Adjustable Trading Fee Mechanics

Traditional DEXs usually have a fixed swap fee pre-set for LPs. While this approach might seem convenient in certain respects, it can lead to inefficiencies. It's not always optimal to have the same fee applied to all pairs, considering each token exhibits a distinct level of demand. There might also be instances where the need arises to reduce the fee for competitive reasons or during special events.

In Velocore V2, we've maintained a default fee but have also added the flexibility to adjust it for each individual pair. This adaptability allows us to respond to market dynamics and potentially attract more trading volume. This feature is especially useful when slippage due to liquidity size disparities has a minor impact, as DEX aggregators are often heavily influenced by swap fees. The adjustable trading fee mechanism thus provides an effective means to stay competitive and responsive to market conditions.

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