

Fringe Finance's V2.5 release introduces unprecedented support for LP tokens.

Uniswap v2 ETH/USDT is now available on the Fringe Finance Ethereum market!

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image

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](https://global.discourse-cdn.com/flex016/uploads/uniswap1/original/2X/0/0555a10945951c083616ad2cf5dcd1c71e1a2c4a.jpeg)

On the Fringe platform, LP token holders can now deploy their assets as either capital or collateral to:

1. Secure Loans

: LP tokens can be used as collateral to borrow any asset listed on Fringe. This allows you to short assets without leverage, or to borrow stables to deploy elsewhere in the DeFi ecosystem or cover short-term expenses.

1. Participate in Leveraged Trading

: By depositing your LP tokens as margin, you can speculate on any of Fringe's listed assets using our Margin Trading facility.

1. Amplify Exposure

: Fringe's Amplify facility enables LP token holders to gain additional leveraged exposure to their LP tokens.

1. Seek Extra Yield

: By lending your LP tokens to borrowers and margin traders, you can generate additional yield on your holdings.

1. Hedge underlying:

Fringe allows you to hedge your exposure to either [the more volatile underlying asset](#) or to [hedge against both underlying assets and impermanent loss](#).

1. Yield Exposure

: If you expect an LP token's trading fees will exceed its impermanent loss, Fringe allows you to express that opinion without being exposed to the price of the LP token's underlying assets. i.e. isolate your exposure just to the LP token's yield.

This can be achieved using Margin Trade by going long the LP token and short the LP token's underlying asset pair. Not only does this position allow you to isolate your exposure to just the LP token's yield, it enables amplified exposure to this yield.

- You will need to open two positions — one for each of the LP token's underlying pair of assets.
- Fringe V2 requires each position to be opened using a separate account due to them sharing the same long asset (the LP token in this case).
- Fringe V3 will allow this all in one wallet given Fringe V3 supports pooled collateral and a more intuitive long/short position opening.
- Negative Yield Exposure

: Not only can Fringe provide isolated exposure to an LP token's yield, it can also be used to profit when an LP token's impermanent loss exceeds its trading fees.

This is achieved by taking out the opposite of the above position. i.e. use Margin Trade to open two positions where the long assets are each of the LP token's underlying assets and where the short asset is the LP token.

This can be achieved using a single wallet on Fringe V2.

1. Short LP tokens:

Fringe's Margin Trade facility also allows you to short LP tokens.

See our [User Guides and Use Cases](#) section in our docs as we progressively release tailored user guides on how to achieve these and other use cases.