregators but utilize more complex on-chain liquidity sources (e.g., lending protocols or token minting/burning) to achieve better pricing. These operations may take longer due to the additional computations.
- Bridges
- : Facilitate cross-chain transfers using single-asset liquidity pools on multiple chains, with pricing determined via an API rather than on-chain. Most bridges operate using a lock-and-release mechanism to transfer assets between chains.

Compared to a DEX aggregator, LI.FI aggregates APIs instead of on-chain data. Last updated 8 days ago