



Transforming Crypto Asset Market

Introducing
The First Complete Crypto Derivatives
Exchange

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[Bitfex.com](https://bitfex.com)

ABSTRACT

Bitfex is the ***first self-contained ecosystem for the cryptocurrencies derivatives trading market***. Built by veteran traders of CME & ICE and technocrats from premier institutes like IITs and Harvard, Bitfex is bringing to the crypto space an innovative trading interface and diverse trading instruments, including brand new low-risk trading products. By bringing together individuals and institutions in need of risk management or with an eye at profit via risk acceptance, our goal is to become the most diverse crypto derivatives marketplace for buyers and sellers.

The volatility of the current crypto market can be capitalised by traders only through the introduction of a highly robust trading infrastructure, designed to optimise lightning fast trade execution. Moreover, the freedom to diversify and optimise portfolio performance, become possible by the introduction of a highly diverse and wide range of multiple crypto based derivatives products, including Futures, Spreads, Swaps, Options and Crypto Indices. Moreover, the trading of these abovementioned financial instruments deepens the liquidity of the market, eventually leading to better price discovery of the underlying crypto assets.

Our team of highly motivated professionals, possessing a robust academic background coupled with years of trading experience on world's best exchanges identified the needs of the current crypto traders. Traders today require, first and foremost, diverse trading products, especially crypto derivatives. Secondly, they need high performing trading platforms that deliver an easy-to-use, yet powerful interface. Thus, Bitfex will offer a diverse range of products that include but are not limited to, crypto based *perpetual contracts, outright futures, exchange quoted calendar spreads and butterfly spreads, options, crypto indices and their derivatives*, enabling traders to hedge, speculate and invest as per their risk-appetite and trading philosophy, opening up a new realm of market possibilities. Furthermore, Bitfex's desktop trading platform with one-click ladder trading interface, advanced data visualisation and analytics tools, highly customisable workspaces and multi-screen support will enhance the way crypto markets are traded.

The Bitfex ecosystem is thereby going to be the comprehensive solution for traders. Harnessing all the advantages of the traditional trading exchange and distilling them to suit the cryptocurrency landscape, Bitfex will offer a boost to the crypto market in the right direction. Our platform will redefine how exchanges operate and by attracting more traders via our lucrative product line and trader-friendly interface, we will expand the pool of participants fostering greater market liquidity and thereby contributing to its overall growth.

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1 BITFEX ECOSYSTEM

Bitfex is introducing diversified trading and investment instruments with an institutional-grade exchange platform, complete with advanced trading tools, dedicated 24/7 customer support and maximum security.

Borrowing from the merits of legacy trading systems and coupling them with all the possibilities lent by the crypto trading environment, we are not merely disrupting the ecosystem of exchanges, but also creating a new way to approach crypto trading and investment.

Unlike most of the current exchange teams that majorly comprise of techies with limited exposure to financial markets, the Bitfex team has diverse exposure, comprising highly successful traders, technocrats and successful entrepreneurs. Our team possesses hands-on experience of trading with global exchanges, market analysis, operating & managing successful enterprises, and customer service & support. We are:

- *Driving Innovation in Crypto Assets Market-* Bitfex is committed to innovating the crypto assets market with its inventive new features. The platform's advanced trading tools like the Desktop trading app, Bitfex Ladder, Bitfex Simulator, Bitfex Spreader & Bitfex Matrix, crypto investors can now indulge in some powerful and serious trading in this growing market.
- *Expanding the Trading Product Offerings-* Trading & investment instruments like derivatives don't need to be limited to traditional financial market. To open up new and improved trading possibilities, Bitfex is passionately creating diversified financial instruments to trade in crypto assets.
- *A One Stop Shop-* Manage all your crypto trading and investment activities with a single platform. Bitfex is providing all the solutions under one roof, from advanced analytics tools to an array of trading and investment products.
- *A High-Performance Platform-* Bitfex takes pride in offering a high-performance Digital Asset Exchange Platform, capable of handling massive transactional volumes and with a high uptime rate, making crypto trading seamless.
- *Offering a Low Trading Cost-* Despite the numerous products, tools and services, trading fees are as low as it gets: pay no trading fees at all for staking BFX, Bitfex's native utility tokens. Also get discounts on trading fees for various services by using BFX.
- *Solving Challenges of Crypto Assets Trading-* While our customers love to trade in the digital currencies, we are equally passionate about addressing challenges that exist in the current crypto market. From an excellent customer service & diversified crypto trading instruments to advanced trading simulator & analytics tools, Bitfex is taking all challenges head-on.

2 BITFEX PRODUCT OFFERINGS

Bitfex is creating a completely new ecosystem, built to facilitate a crypto derivatives market where traders have access to multiple trading and investment instruments, enabling a highly liberating, highly strategic, low-risk and seamless trading experience.

With its array of derivative instruments, Bitfex offers its users the freedom to hedge, speculate and diversify their portfolio. Traders of all styles and grades will find a product of their liking and a platform that not only simplifies their experience but also lets them maintain a high degree of control over customising that experience. By expanding the choices for our customers, our ecosystem will aid in deciding what strategy is most suitable for investing and trading their assets. An increase in choices and improved experience translates to satisfied customers, leading to a larger pool of participants and thus to greater liquidity of the cryptocurrency market.

Our vision is one of collective growth for all market participants, both our customers and the Bitfex ecosystem, thereby contributing our share to the growth of the market itself!

2.1 Derivatives Product Offerings

2.1.1 Perpetual Contracts

Bitfex will offer perpetual contracts. These are futures contracts with no expiry. The advantage of perpetual contracts is that an investor can trade these contracts like cryptos are traded in the spot market, while enjoying the benefit of using margins, i.e. investing less money and earning better returns than those of the spot market. We will be offering perpetual contracts for major cryptocurrencies, starting with major coins like BTC and ETH.

2.1.2 Futures Contract Crypto Trading

Bitfex will offer quarterly futures contract of major cryptocurrencies. Over time, futures contracts with monthly, semi-annual and yearly expiry will also be introduced for the various cryptocurrencies. Our aim is to provide long term hedging in major coins and tokens to allow a room for any trading strategy.

Initial margin and maintenance margin will be charged in the underlying asset for the contracts. Going forward, margins in stable coins like USD^T as well as Bitfex's utility token, BFX, will also become available. These margins will vary for different cryptocurrency futures contracts as per market dynamics. Our futures contract will be cash settled, as it is a more convenient method for futures transactions.

Crypto Trading with ‘Calendar Spreads’

Spreads combine both a long and a short position put on at the same time in related futures contracts. The idea behind the strategy is to mitigate the risks of holding only a long or a short position. It must be noted that prices of cryptocurrencies are highly volatile. Thus, a futures contract with a cryptocurrency as the underlying asset is also somewhat subject to this volatility. However, the relative difference between two contracts is less volatile. Bitfex will offer calendar spreads of major cryptocurrencies to traders as Exchange Quoted Spreads, thus allowing them to benefit from low volatile products. Bitfex’s Exchange Quoted Spreads will enable the customers to enjoy a low-cost and a low-risk exposure to the price differences between the underlying futures contracts.

Crypto Trading with ‘Butterfly’

A Butterfly spread is a step further towards lower volatility in comparison to Calendar spreads. In this case, the idea is to bet on the entire curve in a given time frame, effectively combining both a bull spreads strategy and a bear spreads strategy to create a neutral spreads strategy. In essence, it is taking opposing positions by hedging opposing spread contracts over contiguous months, and thus lowering the risk associated even further. Bitfex’s butterfly spreads will be a great choice for traders who wish to limit their risks even more.

Futures Outrights, Spreads and Liquidity: A deeper look

Assume that there are 3 monthly sequential contracts for Bitcoin (BTC), namely, BTC JAN19, BTC FEB19 and BTC MAR19.

These will be called ***outright contracts*** where you will be able to trade the future price of bitcoin for the months of January, February and March, the year being 2019. These instruments experience volatility similar to that experienced in the spot market and upon expiry, the price of the outright converges with respective spot prices of their underlying asset.

From those three outright contracts, three calendar spreads contracts will be derived namely, BTC JAN19-FEB19, BTC FEB19-MAR19 and BTC JAN19-MAR19.

Trading spread contracts means you buy one contract and sell another contract.

Assume that the current price of BTC is at \$20,000 and its 3 monthly sequential contracts namely, BTC JAN19, BTC FEB19 & BTC MAR19, are trading for \$20100, \$20400 and \$21000 respectively.

Then, the calendar spreads namely, BTC JAN19-FEB19, BTC FEB19-MAR19 and BTC JAN19-MAR19 will be trading at -300, -600 and -900 respectively.

Now let's say you want to trade Bitcoin, but you wish to trade at a lower margin requirement. Also, you want to partially hedge your risk in case its value drops from the current level. Thus, instead of trading Bitcoin directly, you can trade the spread of BTC JAN19-FEB19. Buying the JAN19-FEB19 spread of BTC means that you buy BTC JAN19 futures outright contract at \$20100 and simultaneously sell BTC FEB19 futures outright contract at \$20400. Similarly selling BTC JAN19-FEB19 spreads contract means that you will sell BTC JAN19 and buy BTC FEB19 at their respective prices.

What this entails is a **lower risk** in comparison to spot trading or even trading of futures outright contracts. It also leads to a **higher liquidity** being offered. We will revisit this point under the **implied orders** section to detail it further. Now on to Butterfly spreads, which are even lower in risk than calendar spreads.

Butterfly trading means the simultaneous buying and selling of two spreads instead of two outrights. Thus, it involves a total number of four contracts, covering three contiguous terms, represented by the formula: **Buy 1 X near term contract + Sell 2 X mid-term + Buy 1 X further term**

Consider the futures contracts from the calendar spreads explanation. You can create a Butterfly spread by buying one contract of JAN19 BTC futures contract, simultaneously selling 2 contracts of the FEB19 BTC outright and buying 1 contract of MAR19.

This butterfly spread position actually consists of a BTC JAN19-FEB19 bull spread and BTC FEB19-MAR19 Bear spread.

Thus, for Butterfly spreads one takes on the whole curve rather than the price direction of the underlying assets. Consequently, butterfly spreads are highly liquid instruments because of their low risk exposure. As you can see, just like Calendar spreads, prices of Butterfly spreads depend on futures contracts, which in turn depend on the underlying asset, a cryptocurrency, which in our example was Bitcoin. Both these derived trade instruments lead to greater liquidity and drive the market towards stability.

2.1.3 'Options' Crypto Trading

Bitfex will offer options for cryptocurrencies. Options are derivatives contracts that give buyers the right, but not the obligation, to buy or sell an underlying asset (*in this case a cryptocurrency*) at an agreed-upon price and date. Crypto options of Bitfex will be the type that can be executed at any time before their expiry. As the platform evolves, this product will be rolled out.

2.1.4 Crypto Indices Derivatives

A crypto index is nothing but a portfolio of crypto assets. The value of such an index is represented through 'Points.' Each crypto index is calculated in a different manner, but their value generally represents the weighted average of the current values of its underlying component. Indices are used for trading because they are a crucial representation of the state of economy for a currency, industry, or a nation. Bitfex will offer a derivative based on crypto indices, allowing investors to hedge their portfolios and thus benefit from price movements of the crypto asset market.

2.2 BITFEX Extended Product Offerings

Under the umbrella of our extended product offerings, customers will have access to a variety of trade and investment products. Having access to these multiple products will free up traders to execute all their trading and investment strategies on Bitfex itself, instead of having to hop from one exchange to another.

2.2.1 Spot Trading

Bitfex, going forward, will enable spot trading against major cryptocurrencies.

2.2.2 OTC Trading

Bitfex will provide a user-friendly interface allowing easy Over-the-Counter (OTC) access to crypto market trading for investors. Customers will be able to avail this feature by connecting with our OTC desk to proceed further with their trade.

2.2.3 P2P Lending

Bitfex will provide the feature of a lending platform within its ecosystem, where passive investors can lend their balances to others in need. In other words, it will act as a peer-to-peer (P2P) loan disbursing platform to connect lenders and borrowers. The daily lending rate will be determined by the market and lending will be done in major cryptocurrencies.

3 BITFEX ADVANCED TRADING TOOLS AND FEATURES

Bitfex’s advanced tools and platform features set us apart from all the exchanges present in the market today.

3.1 Desktop Application

Bitfex will provide its customers, the trader-friendly ‘Desktop App’ with custom features for a seamless trading experience. In conjunction with our flagship trading tool, the Desktop App, customers will also have access to our exchange via the in-browser trading app as well as a mobile app. The full features list of our Desktop App includes:

- Order entry form supporting Market, Limit, Stop-Loss, Stop-Limit, Iceberg, trailing stops, OCO, bracket and various other conditional orders.
- Real-time market data charts supported by generic and advanced technical indicators and analysis.
- Account and position monitoring, order book, trade history, fill book etc.
- Custom arrangement of market data, order and trade history, positions, charts and technical tools, other data items and colour schematics.



Fig. 1: Bitfex Desktop Application

3.2 Bitfex Ladder

For the assistance of intraday and professional traders, Bitfex is introducing ladder trading to crypto market. Being one of the key features of our platform, the Bitfex Ladder will enable the traders to view price action, best bid and offer, last trades' price and quantity, total traded volume at each price, high and low market points of the day, depth of market orders and various other critical data related to trading. The Bitfex ladder will allow the traders to submit, modify and cancel orders with one click (Power of Point-and-Click Trading). It will also help in visualising the relative position of correlated products, neatly displaying this data in the user dashboard.

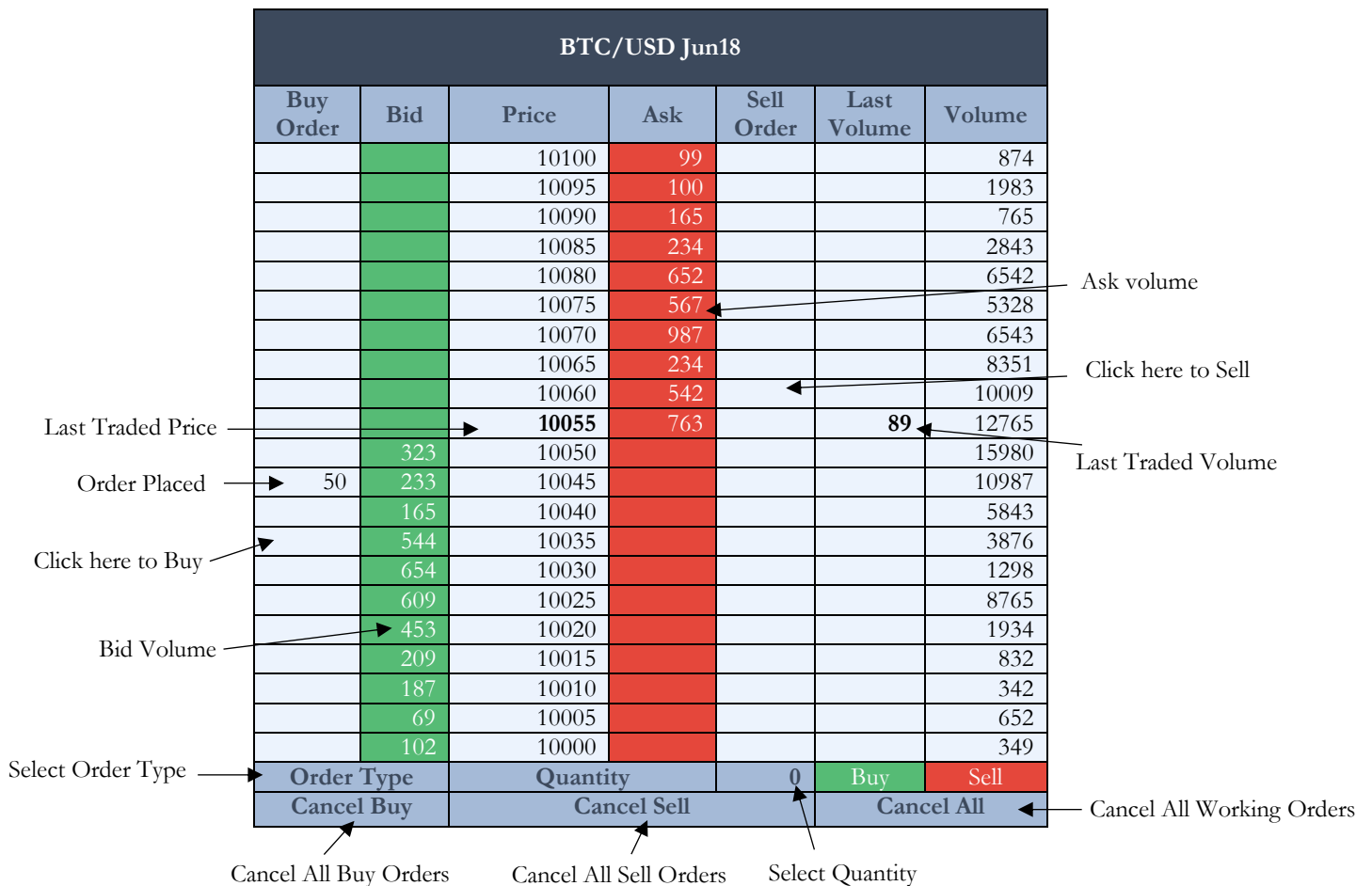


Fig. 2: Bitfex Ladder

3.3 Bitfex Matrix

The Bitfex Matrix will serve as a crucial trading tool. With the Bitfex Matrix, traders will be able to view market data for all contract expirations of an asset as well as market data for exchange-quoted spreads for the underlying asset, all in one window. Traders will have the ease to trade, place, modify and cancel orders directly through the Bitfex Matrix.

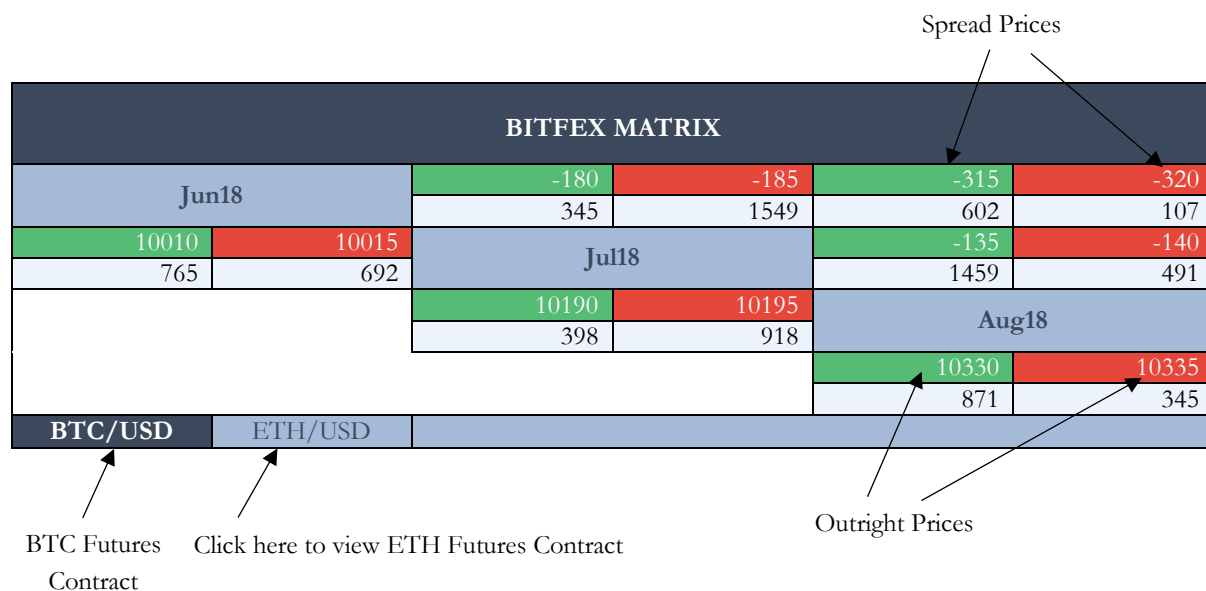


Fig. 3: Bitfex Matrix

3.4 Bitfex Spreader

The Bitfex Spreader will allow traders to create, manage and execute synthetic spreads based on futures contract available on the Bitfex exchange. Synthetic spreads are intermarket spreads, whose prices are not quoted on the exchange itself, but have to be calculated based on the underlying contracts listed on the exchange. For example, a user can create synthetic spreads of Bitcoin (BTC) and Ethereum (ETH) through the exchange quoted spreads of BTC and ETH. This is another distinguishing feature that is unique to Bitfex exchange ecosystem.

3.5 Implied Orders

Managing the effective pricing for crypto derivatives

In futures market to trade spreads and butterflies, a matching engine with implied order functionality is essential, as this maintains an interconnection between the outright, spreads and butterflies. Any change in the pricing of one of the strategies will automatically affect the pricing of other strategies pertaining to the changed one. **Bitfex is introducing this important function of implied order so that the concerned derivative market overcomes the basic issues of scant liquidity and enables effective price levels.**

Implied order is a synthetic order which originates from orders in outright and spreads. The mechanism of implied orders is such that whatever orders are outstanding in the spread market are actively pooled in the outright market (Known as Implied Ins) and outstanding outright orders are actively pooled in spreads (Known as Implied Outs), so that a fill in the spreads is possible via outright and vice versa.

Consider an investor ‘A’ who wants to buy 50 contracts in Jun18 outright contract of BTC at price of \$9800. Investor ‘B’ wants to sell 30 contracts in Jul18 outright contract at price of \$10,000. The Bitfex matching engine realizes that Jun18 - Jul18 spread is the difference between best bid of Jun18 and best offer of Jul18. So, it generates an implied order of 30 (lowest common contracts between two prices) in Jun18 - Jul18 spread at -200. If investor ‘C’ sells 30 contracts in Jun18-Jul18 spread at - 200, both investor ‘A’ and investor ‘B’ get 30 contracts at their respective price. In this way, all three investor’s trades get executed. Though there were no direct trades between any of the investors, orders of all three were filled due to the implied order mechanism.

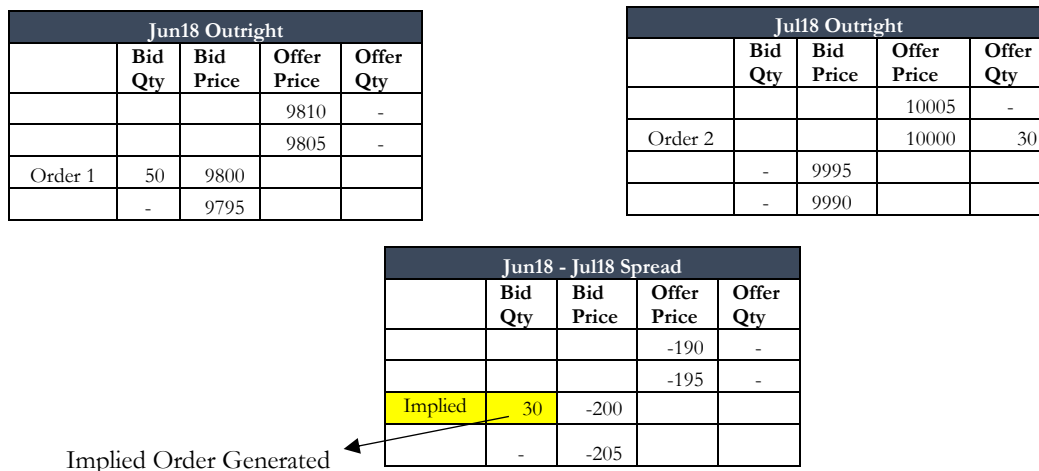


Fig. 4: Order book with Implied Orders

In case where first-generation order quantities are not large enough to fill the required order, then the Bitfex matching engine builds second-generation synthetic orders until the required order is completely filled.

In the real world, orders are matched in a fraction of milliseconds and the user will see only the end result in the form of an immediate execution. In the following example, we will explain step by step process, how our matching engine matches real time orders.

Example: Traders want to perform the following actions in the BTC futures market:

- Buy 50 contracts of Jun18 - Jul18 spread at -100
- Buy 30 contracts of Jul18 - Aug18 spread at -125
- Sell 50 contracts of Jun18 outright at \$10000
- Buy 20 contracts of Jul18 outright at \$10110
- Buy 30 contracts of Aug18 outright at \$10240

Order Book before Matching

Order 1 in Jun18 - Jul18 contract with a bid of 50 contracts at -100 along with Order 4 in Jul18 contract with a bid of 20 contracts at \$10110 are used to generate the first-generation implied buy orders of 20 contracts in Jun18 contract at \$10010. Similarly Order 2 of 30 contracts in Jul18 - Aug18 at -125 along with order 5 in Aug18 contract at \$10240 are used to generate first generation implied buy order of 30 contracts in Jul18 contract at a price of \$10115. This is how the order book looks like before first generation implied orders get executed.

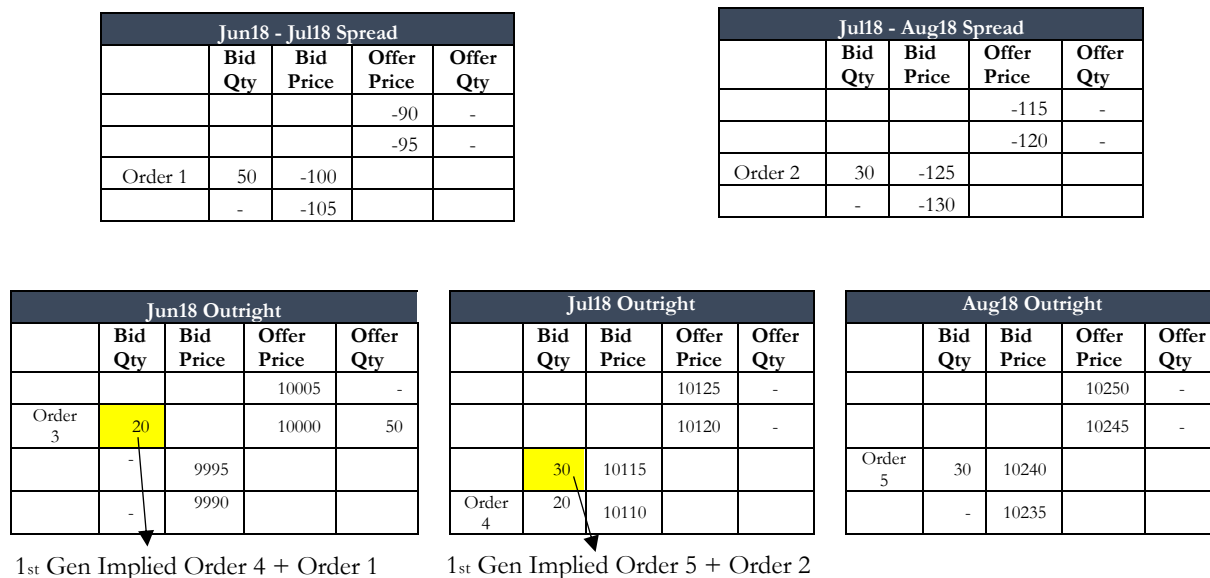


Fig. 5: Order book before matching

1st Generation Matching

Order 3 in Jun18 contract trades 20 contracts with the first-generation implied order that is derived from Order 4 and Order 1. This will automatically trigger a buy order of 20 contracts in Jun18 - Jul18 contract at -100. There are no remaining contracts available in Jul18 contract's best price to generate more implied orders in Jun18 contract. This trade will reduce the offer in Jun18 contract to 30 contracts at \$10000 and Jul18 contract is left with zero contracts at \$10110. Orders in Jul18 - Aug18 spread contract and Aug18 outright contract will remain unchanged.

Jun18 - Jul18 Spread				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			-90	-
			-95	-
Order 1	20 30	-100 -100		
	-	-105		

Jul18 - Aug18 Spread				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			-115	-
			-120	-
Order 2	30	-125		
	-	-130		

Orders are matched and executed

Jun18 Outright				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			10005	-
Order 3	20		10000	30 20
	-	9995		
	-	9990		

Orders are matched and executed

Jul18 Outright				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			10125	-
			10120	-
	30	10115		
Order 4	20	10110		

Orders are matched and executed

Aug18 Outright				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			10250	-
			10245	-
Order 5	30	10240		
	-	10235		

Fig. 6: Order book during 1st generation matching

Order Book after Matching

This will be our order book after the first-generation implied order matching and execution. The matching engine will build the next generation of implied orders, as first-generation implied order quantities were not large enough to fill the arriving orders.

Jun18 - Jul18 Spread				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			-90	-
			-95	-
Order 1	30	-100		
	-	-105		

Jul18 - Aug18 Spread				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			-115	-
			-120	-
Order 2	30	-125		
	-	-130		

Jun18 Outright				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			10005	-
Order 3			10000	30
	-	9995		
	-	9990		

Jul18 Outright				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			10125	-
			10120	-
	30	10115		
Order 4	-	10110		

Aug18 Outright				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			10250	-
			10245	-
Order 5	30	10240		
	-	10235		

Fig. 7: Order book after 1st generation matching

2nd Generation

Order 1 in Jun18 - Jul18 contract has a bid of 30 contracts at -100, even after the first round of matching. It can be used along with the first-generation implied orders from Aug18 order 5 and July18 - Aug18 order 2 to create a second-generation implied order of 30 contracts in the Jun18 contract at \$10015.

Jun18 - Jul18 Spread				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			-90	-
			-95	-
Order 1	30	-100		
	-	-105		

Jul18 - Aug18 Spread				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			-115	-
			-120	-
Order 2	30	-125		
	-	-130		

Jun18 Outright				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			10005	-
Order 3	30		10000	30
	-	9995		
	-	9990		

Jul18 Outright				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			10125	-
			10120	-
	30	10115		
		10110		

Aug18 Outright				
	Bid Qty	Bid Price	Offer Price	Offer Qty
			10250	-
			10245	-
Order 5	30	10240		
	-	10235		

2nd Gen Implied (Order 5 + Order 2) + Order 1

Fig. 8: Order book before 2nd generation matching

2nd Generation Matching

Order 3 in Jun18 contract at \$10000 matches with implied order of 30 contracts in Jun18 contract. This will trigger a buy order of 30 contracts in both spread contracts of Jun18 - Jul18 at -100 and Jul18 - Aug18 at -125. This match effectively trades against all of the underlying contracts thereby completely matching all orders, leaving the order book empty.

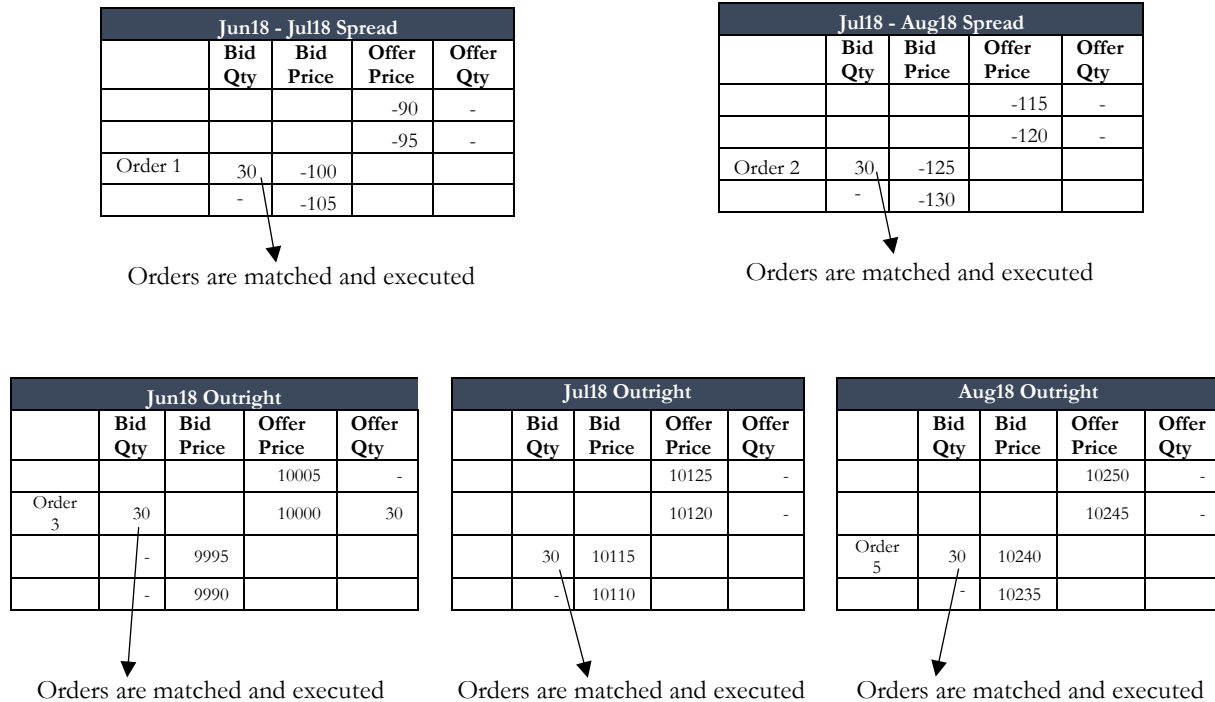


Fig. 9: Order book during 2nd generation matching

Bitfex's Implied Order functionality is a highly effective mechanism in the sense that it generates the best price available as per market conditions. Bitfex implied orders do not carry any inherent risk in the sense that a particular trader will not get a fill in the outright as well as spreads. As soon as a trader gets a fill in one of the strategies, the order from the other strategy will be immediately pulled. Also, there is no possibility of partial fill in only one leg of the strategy as the other leg will immediately hit the market. The implied orders which will be placed in the outright order book will be assigned a priority that is inferior to the priority of simple outright orders. Thus, **Bitfex Implied Orders make the market more efficient by increasing liquidity and reducing arbitrage.**

3.6 Bitfex Simulator

Another key feature by Bitfex to disrupt the crypto trading domain is the Bitfex Simulator. The idea is to introduce a ‘Trading Simulator’ crafted specially for crypto trading. The only difference will be that the user will get a real-life experience of the crypto assets market without using ‘real funds.’ Bitfex hopes to create a band of enthusiasts and amateur traders that can benefit from its simulated trading environment and step into the real market, once they are ready.

The Bitfex Simulator is ideal for those who are new to futures trading and wish to familiarise themselves with market action and trading without risking real cryptocurrency. The Bitfex Simulator replicates real-time market data and trading conditions to help users understand the market dynamics, general market behaviour and how to manage trade and associated risks. This is yet another USP of our platform for facilitating education and learning for traders, enabling them to gain virtual experience in the crypto asset trading.

The simulated trading environment can be accessed on the [Bitfex TestNet](#).

4 BITFEX BUSINESS MODEL

Bitfex’s revenue stream will comprise commissions on its various trading and investment products. Bitfex’s native utility token, called BFX, is an ERC-20 token powering the ecosystem. Integral to the exchange, the BFX demand is fuelled by the various utilities it provides to its holders and its diminishing circulating supply.

4.1 Token Utility

4.1.1 ‘Zero Trading Fee’ with BFX Staking

A special feature of Bitfex that adds value for its customers is zero-fee trading for those staking BFX on our exchange. *Those who opt for zero-free trading will not have to pay any trading fees, as long as they stake a minimum threshold of BFX on the Bitfex exchange.*

Note: ‘Minimum Threshold’ will be dynamic and set as per market conditions.

4.1.2 50% Discount using BFX

A discount of 50 percent will be applicable for the fee paid on all the transactions via BFX.

Example: Buying Bitcoin Perpetual Contracts (BTCUSD) that are priced \$1 per contract, if actual trading fees is taken to be 0.075%*:

Quantity	10000
Total Position	\$10,000
Actual Trading fee	\$7.5 (0.0750%)
Discounted Trading fee	\$3.75 (0.0375%)
Example BFX spot price	10¢ per BFX
Trading fee payable	37.5 BFX

*Note: This fee is used as part of the abovementioned example and is not representative of the fees on the live exchange.

4.1.3 Free Master Account with BFX

Through the master account a user can generate various sub-accounts that are *restricted only for trading*. Withdrawals and deposits *will only be enabled for the master account*, users of the sub-accounts will be able to trade but not withdraw or deposit any funds.

Holders that stake a minimum threshold number of BFX on our exchange will get to use the Master Account system free of cost.

Note: 'Minimum Threshold' will be dynamic and set as per market conditions.

4.1.4 BFX Additional Rewards

BFX holders will be able to unlock numerous benefits, avail time-bound offers and claim various rewards through their participation in the Bitfex ecosystem. Additional staking rewards will be incorporated moving forward on the live exchange.

4.2 Tokenomics

BFX has a total fixed supply of **1,000,000,000** BFX.

Token name	BFX
Token type	ERC20
Total supply (fixed)	1,000,000,000

The BFX smart contract, written in Solidity, is available on [Etherscan](#).

4.2.1 Burning of BFX

Bitfex will burn BFX equivalent to 20% of revenue generated at regular intervals until the total supply of tokens reaches 500 million. Thus, BFX supply is dis-inflationary, as it will reduce with time, further supporting BFX demand.

4.2.2 BFX Distribution and Funds Usage

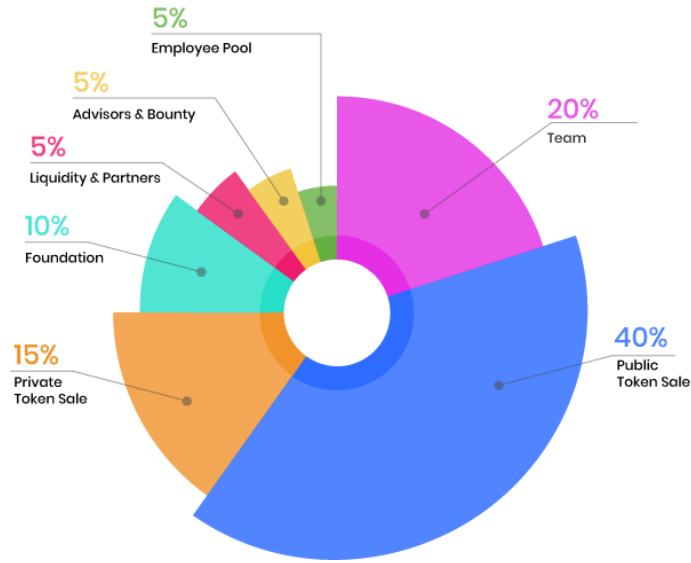


Fig. 10: Token Distribution

Note: All team tokens are vested for 4 years.

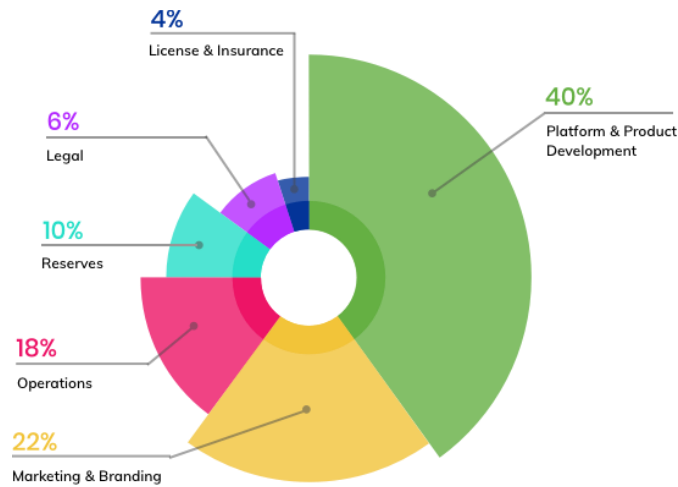


Fig. 11: Funds Usage

5 OUR TEAM

With a team of experts coming from diverse professional backgrounds and having cumulative experience of many years in domains of Investment Banking, Finance, Economics, Information Technology, Blockchain Technology and Business Administration, our project stands solid, upon the shoulders of innovative, hardworking and dynamic professionals. Supported by a diverse community of VCs, traders and investors from both traditional and crypto space, the team has already proven their mettle by releasing the TestNet for Bitfex exchange.



Awanish Rajan
Co-Founder & CEO

[LinkedIn](#)

Awanish leads Bitfex as the Chief Executive Officer. He brings to the table, over 12 years of experience in trading as well as his understanding of distributed system modelling from a research point of view. He is an alumnus of IIT Madras where he pursued Engineering Physics.



Atish Katyal, CFA
Co-Founder & CFO

[LinkedIn](#)

Atish, a certified CFA is a seasoned derivatives trader of the fixed income market, with more than 10 years of experience under his belt. His background in finance is crucial to driving Bitfex's development in terms of trading systems and, tracking and analysis of economic policies. He attended Thapar Institute of Engineering and Technology and received his B.E. in Electronics (Instrumentation & Control).



Murali Thakur
Co-Founder & CTO

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Murali has worked in varied domains, from tech & software development to trading over the past 8 years, thereby diversifying his skillset and thus being tailor-made for his role of Chief Technology Officer at Bitfex. His diversified experience ensures the right balance between technology and finance when it comes to the platform. He is an alumnus of IIT Roorkee, where he graduated with a B.Tech. degree in Electronics and Communications Engineering.



Anupam Agarwal
Co-Founder & COO

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Anupam manages Bitfex marketing strategy and execution as well as general operations. Anupam has worked as Associate Consultant at one of top sales & marketing consulting firms. He has experience in sales planning, customer alignment, product management and feedback management issues in the fortune 500 companies. He has a B.Tech. degree from MNNIT Allahabad.



Simon Gerovich
Director Investor Relations

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Simon is the Chairman of Red Planet Hotels and a former derivatives trader at Goldman Sachs. He graduated with a BA, cum laude, in Applied Mathematics from Harvard University.



Colin Baker
Director Corporate Development

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Colin had a 20-year career trading equity derivatives, initially on the London Traded Options Market (now part of LIFFE) and later in Japan trading Japanese equity derivatives. He is the Executive Chairman of 365 Aviation Ltd and is a board member of several other companies.



Himanshu Tiwari
Blockchain Analyst

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Himanshu has been a technology analyst and writer for over two years and has researched and developed content around new and upcoming tech like Blockchain and IoT.

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