Tuesday, 18 May 2021 15:29

1i. News driven strategy

About

A News-**driven strategy** refers to an investment **strategy** in which a investor attempts to profit from an asset mispricing that may occur during or after a news.

You might already know that stocks react quickly to news events. One lousy earnings report can cause a stock price to fall. Something like FDA approval for a new drug, on the other hand, might cause a stock to take off. By keeping an eye on the business news, investors can capitalize on the popular daily stories.
If bad news is out, you might short the stock during the day by "borrowing" shares of the stock from the investment firm and then selling those borrowed shares. If the stock price declines as expected, then you buy the shares back at the lower price and profit from the difference less a commission payment. If the news is good, you go long or buy the stock outright and sell the shares after the price rises.

Strategy

The news driven strategy lets you leverage on various cryptocurrency news which is proven to have an effect on it's price movement. The sudden upward or downward price movement of a crypto asset is directly correlated with celebrity news "elon musk effect", Governing body approval and earnings report. This confirms that media coverage and public interest for a specific crypto asset have a substantial impact on crypto asset pricing. The strategy takes a position in a safe and efficient way, by capturing the fair value of the news.

The key is to try to measure the fair value of the news. This can be done intuitively, simply by looking at the evolution of the basis spread, the positive or negative effect on the underlying asset, the difference between the future value and the spot price. This is theoretically the fair value of the news. Capturing the price positive price momentum that typically precedes the news, with the aid of manual technical analysis, the pool measure and capture the news's expected impact date before its occurrence and take a long or short position with the intention of making profits for it's investors using our secret sophisticated tools.

2. Lionsheart staking strategy

About

Staking is essentially a less resource-intensive alternative to mining. It usually involves keeping funds in a suitable wallet and performing various network functions (such as validating transactions) to receive staking rewards. The stake (meaning the token holding) incentivizes the maintenance of the network's security through ownership.

Staking networks use Proof of stake as their consensus algorithm. Other versions of it exist, such as delegated Proof of Stake or leased Proof Of Stake.

The disadvantage of staking is obviously the possibility of underlying staked asset loosing it's value due to volatility and other external constraint, this was what lead to the development of lions heart staking strategy to ensure investors do not loose money.

Strategy

We basically look for staking opportunities on coins which has a possibility for an upward price movement within a timeframe using sophisticated indicators such as bollinger band and Fear & Greed sentiment, This aids to find bottom reversals. The strategy uses the Bollinger Bands to identify volatility, and the Stochastics with Region Crossovers to determine when the price is starting to recover and fall. It also applies sentiment analysis to Identify greed and fear level.

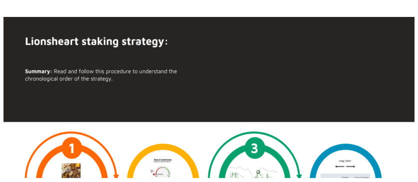
Extreme fear can be a sign that investors are too worried. That could be a buying opportunity. The strategy buys a coin and stakes it on a high yielding staking protocol, if the coin is at the fear level prior to confirmation from the bollinger band region crossovers indicating a recovery.

- When Investors are getting **too greedy**, that means the market is **due for a correction**. The strategy shorts a coin and unstakes it from a high yielding staking protocol, if the coin is at the greed level prior to confirmation from the bollinger band region crossovers indicating a fall.

The staking process is simultaneous and doesn't stop until the target APY timeframe is attained. Take profit will be triggered after the timeframe elapses with confirmation of top reversal from the Bollinger band, thereby earning investors profit on 2 basis: the upward and downward price movement and the staking APY.

Created by Lionsheart

Lionsheart is an asset management system made to help automate portfolio strategies to get the most out of your crypto.



3. Yield Farm strategy

About

A **yield farming strategy** aims to generate a high **yield** on capital. The steps will involve lending, borrowing, supplying capital to liquidity pools, or staking LP tokens. A straightforward way of getting APY on your capital is through lending and borrowing.

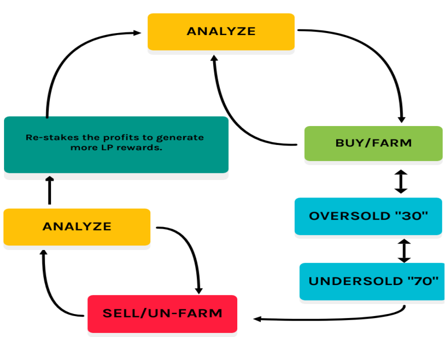
To understand the process of yield farming, we should have a clear idea about its background concepts such as liquidity pools, which are smart contracts to provide required liquidity of decentralized applications. Liquidity pools require liquidity provider users to function properly. These pools are used in different platforms to provide required liquidity in various cryptocurrencies. Liquidity providers can stake their holdings in liquidity pools to receive rewards that are generated by the underlying DeFi platform.
These funds are used by decentralized applications such as decentralized exchanges and instant exchanges which provide required liquidity to conduct exchange transactions. Some strategies involve investing rewarded funds in other liquidity pools to provide more profits. In a relatively fast time some complicated strategies were developed for yield farming to maximize its returns.
Since this type of investment or farming works using smart contracts, it provides great opportunities for crypto holders to make significant profit with their holdings. This type of investment provides chances that could be considered risk-free, because everything in this process takes place according to smart contracts, which are trustless procedures.
However, providing liquidity for DeFi applications could return various amounts of profits or rewards. To calculate the highest returns that various farming platforms offer, the concept of total value locked (TVL) is introduced which could be used to evaluate the return of different DeFi platforms.

Strategy:
It works by looking for discrepancies between the price and the RSI indicator. Normally, both the price and the RSI move in roughly the same direction. However, there are times when the price is falling but the RSI is rising, and vice versa. This only happens when there's a subtle shift in buying or selling volume and is a tell-tale sign that momentum is in the early stages of reversing. Together with the RSI divergence, the Yield Farm strategy generates profits for investors by staking crypto assets in AMM (automated market maker) farms targeting coins with high APY.

We use RSI divergences to measure momentum by calculating the average number of gains and losses over a 14-day period. The indicator line oscillates between 0 and 100 and can be used to highlight when an asset is "overbought" or "oversold." A channel between 30 and 70 is most commonly used to show this. When the asset breaks through down of the channel below 30, the asset is considered "oversold" and the price will likely likelly rise. Therefore this triggers a buy and yield farm signal. Conversely, when the asset breaks out of the channel above 70, the asset is considered "oversold," which means the price will come back down. This triggers the sell and yield un-farm signal. This strategy periodically claims LP (liquidity provider) rewards, sells them, and re-stakes the profits to generate more LP rewards.

Created by CryptoCat

In crypto since `12, got rekt and had my share of moon moments. Learned a lot along the way.



4. Endgame Fear & Greed Sentiment Strategy

About

The crypto market behaviour is very emotional. People tend to get greedy when the market is rising. Also, people often sell their coins in irrational reaction when the market turns red.

Strategy

We sell if People tend to get greedy when the market is rising which results in FOMO (Fear of missing out) and buy when there is extreme fear. With our Fear and Greed Index tool, we try to save you from your own emotional overreactions. There are two simple assumptions:

- **Extreme fear** can be a sign that investors are too worried. That could be a **buying opportunity**.
- When Investors are getting **too greedy**, that means the market is **due for a correction**.

Therefore, we analyze the current sentiment of the Crypto market and crunch the numbers into a simple meter from 0 to 100. Zero means "Extreme Fear", while 100 means "Extreme Greed". See below for further information on our data sources.
Data Sources
We are gathering data from the five following sources. Each data point is valued the same as the day before in order to visualize a meaningful progress in sentiment change of the crypto market.
First of all, the current index is for bitcoin only (we offer separate indices for large alt coins soon), because a big part of it is the volatility of the coin price.
But let's list all the different factors we're including in the current index:
"VMSSDT" **Volatility (25 %)**
We're measuring the current volatility and max. drawdowns of bitcoin and compare it with the corresponding average values of the last 30 days and 90 days. We argue that an unusual rise in volatility is a sign of a fearful market.
"VMSSDT" **Market Momentum/Volume (25%)**
Also, we're measuring the current volume and market momentum (again in comparison with the last 30/90 day average values) and put those two values together. Generally, when we see high buying volumes in a positive market on a daily basis, we conclude that the market acts overly greedy / too bullish.
"VMSSDT" **Social Media (15%)**
While our reddit sentiment analysis is still not in the live index (we're still experimenting some market-related key words in the text processing algorithm), our twitter, facebook, instagram and tik tok analysis is running. There, we gather and count posts on various hashtags for each coin (publicly, we show only those for Bitcoin) and check how fast and how many interactions they receive in certain time frames). A unusual high interaction rate results in a grown public interest in the coin and in our eyes, corresponds to a greedy market behaviour.
"VMSSDT" **Surveys (15%)**
we're conducting weekly crypto polls and ask people how they see the market. Usually, we're seeing 2,000 - 3,000 votes on each poll, so we do get a picture of the sentiment of a group of crypto investors. We don't give those results too much attention, but it was quite useful in the beginning of our studies.

"VMSSDT" **Dominance (10%)**
The dominance of a coin resembles the market cap share of the whole crypto market. Especially for Bitcoin, we think that a rise in Bitcoin dominance is caused by a fear of (and thus a reduction of) too speculative alt-coin investments, since Bitcoin is becoming more and more the safe haven of crypto. On the other side, when Bitcoin dominance shrinks, people are getting more greedy by investing in more risky alt-coins, dreaming of their chance in next big bull run. Anyhow, analyzing the dominance for a coin other than Bitcoin, you could argue the other way round, since more interest in an alt-coin may conclude a bullish/greedy behaviour for that specific coin.
"VMSSDT" **Trends (10%)**
We pull Google Trends data for various Bitcoin related search queries and crunch those numbers, especially the change of search volumes as well as recommended other currently popular searches. For example, if you check Google Trends for "Bitcoin", you can't get much information from the search volume. But currently, you can see that there is currently a **+1,550%** rise of the query **„bitcoin price manipulation"** in the box of related search queries (as of 05/29/2018). This is clearly a sign of fear in the market, and we use that for our index.

The Fear & Greed Strategy, will try to save you from your own emotional overreaction by longing correctional dips and shorting psychological tops with 4 supporting auto trigger indicator to use together and quantify an entry/exit point on the 2nd day we are below 20 or above 80 respectively.

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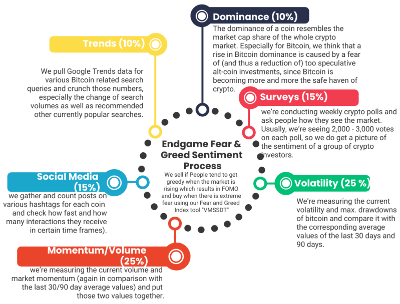


5. Trailblazer strategy

About

Trailblazer was engineered to focus on the cedefihedge's most cutting-edge strategy. It uses it to lead investors to the hottest sectors so they can pocket profits.

Strategy:
Trailblazer Strategy aggregates performance indicators from the best-performing Strategies or pools on cedefi. It utilizes a proprietary signal awareness engine which feeds preset oracles that determine best-performing and efficient rebalancing strategies.
Signal Indicators:

1. 1 day performance Rank
2. 30 day performance Rank
3. All time Performance
4. - (Max Drawdown)
5. Market cap %
6. # of Holders %
7. Last rebalance Direction
8. Last rebalance %

The Trailblazer algorithm analyzes indicator metrics and constructs oracles that trigger rebalancing mechanisms in line with the top performing strategies. There are dynamic rebalancing thresholds to counter slippage costs and live comparisons that adjust recalibration strategies in real time.
Trailblazer seeks to outperform indices (and 'hodling') while minimizing downside—diversifying holdings among unique alpha-producing strategies, always under the oversight of professional managers.

Created by Moon kenedy

Moon kenedy is a probabilistic multi-crypto asset manager that specializes in algorithmic, systematic trading strategies. Moon kenedy is an Economist from Harvard University, with over 20 years experience in financial markets, developing Risk Management Models. He currently leads IntelliChain.world, a Blockchain Business Intelligence startup, developing quant strategies and trading bots. He also teaches 2 MBA courses on Cryptocurrencies at UCEMA and UDESA. Moon kenedy is an early bitcoin investor with 25+ years experience in futures trading. A summa-cum-laude graduate of Rochester Institute of Technology, moon taught at Parsons School of Design in NY, led an early learning education company, and cofounded cripto247.com, a prestigious spanish crypto news organizations. moon is an impact investor in cryptomining, cancer research, biodegradable plastics and early education.

6. ETH Trending Alpha ST II Strategy

About

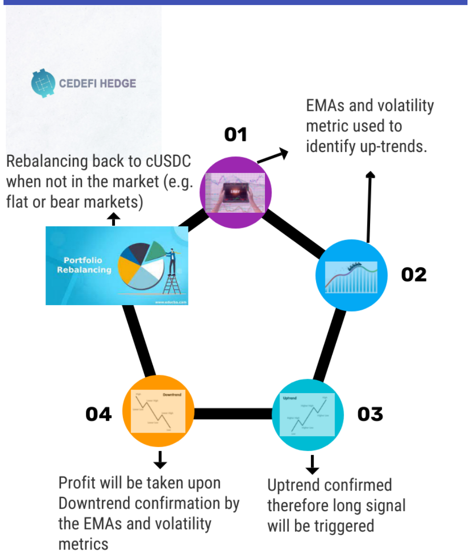
I am pleased to provide details of the eagerly awaited **ETH Trending Alpha Short Term 3.0 (ETAS)** strategy on cedefihedge.
We have now brought to cedefihedge our in-house short term trend-following strategy from Alphachain Capital, allowing users to participate in similar professional institutional trend-following strategies to those we offer to our investors. The strategy for cedefihedge has been adapted to a long-only unleveraged strategy within the restraints of cedefihedge.
At Alphachain Capital we strongly believe that trend-following strategies are best suited to cryptocurrency markets due to their history of developing large trends exhibiting momentum over long periods.
There is no other asset class across the globe that develops trends of this size with these levels of returns.

Strategy
ETH Trending Alpha ST 3.0 is a medium term systematic trend following strategy which uses statistical analysis and technical indicators to identify and exploit short-medium up-trends.
The strategy uses EMAs to identify up-trends with a volatility metric for confirmation. The strategy is optimised for short-medium term time-frames enabling it to exploit some of the more shorter-medium term trends.
The strategy is long-only, rebalancing into ETH when the strategy identifies an up-trend and rebalancing back to cUSDC when not in the market (e.g. flat or bear markets). All cash USD balances earn interest via Compound.finance enhancing returns. The medium-term nature of the strategy results in approximately 5-6 trades per year, each held for an average of 20 days.

The medium term nature of this trend-following strategy allows it to identify some of the key trends that emerge naturally over time with less choppy rebalancing. It is less likely to get caught in volatile market due to less frequent rebalancing.
The strategy performs best in trending markets and not as well during choppy or sideways markets.

Created by AdamHaeems

I am founder and CEO of Alphachain Capital, a cryptocurrency investment fund created in 2017. I started my trading career at Bank of America Merrill Lynch in London before moving to a $1bn global macro hedge fund as a cross-asset futures trader. I have a Masters in Finance from Cambridge University, Judge Business School. At Alphachain Capital we develop quantitative investment strategies using advanced statistical modelling techniques across large cap cryptocurrency markets. At Alphachain Academy we develop new traders who go on to manage the firms capital.



7. Intelligent Ratio ROBO Strategy

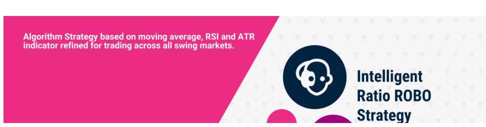
About

Intelligent ratio strategy robo (INTRATIO) is an algorithmic trading strategy that follow trends in moving averages, channel breakouts, price level movements, and related technical indicators.

Strategy
INTRATIO is a pure algorithmic strategy based on moving average, RSI and ATR indicator refined for trading across all markets. It was created on TradingView and backtested across mutliple pairs with extremely promising results historically but also in practice. INTRATIO aims to beat the huge market swings that Bitcoin and Ethereum have in relation to each other and ultimately put your holdings to work to accumulate more over time.
Trending algorithms like these work exceptionally well in crypto due to having the biggest market swings seen amongst any asset class.

Created by Tradespot

Intelligent ratio strategy was built with the core values of trading the cryptocurrency markets wisely, removing human emotion from the equation to maximise market returns. *Emotion* is what makes novice traders sell the dip before a rally, it is what makes you hit the sell button prematurely when the move was in your favour and still had plenty of runway. *FOMO* is ultimately what the smart money targets, selling when the dumb money is buying and buying when the dumb money is selling. **We attempt to turn the average joe into the smart money.**



8. LINK Profit Taker strategy

About

This Strategy aims to achieve one simple goal: Maintain majority exposure to LINK to capture its upside while simultaneously taking profits occasionally during price discovery to hedge against the downside.

Strategy

The LINK Profit Taker Strategy (LINKPT) uses 2 supporting auto trigger indicator to quantify an entry point that lead to it's upside and exit point, it takes profit by cashing out a portion of its LINK allocation into the decentralized stablecoin DAI during each rebalance starting at 1% of the invested LINK/USD and every time the price doubles thereafter, each time targeting an index of 90% LINK. Additionally, the DAI allocation will be deposited into the non-custodial money market Compound, which will wrap the stablecoin into the form of cDAI, an interest-generating version of DAI.

Once a rebalance occurs and profit is taken from the LINK allocation, the next rebalance won't occur until the LINK/USD price is double that of the previous rebalance. In other words, this Strategy will only ever take profits when LINK/USD has been moving upwards and broken previous all time highs. This Set begins at 100% LINK, but over time targets an allocation of 90% LINK and 10% cDAI. If the LINK/USD price drops, then the percentage of LINK in this Strategy will drop relative to the cDAI allocation. If the LINK/USD price rises, then the percentage of LINK in this Strategy will rise relative to the cDAI allocation until a rebalance is triggered.

This chart shows an example of how this Strategy works and at which price points each rebalance is triggered. There is no minimum or maximum trade size.

This is how the LINK Profit Taker Strategy can help you autonomously hedge against potential downside risk while still holding majority exposure in LINK to speculate on its potential upside gains.

Created by ChainLinkGod

Asset manager, Researcher and news aggregator of Smart Contracts, Blockchain Oracles, and Decentralized Finance.

I am a Chainlink Community Ambassador, Decentralized Middleware Realist, Purveyor of Memes, and a Public Queryable Source for all things Oracle Related.

LINK	DAI	Total USD	% profit taken	LINK/USD
1,000	0	$4,000	0.00%	$4
900	1,000	$10,000	10.00%	$10
810	1,800	$18,000	10.00%	$20
729	3,240	$32,400	10.00%	$40
656.1	5,832	$58,320	10.00%	$80
590.49	10,498	$104,976	10.00%	$160
531.441	18,896	$188,957	10.00%	$320
478.2969	34,012	$340,122	10.00%	$640
430.4672	61,222	$612,220	10.00%	$1,280
387.4205	110,200	$1,101,996	10.00%	$2,560
348.6784	198,359	$1,983,593	10.00%	$5,120
313.8106	357,047	$3,570,467	10.00%	$10,240
282.4295	642,684	$6,426,841	10.00%	$20,480
254.1866	1,156,831	$11,568,314	10.00%	$40,960
228.7679	2,082,296	$20,822,965	10.00%	$81,920
Assumption: DAI peg is exactly $1, actual DAI amount will slightly vary				
Note: Interest earned from lending DAI on Compound is not reflected in this chart				

9. LINK/ETH Growth Alpha Strategy

About

The LINK/ETH Growth Alpha set (LEGA) is a new strategy developed by Alphachain Capital specifically for cedefihedge. The goal of the strategy is to increase holdings of ETH while providing 100% exposure to cryptocurrency prices at all times. LINK exhibits higher volatility than ETH and provides a good asset to trade against in search of increasing ETH holdings. While still positively correlated, the correlation between the pair is relatively low compared to the larger cap cryptocurrencies.

Strategy

The LINK/ETH Growth Alpha set is a semi-systematic strategy that combines the use of technical indicators including bollinger bands and RSI to generate a signal when the model considers LINK to be overpriced or underpriced versus ETH. The strategy relies fundamentally on the systematic signals from the model. The strategy also includes a discretionary element. This allows position sizing to be decided when signals are generated. The allocation will be decided based on the order and type of the signals generated in addition to assessing key technical levels. Positions are likely to be gradually allocated from one asset to another, however, faster allocations are permitted depending on the signals generated and manager discretion. The manager is permitted to add to the positions as necessary, providing the fundamental signals from the model are adhered to.

Created by AdamHaeems

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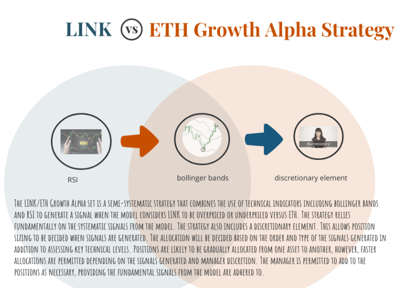


10. ETH/BTC Long-Only Alpha Strategy

About

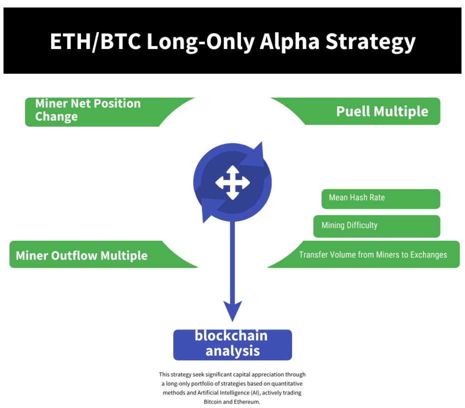
ETH/BTC Lon-Only Alpha Strategy Seeks significant capital appreciation through a long-only portfolio of strategies based on quantitative methods and Artificial Intelligence (AI), actively trading Bitcoin and Ethereum.
PERFORMANCE (MEASURED AGAINST BTC)
2017: +2,227%
2018: +191%
2019: +38%
2020: +19%

Strategy

A long position is taken after Analysis of various Bitcoin and Ethereum datasets ranging from market: blockchain analysis [Mean Hash Rate, Mining Difficulty, Transfer Volume from Miners to Exchanges - All Exchanges, Miner Outflow Multiple, Miner Net Position Change, Puell Multiple] and sentiment to fundamental data to ensure an uptrend is at the corridor, backed by machine learning as well as proprietary quantitative models.
Live test of strategies and selection of best performers through proven risk metrics - Synthesis of strategies to a balanced portfolio with an additional AI-based portfolio and risk management layer
WHY ARTIFICIAL INTELLIGENCE/MACHINE LEARNING?
We believe that artificial intelligence will offer the most consistent, long-term outperformance in all financial markets. Everyday our algorithms process terabytes of data, ranging from market data and social media posts to activity on the blockchain. Patterns and correlations in this data, which can not be observed by the human eye, let our algorithms classify the direction of the market, volatility and risk. Based on the outputs of these systems, we model behaviors and develop alpha-generating strategies which will be evaluated using a scientific approach.

Created by SWCapital

Starting in 2017, SW Capital has been at the forefront of quantitative investing in the crypto markets and has since, outperformed the market by several multiples. Our culture of intellectual curiosity and contrarianism combined with bleeding edge technology lets us tackle this emerging asset class in groundbreaking new ways, challenge the status quo and uncover new insights. Though the nature of our investment strategies is systematic, we foster a strong fundamental belief in the crypto ecosystem with the conviction that Bitcoin, Ethereum and their contemporaries are destined to disrupt the world around us.



11. The Quant Strategy[long term hodl]

About

"**The Quant**" leverages machine learning and regression analysis to generate signals to automatically rebalance between Bitcoin and a Stablecoin.

Rebalance Strategy
The fund's strategy is moderately aggressive. The algorithm behind the fund measures long-term market trends, seeking to participate in the general upside of the market while strategically limiting exposure during downturns. The model aims to have limited turnover, regulating trading to remove friction and slippage. The portfolio's goal is to capture more than 80% of Bitcoin's returns while effectively improving risk versus long positions by exiting in downward trending markets.

Created by Presnel oak

Presnel oak has been at the forefront of quantitative investing in the crypto markets and has since, outperformed the market by several multiples Our mission is to bring institutional fund management expertise and technology to anyone with a mobile device.

12. Holistic ETH-BTC long/short strategy

About

Long/short multi-strategy is an investment strategy which involves buying ETH-BTC when it is expected to increase in value and selling when it is expected to decrease in value using the below strategy.

Strategy

This portfolio aims to quantify bullish or bearish conditions to add or subtract from the starting position and buy when it is expected to rise in value, sell when it is expected to fall in value based on an assessment of fundamental analysis: on-chain activity, token age spent, and technical analysis: EMA, Ichimoku Cloud, SMA, RSI, MACD.
REBALANCING STRATEGY
1) Fundamentals
-On-Chain Activity: Active Addresses; Percentage of total; Emphasis: Low.
-Transactions per day: Percentage of total; Emphasis: Low.

-Additional considerations: days destroyed, average age spent, in/out money, and/or HODL wave.
2) Technicals
-BTC/USD, ETH/USD, and ETH/BTC charts.
-Trades based on expected price action of BTC/USD and/or ETH/USD charts will supersede ETH/BTC pair.
-Trend Metrics: 200-day EMA; Ichimoku Cloud; 20-week SMA.
-Oscillators: RSI, MACD.

Created by Techemy capital
Techemy capital is a boutique investment management company focused on management of digital assets. We seek to provide clear, well researched and leading edge investment. Our trading team uses multiple advanced trading and hedging strategies, combined with disciplined risk management procedures and processes.

13. Apophis Price Action Strategy

About

The **Aphosis Price Action Strategy** is a method of billable negotiation in the analysis of the basic movements of the price, to generate signals of entry and exit in trades and that stands out for its reliability. It is a form of technical analysis, since it ignores the fundamental factors of the asset and looks primarily at the price history. What differentiates it from most forms of technical analysis is that its main focus is the relation of a crypto asset's current price to its past prices as opposed to values derived from that price history. This past history includes swing highs and swing lows, trend lines, support and resistance levels.

Strategy

Aphosis price action strategy leverages a momentum investment strategy successfully back tested over a three-years long timeframe.
It is designed to go long ETH,UNI,BNB etc in case of breakouts, when specific resistance levels are crossed, and to exit its positions once predefined support levels are broken.

Support and resistance levels are calculated by combining Fibonacci retracements and moving averages. The Apophis price action strategy has outperformed the ETH market since its inception, in both bull and bear configurations.

Created by Presnel oak

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14. Hercules Arbitrage Strategy

About

Hercules Arbitrage Strategy (HAS) aims at taking advantage of price inefficiencies and fluctuations in markets by identifying the overlap between the highest bid prices and the lowest ask prices. When the bid price on one exchange is higher than the ask price on another exchange for a cryptocurrency, this is an arbitrage opportunity and we capitalize on this opportunity to turn profits for our investors.

Types of arbitrage opportunities that will be deployed to make profits are as follows:

Simple Arbitrage: This form of arbitrage buys and sells the same crypto asset on different exchanges as quickly as possible to take advantage of the inefficiencies of pricing across exchanges. It does not require any additional trades outside those necessary to swap the two assets which are shared by the asset pair which is exhibiting the arbitrage opportunity. Below are the step by step process
Step 1
Collect order book data on each exchange for assets which we have evaluated for arbitrage
Step 2
Identify the arbitrage opportunity by looking at the overlap between the bid and ask prices on each exchange for the individual asset we are evaluating.
Step 3
Sell the asset on the exchange where the price is higher and buy on the exchange where the price of the asset is lower.
Step 4
Continue selling the asset on the exchange where the price is higher and buying on the exchange where the price is lower. This will consume the order book.
Step 5
Once the entire opportunity has been consumed, we stop buying and selling the asset.

Triangular Arbitrage: This form of arbitrage occurs on a single exchange (or across multiple exchanges) where the price differences between three difference cryptocurrencies leads to an arbitrage opportunity. Since many exchanges have a number of markets with a variety of quote currency options. This opens up a long list of triangular trading patterns which we leverage to take advantage of inefficiencies in an individual exchanges pricing. Below are step by step process
Step 1

Begin at one asset. This asset will be the asset to which we eventually return after completing the arbitrage loop.

Step 2

Trade to a second currency which connects to both the original asset and the next asset in the loop. This is required to prevent transversing on the same path.

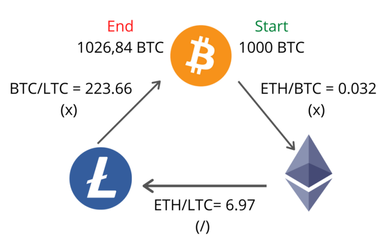
Step 3

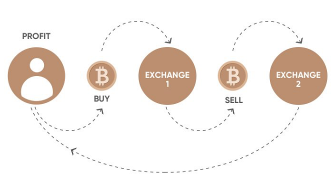
Trade to a third currency which connects both the first and second asset. This second trade locks in a zero-risk profit due to the rate inconsistencies across the 3 pairs.

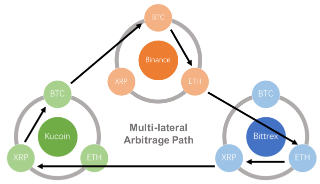
Step 4

Convert the third currency back for the original asset.

Created by Diamond hands
Diamond hands is an asset management system made to help automate portfolio strategies to get the most out of your crypto.







15. ABC proto Long term value strategy

About

ABC | Early Adopter Proto long term value strategy is an investment paradigm that involves buying underpriced Web3 focused assets that appear under priced by some form of fundamental analysis. It is a solution for holding Web3 focused protocols with a goal of making profits long term.

Strategy

The initial strategy of ABC | Early Adopters Proto long term value strategy is an actively managed portfolio that holds Web3 focused protocols that align with our overall vision, which is obviously to make more profits on our initial investment. We use a hybrid of quantitative research and fundamental analysis to determine what assets will be held and to identify market cycle stages with realistic predictability.
Quantitative research is rooted in mathematics and data extraction which identifies trends over certain courses of time to eventually construct theories based on historical cycles. Our fundamental approach covers the human side of investing and allows us to understand and really focus in on the people leading the companies we decide allocate capital to, as we believe in a Conscious Capital approach to investing . During fundamental analysis, we tackle things like the way this particular project came to existence, the social impact they aim to have, and the real-world problems trying to be solved.
Eventually, we will deploy public funds rooted in Strategic Antifragility that prove to be in unison with volatility, unexpectedness, and whatever the future holds...

Created by Diamond hands

Diamond hands is an asset management system made to help automate portfolio strategies to get the most out of your crypto.

16. ABC proto Hedging strategy

About

To 'hedge' means to buy and sell two distinct instruments at the same time or within a short period. This may be accomplished in different markets.
In most industries, in order to limit the risk of loss, you should buy insurance. This applies to the financial markets as well, but in order to avoid the insurance fees, the hedging strategy has been developed. One of the first examples of active hedging occurred in 19th-century agricultural futures markets. They were designed to protect traders from potential losses due to pricing fluctuations of agricultural commodities.

Strategy

ABC proto Hedging strategy was designed to limit risk for investors by choosing two positively correlated pairs like BTC/USD and ETH/USD or LINK/USD and UNI/USD and take opposite directions on both. Hedging is meant to eliminate the risk of loss during times of uncertainty — it does a pretty good job of that.

But safety can't be a trader's only concern, otherwise, it would be safest to not trade at all. That's why we use technical and fundamental analysis to make the hedging strategy profitable, not just safe. This is where the analytical ability that will make you a profit while you take opposite positions on correlated pairs will come into play. When deciding to hedge, the ABC proto hedging employ analysis to spot two correlated pairs that will not act exactly in the same way to the upside or downside movement.

Example:

An example is the hedging strategy between the correlating commodity currencies AUD and NZD. On the weekly charts of these two currencies against the USD below we can see clearly that AUD/USD has been in a strong downtrend of about 2,000 pips and the retrace was worth only about 800 pips. This occurred while NZD/USD was on an uptrend, with a bigger move up than the previous decline.
After the retrace on the weekly and the daily charts from 4-5 weeks previous, the uptrend was about to start its next leg up. The best option is to take a long on NZD. But to be safe, in the case of failure to continue the uptrend, a short on AUD is a more suitable play.

If the pairs were to fall, the AUD which we sold is to fall harder since it's more vulnerable to downside pressure than the NZD which we bought. The loss on the NZD was likely to be smaller than the gain on the AUD, ensuring a profit even if we were wrong about the uptrend. In the event we were correct, the NZD long was to create bigger gains than what we lost on the AUD short, guaranteeing a profit.
After entry in the beginning of June in the same year, NZD/USD saw a 400 pip gain. Conversely, the short in AUD/USD realized only a 200 pip gain for the same time period back then. That leaves us with a 200 pip profit. When hedging forex, we have to compensate the less volatile pair with a bigger size. NZD moves are about 20% smaller than AUD, so when entering the hedge the NZD trade size would be 20% bigger, therefore making the 200 pip profit a 2,400 USD profit.

17. Offering Technical Indicator only based pools

i. RSI divergence crypto trading strategy

About

RSI divergence crypto trading strategy is an investment paradigm that involves longing and shorting timed trend reversals on volatile crypto assets that appear under priced or overpriced by some form of technical analysis. It is a solution for scalping volatile crypto asset with a goal of making profits long term.

Strategy

RSI divergence strategy measures momentum by calculating the average number of gains and losses over a 14-day period. The indicator line oscillates between 0 and 100 and is used to highlight when an asset is "overbought" or "oversold." A channel between 30 and 70 is most commonly used to show this. When the indicator line breaks out of the channel above 70, the asset is considered "overbought" and the price will likely come back down, therefore a short position will be placed according to managers discretion and some other fundamental analysis. Conversely, when the asset breaks through the bottom of the channel below 30, the asset is considered "oversold," which means the price will likely rise, therefore a long position will be placed according to managers discretion and some other fundamental analysis.

While this system alone can be used as a simple crypto trading strategy, it can sometimes give false results. For example, there are times when the RSI shows an asset is overbought, which is typically a buy signal, and then the price continues down even further.

The RSI divergence strategy is more advanced than this and is used to identify when the price trend will change direction before it happens. It works by looking for discrepancies between the price and the RSI indicator. Normally, both the price and the RSI move in roughly the same direction. However, there are times when the price is falling but the RSI is rising, and vice versa. This only happens when there's a subtle shift in buying or selling volume and is a tell-tale sign that momentum is in the early stages of reversing.

ii Golden cross/death cross

About

The "golden cross/death cross" crypto trading strategy is a method that uses two moving averages (MAs) – a chart indicator line that shows the mean average price of an asset over a defined period of time. For this strategy, you are looking for crossovers between the 50 MA (an average of the previous 50 days) and 200 MA (an average of the previous 200 days) over long chart time frames such as the daily and weekly charts. Because it deals with observing price activity over wide time periods, this is another long-term trading strategy that works best over 18 months and onward.

Strategy

There are two types of crossovers this strategy are seeks and it include thus:

- **Convergence (golden cross):** When the 50 MA crosses above the 200 MA
- **Divergence (death cross):** When the 50 MA crosses below the 200 MA

Convergences are a signal that short-term momentum is exceeding long-term momentum, Therefore a buy order will be placed at fund managers discreption. The buy signal will only be trigerred when bulls are in control of the market and drive prices higher. Divergences are a signal of the opposite, that short-term momentum is falling compared to the long-term momentum. Therefore a buy order will be placed at fund managers discreption. Divergences arise when large numbers of traders decide to exit the market and sell their assets.

It's worth noting that this crypto trading method is most effective in a highly volatile market (when prices are rising or falling sharply). When the market moves sideways, however, it can trigger multiple buy and sell signals as the two moving average lines converge and diverge more frequently. This usually happens when there is a lot of uncertainty in the market and there's an equal number of bearish and bullish traders. This is the only problem with the trading strategy, but the average gains tend to outweigh any losses incurred from periods of low volatility. Again, this is a long-term strategy and works best over a period of at least 18 months and can be combined with other indicators to deliver better results.

18. Dollar cost averaging (DCA)

About

Dollar cost averaging is a popular and well-tested trading strategy that works best when done over longer periods of time. The concept is simple. Instead of investing all your money in a particular cryptocurrency at once you divide it into small amounts, choose a particular time and day of the week and only buy at those times.

Strategy

Example: The fund has $10,000 it wants to invest in bitcoin. Instead of spending the full amount in one go, the decides to use the DCA strategy and divide the $10,000 amount into 20 lots of $500,then chooses a particular day of the week and time to buy bitcoin – let's say Monday at 12:00 local time. Over the next 20 weeks, The fund systematically buys $500 worth of bitcoin every Monday at midday until it has invested the entire $10,000 amount.

Buying at regular intervals like this over a long period of time helps to reduce the impact of market volatility – when prices rise and fall sharply – and means, on average.

A bitcoin-focused DCA calculator, illustrates this in greater detail.

Had you bought $150 of bitcoin once every Monday from Jan. 1, 2018, you would've spent $23,550 overall and have 3.04 bitcoin ($147,307 at press time.) Whereas, if you'd spent $23,550 on bitcoin on Jan. 1, 2018, you would've ended up with 1.69 bitcoin ($81,779 at press time.)