dYdX <> GCR Overview

dYdX: leading DEX for Perpetuals Trading on Layer 2

- 0 gas costs for trading
- Low trade fees
- Low minimum order sizes
- Instant trading
- Advanced order types
- Liquid order books
- Cross Margin
- Up to 25× leverage

Scaling with Layer 2 using StarkWare

Significantly Reduced Gas & Trading Fees	• Trades are submitted on-chain in ZK-Rollups, reducing the amount of gas required per-trade. We are able to pass on those savings to traders in the form of reduced trading fees across the board.
Reduced Minimum Trade Sizes	• Since there are smaller fees per-trade, we are able to offer smaller trade sizes, allowing traders to try out dYdX by starting with a smaller amount of capital.
Cross-Margin	• Traders can trade on multiple Perpetual Contracts using a single margin USDC account, allowing for dramatically increased capital efficiency while trading multiple pairs.
More Trading Pairs	• With cross margining and increased scalability, we are able to launch many more trading pairs on dYdX. We will also be able to spin up new pairs faster, allowing traders to trade the tokens they want, when they want to.
Instant Trade Settlement	• Trades are matched off-chain and held in batches until the ZK-Rollups and proof are submitted on-chain. This prevents front-running and allows for instantaneous balance updates without waiting for a transaction to be mined.
More Performant Price Oracles	• Prices are attested-to by oracles using STARK-compatible signatures, allowing prices to be used as soon as they are signed. This increases the economic security of the system against flash crashes, and allows for real-time liquidations.
Higher Leverage & Lower Liquidation Penalties	• Given the performance improvements of the oracles, we offer low margin requirements, which means both higher maximum leverage as well as lower penalties when liquidated.

Read more: **https://dydx.exchange/blog/public**

New Perpetual Markets

Currently supporting 15 markets, with plans to add 1-2 additional markets every week from sectors such as DeFi, emerging Layer 1 blockchains, and more.

Markets

Market	Index Price	24h Change	1h Funding	Open Interest	24h Volume	24h Trades
Ethereum ETH-USD	$2,812.66	▲ 3.22% $87.62	0.005399%	3,622.09 ETH $10,187,712.25	$19,537,818	1,888
Bitcoin BTC-USD	$38,638.11	▲ 2.39% $902.08	0.001115%	145.29 BTC $5,613,595.77	$2,013,230	761
Dogecoin DOGE-USD	$0.40	▼ 2.63% $0.01	0.000881%	561,070.00 DOGE $224,013.26	$970,874	212
Chainlink LINK-USD	$32.05	▲ 3.88% $1.20	0.001250%	12,546.00 LINK $402,147.95	$207,196	67
Uniswap UNI-USD	$28.17	▲ 1.60% $0.44	0.001596%	39,447.00 UNI $1,111,156.33	$1,003,692	153
Solana SOL-USD	$40.52	▲ 19.44% $6.60	0.001030%	3,728.90 SOL $151,087.98	$261,141	91
Aave AAVE-USD	$393.85	▲ 1.78% $6.88	0.010645%	599.18 AAVE $235,987.77	$256,693	55
Avalanche AVAX-USD	$20.05	▲ 6.37% $1.20	0.001087%	7,509.00 AVAX $150,559.57	$85,800	44
Synthetix SNX-USD	$13.23	▲ 1.68% $0.22	0.001210%	7,854.00 SNX $103,945.19	$279,185	97
Sushi SUSHI-USD	$12.95	▲ 2.08% $0.26	0.001365%	36,563.90 SUSHI $473,444.15	$440,237	151
Yearn YFI-USD	$45,590.00	▼ 0.01% $4.04	0.001250%	1.20 YFI $54,922.27	$19,552	6
UMA UMA-USD	$14.75	▲ 3.27% $0.47	0.000769%	11.90 UMA $175.53	$418	6
Curve CRV-USD	$2.42	▲ 3.80% $0.09	0.001175%	70,085.00 CRV $169,526.24	$711,006	171
1inch 1INCH-USD	$3.44	▼ 0.42% $0.01	0.001038%	24,829.00 1INCH $85,321.48	$225,994	68

Growth Metrics

We have reached $2 billion in total volume on our Layer 2 Perpetuals powered by StarkWare since launching publicly on mainnet in April 2021.
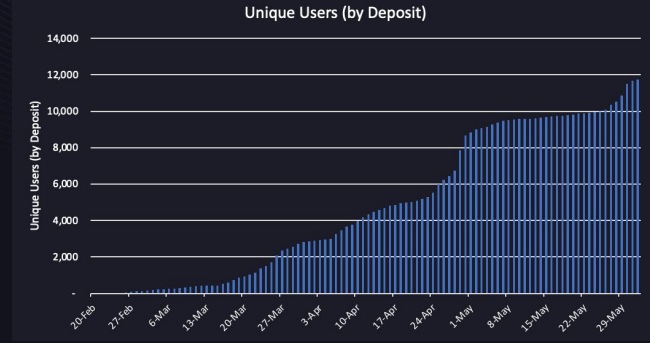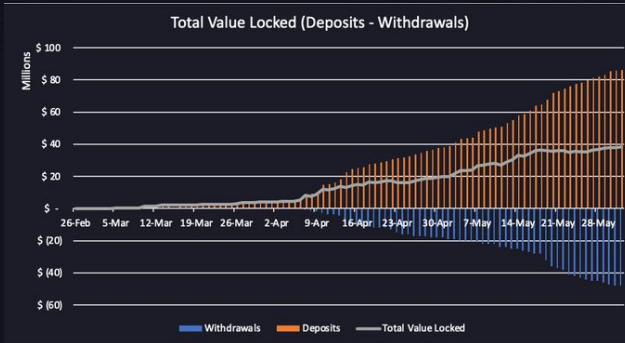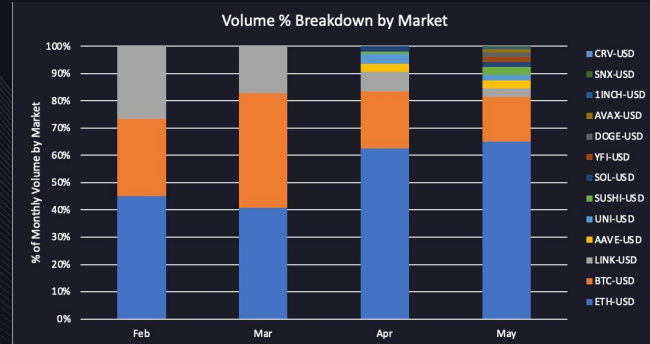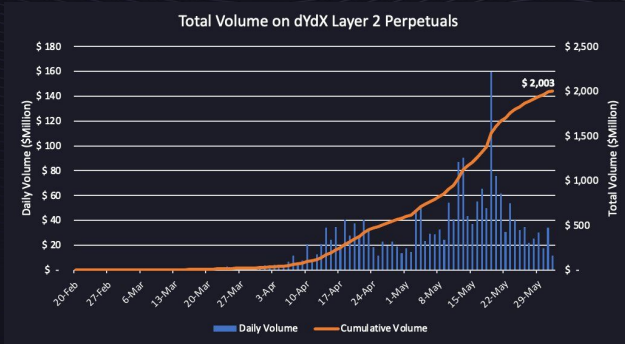
Growth metrics available here: http://metrics.dydx.exchange/

How to Write and Earn $GCR + dYdX bonus

Please note, below are the types of content that GCR accepts:

1. Deep analysis or data-oriented research around trading, preferably involving perpetuals
2. Alpha generating ideas when trading on dYdX
3. Simplified, deep-dive explanations or guide in an objective tone on how to use and interact with dYdX
4. Opinion pieces on the crypto trading space (with mention of perpetuals on dYdX)

Perpetual Trading Strategies

 a. Vanilla market making (two-sided within dYdX)

 b. Short-term momentum, aka CTA

 c. Arbitrage: a) basis (cash-and-carry arb aka dYdX perp vs. spot elsewhere), b) cross-product aka funding rate arb (dYdX perp vs. perp elsewhere)

 d. Structured products (dYdX perp position combined with other products elsewhere)

 e. Statistical arbitrage / volatility trading (betting on differences converging)

Perpetual Funding Rates

Payments between sides help the contract trade near the price of the underlying asset

Funding Rates

------ INDEX ● PERPETUAL

|	Bearish ↘ Perpetual is above Index Price	— Funding Rate	Longs pay shorts
	Bullish ↗ Perpetual is below Index Price	+ Funding Rate	Shorts pay longs

Basis Trade

Basis trading typically consists of a long position in the underlying crypto-asset and a short position in its derivative such as Perpetual swaps.

Basis trading exploits the price-differential of two markets and is commonly known as 'cash and carry'.

Market neutral

dYdX Perpetuals 1H Funding Rates
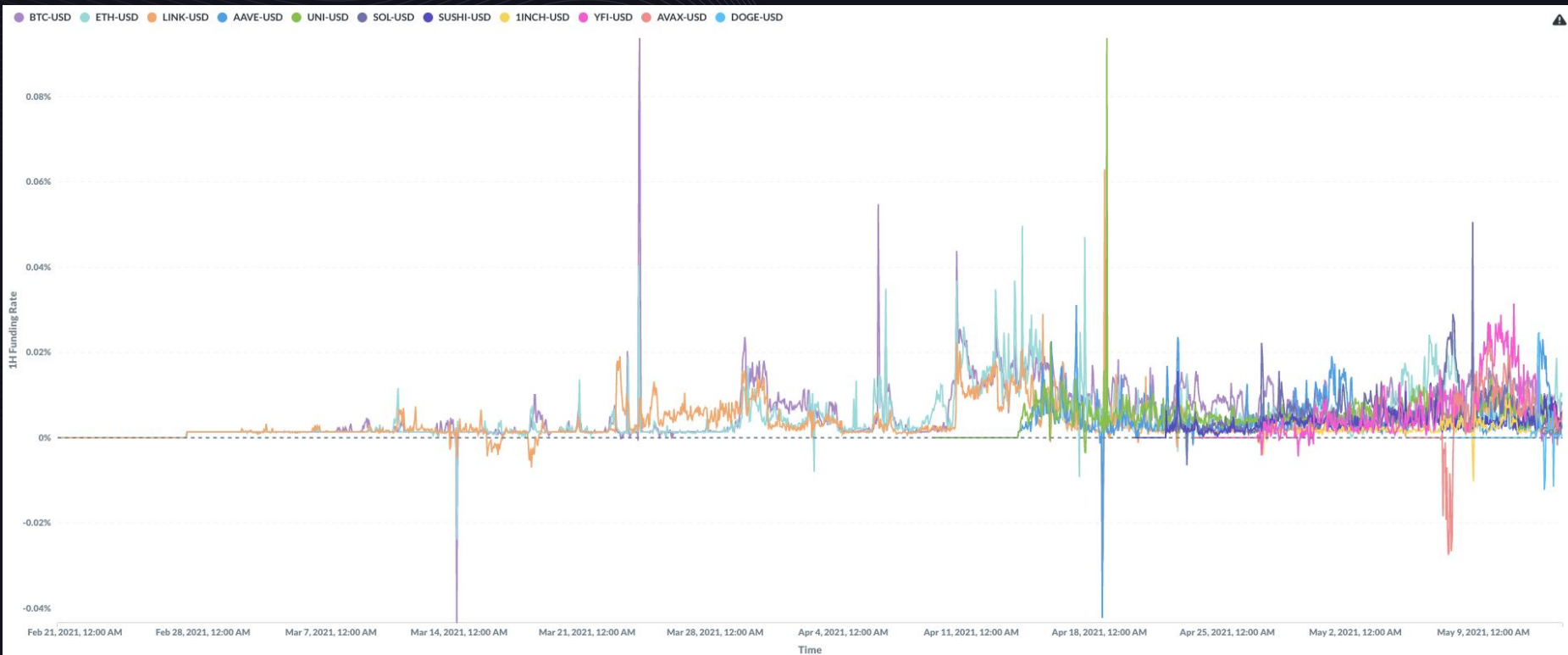
Example: Long ETH Spot & Short ETH Perpetuals

- Buy ETH-USD in spot markets
- Deposit USDC on dYdX
- Sell ETH-USD Perpetual with 1x leverage
- Collect funding rate in USDC on hourly basis

Data Ideas

- dYdX Layer 2 Metrics
  http://metrics.dydx.exchange/

- Humming Bot Connector:
  https://docs.hummingbot.io/exchange-connectors/dydx-perpetual/

- Trading Data:
  https://docs.dydx.exchange/#general

Join the Community

Perpetuals on Layer 2
- Perpetuals trading (non-US only) on Layer 2: https://trade.dydx.exchange/
- Beginner's Guide: https://help.dydx.exchange/en/articles/4969332-a-beginner-s-guide-to-going-long-short-using-perpetuals-on-dydx
- FAQ: https://dydx.exchange/faq
- Audit Report: https://github.com/starkware-libs/starkex-contracts/blob/master/audit/StarkPerpetual_v1.0_Audit_Report.pdf
- Developer Documents: https://docs.dydx.exchange/
- Github: https://github.com/dydxprotocol

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