### Why LI.FI?

#### Our Thesis

- The future is multi-chain
- · Infrastructure and liquidity will continue to fragment
- · Aggregating and connecting liquidity sources will pave the way for mass adoption

# Ecosystem Problems

dApps: Many users come across a new interesting dApp on a chain they don't have funds in and struggle to get their funds there. This is significant friction in user onboarding as they have to research and find bridges to that chain to start using the dApp.

Yield Aggregators: There are definitely protocols with the better yield on new L2/side-chains but there isn't a secure, reliable way to transfer your funds.

Wallets: Multichain wallets want to compete with CEXs, but they don't have a way to allow easy swap between assets like CEXs

DeFi Protocols: DeFi Dashboards, lending protocols, yield farms, etc., that are present on new chains create a need to do cross-chain swaps, but their users have to wander the ecosystem to quench this need.

### **Developer Problems**

Too many bridges to educate yourself about. It'd be good to have access to all of them and get good guidance from people and algorithms that are specialized. -> LI.FI does that.

Bridges are still immature so it's good to have not only one bridge but fallback solutions in place. Immaturity comes with security risks, insufficient liquidity and a lot of maintenance overhead.

-> LI.FI maintains all bridge connections, gives you access to multiple ones and handles fallbacks and decision-making programmatically.

Bridges are most often not enough. You also need DEXs/DEX aggregators as bridges are limited to stablecoins and native currencies.

-> LI.FI not only aggregates bridges, but also connects to sorts of DEX aggregators and if not available, the DEXs directly in order to find the best swap possible to arrive at the desired token and to allow to start the whole process with any asset.

## Solution

A data mesh of cross-chain liquidity sources: cross-chain liquidity networks, bridges, DEXs, bridges, and lending protocols.

As a bridge and DEX aggregator, LI.FI can route any asset on any chain to the desired asset on the desired chain, thus providing a remarkable UX to their users.

All of this will be made available on an API/Contract level which comes as SDK, iFrame solution (deprecated), and as a widget for other developers to plug directly into their products. No need for users to leave your dApps anymore.

Last updated5 months ago On this page \*Our Thesis \* Ecosystem Problems \* Developer Problems \* Solution

Was this helpful? Export as PDF