ARRAKIS

# A Practical Guide to TGE in 2026

Everything you need to know to launch a token successfully

Special thanks to 25+ founders and contributors to this guide:

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# Table of Content


**A Practical Guide to TGE in 2026** 1

Everything you need to know to launch a token successfully 5

**The Sell Pressure Equation** 8

Sources of Sell Pressure 9

Sources of Buy Pressure 10

The Token Is Its Own Product 11

**How Token Launches Performed in 2025** 15

Week 1 Determines Your Trajectory 17

**Token Distribution Mechanisms** 19

Airdrops 20

Design Levers That Reduce Selling 21

How Much Should You Allocate? 22

**Pre-Sales and Launchpads** 24

Launchpad Economics 25

**Exchange-Affiliated Launch Programmes** 27

Binance Aplha 28

OKX Boost and Bybit Token Splash 31

**Onchain Launch Mechanisms** 33

Aerodrome Ignition 34

Uniswap v4 Continuous Clearing Auctions (CCA) 35

**Trading Venue Strategy** 37

CEX Strategy 38

What Exchanges Want 38

Why Day-One Listings Matter 38

Which Exchanges to Prioritise 39

Korean Exchanges 39

Listing Economics 41

Negotiation 41

Timing 42

When to Decline 42

DEX Strategy 43

Why Launch on a DEX? 43

CEX-First, DEX-First, or Hybrid? 43

Concentrate Your Liquidity 45

Choosing Chain and DEX 45

# Table of Content


**Liquidity Strategy** ..... 49
- How Should I Structure My Liquidity? ..... 50
- What Market Makers Actually Do ..... 51
- Why Professional Market Makers Are Necessary ..... 52
- Loan/Option vs. Retainer Models ..... 53
- Structuring Strikes That Actually Work ..... 54
- Contract Terms That Protect You ..... 54
- Transparency and Monitoring ..... 55
- Market Maker Advisors ..... 56
- Number of Market Makers ..... 57
- Red Flags ..... 57
- DEX Liquidity Design ..... 58
- How much DEX liquidity to allocate? ..... 59
- Onchain Market Making Approaches ..... 59
- Operational Logistics ..... 60

**What Founders Wish They'd Known** ..... 62
- Adverse Counterparty Practices ..... 63
- Early Derivatives Listings ..... 63
- Exchange Campaign Selection ..... 63
- Treasury Planning ..... 64
- Treasury Movements and Market Perception ..... 64
- Managing Unlocks ..... 64
- Operational Mistakes ..... 65
- There Is No Magic Cure ..... 66

**TGE Prep Timeline** ..... 67
- 12+ Months Before TGE ..... 68
- 6 Months Before TGE ..... 68
- 3 Months Before TGE ..... 69
- 1 Month Before TGE ..... 69-70
- Launch Week ..... 70
- Post-TGE ..... 71

**Conclusion** ..... 72
- It All Comes Back to Sell Pressure ..... 73
- What Separates the 15% ..... 73
- Speak With Us ..... 73
- Glossary ..... 74-76
- References ..... 77-80

# Everything you need to know to launch a token successfully

A Token Generation Event is one of the most defining moments in a crypto project's lifecycle: the moment the market first assigns public value to your work. For many stakeholders, TGE outcomes become a proxy for project quality, regardless of fundamentals.

A poorly executed TGE can permanently damage your project. Price collapse erodes community trust, complicates future fundraising, and creates a perception of failure that is difficult to reverse. Once trading begins, every decision about distribution, liquidity, and venue selection gets stress-tested in real time. There are no do-overs.

This guide assumes a token with genuine demand. In our interviews, founders consistently cautioned that tokens should launch only when organic buy interest is present, whether from investor conviction, utility-driven purchasing, or buybacks via protocol revenue (covered in more detail in Sources of Buy Pressure below). Attempts to manufacture demand through incentives or artificial mechanisms rarely succeed, and their failure is visible to the entire market. No amount of structural optimis ation compensates for the absence of fundamental demand.

What founders can better control, however, is sell pressure. One framework that organises this entire guide: each TGE decision is a sell pressure decision. Airdrops, exchange allocations, market maker loans, every structural choice puts tokens into hands that may sell. Get this equation wrong, and nothing else will save you.

No two TGEs are identical, and what works for one project may fail for another. But certain mechanics are common across launches, and getting them right can meaningfully change outcomes.

# In this guide, you will learn:

**How to model sell pressure:**
from airdrops, exchange allocations, and market maker loans

**Why most tokens fail:**
and why a poor launch week is nearly unrecoverable

**Distribution tradeoffs:**
airdrops vs. pre-sales vs. exchange programmes vs. onchain auctions

**Trading venue strategy:**
CEX strategy, DEX selection, and listing economics

**Liquidity design:**
depth sizing, market maker mechanics, and contract red flags

**TGE prep timeline:**
A month-by-month timeline informed by 25+ founder interviews

# A Note on Methodology

The findings in this guide are based on an analysis of 125 token launches from January to December 2025 and interviews with founders who launched tokens during this period. All data is sourced from publicly available onchain and market data unless otherwise noted. The patterns identified represent historical correlations within this specific dataset and time period. They are not predictive of future outcomes. Individual token launches vary based on factors including but not limited to market conditions, regulatory environment, product quality, team execution, and community engagement. Nothing in this guide should be interpreted as a guarantee that any particular approach will produce any particular result.

Section 1

# The Sell Pressure Equation

One warning emerged more consistently than any other in our interviews: **teams underestimate sell pressure and overestimate organic demand.** This miscalculation explains why most tokens decline within days of launch and never recover.

Understanding where sell pressure originates, when it materialises, and what creates sustainable buy pressure should inform every downstream decision, **from airdrop sizing to exchange selection to market maker structuring.**

## Sources of Sell Pressure

Sell pressure at TGE comes from five primary sources. Each has specific mechanics, timing, and mitigation strategies covered in dedicated sections later in this guide.

### Airdrops

put tokens in the hands of recipients with zero cost basis. The rational action for most is to sell immediately.

### Exchange allocations

for marketing programmes, trading competitions, and listing fees are typically converted to operating revenue.

### Market maker arrangements

under the loan/option model require MMs to sell a portion of loaned tokens to hedge inventory risk.

### Early derivatives listings

allow sophisticated participants to hedge or short before price discovery completes.

### Token unlocks

create scheduled sell pressure for years. Over 90% of 16,000 unlocks analyzed were followed by price declines, with team unlocks averaging a 25% drawdown (Keyrock 2024).

Before making any TGE decision, consider the sell pressure it creates and when that pressure hits.

## Sources of Buy Pressure

Sell pressure is quantifiable. Buy pressure is speculative and consistently overestimated.

Simplicity Group analysed 50,000+ data points from 40 major 2025 token launches and found social media engagement has a near-zero correlation of just 0.038 with price performance. VC funding showed no statistically significant correlation with returns.

(Simplicity Group 2025)

From our interviews, a clear framework emerged: native demand and synthetic demand.

| Token | Native Demand | Synthetic Demand |
|---|---|---|
| Duration | Persists beyond launch speculation | Provides early support but fades |
| Sources | Investor conviction, utility requiring token acquisition, revenue-backed buybacks, staking yields | Exchange programmes, private investors entering post-launch, treasury-deployed buy |

One useful litmus test is asking: would there still be buy pressure if the market expected the price to remain flat indefinitely? If yes, native demand exists. If not, you're relying on synthetic support, which will eventually fade.

## What doesn't create sustained buy pressure:

### Community size is not demand.

50,000 Discord members or 200,000 Twitter followers are often spectators and farmers, not buyers. Most are airdrop recipients (who will sell) or observers (who won't buy).

### Launch-week attention brings speculators, not holders.

The spike in interest around TGE attracts short-term traders looking to flip. Real buyers form before launch through organic engagement.

### VC backing alone does not create retail demand.

Marquee investors can strengthen brand credibility and attract attention, but this effect is difficult to quantify and should not be modelled as reliable demand.

## Primary Sources of Sell and Buy Pressure

### ↓ Sell Pressure

- Airdrops
- CEX Allocations
- Market Makers
- Token Unlocks
- Derivatives Listings

### ↑ Buy Pressure

**Native Demand**

- Buybacks
- Token Utility
- Staking Rewards

**Synthetic Demand**

- Private Investors
- Exchange Programmes
- Treasury-Funded Buying

## The Token Is Its Own Product

A token requires its own marketing, community management, and trader-focused strategy, entirely separate from your product users. Most teams underestimate how much bandwidth this consumes.

Building trading demand requires different channels, influencers, and region-specific approaches. In our interviews, this was frequently the most common timing regret: teams that started 6-9 months before launch were already far behind. The founders who fared better began 18-24+ months out.

If you haven't started building trader demand, factor that into your TGE timeline. Rushing to launch before demand exists is how tokens fail.

Building trader demand is beyond the scope of this guide. What we cover here are the structural decisions that determine whether that demand translates into a successful launch.

## Modeling Sell Pressure: A Practical Example

Consider Protocol X launching at $100M FDV with 10% initial float ($10M circulating). They've planned a 5% airdrop, allocated 3% across two exchange listings for marketing programmes, and structured a 2% market maker loan.

Airdrop

**~$4M**

**Airdrop:** $5M allocated. Up to 80% sells within the first day

Exchange allocations

**~$3M**

**Exchange allocations:** $3M allocated, likely converted promptly

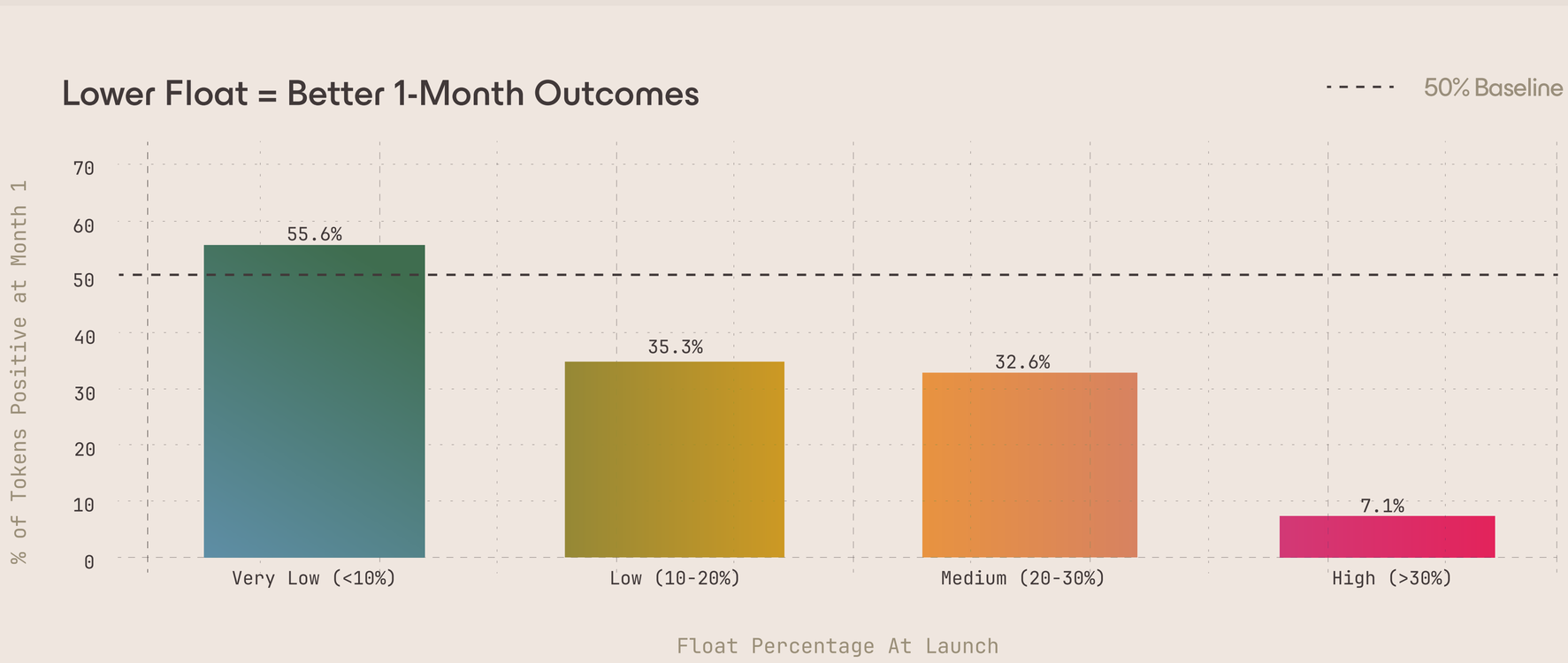
Market maker loan

**~$1M**

**Market making loan:** $2M loaned. Approximately 50% sold to acquire quote assets

Protocol X could face around $8M in potential sell pressure from the $10M circulating, in the first week alone.

**This illustrates why initial float is critical:** a larger float increases the volume of tokens available to sell at TGE, amplifying day-one pressure. Our analysis of 125 token launches in 2025 confirms this relationship:




Circulating Supply at launch vs Month 1 outcome: Tokens with lower circulating supply at launch skewed towards positive Month 1 returns; higher float correlated with worse outcomes.

**Lower FDVs help:** they reduce dollar-denominated sell pressure for any given allocation percentage and leave room for price discovery that attracts buyers. Low float, high FDV structures are particularly damaging because the market prices the full supply as though only the circulating portion will ever trade. When 5% of supply is listed at a $1B FDV, the implied valuation assumes the remaining 95% will never reach the market. As unlocks occur, this assumption unravels. Of 28 token launches at $1B or higher FDV between 2023-2025, none traded above their listing price, with a median drawdown of approximately 81%.

(Binance Research et al., 2024)

Our analysis of 2025 launches confirms the pattern: 75% of tokens launching below $100M FDV were positive at month one, compared to 22% of those above $500M. Historically, higher valuations have correlated with worse early outcomes.




Tokens launching below $100M FDV were three times more likely to show positive month-one performance than those above $500M.

**Buy pressure** depends on native demand, synthetic support mechanisms, and years of accumulated trader awareness. Founders must honestly assess their buy-side confidence, and whether they are prepared to absorb most of the selling themselves.

## Critical windows:

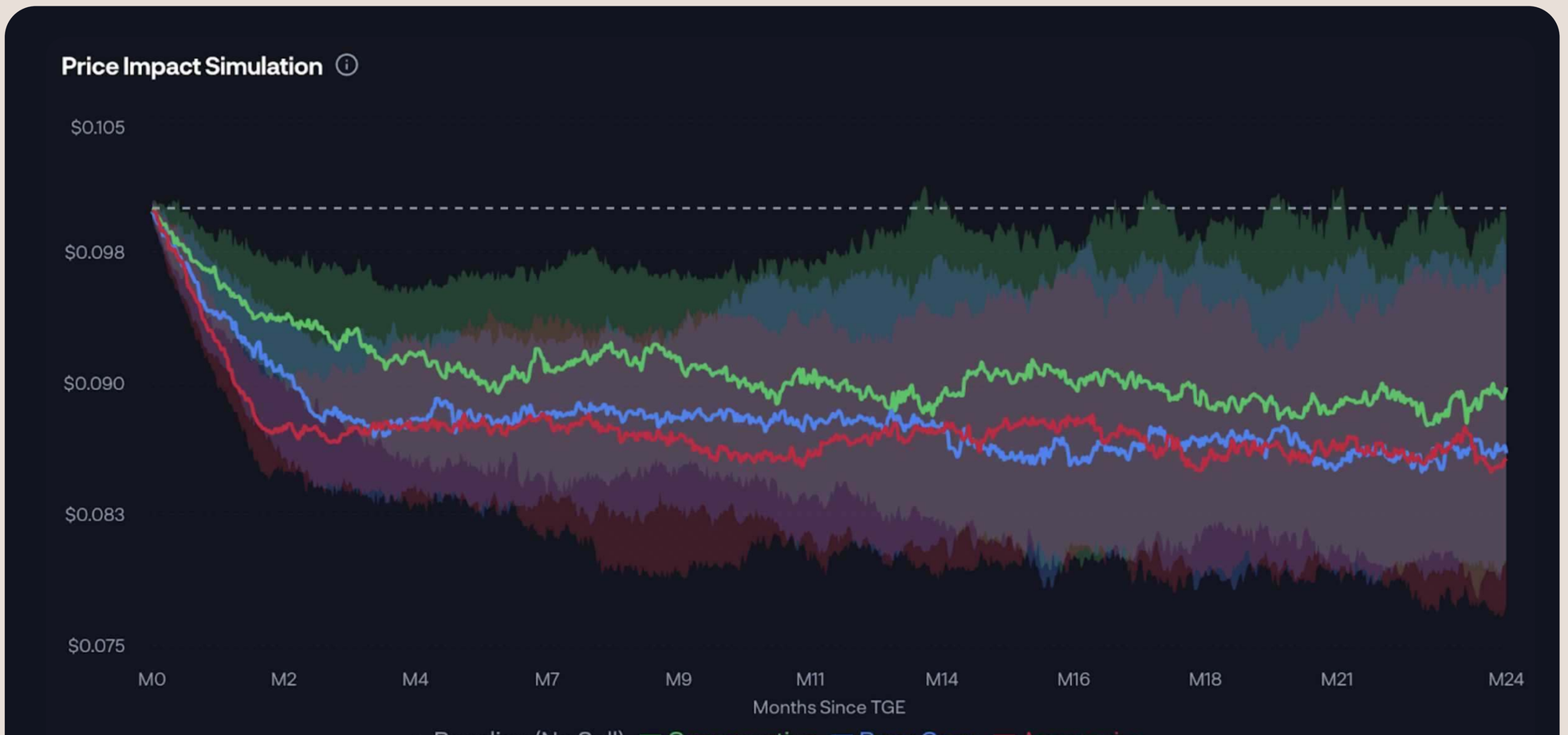
**TGE through Week 4:**
Airdrop selling, exchange programme distributions, and speculation exhaustion.

**30 days before first unlock:**
Markets begin pricing in anticipated selling.

**Each subsequent unlock:**
Creates recurring pressure for 2-4 years.

Success requires matching realistic sell pressure estimates against conservative buy pressure projections, with liquidity sufficient to bridge the gap.

**Tools for modelling:** Delphi Digital's Sell Pressure simulator (http://sellpressure.xyz) allows teams to stress-test unlock dynamics under different scenarios. Users input vesting schedules, configure selling assumptions (conservative, base, or aggressive), and test against varying liquidity conditions. The tool runs Monte Carlo simulations showing 25th to 75th percentile price outcomes across 100 runs.




Delphi Digital's Sell Pressure simulator: teams input vesting schedules and selling assumptions to stress-test price outcomes across thousands of scenarios.

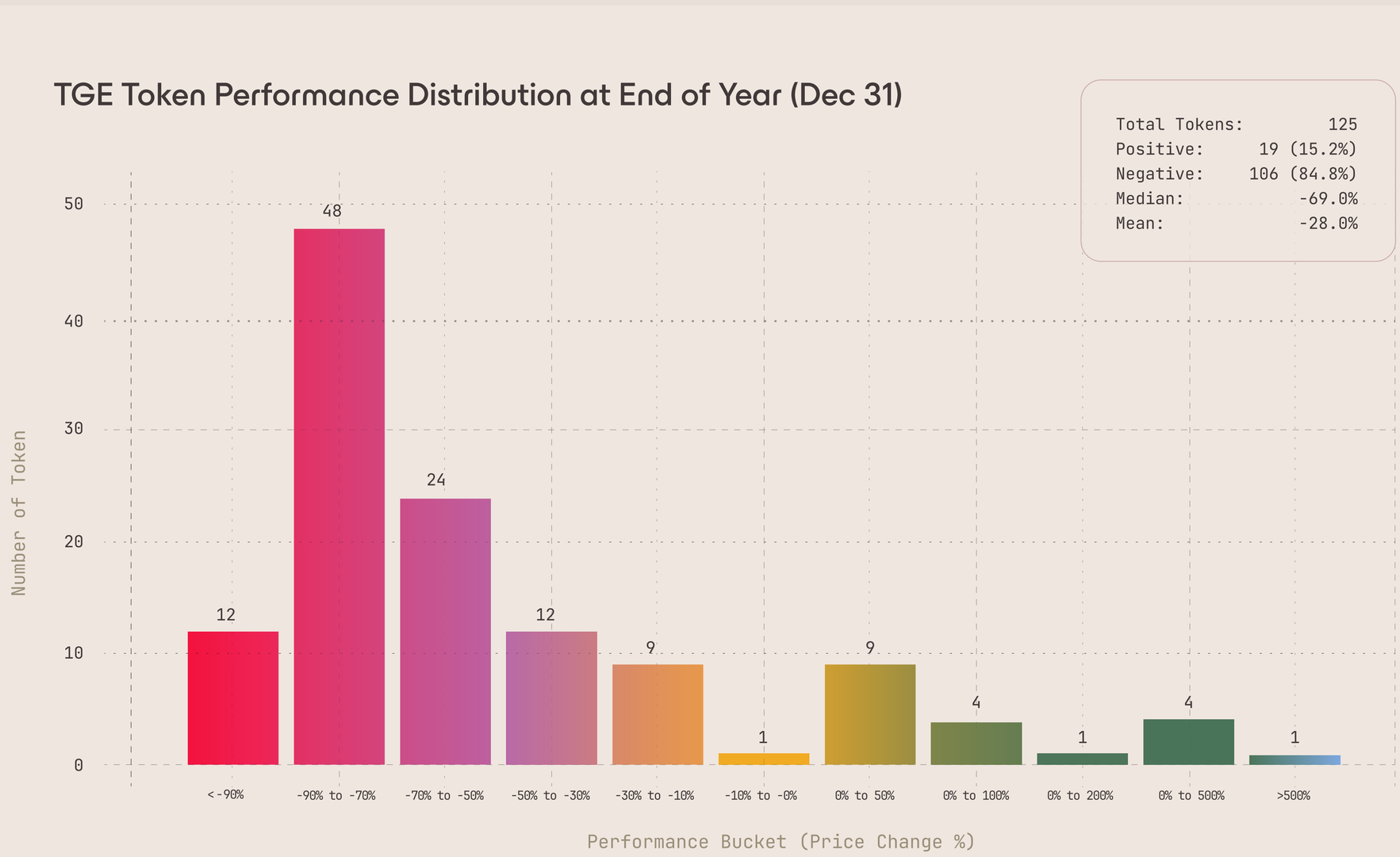
Performance data of token launches from 2025 reveals systematic patterns that validate the framework.

Section 2

# Week 1 Price Performance Is Key

How TGEs Performed in 2025

We analysed 125 token generation events from 2025 and interviewed 25 founders on what worked, what failed, and what they would do differently.




End-of-year (EOY) price performance of 125 TGEs in 2025 grouped by percentage price change from their TGE to December 31st

**85%** of tokens launched in 2025 **ended the year negative**, consistent with findings from *Memento Research's State of 2025 Token Launches report*.

(Memento Research 2025)

2025 proved to be a particularly challenging landscape for new tokens. Despite Bitcoin reaching new all-time highs, the broader altcoin market performed poorly.

The total altcoin market capitalisation (excluding BTC and ETH) fell approximately 30% from its January peak of $1.2 trillion to roughly $825 billion by year-end, while Bitcoin dominance remained stubbornly high throughout the year, fluctuating between 58% and 62%.

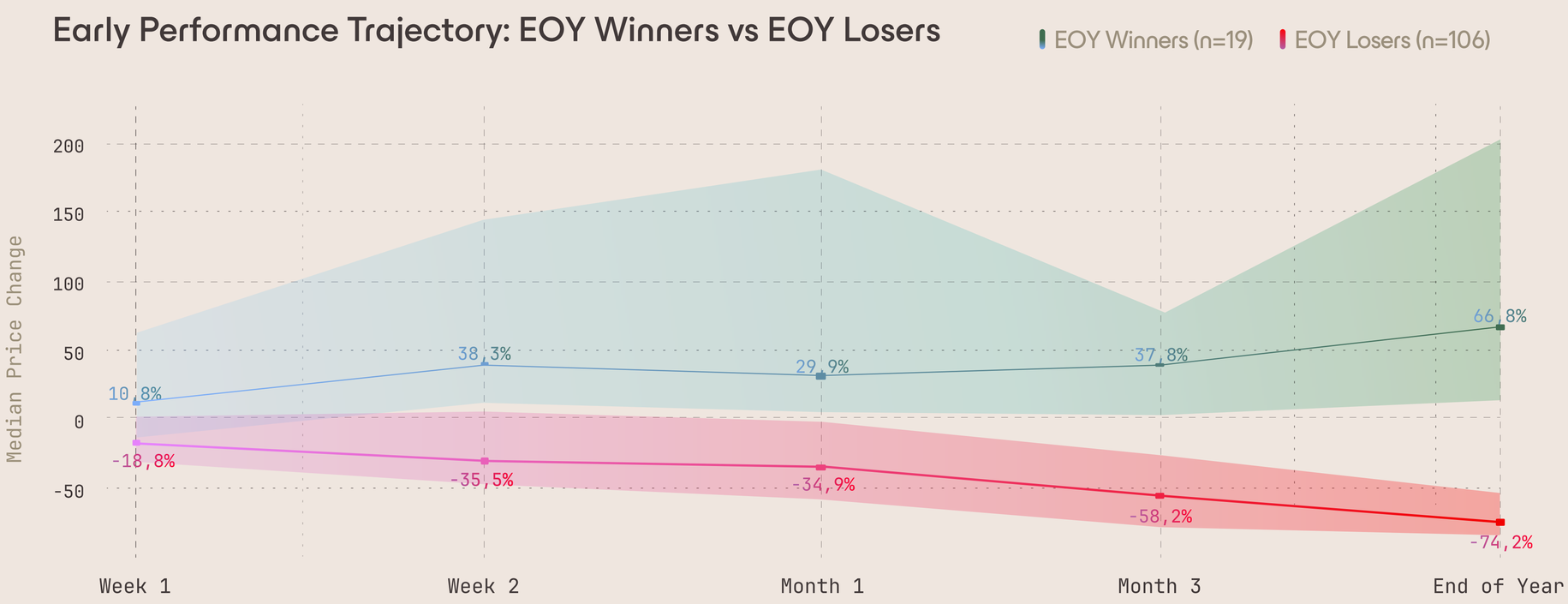



Altcoin market capitalisation (excluding BTC and ETH) performed poorly throughout 2025, even as Bitcoin reached all-time highs. (Tradingview, 2025)

Many tokens that raised substantial capital failed to demonstrate real utility beyond their initial narratives. The bar for doing a successful token launch has risen considerably.

## Week 1 Determines Your Trajectory

Our analysis revealed a clear pattern: tokens that performed poorly in Week 1 rarely recovered.




Week 1 performance vs. EOY performance. Tokens that ended the year positively performed well at TGE; tokens that ended negatively generally performed worse at TGE.

A positive first week does not guarantee success; 72.5% of tokens that rose in Week 1 still ended the year negative. However, a negative first week is nearly fatal. Only 9.4% of tokens that declined in their opening week recovered to positive returns by year-end.

A strong launch is necessary but not sufficient for success, while a weak one is nearly unrecoverable.

Section 3

# Token Distribution Mechanisms

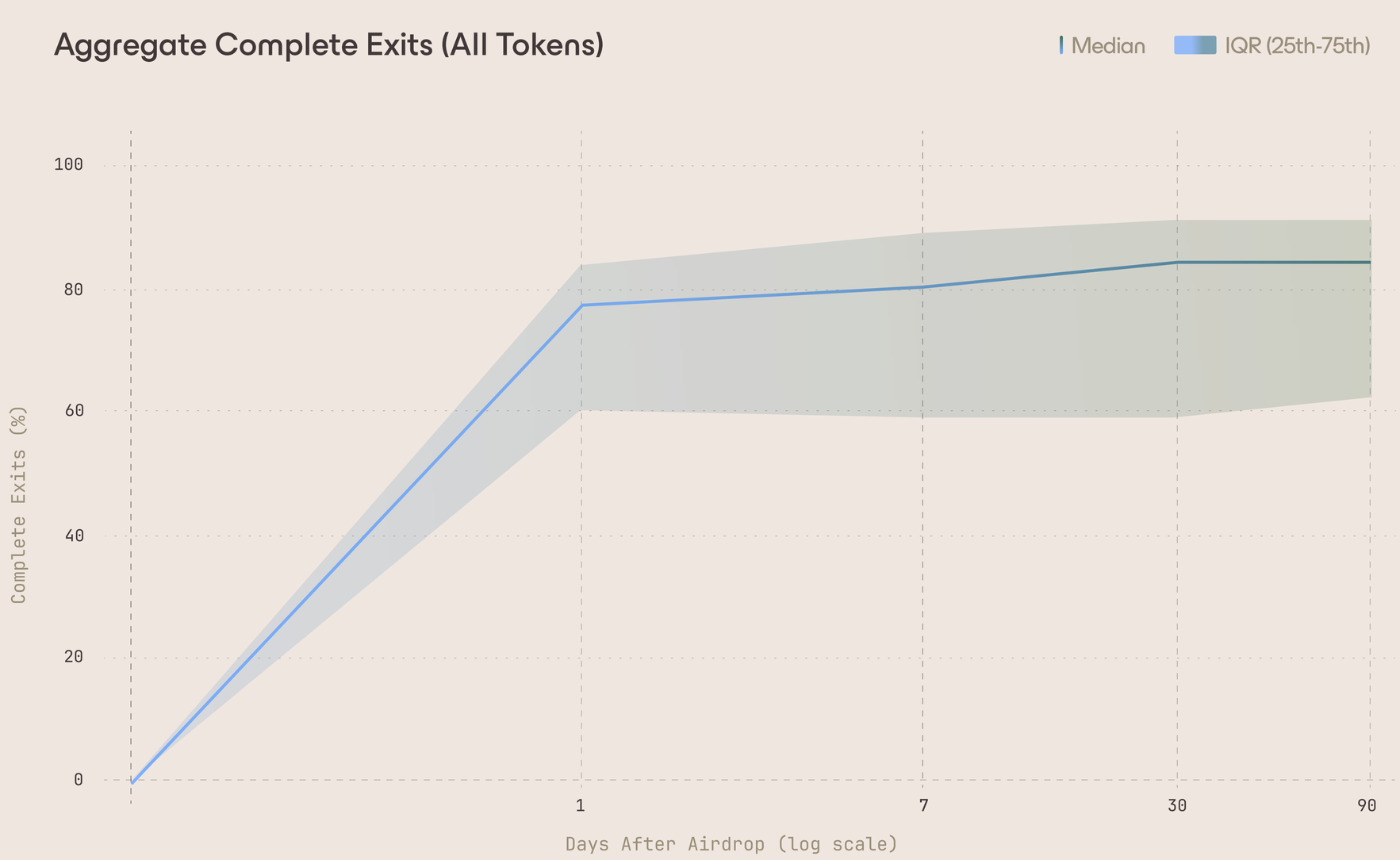
## Regulatory Note

Token distribution mechanisms, including airdrops, pre-sales, and exchange-affiliated launch programmes, may be subject to securities regulations, financial promotion rules, and other legal requirements that vary by jurisdiction. The following sections describe common distribution approaches and their observed market outcomes. They do not constitute guidance on regulatory compliance. Founders should obtain independent legal counsel before implementing any distribution mechanism.

## Airdrops

The instinct to maximise distribution breadth, spreading tokens across as many wallets as possible, has historically produced poor outcomes.

Our analysis of the largest airdrops of 2025 confirms this: up to 80% of recipient addresses completely exited within the first day. These findings align with prior academic research (Messias, Yaish, and Livshits 2025), which demonstrates that most airdropped tokens are sold within hours of distribution.




Median and spread of complete exits by airdrop recipients over time. Most recipients exit within the first day, with the majority of selling concentrated in the first hours post-TGE.

The baseline assumption should be that most of an airdrop will be sold, recipients have zero cost basis and expect prices to decline, making immediate selling rational.

## Design Levers That Reduce Selling

Successful distributions in 2024 and 2025 combined multiple mechanisms rather than relying on any single lever.

### Sybil resistance

filters out farmers operating hundreds of wallets. LayerZero combined self-reporting incentives, third-party analytics, and behavioural filtering, identifying 803,000 sybil addresses across 13% of eligible wallets. ZRO declined 16% in its first month. By contrast, zkSync did not implement comparable sybil filtering: approximately 80 million tokens went to 47,000 sybil addresses, ZK declined 39% in the first month and active addresses dropped 78% within the same period.

(Cole & Number Group, 2026)

### Revenue-based airdrops

reframe the exercise altogether. Rather than viewing airdrops purely as distribution mechanisms, teams can treat them as user acquisition costs. If a user generates $500 in protocol revenue and receives $400 in tokens, the protocol remains net positive even if they sell immediately. Hyperliquid's points system operated on this principle, allocation scaled with trading fees paid, making the airdrop self-funding while making sybil farming economically irrational as a side effect. The result is widely regarded as the most successful airdrop in crypto history.

### Call option airdrops

filter for committed participants. Tapioca's oTAP required recipients to pay to exercise options at a 25-50% discount, raising over $2M in protocol-owned liquidity while deterring sybils.

### Design choices should vary by protocol type

TVL-based protocols benefit from conditional vesting tied to maintaining deposits; users who withdraw early forfeit remaining allocation. Consumer apps should incentivise fee-generating actions and referrals, not just historical participation. B2B infrastructure protocols should question whether airdrops are the right tool at all.

Implementing and executing an airdrop is technically and operationally heavy. Conditional vesting tied to TVL maintenance, multi-phase claims with staking requirements, and sybil-filtered eligibility all demand infrastructure that most teams lack the bandwidth to build during TGE preparation. Implementing conditional vesting, multi-phase claims, and sybil-filtered eligibility requires significant engineering resources during an already intensive period. Some teams choose to use dedicated token distribution infrastructure providers like Clique, rather than building claims systems.

## How Much Should You Allocate?

Founders often benchmark against previous launches: Uniswap allocated 15% to their airdrop, Hyperliquid 31%; surely somewhere in that range is "right." In our analysis, benchmarking against previous launches produced inconsistent outcomes.

Instead, treat airdrop allocation as immediate, concentrated sell pressure, and size it based on what you can absorb.

> Keyrock's research on token launches in 2024 found that while airdrop size matters, FDV-to-liquidity imbalance is the more critical factor. Inflated FDVs without sufficient liquidity depth led to steep price declines post-airdrop, regardless of distribution size.
>
> (Keyrock 2024)

The sizing process should work backward from realistic liquidity:

### Establish constraints first.

Exchanges often require allocations for marketing campaigns and listing fees, reducing the available airdrop budget. Assess market maker and liquidity needs next. What remains is maximum airdrop capacity.

### Estimate day-one liquidity depth.

Include LP positions, market maker commitments, and protocol-owned liquidity. Estimate conservatively.

### Assume up to 80% of airdropped tokens will sell within the first day.

Most airdrop recipients are farming, not holding, size your liquidity for the worst case.

### Calculate whether liquidity can absorb that selling.

Total day-one sell pressure from airdrops and circulating supply should be weighed against combined liquidity depth across all venues. We cover this modelling in more detail in the *Modelling Sell Pressure* section.

### Sizing airdrops to match absorption capacity.

Founders who sized airdrops to match estimated absorption capacity reported more stable price dynamics. A smaller airdrop that preserves stability created more long-term value than a large one that collapsed confidence on day one.

When not to airdrop: First-time founders often assume airdrops are a prerequisite for TGE; they're not. Protocols with limited retail dependency may benefit from skipping them entirely, provided they communicate why clearly.

Section 4

# Pre-Sales and Launchpads

Pre-sales create different sell pressure dynamics than airdrops. Participants who purchase tokens with capital at risk tend to hold longer than recipients who receive them for free.

Data from CoinList indicates pre-sale participants show 60-65% retention after 24 hours, compared to 20-30% for airdrops. After 30 days, roughly 40% still hold. Buyers have a cost basis that anchors their selling decision; recipients do not.

However, retention erodes with price appreciation. If the token rises sharply post-launch, sell rates increase regardless of the acquisition method.

Projects running multiple presale rounds at different valuations should also consider the internal dynamics this creates: later-round participants effectively provide exit liquidity for earlier rounds with lower cost bases, and each cohort has a different price at which selling becomes rational.

## Launchpad Economics

Launchpads bundle distribution with infrastructure: marketing support, tokenomics consulting, VC introductions, and credibility signalling.

| Platform | Fee Structure |
|---|---|
| COINLIST | % of funds raised + listing fees (varies; request terms) |
| DAO Maker | No public project fee; 5% fee on investor allocations |
| FJORD FOUNDRY | 5% of raised + 2% swap fee |
| LEGION | % of raised + % of tokens (varies; request terms) |
| Impossible Finance | Bundled with advisory/incubation |
| KAITO | 5% of funds raised (2.5% stables + 2.5% tokens) |
| MetaDAO | 0.25% trading fee on AMM volume (no upfront fee) |

Cost estimates based on publicly available information. Actual terms vary by negotiation.

Beyond platform fees, founders should budget $10-100K for marketing packages and community airdrops to platform stakers.

Regardless of allocation sold, the pre-sale must be fully subscribed. Undersubscription signals to the broader market that participants offered early access at favourable terms still chose not to participate. Size conservatively relative to realistic demand: oversubscription is rarely negative, undersubscription almost always is.

Several founders warned that exchanges may use the pre-sale as leverage. Knowing capital has been raised, they may push for higher fees or larger token allocations.

## When To Use a Launchpad

If a project is running a pre-sale, launchpads are often the right venue. The infrastructure needed to operate a public sale independently (KYC, compliance, distribution mechanics, and claim systems) can cost months of engineering time and significant capital to build in-house. Launchpads handle this end-to-end. Beyond infrastructure, bundled services like marketing, tokenomics consulting, and VC introductions are difficult to replicate independently, and third-party vetting adds credibility with retail participants unfamiliar with the project.

## When To Skip

Projects with an established product traction, revenue, and genuine community engagement may find that a pre-sale adds sell pressure without proportionate benefit. At that stage, the credibility and distribution a launchpad provides are already supplied by existing traction, and the capital raised may not justify the additional circulating supply a pre-sale introduces.

Section 5

# Exchange-Affiliated Launch Programmes

Major exchanges have introduced launch programmes designed to give projects early exposure to their user base, often positioning participation as a pathway toward spot listing. The distribution and visibility these programmes provide can be valuable, but our analysis shows that only a minority of participating projects ultimately secured a spot listing. Founders should evaluate whether the token and capital costs of participation in these programmes are justified given these odds.

| Programme | What It Is | Key Consideration |
|---|---|---|
| BINANCE ALPHA | Pre-listing discovery; potential path to Spot | Minority of participants reached Spot listing |
| OKX Boost | DEX-integrated rewards via OKX Wallet | Higher apparent Spot conversion rate than Alpha, though smaller sample |
| BYBIT Token Splash | Marketing campaign bundled with Spot listings | Requires existing Spot listing; not a path to listing |

Spot conversion figures based on independent analysis of publicly observable listing data. Actual terms and programme structures vary by negotiation and change over time.

## Binance Alpha

Binance Alpha launched in December 2024 as a pre-listing discovery platform, offering exposure to Binance's user base.

From publicly available information, participation in Binance Alpha appears to involve several cost components. For specifics and confirmation of current terms, projects should communicate directly with Binance.

**Cost structure.** Participation in Binance Alpha may involve token allocations across multiple distribution phases (marketing, launch airdrop, and deferred airdrop), and onchain liquidity requirements on supported venues such as PancakeSwap, Aerodrome, or Uniswap.

> Founders have publicly reported that total costs can be significant, involving both substantial stablecoin commitments and meaningful token supply allocations.
>
> (Hetherington 2025)

Binance Alpha costs appear to be specific to the Alpha programme. Spot listings, if secured, may carry additional costs. Founders may have improved outcomes by negotiating guaranteed Spot listings as part of the Alpha agreement, as opposed to attempting to negotiate them separately.

**Campaign models.** Alpha projects participate through one of two models (Binance Research, 2025):

- **TGE campaign:** Binance Wallet users purchase tokens at a discounted price. Participants have capital at risk.
- **Airdrop campaign:** Tokens are redeemed by users who meet Alpha Points thresholds.

### TGE Campaign

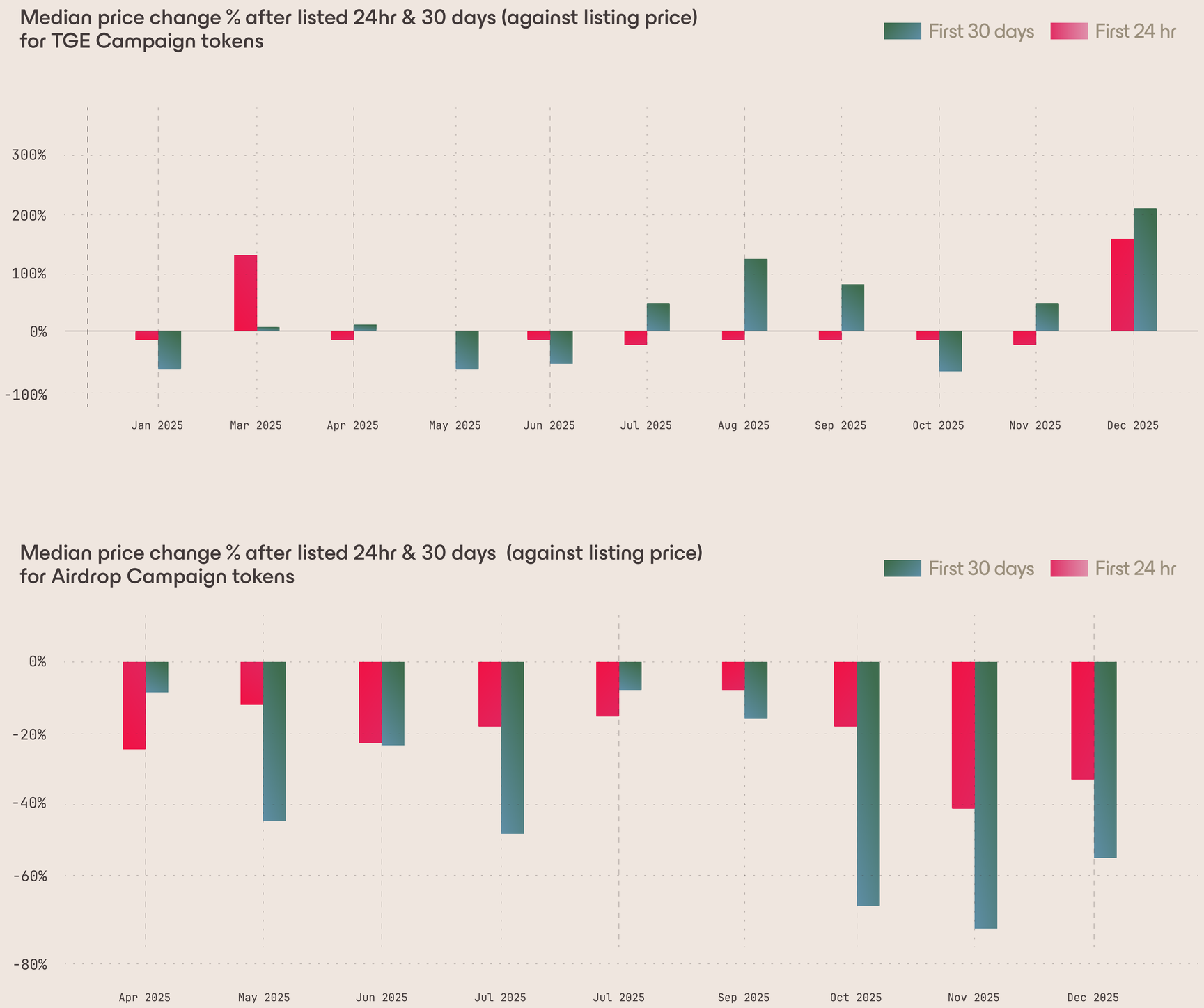
Binance Wallet users purchase tokens at a discounted price. Participants have capital at risk.

### Airdrop Campaign

Tokens are redeemed by users who meet Alpha Points thresholds.

Most Alpha projects opt for airdrop campaigns, which are easier to secure and reach a broader user base. However, the performance gap between the two models is stark: across 2025, TGE campaign tokens frequently sustained or grew their valuations beyond Day 1, with 30-day median returns remaining positive in multiple months. Airdrop campaign tokens declined nearly every month, with 30-day median drawdowns reaching up to -80% at their worst.

(Animoca Research et al., 2026)

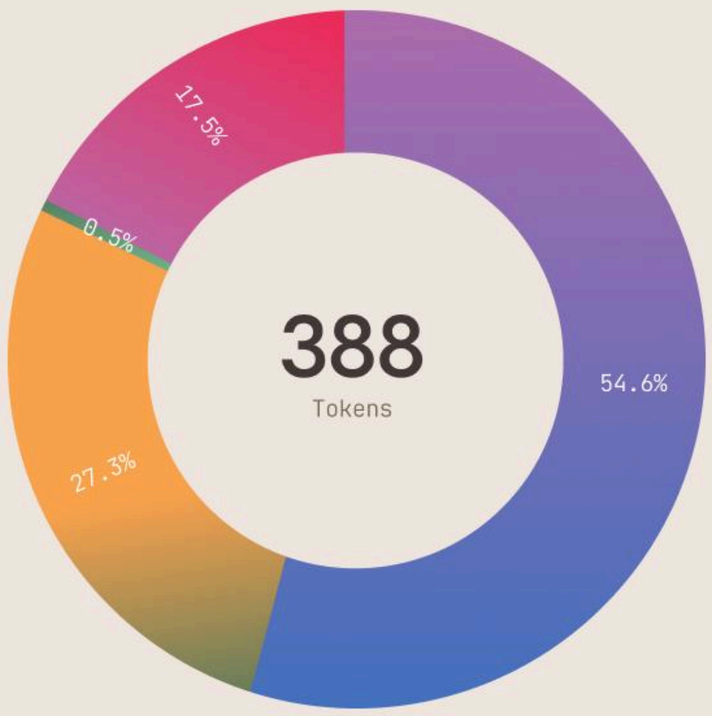



Median price change % after Alpha listing 24hr & 30 days (against listing price) for TGE Campaign tokens vs. Airdrop Campaign tokens (Animoca Research et al., 2026)

Founders negotiating Binance Alpha terms should clarify which campaign model they are committing to, as the choice has a measurable impact on post-launch outcomes.

**Spot conversion.** Based on independent analysis of publicly observable listing data, the majority of tokens that participated in Alpha have not progressed to Spot or Futures. Approximately 18% secured Spot listings, while approximately 27% obtained Futures access only. These figures reflect token listing outcomes visible on Binance as of January 2026 and may not reflect internal programme processes or approval criteria.

Futures access appears more attainable than Spot, but neither is guaranteed. Founders should not assume that participation in Binance Alpha will lead to a Spot listing.




## Binance Alpha/HODLer Programme Breakdown

- Both Spot & Futures: 68 (17.5%)
- Spot Only: 2 (0.5%)
- Futures Only: 106 (27.3%)
- Neither: 212 (54.6%)

Percentage of tokens converting to Binance Spot and Futures from the Binance Alpha + HODLer programme

## OKX Boost and Bybit Token Splash

OKX Boost offers exposure to approximately 50 million Web3 wallet users. Tokens launched via Boost's X Launch are tradable in the OKX Wallet after TGE, with users who trade these tokens receiving points towards future campaign airdrops.

Limited public information exists on OKX Boost's full cost structure. Based on available data, participation appears to be less expensive than comparable Binance Alpha participation. Founders should contact the OKX team directly for terms specific to their project.

Users

**~50M**

Web3 wallet users exposed via OKX Boost

Entry

**$10 / $32**

Minimum balance and trading volume required to participate

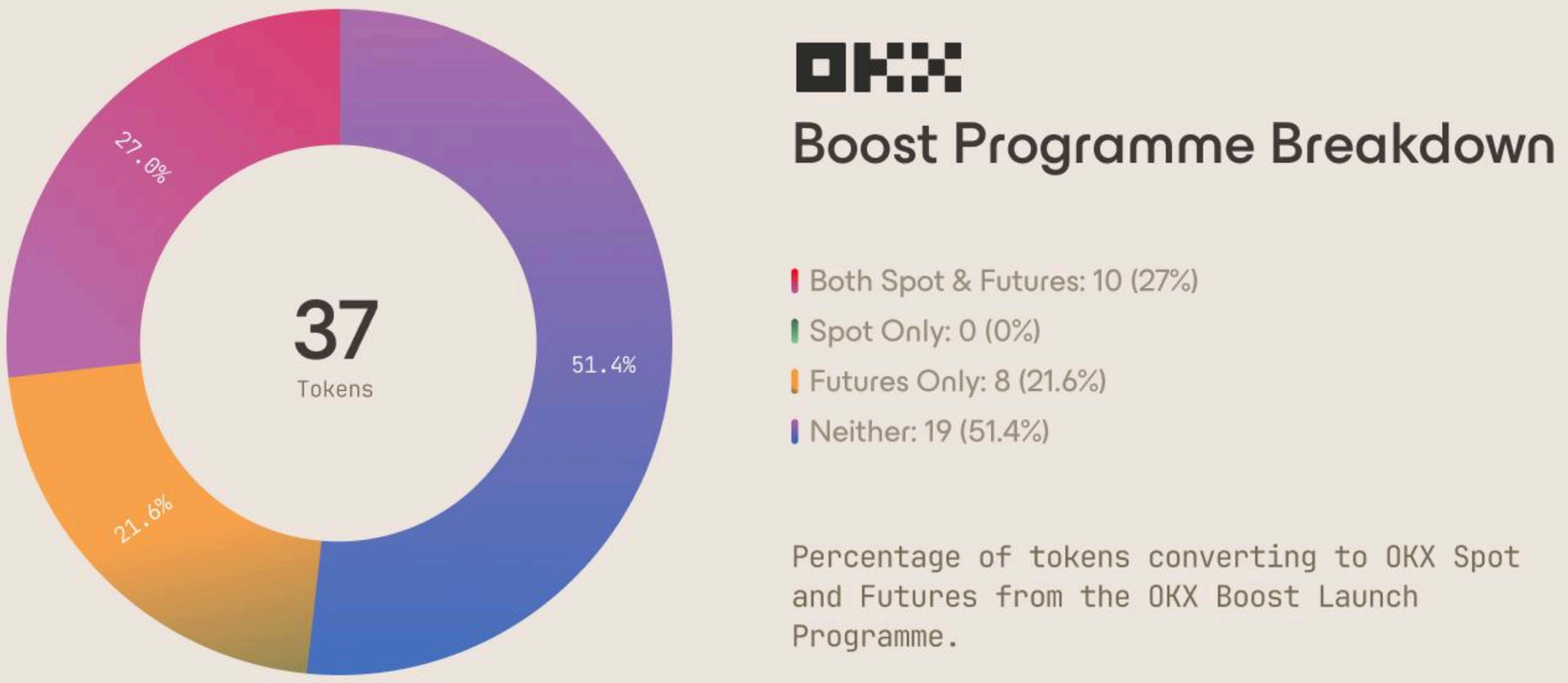
Spot

**27%**

Share of Boost tokens that reached Spot (vs 18% on Binance Alpha)

As with Binance Alpha, OKX Boost costs cover participation in the programme only; Spot listing, if secured, carries additional fees. Founders should negotiate Spot terms alongside their Boost agreement rather than waiting until a listing is offered.

Based on our analysis of publicly listed tokens, 27% of the 37 tokens that participated in OKX Boost reached Spot. This is a higher apparent conversion rate than Binance Alpha, though the smaller sample size limits the strength of this comparison.




**Bybit Token Splash** is a marketing campaign accompanying Spot listings, not a path to listing. Bybit requires a $200K-$300K security deposit in stablecoins, refundable if promotional obligations are met (Cointelegraph 2025). Additional listing and marketing fees in tokens may apply; founders should request specific terms directly from the Bybit team.

Notably, the programme excludes the entire European Economic Area, which limits geographic distribution through this programme.

Section 6

# Onchain Launch Mechanisms

Purely onchain mechanisms offer transparent price discovery without CEX gatekeeping, though they trade distribution reach for permissionless access.

## Aerodrome Ignition

Aerodrome Ignition is a token launch mechanism native to Base, designed to create market-driven price discovery with deep liquidity from day one. Instead of launching at a predetermined price, Ignition allows organic trading to establish token value.

### How Ignition Works

**First Epoch (Week 1) - Price Discovery**

- The project deploys capital into a concentrated liquidity pool on Aerodrome.
- Aerodrome directs existing AERO emissions to the pool based on its veAERO votes cast in the prior epoch, attracting initial volumes through community LPs.
- Trading begins immediately, price discovery occurs through market activity.
- The project deposits token bribes for distribution to veAERO voters in the 2nd Epoch.

**Second Epoch (Week 2) - Incentives Distribution**

- veAERO voters who directed voting power towards the pool in the 1st Epoch receive token bribes deposited during that period.
- New votes cast during Epoch 1 determine Epoch 2 emission allocations, increasing AERO rewards flowing to the pool.
- Liquidity providers deploy capital to farm the resulting AERO emissions.
- Liquidity providers often exit positions once Epoch 2 concludes, creating sell pressure on the token.

This structure provides projects one week to deposit project-owned capital and establish price before bribe-driven emissions increase the token's float, exposing markets to additional sell pressure.

### Considerations

Week 1 is the window to accumulate quote assets and build protocol-owned liquidity before bribes are distributed in Week 2. Week 2 introduces heightened activity as emission-driven liquidity providers optimise for rewards.

> Since Coinbase natively integrates Base DEX liquidity, projects launched via Ignition become accessible through Coinbase's interface automatically,. SYND was available within one hour of launch.
>
> (Aerodrome, 2025)

| Token | Launch Date | FDV at Launch | Year-End FDV | Performance (Launch to EoY) |
|---|---|---|---|---|
| SYND | Sep 18th, 2025 | $940M | $57M | -93.9% |
| LITKEY | Oct 30th, 2025 | $194M | $20M | -89.7% |
| CHECK | Nov 13th, 2025 | $17.6M | $45M | +155.7% |

Performance of Aerodrome Ignition token launches in 2025

## Uniswap v4 Continuous Clearing Auctions (CCA)

Uniswap v4's Continuous Clearing Auction (CCA) has emerged as a leading mechanism for fair, market-neutral price discovery at TGE. By clearing all bids at a uniform price, CCA eliminates the sniping, gas wars, and timing games that plague traditional launches, resulting in broader participation and more credible price signals.

> Aztec Network's December 2025 TGE demonstrated the model at scale: 19,476 ETH raised (~$60M) from 16,658 unique bidders, with a final FDV 59% above the floor price. As Uniswap founder Hayden Adams noted, the mechanism delivered "slow, fair price discovery," giving participants days to bid at improved average prices.
>
> (Adams 2025)

Upon clearing, CCA proceeds automatically seed a Uniswap v4 pool as full-range liquidity, an appropriate structure during the price discovery phase when volatility is high and the "fair" price is still being established. However, once price discovery completes and trading stabilises, full-range positions spread capital too thin across the price curve, resulting in shallow depth at the active trading price.

At this stage, teams can benefit from transitioning to actively managed concentrated liquidity. We cover post-launch onchain liquidity strategy in more detail in the *Onchain Market Making Approaches* section below.

Section 7

# Trading Venue Strategy

Where a token trades determines who can access it, what volume it generates, and how broad the distribution can become.

Each venue requires token allocations, each listing creates operational overhead, and spreading too thin dilutes depth across all venues.

# CEX Strategy

## What Exchanges Want

Exchanges generate revenue from trading fees, which means projects are evaluated on expected volume, not technology, vision, or fundraising. For a CEX, a project with 50,000 active users is more attractive than one with a $100M raise and no organic demand.

Exchanges monetise listings in three ways: direct cash payment, token allocations, or the expectation of sufficient trading fees once listed. Organic volume and hype reduce what is required; their absence must be subsidised.

Memecoins and speculative assets get listed because they generate trading activity. Exchanges primarily seek to avoid obvious scams; beyond that, their incentives diverge from those of issuers.

This also explains why perpetual futures listings are often easier to secure than spot: perps generate revenue through liquidations and funding rates, while spot markets generate less unless they attract new users. Understanding what exchanges actually want helps explain the terms they offer.

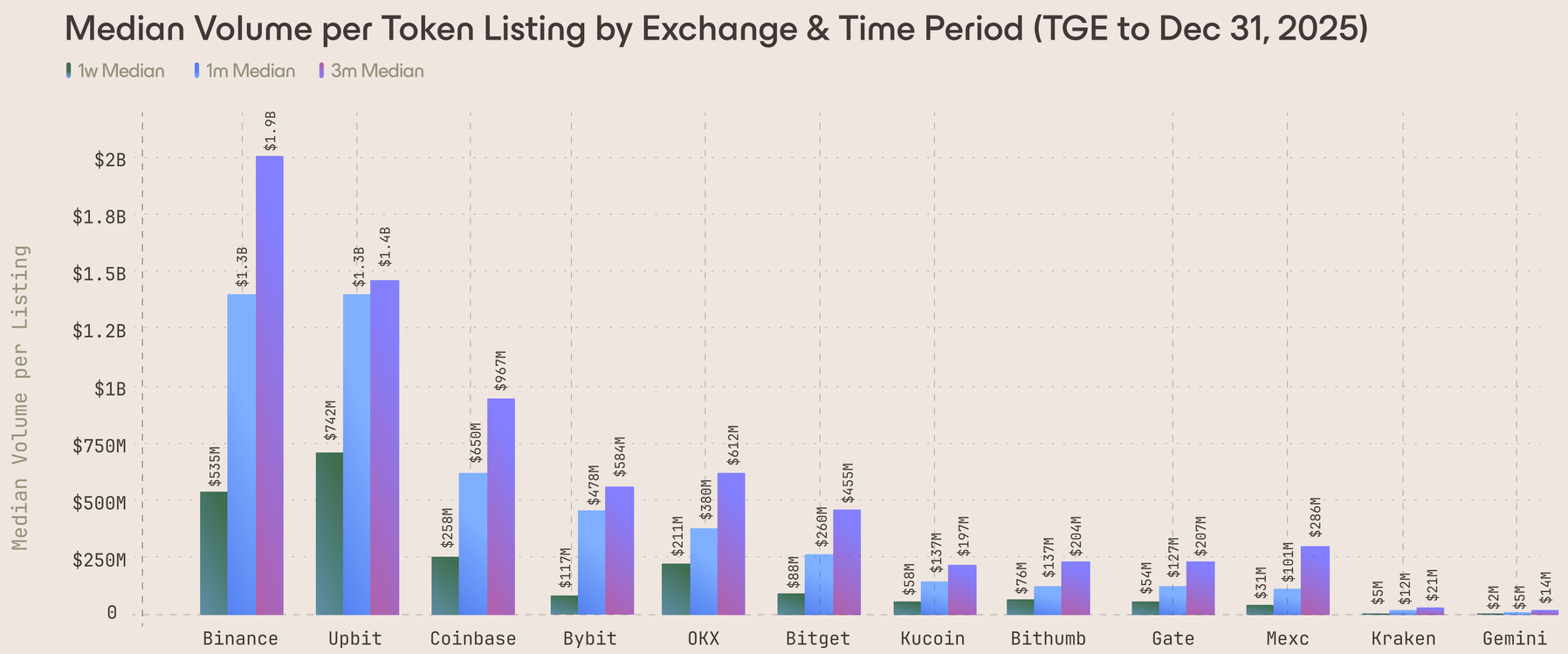
## Why Day-One Listings Matter

Securing listings at launch is significantly easier than securing them afterward.

Prior to launch, exchanges evaluate projected demand, community size, and narrative momentum. Post-launch, they evaluate realised performance. Underperformance provides exchanges with justification to decline future listings or demand less favourable terms. Primary listings should be secured for day one wherever possible. Many founders we interviewed advised delaying launch entirely if a sufficient number of tier-1 and 2 listings had not been confirmed.

# Which Exchanges to Prioritise

We analysed 125 token launches throughout 2025, measuring median trading volume by exchange.




Median trading volume by exchange across different time periods. Data based on 125+ TGEs in 2025.

Binance dominated with $2B in median volume by month three. Coinbase, and Upbit formed the next tier at $1-1.5B. Bybit, OKX and Bitget followed at $400-600M. The rest rarely exceeded $250M.

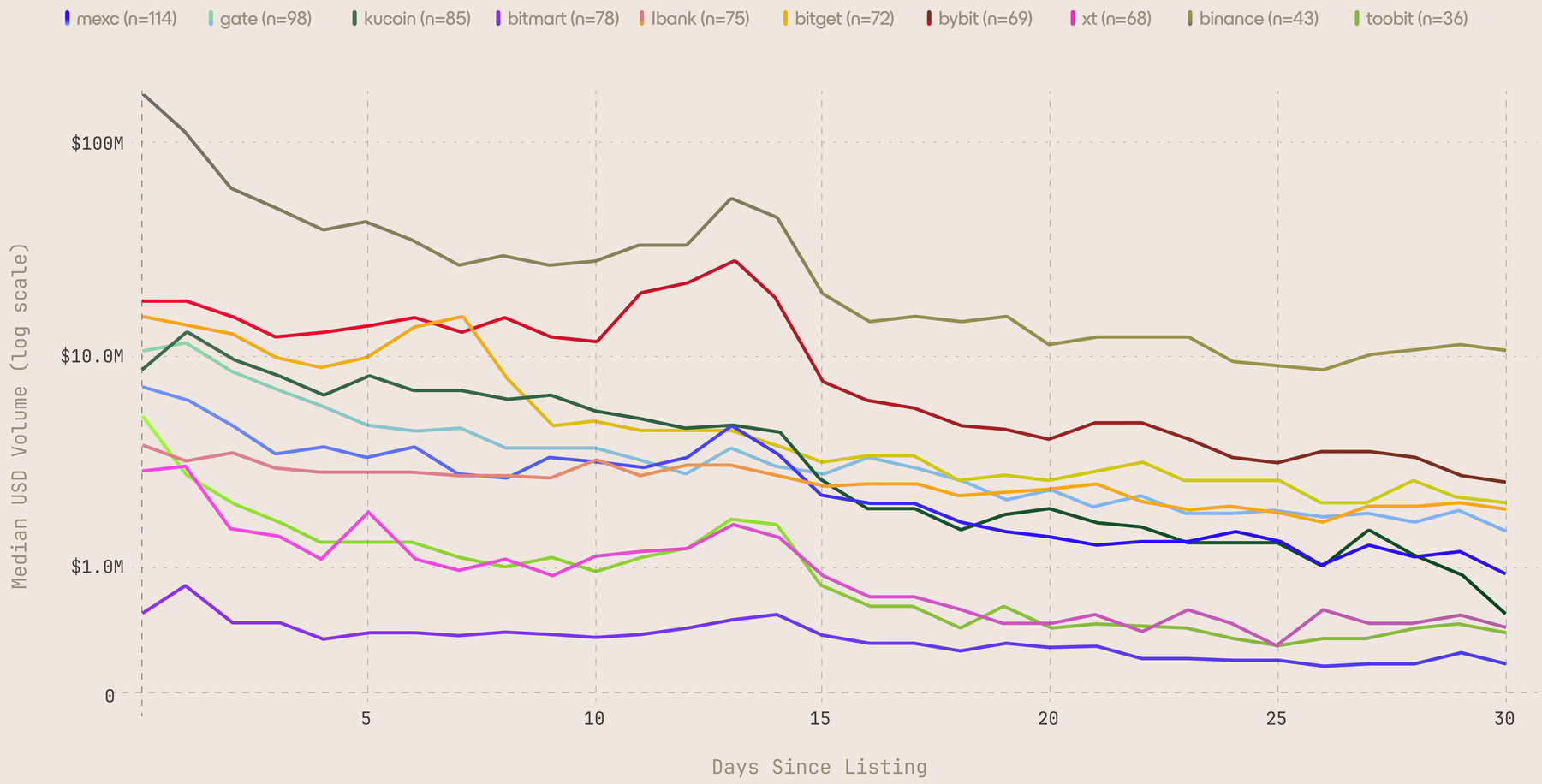
## Korean Exchanges

Upbit and Bithumb collectively account for approximately 96% of all Korean crypto trading activity, with Upbit leading the market (Shukla & Bloomberg, 2025). Projects should approach Korea as a laddered strategy, listing first on Bithumb or Coinone to build traction before pursuing Upbit, where review is more rigorous but the volume payoff is substantially larger.

Several founders we interviewed noted that demonstrated Korean retail demand strengthened their positioning with Tier 1 global exchanges.

**Korean exchanges** often trade against KRW rather than USD or USDT. Teams planning Korean listings should ensure **at least one of their market makers is willing to take exposure in KRW**, as quoting a KRW pair requires dedicated inventory and currency risk management that not all firms might offer.

## Volume Decay by Exchange. Raw Median USD Volume (log scale)




Volume decay by exchange: Daily trading volumes decline across nearly all exchanges in the post-TGE period. Nevertheless, tier-1 exchanges maintain their dominance in relative volume share, mirroring their position on TGE day.

| | |
|---|---|
| Binance | If achievable, pursue aggressively, the volume differential is substantial. |
| Coinbase | Strong distribution, particularly for US audiences. |
| Bybit and OKX | Meaningful volume at more accessible terms. |
| Kraken | Valuable for US and EEA users when Coinbase isn't possible. |
| Gate and MEXC | Based on analysis from our 125-token dataset, these often delivered lower volume relative to costs. |

Note: Reported volumes can be misleading. They should be used directionally.

## Listing Economics

True cost extends beyond stated fees.

### Token allocation

Token allocation is typically the largest cost. Tier-1 exchanges have historically demanded inflated token allocations for marketing programmes, launchpool distributions, and market maker inventory.

(Qureshi and The Defiant 2024)

### Security deposits

Security deposits should be treated as costs, not refundable assets. Repayment conditions often depend on metrics the exchange controls and repayment is hard to enforce. Budget $200-300K in potentially unrecoverable deposits.

These allocations are usually vested. Model them as immediate sell pressure.

## Negotiation

### Be willing to walk away

Founders reported that willingness to walk away from negotiations resulted in materially improved terms. Exchanges expect some projects to accept unfavourable terms out of desperation. Demonstrating alternatives or willingness to delay changes the dynamic.

### Know what's negotiable

Listing fees and token allocation have room. Exclusivity windows, geographic carve-outs, and deposit conditions can often be adjusted. KYC requirements and minimum liquidity commitments rarely move.

### Watch exclusivity windows

Tier 1 exchanges request 1-4 weeks' exclusivity, sometimes extending to 90 days. Push for shorter windows and performance-based exit clauses wherever possible.

### Consider experienced advisors.

In our interviews, founders emphasised that experience shortens timelines and prevents costly mistakes. Connections alone are insufficient if engagement is with the wrong internal contact. Advisors who have completed multiple listings, such as x2B, Quantdesign and Delphi Digital understand which terms are standard, which are negotiable, and how to navigate the process.

## Timing

Listing timelines are project-specific.

**Tier-1 exchanges:** Relationship-building should begin 12+ months before TGE.

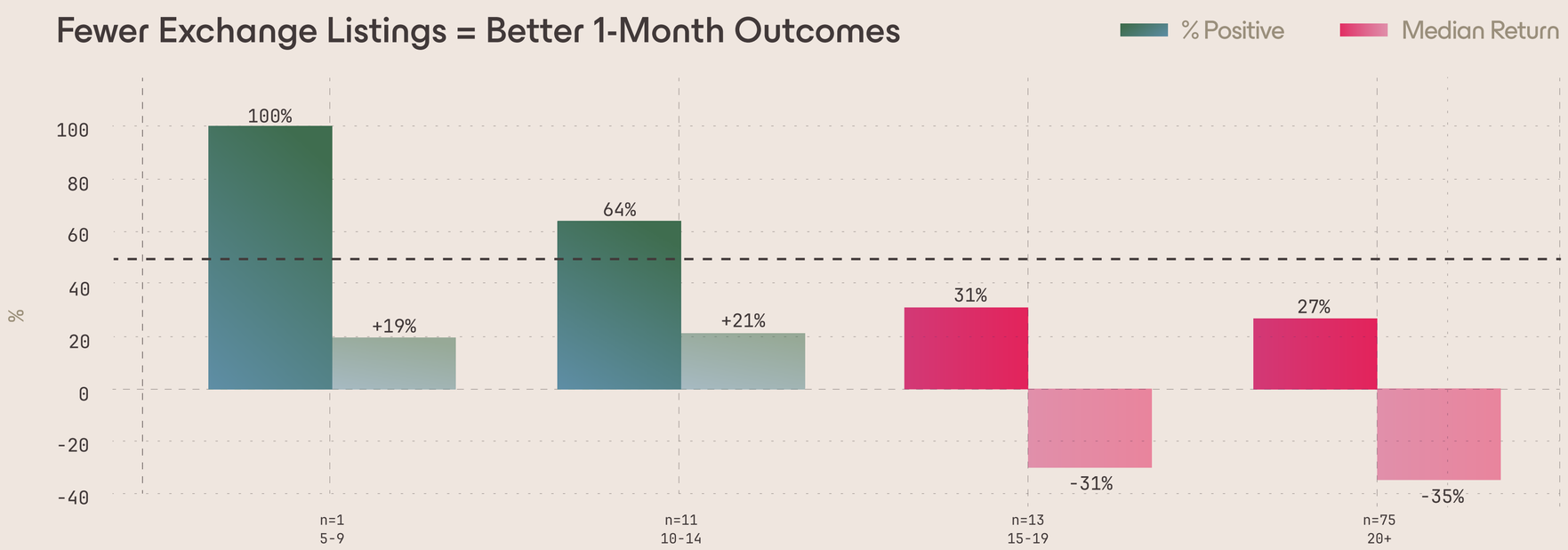
**Tier 2-3 exchanges:** Can be engaged 3-4 months prior.

**Documentation readiness:** Compresses timelines significantly.

Negotiations often continue until close to the listing date, regardless of early outreach. Founders who prioritised 2-3 exchanges before expanding reported better outcomes.

## When to Decline

Some exchanges deliver less volume while consuming resources and allocations. Evaluate: Does the exchange have meaningful daily volume (>$50M)? A clean reputation? An active user base in your geography? 2-3 well-chosen exchanges outperform 6-8 venues with diluted liquidity.




Number of trading venues vs month 1 outcomes from our data

Listing fees should be judged on a cost basis. If an exchange requests substantial token allocations but historically delivers thin distribution, the math doesn't work.

# DEX Strategy

## Why Launch on a DEX?

DEX deployments offer several key advantages that CEXs cannot:

### Permissionless access

DEXs remove KYC barriers and listing restrictions, enabling anyone with a wallet to trade your token from day one. This expands your addressable market to users in jurisdictions where CEX access is limited or unavailable.

### Additional distribution via onchain wallets

DEX deployments make your token natively accessible through self-custodial wallets such as MetaMask, Uniswap Wallet, Rabby, OKX Wallet, and Binance Wallet. This opens a distribution channel that operates independently of any centralised exchange listing.

### Onchain composability

Once live on a DEX, your token can be integrated in DeFi, eligible as collateral in lending markets, and used within protocols across chains.

### Sustainable, self-custodial liquidity

Protocol-owned liquidity deployed on a DEX remains fully under your control and cannot be revoked. If a CEX delists your token or changes terms, your DEX liquidity continues to operate as a persistent fallback market.

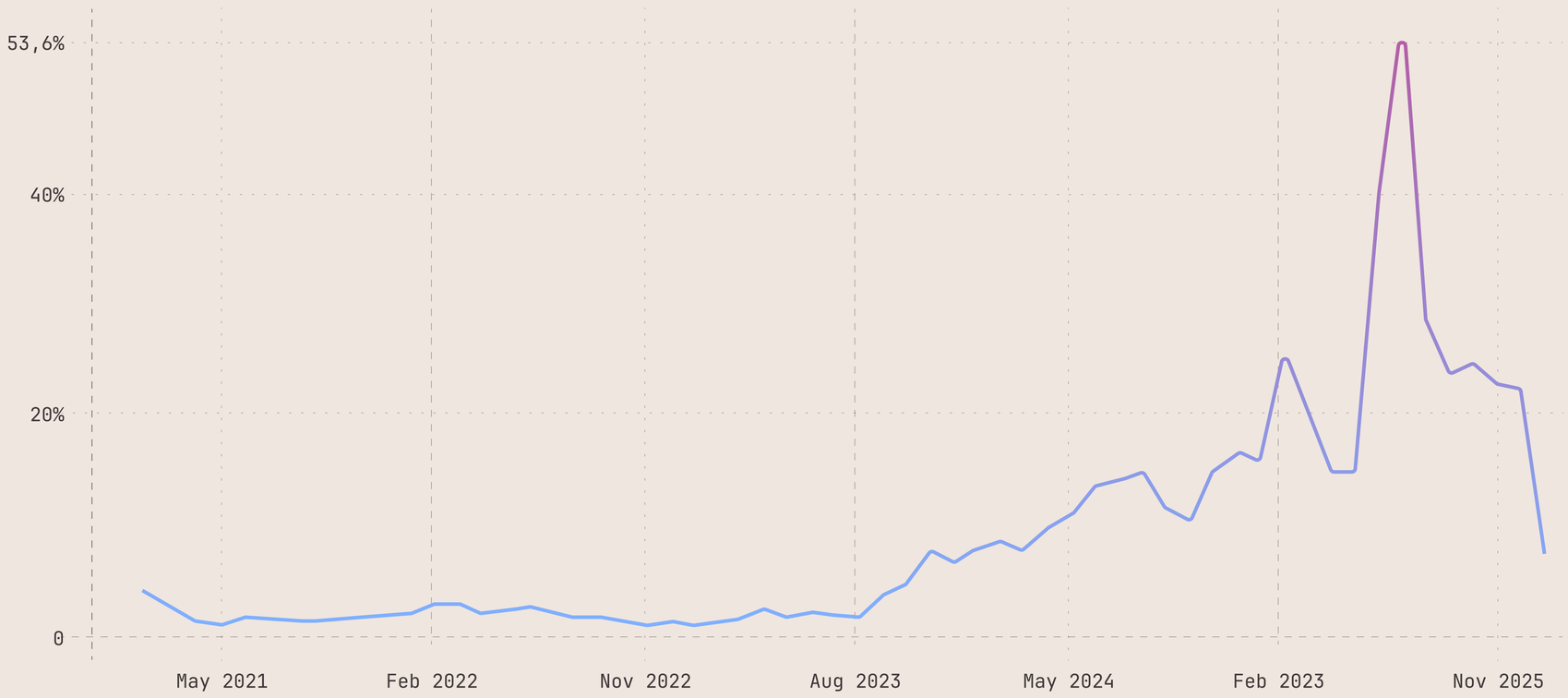
## CEX-First, DEX-First, or Hybrid?

DEX-to-CEX volume ratios have increased approximately sixfold over the past five years, making DEX-focused strategies increasingly viable.

(Blockworks Research, 2025)

## DEX-to-CEX Spot Volume

The Percentage of DEX spot volume compared to various CEXs




Evolution of DEX-to-CEX spot volume ratio over time.
2025 saw unprecedented levels of spot volumes on DEXs (Blockworks Research, 2025)

**CEX-first hybrid** is the default for most projects. Lead with CEX for price discovery and volume, maintain strong DEX liquidity for composability and backup.

**DEX-first** can work for projects with genuine onchain-native edge: memecoins, DeFi-native protocols, communities that transact through wallets rather than exchange accounts. Be realistic about whether this describes your actual user base.

DEX-native launches also reduce structural sell pressure. Without CEX listings, there are no exchange allocations for marketing programmes and market maker loan requirements are reduced or eliminated entirely. For projects with genuine onchain distribution, this tradeoff may outweigh CEX volume benefits.

**Critical sequencing consideration:** Launching on DEX first when targeting Tier 1 CEX makes subsequent exchange conversations harder. Exchanges evaluate volume and uninformed orderflow, metrics difficult to build through DEX alone.

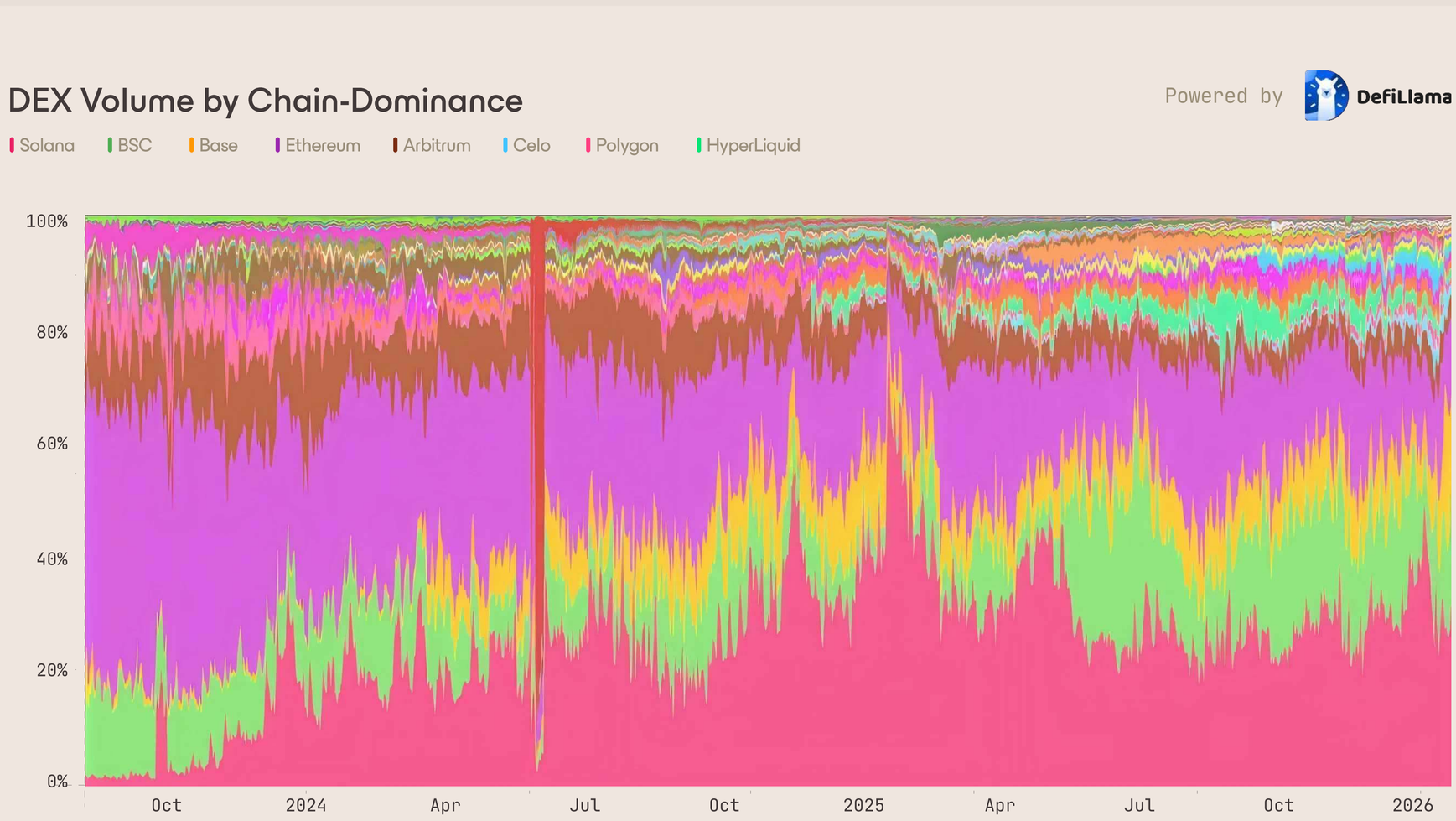
## Concentrate Your Liquidity

Liquidity depth is a function of capital concentration. $1M in TVL spread across three chains produces materially shallower depth per market than the same capital deployed to a single chain. Projects that fragment liquidity across several chains and DEXs dilute depth everywhere, increasing slippage and price impact on every market they open.

A single primary venue with a limited number of pairs will most often outperform scattered deployment of equivalent capital. Expansion to additional venues makes sense only when the team has resources to maintain competitive depth on each.

## Choosing Chain and DEX

**Chain Selection**
Deploy on the chain where your users and product already exist. If your token is used within a product deployed on a particular chain, that token must be available on that chain. Bridged tokens introduce friction and fragment liquidity. If your community predominantly holds assets on Solana, launching on Ethereum forces them to bridge before participating.




DEX volume by chain: Solana, BNB and Base lead the way

Direct wallet data shows users concentrated on Solana, BNB and Base, with Ethereum's share declining significantly since 2024 and smaller ecosystems contracting further. Beyond user distribution, three additional factors inform chain selection:

### CEX deposit support.

Launch on chains where major exchanges already support native deposits. Binance and Coinbase offer direct deposit rails for Solana, Base, and BNB; launching on chains without this support forces users through bridging, increasing friction and abandonment.

### Wallet compatibility.

EVM and SVM ecosystems have broad wallet support across hardware and software providers. Sui, Aptos, and the long tail of alternative chains have narrower wallet coverage, limiting accessibility for mainstream users.

### Application latency.

If your token is used in a product requiring low-latency execution (gaming, prediction markets, high-frequency trading), Ethereum's 12-second block time may be unsuitable. Solana and Base offer sub-second finality better suited to latency-sensitive applications.

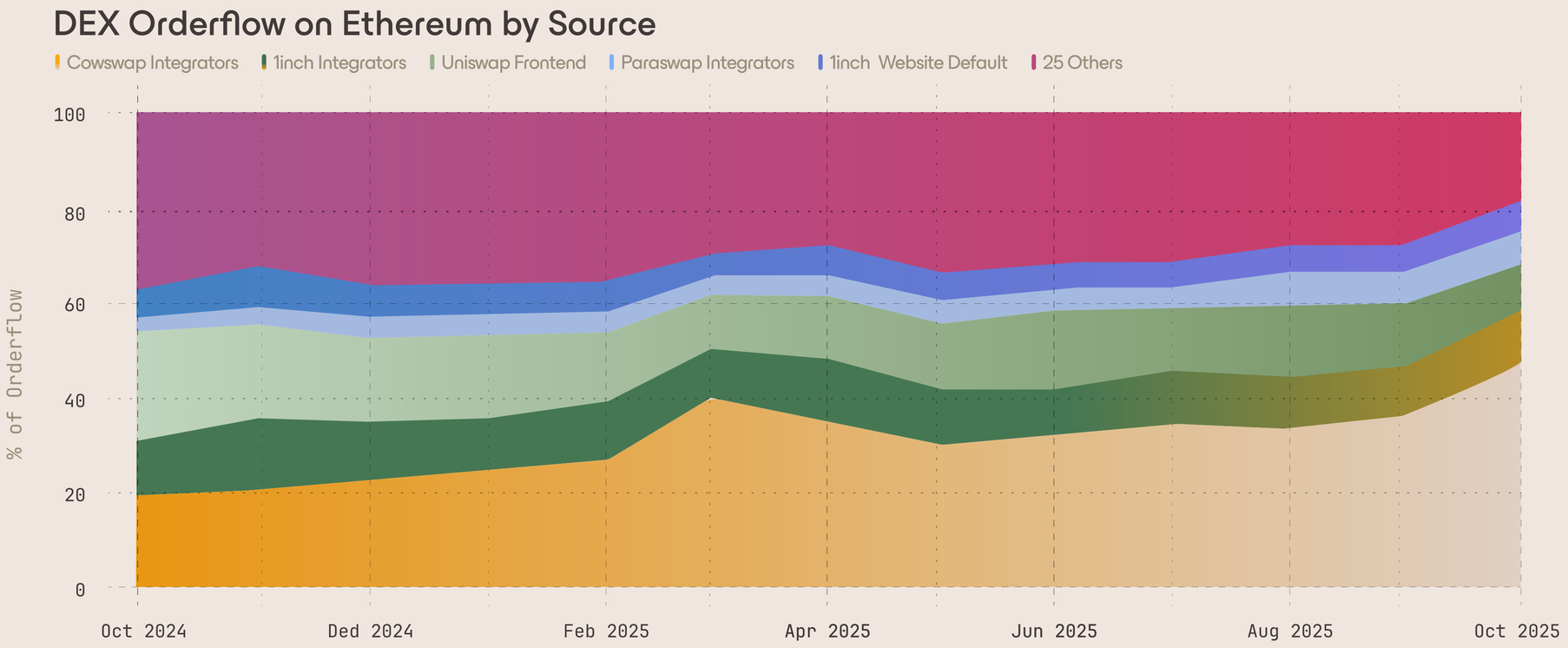
## DEX Selection

### Aggregator landscape.

Order flow now routes primarily through aggregators, which split trades across DEXs automatically. Venue choice matters less for execution quality than it once did. The key differentiators are now incentives, exclusive order flow, and protocol features.

### Orderflow.

Uniswap commands exclusive order flow on Ethereum through its web application and wallet volume that never touches aggregators. Other Ethereum DEXs lack this distribution advantage.

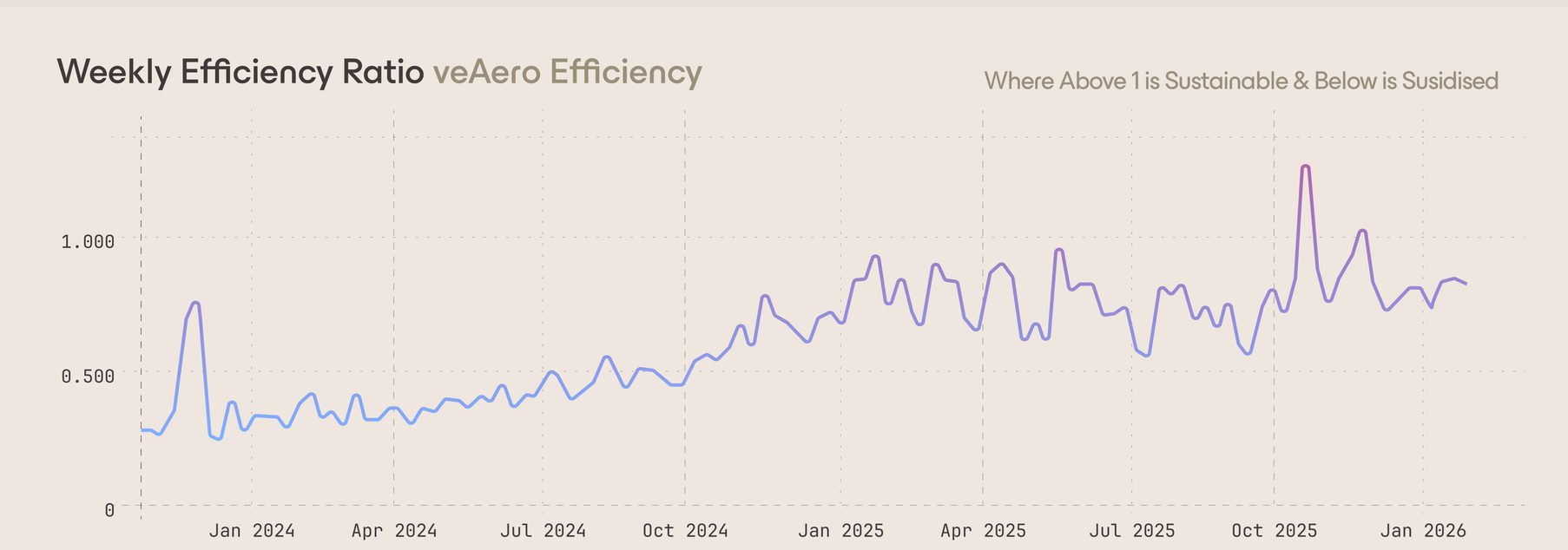



Uniswap still remains to generate significant unique spot orderflow on Ethereum
(Dune Analytics & The Block, 2025)

Aerodrome benefits from native integration within the Coinbase application, providing distribution to retail users on Base. PancakeSwap is the preferred launch partner for Binance Alpha, commanding high volume orderflow from Binance Wallet users.

**Incentive structures.** Beyond distribution, choosing a DEX means opting into its incentive mechanisms. Aerodrome returns AERO emissions while forgoing swap fees. Uniswap and PancakeSwap return fees directly. Understanding these tradeoffs before choosing an exchange is important.

Aerodrome's model introduces reflexivity dynamics (Investopedia et al., 2025). In simple terms: when AERO price is strong, LPs often earn more from emissions than they would from trading fees on other DEXs.




Aerodrome efficiency ratio: below 1 means emissions exceed fees. Most periods in the last two years have generated higher emissions than trading fees (Jkhota & Dune, 2024).

However, AERO emissions are competitive. Projects must attract veAERO voting power to direct emissions toward their pools, competing against established protocols with larger bribe budgets and entrenched voter relationships. The decision to launch on Aerodrome depends on market conditions, expected emission value, and whether the project can realistically compete for voting power.

**Modular DEX features.** Uniswap V4 hooks enable protocol-level customisation that legacy DEXs cannot offer. Available features include dynamic fees that adjust to volatility, price convergence mechanisms that align DEX prices with CEX markets, and rehypothecation to lending markets for idle liquidity.

Founders requiring custom execution logic, non-standard fee structures, oracle integrations, or bespoke settlement mechanics should evaluate whether their requirements necessitate a hooks-enabled DEX before committing to a venue.

Section 8

# Liquidity Strategy

Liquidity depth is your buffer against sell pressure. Depth needs to absorb selling from airdrops, exchange allocations, and market maker loans without catastrophic price impact.

## How Should I Structure My Liquidity?

The best approach is working backward from sell pressure estimates. Begin by estimating your initial circulating supply and the realistic sell pressure each component will generate.

### A practical example at $100M FDV:

| | |
|---|---|
| Airdrop (3% of supply): $3M. | Assume 80% sells on day one = $2.4M sell pressure |
| Market maker loan (2% of supply): $2M. | Assume up to 50% sold over a short period for bootstrapping quote assets = $1M sell pressure |
| CEX listing allocations (3% of supply): $3M. | Prepare for 100% sold on day one = $3M sell pressure |

**$6.4M** Total estimated day-one sell pressure

If you forecast $6-8M in buy-side volume, the remaining sell pressure after organic absorption is modest. However, if buy-side volume disappoints, say $4M, you face $2.4M in excess sell pressure. Your CEX order books should have sufficient depth within 2% of the mid-price to absorb this without significant price decline.

Avoid concentrating liquidity heavily on the ask side at launch. Doing so creates directional resistance that impedes efficient price discovery. Market volumes should be able to move the price in either direction based on genuine supply and demand.

This example is illustrative. Real liquidity modelling is more complex, incorporating venue mix, timing of unlocks, and recipient behaviour. We strongly recommend engaging advisors to structure liquidity before launch. Read more in the *Market Maker Advisors* section below.

## What Market Makers Actually Do

**Note.** The following sections describe common industry practices in market maker structuring. These practices are described so that founders can understand the mechanics, negotiate informed terms, and model the sell pressure implications of different structures. Understanding these dynamics is essential for making informed decisions; it is not an endorsement of any particular approach.

Before discussing why you need market makers, it's worth understanding what they do, and what they can't do.

Market makers continuously provide buy and sell quotes so that other participants can trade without needing a direct counterparty. They hold inventory, absorb short-term imbalances between supply and demand, and layer orders throughout the order book so large trades can execute without dramatic price impact. During crashes or surges, they act as shock absorbers, smoothing volatility so that price moves reflect genuine shifts in supply and demand rather than temporary gaps in the order book.

## What Market Makers Cannot Do:

### Control price or volume.

In practice, MMs holding significant loan inventory have the capacity to influence short-term price dynamics through the timing and sizing of their trades. Founders should structure agreements with explicit prohibitions on manipulative trading practices and ensure contractual obligations include verifiable reporting on execution activity.

### Prevent price declines.

If there are no buyers, MMs cannot create demand. They provide liquidity, not demand.

### Guarantee outcomes.

Any MM promising price targets or volume guarantees is either lying or planning to manipulate the market.

Founders often perceive market makers as adversarial when their behaviour is actually dictated by structural constraints. When MMs sell tokens, it's typically done to hedge inventory risk and bootstrap quote assets for trading, not for illicit gains. Understanding the model prevents misaligned expectations.

## Why Professional Market Makers Are Necessary

Three problems make organic Market Making economically irrational for new tokens.

### Adverse selection.

Market makers quote prices while facing informed traders: insiders, VCs, team members with superior information. Most fills are adverse. Without sophisticated defences, adverse selection drains accounts rapidly. (Lalor & Swishchuk, 2024)

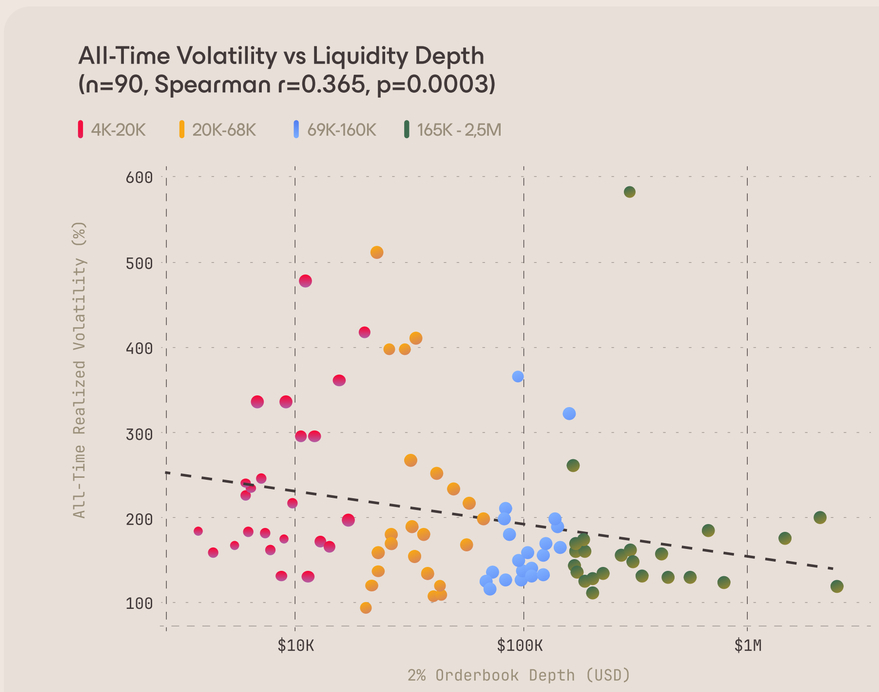
### Unhedgeable inventory risk.

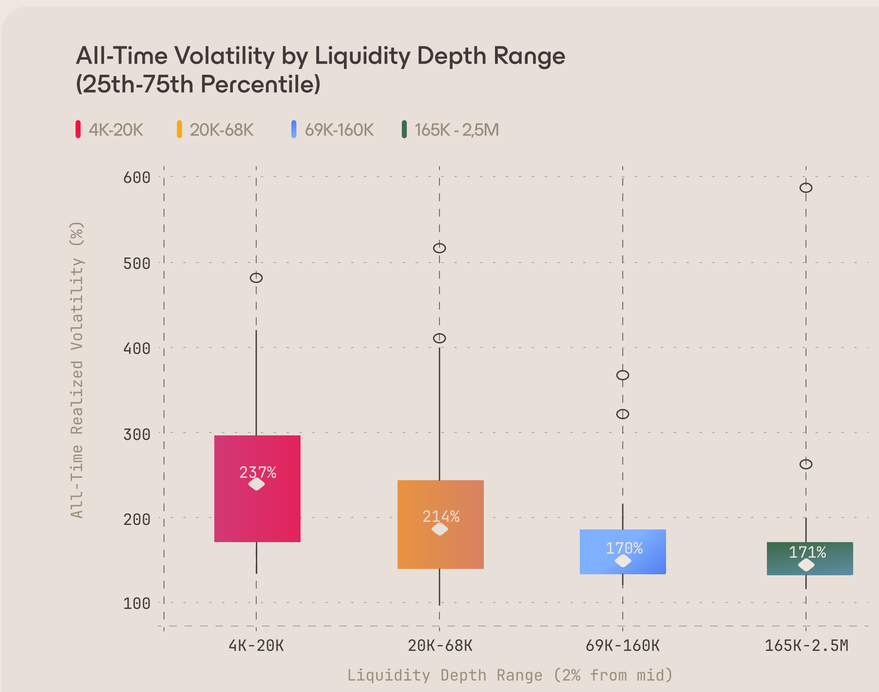
For BTC and ETH, market makers hedge using perpetuals. For new tokens with no derivatives, they carry full inventory risk through extreme volatility. Tokens can drop 90%+ in hours.

### No price history.

Volatility estimation is nearly impossible, making accurate risk pricing impossible.

Without professional market makers, spreads would be several percentage points rather than the 0.1-0.3% that enables functional trading.




Analysis of token launches from 2025 clearly indicates a negative correlation between realized volatility and liquidity depth on the most prominent trading venue

Our analysis of token launches from 2025 shows a statistically significant relationship between order book depth and price stability. Tokens with less than $20K in 2% depth in their primary CEX venue experienced an average realized volatility of 237% annualized, compared to 171% for those with $165K or more. The relationship flattens above ~$70K in depth, suggesting diminishing returns beyond a baseline threshold of liquidity.

Robust market-making and liquidity structures enhance price discovery and buffer against sudden price swings, characteristics that signal asset quality to investors.

## Loan/Option vs. Retainer Models

Leading market making firms often express a strong preference for loan/option structures, over retainer models. This is likely due, in part, to greater revenue potential. Retainer models are typically offered by a long tail of smaller firms.

### Loan/call option

Projects typically loan 1-3% of supply for 12-24 months with call options at multiple strike price tranches. If price exceeds strike, the MM can exercise the option; otherwise, loaned tokens return to the issuer. No upfront cash, but lower control and transparency.

Note: The loan/option model often structurally requires selling. Market makers receive tokens but need stablecoins to place buy orders. To acquire these quote assets, they sell a portion of the loaned tokens. Larger loans mean more sell pressure: a 3% loan creates meaningfully more selling than a 1% loan.

### Retainer

Projects provide tokens and stablecoins, and pay a fixed fee in the range of $3-7K monthly per exchange to the MM. This model offers higher transparency, but requires substantial cash reserves. Because the project supplies both sides of inventory, market makers do not need to sell tokens to hedge, making retainers better suited for smaller listings where additional sell pressure is more damaging.

(Caladan & Zoo, 2024).

| Factor | Loan/Option | Retainer |
|---|---|---|
| Upfront cost | None | $3-7K+/exchange/month |
| Capital required | Tokens only | Tokens + stablecoins |
| Control | Lower | Higher |
| Transparency | Lower | Higher |

Most projects have surplus tokens but limited cash, which is why the loan/option model remains common. Additionally, most MMs are unwilling to accept pure retainers because they aren't financially attractive compared to the upside potential of loan and option structures.

**Consider mixing models across different market makers:** a loan/option arrangement with one MM and a retainer with another. This diversifies your exposure and balances the tradeoffs.

*Warning:* Do not mix models with the same market maker as inventory dynamics conflict.

## Structuring Strikes That Actually Work

In our interviews, one point came up repeatedly: at least one option strike must be close to the current price, within approximately 20–30%, for the market maker to operate effectively. If all strikes are far out-of-the-money, the MM has no viable hedging opportunity and may stop trading.

A balanced structure includes:

**One or more near-the-money strikes**
(within 20-30%) for operational viability

**Additional far-OTM strikes**
(2x, 3x) for upside alignment

**Where possible, deploy inventory in tranches.** Do not provide the full loan upfront. Release inventory over time, each tranche with isolated option terms. Early launch periods are fragile; consider adding a larger premium in the first weeks and reducing it later.

## Contract Terms That Protect You

### Contract structure is the biggest pitfall

Agreements heavily favour market makers unless tightly defined.

### Define KPIs with high granularity

Tight spreads (0.1–0.3%), ≥95% uptime, and strong multi-level liquidity depth ensure reliable and efficient market performance.

## Spread

0.1-0.2% for mid-cap tokens, 0.15-0.3% for new launches

(Caladan & Zoo, 2023)

## Uptime

≥95%, with measurement methodology specified

## Depth

Minimums at multiple levels (e.g., $50K at best bid/ask, $100K within 1%, $250K within 2%)

### Clarify obligations during drawdowns.

Ask explicitly: "If price drops 30% in a day, exactly what are your contractual obligations to quote?"

### Add penalties for misconduct.

Include enforceable consequences for poor performance or misleading reporting.

### Require regime-segmented reporting.

Reports should separate "normal days" from "top 10% volatility days." Averages lie.

### Negotiate termination provisions.

Founders we interviewed consistently identified termination provisions as the most negotiable element. Market makers are generally amenable to reasonable exit clauses and notice periods.

## Transparency and Monitoring

According to our conversations, the hardest part of working with market makers isn't negotiating the deal. It's knowing whether they're actually performing.

### Self-reported metrics can be inflated.

Founders working with multiple market makers have noted that reported market share often adds up to over 100%. Take these figures with a grain of salt.

### Vanity metrics can obscure actual performance.

Wide-band depth measurements like ±2% are easily gamed. Market makers can quote minimal liquidity near the mid-price while placing large orders at the outer edge of reporting bands. Depth within ±0.5% and ±1% is more meaningful and harder to manipulate.

### Verify performance independently.

- Third-party monitoring services (noting this can be time-consuming)
- Read-only API access to venue data
- Tri-party structures (project + MM + exchange) for verifiable reporting

## Market Maker Advisors

Given the complexity of MM evaluation and the information asymmetry founders face, advisory platforms have emerged to help founders compare market maker proposals.




FORGD

Forgd, for example, operates a transparent platform for market maker RFQs, allowing founders to compare bids across multiple providers on standardised terms. This reduces information asymmetry and makes it harder for MMs to offer opaque or one-sided deals.

Other advisory firms specialise in helping founders evaluate MM proposals, structure contracts, and monitor ongoing performance. If you lack experience negotiating these deals, the cost of a good advisor is often recovered through better terms.

## Number of Market Makers

Tokens with multiple MMs per CEX showed greater resilience to quoting outages in our data. If one has an outage, liquidity fails on venues they exclusively cover. Multiple market makers also create natural arbitrage, improving volume.

**Stagger contract lengths.** Renewing market maker agreements becomes difficult if your token is in a downtrend. Market makers may demand worse terms or decline to renew entirely. By using different contract durations (e.g., 12 months with one MM, 18 months with another), you avoid having all agreements expire simultaneously during unfavourable market conditions.

### ⚠ Red Flags

| | |
|---|---|
| Promises of price targets or volume guarantees. | This indicates market manipulation. Guaranteed volume typically means wash trading. |
| Strike prices below your last funding round valuation. | Extremely low strikes indicate short-term extraction intent. |
| Absence of AML/KYB processes. | Suggests operating outside regulatory frameworks. |
| Deals that seem too good. | Analyse counterparty incentives under the proposed terms. If profit depends primarily on volatility rather than transparent fees, incentives may be misaligned. |
| Refusal to entertain counterproposals. | Legitimate MMs negotiate. Those who won't are betting you'll accept bad terms out of desperation. |

## Before signing, ask:

1. How are you pricing the option?
2. Are you selling my loaned tokens to acquire quote assets?
3. What happens if options stay out-of-the-money?
4. Can you provide references or case studies from other issuers?
5. How do you behave during volatility? What are your contractual obligations if the price drops 30%?
6. What audit rights do I have to see venue-level execution data?

# DEX Liquidity Design

Onchain liquidity supports distribution, buffers airdrop sell pressure, and often becomes an important secondary venue for early price discovery. Below, we have compiled some key parameters for founders to consider before deploying liquidity onchain.

### Quote asset selection:

ETH or stablecoins? The answer depends on what exposure the project is comfortable holding. ETH-paired pools mean your treasury value fluctuates with ETH. Stablecoin pairs provide more predictable value but may mean slightly more volatility as altcoins correlate their price performance with ETH. Some projects deploy both, weighting toward whichever aligns with their treasury strategy.

### Router compatibility:

The quote asset must be a whitelisted token on major aggregators. Uniswap's Swap Router and similar aggregators only route through pools containing recognised blue-chip assets such as USDC, USDT, ETH, or wBTC/cbBTC. Pools paired against non-standard assets such as governance tokens or protocol-specific stablecoins will receive significantly less order flow.

### Fee tier:

Launch at higher fee tiers. Aggregators don't have competing lower-fee pools to route to at launch, and higher fees compensate LPs for volatility risk. Higher tiers also filter out arbitrage volume that extracts value without contributing to price discovery, ensuring early volume reflects organic demand. Projects can migrate to lower fee tiers once trading stabilises and competing pools become a factor. Dynamic fee hooks in Uniswap V4 can automate this transition, adjusting fees based on volatility or other parameters.

### Pool initialisation and rebalancing:

Execute atomically with tight slippage parameters. In reverse LP sandwich attacks, attackers target high-slippage `addLiquidity` transactions, manipulating the price before your deposit executes, then extracting your quote asset at artificially favourable rates. Additionally, use private mempools like Flashbots for pool initialisation and rebalancing so transactions are not visible to MEV searchers in the public mempool.

### Bridge setup timing:

Projects launching multichain tokens need to establish proper bridges through protocols like LayerZero, three or more months before TGE. Canonical bridges are too slow for efficient cross-chain arbitrage, which impairs price consistency across venues.

## How much DEX liquidity to allocate?

Liquidity depth determines how much selling your token can absorb without significant price impact. We simulated slippage and price impact for $10K trades across pools of varying TVL:

**Slippage and Price Impact ($10K trade size) for different TVL amounts in full ranged liquidity**

| | Full Range Liquidity | | Concentrated Liquidity (Arrakis Pro) | |
|---|---|---|---|---|
| TVL | Buy-side Slippage | Sell-side Slippage | Buy-side Slippage | Sell-side Slippage |
| $500K | 4.00% | 4.00% | 1.00% | 1.00% |
| $1M | 2.00% | 2.00% | 0.50% | 0.50% |
| $1.5M | 1.33% | 1.33% | 0.33% | 0.33% |
| $3M | 0.67% | 0.67% | 0.16% | 0.16% |
| $15M | 0.40% | 0.40% | 0.10% | 0.10% |

Slippage and price impact for $10K trades across different TVL amounts (50/50), comparing full-range liquidity against a concentrated liquidity strategy managed by Arrakis Pro. Concentrated strategy is simulated to reduce slippage by up to 4x at equivalent TVL.

How much liquidity to seed should be based on expected sell pressure, airdrop size, whether recipients are likely to sell on DEX or CEX, and your overall venue mix.

Use expected volume distribution as a guide when allocating between venues. Strong CEX listings typically capture the majority of trading activity, weigh liquidity accordingly. With limited CEX access, DEX liquidity becomes the primary venue and warrants greater depth.

## Onchain Market Making Approaches

Managing concentrated liquidity in-house is operationally intensive: constant rebalancing, positions drifting out of range, MEV leakage on rebalancing transactions. Most teams aren't resourced for this.

There are two main approaches to professional onchain liquidity:

**Traditional CEX market makers expanding to DEX:** Some CEX-focused MMs now offer DEX coverage as part of their service. This provides unified coverage but may come with the same principal-agent issues as CEX arrangements. The MM controls execution and may not optimise for your specific objectives.

**Issuer-controlled delegated management:** An alternative model where the issuer retains ownership of liquidity and PnL, but delegates execution to a service provider operating under explicit, issuer-defined rules. The key difference: the issuer sets objectives (e.g., "maintain $50K depth within 1% even if price drops 20%"), and the provider executes against those constraints. This provides:

**Transparency:**
Onchain execution is fully verifiable

**Control:**
You define the strategy parameters

**Regime consistency:**
Behaviour doesn't change based on the provider's PnL

**No option premium:**
You're not giving away upside in exchange for liquidity

The tradeoff: the issuer bears PnL volatility of providing liquidity, rather than transferring that risk to a market maker.

For teams that can accept inventory risk in exchange for control and transparency, this model often makes more sense for onchain liquidity management. Both approaches have legitimate use cases, and the optimal structure depends on the project's risk tolerance, operational capacity, and treasury composition. Founders should  evaluate multiple service providers and models before committing.

## Operational Logistics

While the strategic decisions covered throughout this guide play a defining role in TGE outcomes, it is operational execution that carries a launch through the last mile. The legal structures, infrastructure dependencies, and coordination details in this section rarely make it into strategy discussions, but they have quietly derailed just as many launches as poor tokenomics has historically.

## Entity structure

Many projects historically have opted to create a separate operational entity that remains independent from the development company that contracts with the foundation. While the tradeoffs, regulatory landscape, and legal implications of doing so are outside of the scope of this guide, orgs that choose to do so often cite needing at least four to six months of preparation time before TGE. Due to the specialised legal knowledge required, many teams opt to outsource this work to providers who specialise in handling these processes end-to-end.

## Data aggregators

CoinGecko and CoinMarketCap auto-detect DEX-traded tokens, but these appear as unverified listings with incomplete data. Verified listings, which display accurate circulating supply, project logos, and social links require a manual submission and a two-to-six-week review period. Applications should be submitted ahead of TGE, not after trading has already begun. Any discrepancy between self-reported circulating supply and onchain observable data can lead to the listing losing its verified status, sparking doubt that can cascade into sell pressure.

## Block explorer verification

Contract source code should be verified on Etherscan or the relevant chain equivalent before the token address is made public. Many CEXs, market makers, and DEX aggregators will not integrate unverified contracts, making this a prerequisite for most professional counterparty relationships.

## Airdrop execution

The claim contract should be audited independently from the core protocol and the official claim URL published across all verified channels before eligibility details are made public, as phishing sites appear within minutes of an announcement. Coordinate claim activation precisely with exchange listing times: if claims go live before trading begins, recipients sell into thin DEX liquidity. Commit to an exact block number or timestamp and submit the activation transaction through a private mempool.

## Contracts and multisig

Any post-audit code change should go through supplementary review. Treasury multisigs should be configured and tested before launch week, with signer availability confirmed for the critical window. Transfer contract ownership to the appropriate governance structure before TGE, with timelocks on upgradeable functions.

Section 9

# What Founders Wish They'd Known

Across 25+ interviews, the same regrets surfaced repeatedly: specific mistakes that cost teams time and money. We've compiled the most common ones founders shared, so you can avoid learning these lessons the hard way.

## Adverse Counterparty Practices

Founders described encounters with entities presenting as OTC desks, liquidity providers, or strategic partners whose terms proved unfavourable.

**Token-backed lending with aggressive terms.** Some entities offer stablecoin loans against token collateral. Founders reported seeing 60-70% LTV ratios with fees >10%. In a declining market, this structure may result in margin calls and forced liquidation of collateral. Model downside scenarios and understand liquidation triggers, fee structures, and counterparty rights under default.

**OTC deals with settlement timing risk.** In some arrangements, tokens are transferred before final pricing is agreed. If the counterparty hedges or sells during settlement, the effective price received may differ materially from expectations. Insist on simultaneous settlement with minimal delay.

**Evaluate counterparty alignment.** Assessing whether a counterparty has interest in the project beyond the token's short-term trading dynamics is beneficial. Entities focused on token price, without interest in the product or protocol, may have incentives that diverge from the founder's objectives.

## Early Derivatives Listings

Several founders cautioned against early perpetual future listings, citing them as a source of significant downward pressure. Perps allow sophisticated participants to hedge or short the token before natural price discovery completes. During the first weeks of price discovery, this can add downside dynamics that would not otherwise exist.

The impact is difficult to quantify. But if you have the option to delay derivatives listings until spot price stabilises, consider it. The volume perpetuals generate comes with tradeoffs during the early period of listing a token.

## Exchange Campaign Selection

Not all exchange campaigns are worth it. Push for structures requiring users to buy and hold rather than distributing to existing users.

### Simple airdrops to existing users

Proceed with caution. They often create sell pressure without generating real demand.

### Trading competitions

Useful for short-term attention, but rewards become future sell pressure and do not generate long-term holders.

### Buy-and-stake campaigns

Most effective. They create buy pressure and delay selling. Multiple staking pools with different durations allow sell pressure to phase in rather than hitting all at once.

## Treasury Planning

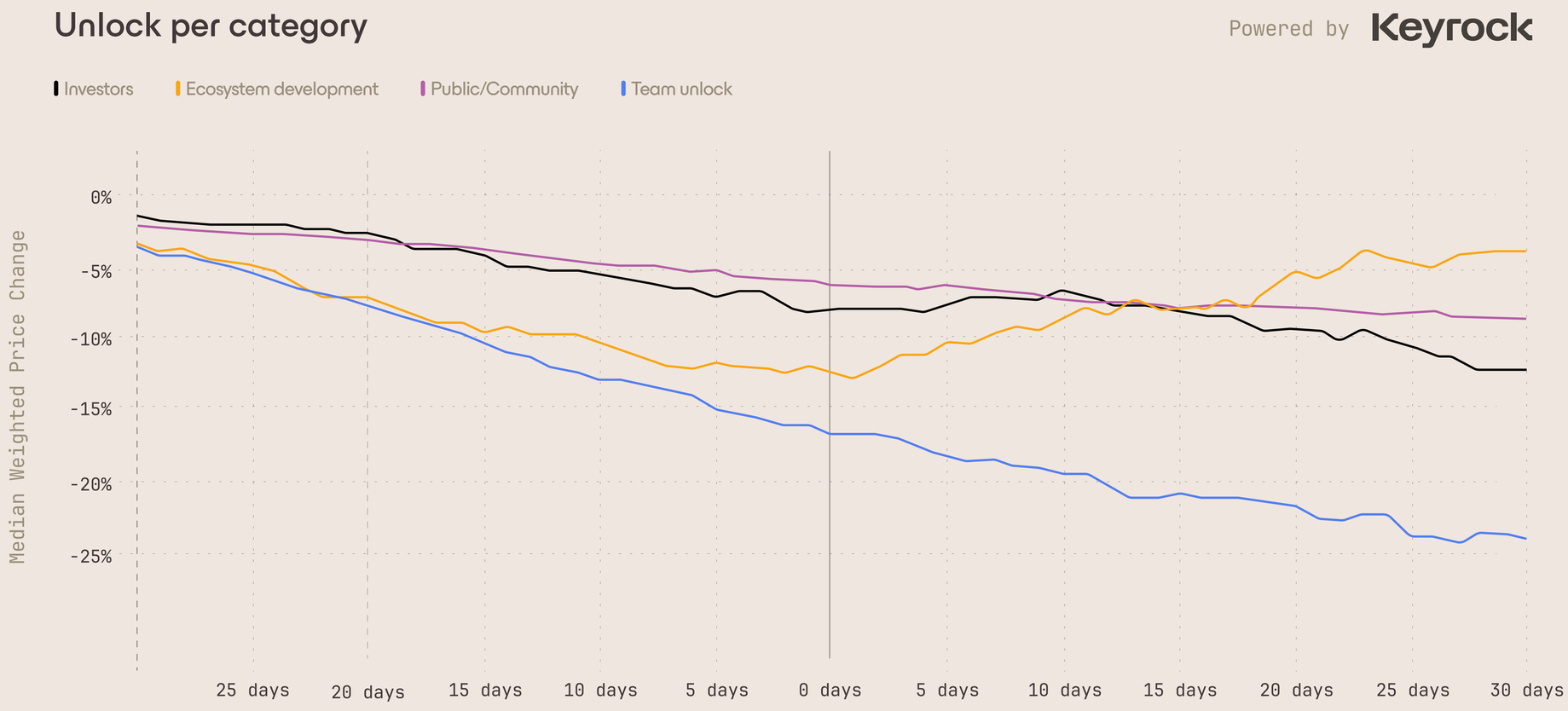
A recurring pattern across our interviews: teams defer treasury diversification, OTC setup, and structured conversion strategies until 'after the token is up.' The problem is that a meaningful share of projects experience 40 to 50 percent drawdowns within the first month, and by the time a team decides to act, terms are materially worse and execution is harder. Founders should establish these mechanisms before TGE while terms and execution conditions are still favourable, even if the decision to use them is deferred.

## Treasury Movements and Market Perception

On public blockchains, every token movement is visible, and market participants do not distinguish between operational transfers and selling. Founders we interviewed cautioned that routine treasury activity, whether market maker allocations, internal rebalances, or grant disbursements, were frequently misinterpreted as sell pressure by wallet watchers, triggering community panic regardless of intent. Teams should label treasury wallets publicly, communicate the purpose of significant movements before they occur, and assume that any unexplained transfer will be narrated by third parties in the least favourable light.

## Managing Unlocks

Keyrock's analysis of over 16,000 unlock events found that 90% were followed by price declines, with team unlocks causing the steepest drawdowns, averaging -25% over 30 days (Keyrock 2024). The chart below breaks down the impact by recipient category.




Median weighted price change around unlock events by recipient category. Team unlocks produce the steepest and most sustained drawdowns, while ecosystem development unlocks recover within 30 days. (Keyrock, 2024)

This gap exists because team members typically sell individually, without coordination, and through independent taker orders that amplify price impact.

Founders should establish a coordinated liquidation plan before the first cliff hits, including OTC relationships and TWAP/VWAP execution strategies designed to minimise market impact.

## Operational Mistakes

1. **Split leadership between CEX and DeFi strategy.** Teams that divided ownership between centralised and decentralised strategies ended up with two parallel plans rather than one unified capital markets approach. The result was incoherent execution. Assign a single owner for your launch strategy.
2. **Go-to-market starts too late.** Teams build product and tokenomics, then realise too soon before launch they haven't created enough anticipation. Building awareness and converting community presence into launch demand takes much longer than expected, with several founders advising to start a minimum of 24+ months out.

3. **Exchange negotiations start too late.** Starting late eliminates optionality. Tier 1 discussions should begin 6-12+ months out. Some exchanges observe projects for months before deciding.

4. **Chasing too many listings.** More exchanges are not always better unless listings are free or deliver clear ROI. Each listing requires token allocations that create sell pressure. Over-listing amplifies this effect while fragmenting liquidity.

5. **Failing to treat listings as financial planning.** Listing costs should be evaluated as opportunity cost. One founder framed it as "months of building" foregone. Ensure adequate runway after pre-launch expenses without needing to liquidate tokens post-TGE.

6. **Over-optimising tokenomics complexity.** Existing blueprints can be adapted. The fundamentals, vesting, allocation percentages, and unlock timing drive outcomes more than novel mechanisms.

7. **Over-optimising anti-sybil perfection.** Heavy anti-sybil work is time-consuming and difficult. Some of that time may be better allocated elsewhere.

## There Is No Magic Cure

There is no magic cure if no one wants your token. Weak demand stemming from poor communication, unclear value, or weak fundamentals cannot be manufactured, and teams which attempt to do so through artificial means often end up worse off.

Optimizing infrastructure, exchanges, market makers, and liquidity strategy will not save a token launch in the absence of genuine buyers. Founders need a highly engaged trading community, cultivated over time, with real activity rather than surface-level metrics.

If you're approaching TGE without genuine demand drivers, no amount of exchange listings, market maker arrangements, or distribution mechanics will save you. The time to build demand is before launch.

This guide is designed for tokens that have built organic demand and genuine retail interest. Its purpose is to help teams avoid structuring their TGE in ways that create more sell pressure than their market can absorb, turning a strong position into a weak one through preventable mistakes.

Section 10

# TGE Prep Timeline

## 12+ Months Before TGE

### Build trading demand.

The most common timing regret. The token is its own product requiring its own marketing and regional strategy.

### Establish exchange relationships.

Build relationships with listing managers before you need something. Attend events. Get introductions.

### Design tokenomics.

Finalise allocations, vesting, and unlocks. Don't over-engineer. Existing blueprints can be adapted.

## 6 Months Before TGE

### Begin Tier 1 exchange conversations.

Having alternatives improves your negotiating position. Note: negotiations often continue until close to listing regardless of early outreach.

### Start market maker outreach.

Interview multiple firms. Understand tradeoffs between loan/option and retainer models. Rushing leads to unfavourable terms.

### Prepare documentation.

Legal opinion (non-security status), tokenomics with unlock schedules, team KYC, audits, community evidence, marketing and liquidity plans.

### Model your sell pressure equation.

Quantify expected sell pressure from airdrops, exchange allocations, and MM loans. Estimate realistic buy pressure. Identify the gap.

### Evaluate listing costs as opportunity cost.

Every dollar spent on listings is a dollar not spent on product. Frame these decisions in terms of development runway foregone.

## 3 Months Before TGE

### Finalise exchange listings.

Lock in terms. Understand all allocations, deposits, and commitments.

### Select market makers.

Finalise contracts with granular KPIs, regime-segmented reporting, and enforceable consequences.

### Engage onchain liquidity providers.

If using delegated DEX liquidity management, begin onboarding the preferred vendor and align on chain selection, DEX venue, and pool structure.

### Plan liquidity deployment.

CEX depth targets, DEX pool structure, chain and venue selection. Assign a single owner to coordinate CEX and DEX strategies.

### Size your airdrop.

Work backward from liquidity. Ensure depth can absorb selling without price collapse.

### Finalise distribution mechanism.

Execute pre-sale or launchpad. Ensure full clearance.

## 1 Month Before TGE

### Confirm all counterparties.

Verify dates, readiness, and plans.

### Identify external dependencies.

If any third party must approve, whitelist, or enable something before launch, confirm status now. Build buffer time. External approvals have created late-stage stress for multiple teams we interviewed.

## 1 Month Before TGE

### Prepare treasury reserves.

If supporting with buy pressure, ensure reserves are liquid and accessible.

### Brief your team.

Everyone should understand the sequence, their responsibilities, and escalation paths.

### Test infrastructure.

Verify contracts, bridges, and launch mechanisms. Audit anything unaudited.

## Launch Week

### Execute liquidity deployment.

Seed DEX pools atomically with conservative slippage. Use private mempools.

### Activate market makers.

Confirm quoting on all venues.

### Monitor in real-time.

Watch for unusual patterns, gaps, and underperformance.

### Don’t panic.

Early volatility is normal. The post-airdrop dip is expected. Plan for it.

## Post-TGE

### Manage unlocks proactively.

Markets price in selling 30 days before each unlock. Plan communications ahead.

### Build toward sustainability.

Utility-driven demand, concentrated liquidity, strategic expansion.

### Maintain market maker relationships.

Monitor KPIs against your contracts. Address underperformance early.

### Preserve runway.

Avoid selling tokens to fund operations. It triggers negative feedback loops that are difficult to reverse.

Section 11

# Conclusion

## It All Comes Back to Sell Pressure

Every TGE decision is a sell pressure decision.

Airdrops create immediate sell pressure from zero-cost-basis recipients. Exchange allocations convert to sell pressure as partners monetise tokens. Market maker loans create overhang through required hedging. Unlocks create scheduled pressure for years.

The projects that succeed model this pressure honestly, size liquidity to absorb it, and build genuine demand before launch. In 2025, 85% of tokens failed to do so effectively.

## What Separates the 15%

The tokens that maintained or grew value shared common patterns:

1. Genuine utility or revenue mechanisms creating programmatic buy pressure
2. Distributions sized to absorption capacity, not generosity
3. Concentrated liquidity rather than scattered
4. Counterparties selected for alignment, not convenience
5. Launch treated as a milestone in project development, not the exit event for founders and insiders.

None of this is complicated. But it requires discipline, realistic planning, and willingness to make unpopular decisions (smaller airdrops, fewer listings, longer timelines) when the math demands it.

The rest is execution.

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## Speak With Us

Every TGE decision is a sell pressure decision.

Our team has supported over 100 token launches and understands how the decisions covered in this guide play out in practice. If you'd like a second opinion on how your TGE is structured, we'd be happy to walk you through it.

Learn More →

# Glossary

| | |
|---|---|
| **Aggregator** | A protocol or interface that routes trades across multiple DEXs to find the best available price. Aggregators split large orders across venues to minimise slippage and price impact. |
| **Atomic Execution** | Executing operations such that they either complete in their entirety or not at all. In DeFi operations like deploying liquidity, this means bundling multiple steps like pool initialisation and liquidity deposit into a single transaction, preventing partial execution that could leave positions exposed or be exploited by attackers. |
| **Bid-Ask Spread** | The difference between the highest price a buyer is willing to pay (bid) and the lowest price a seller is willing to accept (ask). Tighter spreads indicate more liquid, efficient markets. Market makers earn revenue from this spread. |
| **Bribes (in ve-tokenomics context)** | Payments made by projects to veToken holders in exchange for directing their voting power toward specific liquidity pools. Bribes incentivise voters to allocate emissions to the bribing project's pools. |
| **Call Option** | A contract giving the holder the right, but not the obligation, to purchase an asset at a predetermined price ( strike price) within a specified period. In market maker agreements, projects grant call options as compensation for liquidity provision. |
| **Canonical Bridge** | The official, protocol-native bridge for transferring assets between chains. Canonical bridges are generally considered more secure but operate more slowly than third-party alternatives like LayerZero or CCIP. |
| **Concentrated Liquidity (AMM)** | A DEX design where liquidity providers allocate capital to specific price ranges rather than across the entire price curve. Increases capital efficiency but requires active management as positions can move out of range. |
| **Cost Basis** | The original price at which an asset was acquired. Airdrop recipients have zero cost basis, meaning any sale price represents pure profit, which explains the rational incentive to sell immediately. |
| **Delta-Neutral** | Pool fees that adjust automatically based on market conditions such as volatility or trading volume. Available through Uniswap V4 hooks, dynamic fees can optimise returns for liquidity providers across different market regimes. |
| **Emissions (in ve-tokenomics context):** | New tokens distributed as rewards to liquidity providers in eligible pools. Emission rates are typically determined by veToken holder votes, directing rewards toward pools that receive the most voting power. |
| **Epoch (in ve-tokenomics context)** | A fixed time period (typically one week) that governs the voting and reward distribution cycle in ve-tokenomics systems. Votes cast during one epoch determine emission allocations for the following epoch. |
| **Full-Range Liquidity (AMM)** | Liquidity deployed across the entire possible price range (zero to infinity). Less capital-efficient than concentrated positions but requires no active management and remains in range regardless of price movement. |
| **Hooks (Uniswap V4)** | Customisable smart contract modules that execute at specific points during a swap or liquidity operation. Hooks enable features like dynamic fees, price oracles, or custom settlement logic without modifying the core AMM. |
| **Idle Liquidity (AMM)** | Capital in a liquidity position that is not actively facilitating trades because the current price is outside the position's specified range. Idle liquidity earns no fees and represents inefficient capital deployment. |
| **Inventory Risk** | The risk market makers face from holding token inventory that may decline in value. For new tokens without derivatives markets, this risk cannot be hedged and must be absorbed directly. |
| **KPIs (in MM context)** | Key Performance Indicators contractually specified in market maker agreements. Common KPIs include maximum bid-ask spread (e.g., 0.2%), minimum uptime (e.g., 95%), and depth requirements at various price levels (e.g., $50K within 1%). |
| **Liquidity Depth** | The total value of orders available within a given percentage of the current price. Greater depth means larger trades can execute without significant price impact. Typically measured in bands (e.g., depth within ±1%, ±2%). |

# Glossary

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|---|---|
| **Liquidity Range (AMM)** | The price bounds within which a concentrated liquidity position is active and earning fees. Narrower ranges increase capital efficiency but risk going out of range during price volatility. |
| **LTV (Loan-to-Value)** | The ratio of borrowed amount to collateral value. A 60% LTV means borrowing $60 against $100 of collateral. Higher LTV increases capital efficiency but also liquidation risk if collateral value declines. |
| **Margin Call** | A demand for additional collateral when the value of pledged assets falls below the required maintenance threshold. Failure to meet a margin call triggers forced liquidation of the collateral. |
| **Market Reflexivity** | A feedback loop where market dynamics reinforce themselves. In Aerodrome's context, rising AERO prices increase emission values, attracting more liquidity, generating more fees, and further supporting AERO prices, until the cycle reverses. |
| **Monte Carlo Simulation** | A computational method that runs thousands of randomised scenarios to model probability distributions of outcomes. Used in tools like Delphi's Sell Pressure simulator to stress-test token unlock dynamics. |
| **Near-the-Money** | An option with a strike price close to the current market price, typically within 20-30%. |
| **Out-of-the-Money (OTM)** | An option with a strike price far from the current market price, higher than market price for call options, lower for put options. |
| **OTC (Over-the-Counter)** | Private, negotiated transactions between two parties outside of public exchanges. OTC desks facilitate large block trades, though some entities presenting as OTC desks may engage in extractive practices. |
| **Price Convergence Mechanism** | A system designed to align DEX prices with external reference prices (typically CEX markets). Can be implemented via Uniswap V4 hooks to reduce arbitrage losses and improve execution quality. |
| **Price Discovery** | The market process through which trading activity establishes an asset's fair value. Particularly critical in the early days post-TGE when no reliable price history exists and buyers and sellers negotiate equilibrium. |
| **Price Impact** | The effect a trade has on the market price of an asset. Large trades in shallow markets cause significant price impact, moving the price against the trader. Distinct from slippage, which is the difference from expected price. |
| **Principal-Agent Problem** | A misalignment of incentives between a project (principal) and its market maker (agent). The market maker may optimise for its own profit rather than the project's objectives, particularly when transparency is limited. |
| **Protocol-Owned Liquidity (POL)** | Customisable smart contract modules that execute at specific points during a swap or liquidity operation. Hooks enable features like dynamic fees, price oracles, or custom settlement logic without modifying the core AMM. |
| **Quote Assets** | The assets used to place buy orders in a trading pair, typically stablecoins (USDT, USDC) or major assets (ETH). Market makers must acquire quote assets to provide two-sided liquidity, often by selling a portion of loaned tokens. |
| **Rehypothecation** | The practice of using deposited collateral for additional purposes, such as lending it to other parties. In DeFi, idle liquidity can be rehypothecated to lending markets to generate additional yield. |
| **Slippage** | The difference between the expected price of a trade and the actual execution price. Caused by insufficient liquidity, price movement during execution, or large order size relative to available depth. |
| **Strike Price** | The predetermined price at which an option holder can buy (call) or sell (put) the underlying asset. In market maker agreements, strike prices determine at what token prices the market maker can exercise their options. |

# Glossary

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|---|---|
| **Sybil / Sybil Resistance** | A sybil attack involves creating multiple fake identities (wallet addresses) to exploit systems designed to reward unique participants, such as airdrops. Sybil resistance refers to detection and filtering mechanisms. |
| **Taker orders** | Orders that execute immediately against existing orders in the order book, removing liquidity. In contrast to maker orders, which add liquidity by resting on the book, taker orders consume available depth and move the price, particularly impactful in thin markets. |
| **Tranche / Tranched** | Releasing market maker inventory in portions over time rather than all at once. Each tranche can have isolated option terms, reducing risk during fragile early trading periods. |
| **TWAP (Time-Weighted Average Price)** | An execution strategy that splits a large order into equal portions executed at regular time intervals, regardless of trading volume. Distributes market impact evenly across a trading period rather than concentrating it in a single transaction. |
| **Uninformed Orderflow** | Trading activity from participants without privileged information about future price movements. Exchanges and market makers value uninformed flow because it is less likely to result in adverse selection losses. |
| **veTokenomics / Vote-Escrow** | A tokenomics model where holders lock tokens for extended periods in exchange for voting rights over protocol decisions (typically emission allocation) and enhanced rewards. Longer lock periods grant greater voting power. |
| **VWAP (Volume-Weighted Average Price)** | An execution strategy that splits a large order into portions weighted toward periods of higher trading volume. By executing alongside existing market activity, VWAP strategies reduce the visibility and price impact of large sales compared to single block transactions. |
| **Wash Trading** | Executing trades where the same party is both buyer and seller, creating artificial volume without genuine market activity. Often used to inflate perceived liquidity or meet exchange volume requirements. Indicative of manipulation. |

Section 12

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