PRODUCT RESEARCH by Jeswin

Risk Markets We Can Build

A catalog of 53 prediction markets and 3 SMART Tokens we could launch, 56 products in all, with an example of how each one pays.

01 **Fast markets**
Markets that open in the morning and settle by midnight, built for people who want a reason to come back every day, together with a gauntlet format and a set of markets that appear only when the market is under stress.

02 **Topical markets and range boards**
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05 **Risk events, made direct**
The events people actually worry about, such as a depeg, a liquidation cascade, or a chain halt, made directly tradable instead of hedged indirectly through the price.

06 **DeFi returns as markets**
The returns people chase through staking, lending, and leverage, offered as a market on the rate itself, so that the holder gets the return without operating the position behind it.

07 **How we settle all of it**
The rules every market follows, the data we already hold, what other venues have tried, and the ideas we considered and set aside.

01 Fast markets

These markets open in the morning and settle by midnight, and every one of them is about risk rather than the direction of the price. Each settles on a sixty-second average of the Coin Metrics price, never a single print, because a single print can be pushed by one large trade in the final seconds.

THE DAILY SHELF

These markets open every morning and settle by midnight.

The Daily Close Ladder

PREDICTION MARKET

How it works. Each morning we list a ladder of price levels around the opening price of BTC, one percent apart, seven above the open and seven below. Each level is its own market with a simple question: will BTC close the day above this level? Each level therefore works like a one-day option that costs at most a dollar. Buying No on a level below the open pays if the day ends below that level, which is what a holder wants when they fear a fall, and buying Yes on a level above the open pays if the day ends above it, which is what someone who has sold their upside wants. The

whole ladder is priced at fair value from the volatility forecast the moment it lists, so a trader can see the market's odds for every level before anyone has traded.

LEVELS BELOW THE OPEN	Holders buying a floor for the day take No; sellers of protection take Yes.
THE OPEN	The at-the-money level, the day's coin flip.
LEVELS ABOVE THE OPEN	Traders who want the upside take Yes; holders who have sold their upside take No.

> EXAMPLE
>
> Suppose BTC opens at 80,000 dollars and the level two percent below, at 78,400, is priced at 80 cents for Yes and 20 cents for No. A holder of ten coins, worth 800,000 dollars, wants to be covered against a bad day and buys 30,000 No tokens for 6,000 dollars. If BTC closes at 77,000, a fall of 30,000 dollars on the coins, every No token pays a dollar and the holder collects 30,000 dollars, which covers the loss. If BTC closes above 78,400, the 6,000 dollars is the cost of a day's insurance and goes to the Yes holders.

How we settle. The day runs from midnight to midnight UTC, and the closing price is the average of the Coin Metrics price over the last sixty seconds of the day. A level below that average resolves Yes, a level above it resolves No, and a level that equals it to the cent refunds both sides. Trading in every level stops one minute before midnight, so that nobody can trade against a closing average they can already see forming.

Same-Day Range-Hold

PREDICTION MARKET

How it works. This market asks whether BTC stays inside a band of one and a half percent on either side of the opening price for the whole day, without touching either edge even once. It is a market on calm. The Yes side is a bet on a quiet session and the No side is a bet on a breakout, and both sides have a natural holder. Market makers earn their fees when prices stay put and lose them when prices leave the range, while a trader with a position that suffers when the price breaks out can use No as a same-day hedge.

YES	Market makers and range traders who earn when the day is quiet.
NO	Traders positioned for a breakout, and anyone hedging a position that suffers when the price leaves its range.

> EXAMPLE
>
> BTC opens at 80,000 dollars, so the band runs from 78,800 to 81,200, and Yes trades at 40 cents in the morning. A trader who expects a quiet session buys 1,000 Yes tokens for 400 dollars. If the price never touches either edge, each token pays a dollar at midnight and the trader collects 1,000 dollars. If the price touches 81,200 at any second, even briefly, the market resolves No on the spot and the 400 dollars goes to the No holders.

How we settle. The Coin Metrics price is compared with both edges every second from the first second of the day to the last. A single print at or beyond either edge resolves the market No at that instant and trading stops. A day that ends without a touch resolves Yes at midnight, and the full second-by-second record is kept so that any disputed touch can be replayed.

Daily RiskON and RiskOFF

SMART TOKEN

How it works. This is the RiskON and RiskOFF pair on a one-day epoch instead of a monthly one. Each morning a fresh pair is minted for BTC and for ETH, with the collar strikes set from that day's volatility forecast and published at the open, and at midnight the pot is divided exactly as it is in the monthly version. Because the strikes sit close to the price on a one-day horizon, the tokens move sharply in the final hours, which gives traders a leveraged daily position that can never be liquidated, since there is no loan behind it.

RISKON	Traders who want amplified exposure to today's move with a known worst case.
RISKOFF	Holders who want today's exposure with a floor.

EXAMPLE

A pair is minted against 200 dollars of BTC, 100 dollars on each side, with the day's strikes at one percent above and one percent below the open. If BTC ends the day up three percent, the pot is worth 206 dollars: RiskOFF is capped at its one percent and ends at 101, and RiskON receives everything else and ends at 105, a five percent gain on a three percent move. If BTC ends the day down three percent instead, RiskOFF is protected by its floor and ends at 99, and RiskON ends at 95. Nobody is liquidated in between, because the floor and the cap are simply the rule for dividing the pot at midnight.

How we settle. The pair settles at midnight on the Coin Metrics price against the strikes published at the open, using the same payoff formula as the monthly tokens. A touch of the barrier during the day is handled the way the monthly epoch handles it: the pair rebases at the touch price and the event is recorded on-chain.

The Daily Drawdown Ladder

PREDICTION MARKET

How it works. This ladder is crash insurance for a single day. Each rung pays a full dollar the instant BTC falls three, five, or eight percent below the day's opening price, even if the price recovers by the afternoon, which is the difference between this and an option that only looks at the close. A leveraged trader whose position would be liquidated on a five percent fall can buy the five percent rung as a same-day hedge, and on an ordinary morning the deep rungs cost a few cents.

MINUS 3 PERCENT	The ordinary bad day.
MINUS 5 PERCENT	The day a leveraged position gets liquidated.
MINUS 8 PERCENT	The crash rung, priced in pennies.

EXAMPLE

BTC opens at 80,000 dollars and the five percent rung, which fires at 76,000, trades at 4 cents. A trader running a leveraged long that would be closed out around that level buys 25,000 rung tokens for 1,000 dollars. If BTC touches 76,000 at any second, the rung resolves Yes immediately and pays 25,000 dollars, which arrives on exactly the day the leveraged position is being liquidated. On a day the price never gets there, the 1,000 dollars is the cost of the insurance.

How we settle. The Coin Metrics price is compared with each rung's level every second through the day. The first print at or below a rung resolves that rung Yes on the spot and stops its trading, and a rung that is never reached expires worthless at midnight. Each touch is recorded on-chain with its timestamp.

GAUNTLETS AND STORMS

Two formats built for engagement, both settled on feeds that already run elsewhere in this report.

The Risk Gauntlet

PREDICTION MARKET

How it works. A gauntlet is three markets in a row, and a player collects only by calling all three correctly. Before the first market opens, each player stakes one dollar and writes down their three calls. The three markets then resolve one after another over the day, and when the third one settles, the pool of stakes, less the venue's fee, is shared equally among the players who got all three right. Everyone else loses their dollar. There is no counterparty and no pricing to argue about, because the players are paying each other, and because each leg resolves in public before the next one opens, the day plays out as a story rather than a ticket.

SURVIVORS	Players whose three calls all came true share the pool.
EVERYONE ELSE	Players who missed any call lose their stake to the survivors.
THE VENUE	A fixed fee on the pool, published before entry opens.

EXAMPLE

A daily gauntlet asks three questions: will the five percent drawdown rung stay untouched, will the day close inside the range-hold band, and will the day's realized volatility come in below the morning forecast. One thousand players stake a

dollar each. If 125 of them call all three correctly, the 1,000-dollar pool, less a five percent fee, is split 125 ways, and each survivor receives 7.60 dollars for their one dollar. On a stormy day when only 20 players survive, each receives 47.50 dollars.

How we settle. Each leg settles exactly as its standalone market does, on the same feed and under the same rule, in the order published before entry. The contract holds every stake, resolves the legs one by one, and pays the survivors automatically after the third. If a leg's feed fails, the gauntlet is cancelled and every stake is returned, which is possible here because no side has won anything until the third leg settles.

The Storm Board

PREDICTION MARKET

How it works. Some questions only matter once the market is already breaking. The storm board is a set of same-day markets that do not exist on a normal day. They open automatically when a published trigger fires, such as a billion dollars of liquidations within a single hour, a five percent move in the Coin Metrics price within an hour, or a Risk Regime Index we could build, described in Part four, flipping into its most fragile state, and they close again 24 hours later. Once open, the board asks the questions of a storm: will the day close below the low of the first hour, will liquidations cross five billion dollars by midnight, will funding turn negative at the next fixing. Because the board appears only in a crisis, it opens at the moment hedgers most want a price and speculators most want a position.

YES	Hedgers and traders positioned for the storm to worsen, buying protection at the moment it is worth most.
NO	Dip buyers and calm sellers who think the first hour was the whole storm.

EXAMPLE

At 14:00 UTC liquidations cross one billion dollars within the hour and the board opens. One of its markets asks whether total liquidations will cross five billion dollars by midnight, and Yes opens at 25 cents. A trader running leverage buys 4,000 Yes tokens for 1,000 dollars as protection. By 21:00 the total passes five billion, the market resolves Yes, and the trader collects 4,000 dollars on the day their other positions are being squeezed. On a day the cascade stalls at two billion, the 1,000 dollars goes to the No side.

How we settle. The trigger and every question on the board settle on feeds that already run elsewhere in this report: the Coin Metrics price for the price questions, the licensed liquidation feed for the cascade questions, and the published funding fixing. The trigger levels, the 24-hour window, and the exact questions are published in advance, so nobody at TRP decides when a storm has started; the feeds do.

02 Topical markets and range boards

The arguments the market is having right now, turned into markets, followed by boards where you pick the range a number lands in. The strikes and dates are examples struck against today's numbers, and they will have moved on by the time we ship Risk Prediction Markets in the first quarter of 2027, but the shape of the markets will not.

THIS SEASON'S ARGUMENTS

The Volatility Duel: BTC versus ETH

PREDICTION MARKET

How it works. This market asks which of the two big coins moves more, measured by realized volatility over the 30 days ending October 31. ETH has been the more volatile of the two on every single day of the past three months, sitting at 53 percent against BTC's 38 percent today, so Yes, which pays if BTC turns out to be the more volatile, is the underdog. Whoever buys it is positioned for the rarer kind of month, in which the shock starts with BTC and ETH merely follows. A desk that runs strategies across both coins can use it to hedge the month in which its assumptions about their relative behavior break.

YES	Dispersion traders, and anyone positioned for a shock that starts with BTC.
NO	The base-rate crowd, collecting on the pattern that ETH almost always swings harder.

EXAMPLE

Yes trades at 15 cents, and a desk buys 10,000 Yes tokens for 1,500 dollars. If October brings a BTC-led shock and BTC's 30-day volatility ends the month at 60 percent against ETH's 55, the tokens pay 10,000 dollars. If the usual pattern holds, the 1,500 dollars goes to the No holders.

How we settle. Both volatilities are computed with the same published formula over the same 30 days, using the Coin Metrics price of each coin, and the larger number decides the market.

The Staking Queue Unwinds

PREDICTION MARKET

How it works. Staking ETFs jammed ETH's front door this spring, and about 1.9 million ETH still waits in the validator entry queue on a wait of more than a month, down from more than 3.5 million at the peak. Whether the line keeps draining depends on whether new deposits keep arriving behind it. This market asks whether the entry queue is below one million ETH on October 31. It matters to liquid staking protocols and validators, whose yields fall as the staked share rises, and to anyone who reads the queue as a measure of institutional demand.

YES	Those betting the ETF rush cools or that validator capacity catches up.
NO	Those betting that institutional staking demand keeps the line long.

EXAMPLE

Yes trades at 45 cents. A liquid staking protocol that earns fees on everything staked, and would rather the queue stayed long, buys 20,000 No tokens at 55 cents for 11,000 dollars as a hedge on its own growth. If the queue is still 1.4 million ETH on October 31, the No tokens pay 20,000 dollars.

How we settle. The queue is a number the beacon chain itself exposes, the count of pending validators multiplied by the stake each carries. We read it from our own beacon node at the last epoch before midnight UTC on October 31, and the public queue dashboards compute the same figure.

The Altseason Trigger

PREDICTION MARKET

How it works. Altseason is the stretch when money rotates out of BTC into the rest of the market, and traders already follow it through indices that count how many large coins are beating BTC. It has not arrived this year, and BTC's share of the whole market has climbed to 58 percent. This market asks whether at least fifteen of the twenty largest coins outperform BTC between listing and October 31. Buying Yes is buying the rotation itself rather than guessing which coin will lead it, and a fund that holds a basket of large altcoins can use No as a hedge against the rotation failing to arrive.

YES	Rotation bulls and altcoin holders betting that breadth returns.
NO	The BTC-dominance camp, and altcoin holders hedging their own basket.

EXAMPLE

Yes trades at 20 cents. If sixteen of the twenty coins have beaten BTC by October 31, Yes pays a dollar and a 2,000-dollar position becomes 10,000 dollars. If only eight have, the No side collects.

How we settle. At listing we freeze the list of the twenty largest coins by market value, excluding stablecoins and wrapped versions of other coins, and publish it. Each coin's return between listing and October 31 is measured on the Coin Metrics price and compared with BTC's, and fifteen or more ahead of BTC resolves Yes. Anyone can reproduce the count coin by coin.

The Mt. Gox Clock

PREDICTION MARKET

How it works. The estate of the exchange that collapsed in 2014 still holds about 34,500 BTC, worth around 2.7 billion dollars, against a court deadline of October 31 to finish repaying creditors, after three extensions. The estate last moved coins in early June, when more than 10,000 BTC left for a new address, and every such movement makes headlines, because it is the first step toward coins reaching people who may sell them. This market prices the

overhang by asking whether the estate's wallets move more than 10,000 BTC before the deadline. A fund that fears the distribution can hold Yes as a hedge on the selling pressure it expects.

YES	Overhang bears positioning for the distribution to begin.
NO	Extension bettors, who count three delays already and expect a fourth.

> EXAMPLE
> Yes trades at 35 cents, and a fund buys 20,000 Yes tokens for 7,000 dollars. If 12,000 BTC leaves the estate's wallets on October 20, the market resolves Yes that day and pays 20,000 dollars. If the deadline passes quietly or is extended again, the No side collects.

How we settle. The estate's wallet addresses are public and followed by the whole market, and the exact address set the market follows is pinned at listing. Settlement is a running count of BTC leaving those addresses: the first transfer that takes the total past 10,000 resolves Yes at that moment, and a quiet run to the deadline resolves No.

sUSDe Pays Its Way

PREDICTION MARKET

How it works. sUSDe is the largest yield-bearing dollar in crypto, and its yield comes mainly from the funding fee that leveraged traders pay, so it rises when funding runs hot and shrinks when funding turns negative, as it did through the first half of this year. Funding has been positive all quarter and the yield has climbed with it, from a third-quarter average of about 4.2 percent to about 4.75 percent this week. This market asks whether sUSDe's yield averages above 5 percent from listing to October 31. A holder whose income depends on that yield can use No as a hedge against a disappointing month.

YES	Carry bulls betting that positive funding feeds straight into the yield.
NO	sUSDe holders hedging the month in which their own income falls short.

> EXAMPLE
> Yes trades at 40 cents. A treasury holding ten million dollars of sUSDe buys 50,000 No tokens at 60 cents for 30,000 dollars. If the yield averages 4.3 percent, the No tokens pay 50,000 dollars, which roughly replaces the income the treasury missed against a 5 percent expectation. If the yield averages 5.4 percent, the treasury loses the 30,000 dollars but has earned more on its holding.

How we settle. sUSDe accrues its yield through an exchange rate against USDe that is written into its contract with every block. We read that rate at listing and again at the close on October 31, convert the change into an annualized yield, and compare it with 5 percent, so the whole calculation rests on two public reads of one contract.

The Lido Line

PREDICTION MARKET

How it works. The debate about concentration in ETH staking has orbited one protocol for years. Lido's share of all staked ETH once sat above a third, and it now stands near 22.5 percent, as the staking ETFs route their stake through other operators and slowly dilute it. This market asks whether Lido's share is below 22 percent at the close on October 31. It is a market on concentration risk, and a protocol or fund whose plans depend on the share falling or holding can hedge either way.

YES	Decentralization bulls betting that the ETF era keeps diluting the largest operator.
NO	Those who think the share has found its floor.

> EXAMPLE
> Yes trades at 45 cents. If the share is 21.6 percent on October 31, a 4,500-dollar Yes position pays 10,000 dollars, and if it holds at 22.3 percent the No side collects.

How we settle. Both halves of the fraction are public. The beacon chain states how much ETH is staked in total, and Lido's own registry identifies its validators and their stake. At the October 31 close we take the snapshot and divide one number by the other, and anyone with a node can rerun the division.

Token Unlock Impact

PREDICTION MARKET

How it works. Crypto projects release locked tokens to insiders on published schedules, and a large unlock often pushes the price down as those tokens are sold. Today the only way to trade that expectation is to hold a short position that costs money and can be squeezed. This market takes the next large scheduled unlock and asks whether the token's price three days after the unlock is more than five percent below its price the day before. The insiders receiving the tokens can hedge their own arriving supply by buying Yes, and a fund that thinks the selling is already priced in takes No.

YES	Insiders hedging their arriving tokens, and traders expecting the selling.
NO	Traders who think the unlock is already priced in.

> EXAMPLE
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> A project is due to unlock 800 million dollars of tokens on October 6, with the price at 10 dollars the day before, and Yes trades at 45 cents. An early investor due to receive a million tokens buys 500,000 Yes tokens for 225,000 dollars. If the price is 9.20 dollars three days after the unlock, a fall of eight percent, the tokens pay 500,000 dollars, which offsets most of the 800,000-dollar fall in the value of the tokens the investor received. If the price holds at 9.90, the No side collects the 225,000 dollars.

How we settle. The unlock block and the amount come from the token's vesting contract. The two prices are the Coin Metrics price at midnight UTC on the day before the unlock and 72 hours after it, and a fall of more than five percent between them resolves Yes. Only large, liquid tokens are listed, so that a thin market cannot decide the print.

Airdrop Value-Per-Point

PREDICTION MARKET

How it works. People farm points for months in the hope that a project's future token makes them valuable, and nobody knows what a point is worth until launch day. Once a project commits to a token and a launch date, this board prices the answer in advance, with one token for each range of what a thousand points will be worth in the first hours of trading, plus one for the case in which the token has not launched by the board's end date. A farmer who has spent a year earning points can lock in a value by buying the low ranges, and a believer in the project can buy the high ones without farming a single point.

UNDER 0.50 DOLLARS	The disappointment range: farmers hedging a weak launch.
0.50 TO 1 DOLLAR	A modest launch.
1 TO 2 DOLLARS	A strong launch.
OVER 2 DOLLARS	The believers' range.
NOT LAUNCHED BY THE DATE	Pays if the launch slips past the board's end date.

> EXAMPLE
>
> A project announces its token for October 15, and the board prices the five outcomes at 18, 37, 28, 9, and 8 cents. A farmer holding two million points, who fears a weak launch, buys 2,000 tokens of the lowest range for 360 dollars. If a thousand points turns out to be worth 40 cents, those tokens pay 2,000 dollars, which softens the disappointment; if a thousand points is worth 1.50 dollars, the farmer loses the 360 dollars but their points are worth 3,000.

How we settle. The value is the volume-weighted average price over the first four hours of trading on venues named in advance, multiplied by the conversion ratio the project publishes, and the range containing it pays. If the token has not launched by the end date, the last token pays instead, so no stake is ever returned; one of the six outcomes always comes true.

Stablecoin Supply and Dominance

PREDICTION MARKET

How it works. The total supply of stablecoins is the cleanest measure of money sitting inside crypto, and the share held by the largest issuer is the market's measure of concentration. Total supply stands near 313 billion dollars today,

up about four billion in a month, and USDT accounts for roughly 71 percent of the two largest dollars combined. This card carries two markets: does total stablecoin supply close October above 320 billion dollars, and does USDT's share of the two largest dollars close October above 70 percent. Yield protocols and market makers whose revenue scales with the float are natural buyers of the first, and an issuer whose revenue depends on its share has a natural hedge in the second.

YES	Liquidity bulls, and businesses whose revenue scales with the float.
NO	Those who read the flat summer as the ceiling for now, and issuers hedging a loss of share.

> EXAMPLE
>
> Yes on the supply question trades at 30 cents. A lending protocol whose revenue grows with the float buys 10,000 Yes tokens for 3,000 dollars. If supply is 323 billion dollars on October 31, the tokens pay 10,000 dollars; if it stalls at 315 billion, the 3,000 dollars goes to the No side.

How we settle. Supply is read directly from the token contracts on a frozen list of chains, on a circulating basis that subtracts the issuers' own treasury balances, at the last block before midnight UTC on October 31, with DeFiLlama's figure as the public cross-check. Issuers and their affiliates may not trade the market, because an issuer controls its own supply.

Sector Rotation

PREDICTION MARKET

How it works. Betting that one corner of DeFi will grow faster than another usually means buying a basket of tokens that all move with the overall market. This market strips the overall market out. It asks whether lending protocols' share of all DeFi deposits rises relative to trading protocols' share over the month of October, which is a bet on the rotation itself, and a fund positioned in one sector can hedge the rotation going the other way.

YES	Funds rotating into lending.
NO	Funds rotating into trading, or fading the rotation.

> EXAMPLE
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> Suppose that at the start of October lending protocols hold 40 percent of DeFi deposits and trading protocols hold 25, a gap of 15 points, and Yes trades at 50 cents. If the gap ends October at 17 points, Yes pays; if it narrows to 13, No pays. A fund that holds lending tokens buys No as a hedge, so that it is paid in the month its sector loses share.

How we settle. Deposits are read from the protocols' own contracts at the start and end of the month, and each protocol's sector comes from a published map that is fixed when the market opens, so that a reclassification during the month cannot move the result.

PICK THE RANGE

Each board slices one question into ranges whose prices add up to one dollar, and the range that comes true redeems for the full dollar.

BTC Month-End Range

PREDICTION MARKET

How it works. Rather than asking whether BTC ends October above or below one line, this board asks which of four price ranges it closes in, and it lists one token for each range. The four tokens are always priced so that they add up to one dollar, which means the price of each token is simply the market's estimate of the chance that BTC closes in that range. Someone who needs protection against one particular range, such as a desk with a large position that suffers below 70,000 dollars, buys that range alone.

UNDER 70,000	The give-it-back camp, and hedgers protecting against a slide.
70,000 TO 80,000	Roughly where BTC sits today.
80,000 TO 90,000	The recovery continues.

OVER 90,000	The strong-rally camp.

> EXAMPLE
>
> The board prices the four ranges at 15, 45, 30, and 10 cents. A desk that would be hurt by a fall buys 10,000 tokens of the under-70,000 range for 1,500 dollars. If BTC closes October at 68,500 dollars, those tokens pay 10,000 dollars and the other three ranges pay nothing. If BTC closes at 84,000, the 80,000-to-90,000 tokens pay a dollar each and the desk's 1,500 dollars goes to their holders.

How we settle. One closing price, the average of the Coin Metrics price over the last sixty seconds of October 31, falls into exactly one range, because the ranges share their boundaries and leave no gap. That range's tokens redeem for a dollar and the rest expire worthless.

BTC Volatility Range

PREDICTION MARKET

How it works. This board asks where BTC's 30-day realized volatility lands for the month ending October 31. Realized volatility measures how much the price actually moved, expressed as an annual percentage, and it sits near 38 percent today. The middle two ranges hold the real argument, and the top range is cheap storm insurance: a treasury that fears a violent month can own it for a few cents, while a market maker who expects calm can sell that protection.

UNDER 35 PERCENT	The quiet-market camp.
35 TO 50 PERCENT	The normal-crypto camp, where the number sits today.
50 TO 75 PERCENT	The turbulence camp.
OVER 75 PERCENT	Storm insurance: a crash month pays it.

> EXAMPLE
>
> The ranges trade at 30, 45, 20, and 5 cents. A treasury buys 20,000 tokens of the over-75 range for 1,000 dollars. If October brings a crash and volatility for the month prints at 82 percent, the tokens pay 20,000 dollars; in a normal month the 1,000 dollars is the premium paid for the insurance.

How we settle. Volatility is computed by the published formula from the Coin Metrics price over the 30 days ending October 31, and the range containing the result pays. Both the formula and the price series are public, so the figure can be recomputed to the decimal.

Knock-Outs This Quarter

PREDICTION MARKET

How it works. A knock-out is the event in which a RiskON token's epoch ends early because the underlying has fallen by roughly half from the epoch's start, and in six and a half years of backtests it has happened twice on ETH and never on BTC. This board asks how many knock-outs fire across our BTC and ETH RiskON tokens in the current quarter. None is the standing favorite in any ordinary quarter and the far range is a true catastrophe ticket, so the board as a whole reads as a live measure of how much tail fear the market is carrying.

NONE	The favorite in any normal quarter.
ONE	A single deep crash in one coin.
TWO OR MORE	The full-storm scenario, priced in pennies.

> EXAMPLE
>
> The three ranges trade at 90, 8, and 2 cents. A RiskOFF holder who knows that a knock-out is the one event in which RiskOFF can lose more than its floor buys 10,000 tokens of the one-knock-out range for 800 dollars. If a crash fires the ETH knock-out in November, those tokens pay 10,000 dollars.

How we settle. There is nothing to measure and nobody to ask, because a knock-out is an event our own SMART Token contracts write to the blockchain at the moment the barrier is touched. At the quarter's end we count the

recorded events across the named tokens, and the matching range pays.

03 Crypto's macro prints

Crypto's own scheduled numbers, such as the difficulty adjustment, hashprice, issuance, cost basis, and exchange flows, treated the way traders treat economic data releases. The table maps them to the prints traders already know, and the mining prints come first because miners already pay for this kind of hedge.

CRYPTO'S MACRO PRINTS, MAPPED TO THE ONES TRADERS ALREADY KNOW

TRADITIONAL PRINT	CRYPTO EQUIVALENT	WHERE THE NUMBER COMES FROM	WHO NEEDS THE HEDGE
The central bank decision	The difficulty adjustment, every 2,016 blocks	Block headers, from any full node	Miners, hosting firms, machine sellers
Producer prices	Hashprice, the revenue a unit of computing power earns per day	Difficulty, fees, the block subsidy, and the Coin Metrics price	Miners above all, who already buy this hedge over the counter
Inflation	ETH net issuance, new coins minus coins burned	Our own execution and beacon nodes	Stakers, and the rollups that pay for blockspace
Money supply	Stablecoin supply and its monthly change	Token contracts, with DeFiLlama as a cross-check	Yield protocols, market makers, issuers
The policy rate	The staking yield	A published external benchmark and the beacon chain	Stakers, liquid staking protocols, staking ETFs
Consumer confidence	The market's cost basis, and where the price sits against it	The full set of unspent coins plus a price series	Long-term holders hedging the top
Bank reserves	Coins held on exchanges, and the monthly net flow	Labeled wallets, from two licensed data providers	Exchanges, market makers
Margin debt	Open interest in futures, the total of leveraged positions	Exchange reports aggregated by Coin Metrics and Coinglass	Risk desks, and exchanges hedging their own revenue
Regional demand	The Coinbase premium, the US price against the offshore price	Exchange trade data we already license	US market makers, ETF desks
Inventory	Dormant supply, coins untouched for ten years that start to move	Coin ages, from any full node	Nobody hedges it; everybody watches it

MINING

Every 2,016 blocks, roughly every two weeks, the network recomputes its mining difficulty from the block times of the epoch just finished. The adjustment is usually a few percent either way and can swing past ten percent in a stressed year.

The Retarget Board

PREDICTION MARKET

How it works. Every two weeks the network adjusts its mining difficulty, and that adjustment is the closest thing crypto has to a scheduled central bank decision, except that it never leaks and never surprises anyone who has done the arithmetic. This board slices the size of the next adjustment into five ranges and relists at every retarget. Because the estimate tightens as the two-week epoch fills in, the board's prices sharpen day by day, and the last day is the liveliest. Miners are the natural hedgers, since a large upward adjustment cuts their share of the block reward, and hosting firms and machine sellers, whose business grows with difficulty, sit on the other side.

UNDER MINUS 3 PERCENT	The curtailment camp: heat, storms, or a shutdown late in the epoch.

MINUS 3 TO 0	A soft finish to the epoch.
0 TO PLUS 3	Steady growth.
PLUS 3 TO PLUS 6	New machines arriving on schedule.
OVER PLUS 6	Machines arriving faster than anyone expected.

> EXAMPLE
> Ten days into an epoch the running estimate points to plus four percent, so the plus-3-to-6 range trades at 55 cents and the over-6 range at 10 cents. A miner who would be hurt by a large jump buys 5,000 tokens of the over-6 range for 500 dollars. If a wave of new machines pushes the realized adjustment to plus 6.8 percent, those tokens pay 5,000 dollars; if the adjustment lands at 4.1 percent, the plus-3-to-6 tokens pay instead and the miner's 500 dollars was the cost of the cover.

How we settle. Settlement needs nothing but the chain itself. The difficulty of the first block after the retarget is divided by the difficulty of the block before it, both read from block headers that every full node stores, and the percentage falls into exactly one range. The estimate is never the settlement value; only the realized adjustment is. Trading closes one block before the retarget.

The Hashprice Ladder

PREDICTION MARKET

How it works. Hashprice is the number a miner lives by. It measures the dollars that one petahash of computing power earns in a day, and it rises with the coin's price and the fees in each block and falls every time difficulty climbs. It sits near 39 dollars today, its 30-day average sat near 35, and the industry treats 30 dollars as the pain line for older machines. Each rung of this ladder pays if hashprice closes below its line for seven consecutive days before October 31, and the rungs price like insurance premiums, with the 35-dollar rung a live argument and the 25-dollar rung a catastrophe ticket. Miners already buy this hedge over the counter; the ladder puts it on-chain and lets anyone take the other side.

BELOW 35 DOLLARS	A soft quarter: the coin flat and difficulty grinding higher.
BELOW 30 DOLLARS	The pain line for older machines, and the level miners hedge first.
BELOW 25 DOLLARS	A capitulation print that would empty warehouses.

> EXAMPLE
> The 30-dollar rung trades at 12 cents. A miner running 100 petahash, whose revenue at 30 dollars would be 3,000 dollars a day, buys 50,000 rung tokens for 6,000 dollars. If hashprice prints below 30 dollars for seven straight days in October, the rung pays 50,000 dollars, which replaces roughly two weeks of the revenue the miner has lost below the line. If hashprice holds above 30, the 6,000 dollars is the cost of the cover.

How we settle. Hashprice is arithmetic on four public inputs, and we publish the exact formula before listing: the expected number of blocks per day from the difficulty in the block headers, the block subsidy, the median fee per block read from our own node, and the Coin Metrics price. Our computation matched the published Hashrate Index within one percent on the day of writing. A rung pays once the daily series has printed below its line for seven consecutive days.

Miner Squeeze

PREDICTION MARKET

How it works. This market prices the chain reaction inside mining: if revenue falls far enough, does hash power actually leave the network? Yes pays only if two things happen in order before October 31. First, hashprice prints below 30 dollars for seven consecutive days, and second, the next difficulty adjustment after that seventh day comes in negative, which is the sign that machines were switched off. No pays in every other case, including the case in which hashprice never falls that far. Buying Yes is a bet that the fleet is running close to its costs; buying No is a bet that miners have hedges, cheap power, or the patience to run at a loss, or simply that the squeeze never comes.

YES	Miners hedging their own capitulation, and anyone who believes the fleet is running at the edge.

NO	Those who think cheap power and hedges keep the machines on, and anyone who expects no squeeze at all.

> EXAMPLE
>
> Yes trades at 10 cents, because both legs have to happen. A hosting firm whose customers would switch off machines in a squeeze buys 20,000 Yes tokens for 2,000 dollars. If hashprice spends the second week of October below 30 dollars and the next retarget prints minus four percent, the tokens pay 20,000 dollars. If hashprice never breaks 30, or breaks it but the retarget still comes in positive, the No side collects the 2,000 dollars.

How we settle. Both legs settle on numbers we already publish. The trigger reads our hashprice series, and the outcome reads the realized adjustment at the first retarget after the seventh consecutive day below the line, from the block headers. A frozen document pins the threshold, the seven-day rule, and the order of the two legs.

SUPPLY AND ISSUANCE

What the chain issues, what it burns, and which old coins begin to move.

ETH Net Issuance for October

PREDICTION MARKET

How it works. ETH pays new coins to validators every day and burns a slice of every transaction fee, and the difference between the two is the network's inflation. Right now issuance runs near 2,900 ETH a day while the burn has collapsed to a few dozen, because the base fee sits at a tenth of a gwei, so the supply has grown by roughly 80,000 ETH a month all year and has not had a deflationary month since March 2024. This board asks how much net issuance October adds. The low ranges are where a return of on-chain activity would show up, since a busy chain burns more, and the natural buyer of those ranges is anyone who pays for blockspace, because the month the burn rises is the month their costs rise.

UNDER 70,000 ETH	Activity returns and the burn wakes up.
70,000 TO 85,000 ETH	A modestly busier chain.
85,000 TO 100,000 ETH	The current pace, give or take.
OVER 100,000 ETH	Quieter still, with more validators collecting rewards.

> EXAMPLE
>
> The ranges trade at 10, 55, 30, and 5 cents. A rollup that pays for blockspace buys 10,000 tokens of the under-70,000 range for 1,000 dollars as a hedge on its own fee bill. If activity returns and October's net issuance is 64,000 ETH, the tokens pay 10,000 dollars in the month the rollup's costs jumped.

How we settle. Issuance is the sum of consensus-layer rewards over the month, read from our beacon node, and the burn is the base fee multiplied by the gas used in each block, read from our execution node, which is exactly how the public dashboards compute it. The difference is the settled figure, and nothing about it can be revised after the fact, because both inputs are written into the chain.

Dormant Coins Wake

PREDICTION MARKET

How it works. Nothing moves crypto's attention like an old wallet waking up. When 80,000 coins untouched since the network's earliest years moved in July 2025, it dominated the news for a week and the coins were sold within the month. Coins that have not moved in ten years are a public and exact quantity, and this market asks whether more than 10,000 of them move between listing and October 31. Nobody hedges this, but everybody wants a price on it, and the only person who can make it happen is the owner, whose Yes bet would be a bet on their own action rather than inside knowledge of anyone else.

YES	Traders expecting an ancient wallet, a government sale, or an estate distribution.
NO	Those who think the old coins stay where they are.

EXAMPLE

Yes trades at 20 cents. If a wallet last active in 2012 moves 15,000 coins on October 9, the market resolves Yes that day and a 2,000-dollar position pays 10,000 dollars. A quiet run to October 31 pays the No side.

How we settle. Every unspent coin carries the height of the block that created it, so the set of coins older than ten years is a list any full node can produce. We publish a daily count of the coins in that set that were spent, and the market resolves Yes the moment the running total passes 10,000.

COST BASIS

Adding up the price at which every coin last moved gives the market's cost basis, called the realized value, and dividing the market value by it gives MVRV, short for market value to realized value, which reads as how far the price sits above what holders paid.

MVRV at Month End

PREDICTION MARKET

How it works. Below one, the average holder is under water, which has marked every bear-market floor; above three has marked every cycle top. The ratio stands at 1.48 today against a range of 1.10 to 2.29 over the past year. This board asks where it closes on October 31, and it is a market on the cycle rather than on the price alone, because a rally that draws in new buyers at high prices raises the cost basis too and holds the ratio down. A long-term holder can use the lowest range as a cheap hedge on the one scenario that tests their conviction.

UNDER 1.0	The price falls below the average cost basis: a bear-market floor.
1.0 TO 1.5	Range-bound, roughly where it sits today.
1.5 TO 2.0	A healthy recovery.
OVER 2.0	A run at the previous highs.

EXAMPLE

The ranges trade at 8, 52, 35, and 5 cents. A long-term holder buys 10,000 tokens of the under-1.0 range for 800 dollars. If October ends with the price below the average cost basis, the tokens pay 10,000 dollars; in any other outcome the 800 dollars is the cost of the cover.

How we settle. The realized value is computed from the full set of unspent coins, valuing each at the Coin Metrics price on the day it last moved, and the market value uses the Coin Metrics price on October 31, so the ratio depends on no vendor's price feed. We publish the formula and the price series before listing. This needs a full node with a transaction index, which is a build item, and the daily MVRV series we already license from Coin Metrics serves as the cross-check.

FLOWS AND POSITIONING

Where the coins sit, and who is positioned which way.

The Monthly Net Flow Board

PREDICTION MARKET

How it works. Net exchange flow is the difference between coins deposited to exchanges and coins withdrawn from them over a month, and it is a clean read on whether holders are positioning to sell or to hold. The past month netted about 3.9 billion dollars of withdrawals, and over the past three years a month has ranged from about 6.9 billion out to about 3.1 billion in. This board asks which range October lands in. The market is monthly on purpose, because a single day's flow can be faked by a large holder depositing at midnight and withdrawing ten minutes later, while a month's net flow cannot be faked without leaving the capital on the venue.

OUT MORE THAN 5 BILLION	Heavy accumulation off the venues.
OUT 0 TO 5 BILLION	The typical month of the past two years.
IN 0 TO 3 BILLION	Coins moving toward the exits.

IN MORE THAN 3 BILLION	Distribution: the print that precedes a selloff.

> **EXAMPLE**
>
> The ranges trade at 15, 55, 22, and 8 cents. A market maker who reads heavy deposits as the signal for a selloff buys 10,000 tokens of the in-more-than-3-billion range for 800 dollars as a hedge on its inventory. If October ends with 3.4 billion dollars of net deposits, the tokens pay 10,000 dollars.

How we settle. Exchange balances depend on wallet labels, and the data providers publish them as lower bounds that are revised when a new exchange wallet is identified, so this market never settles on a single day's raw print. It takes the median of two licensed providers' monthly totals, read seven days after the month ends so that routine relabeling has landed, with transfers between wallets of the same exchange excluded. Listing waits on a data license that permits settlement use.

The US Bid Returns

PREDICTION MARKET

How it works. When American buyers lead a move, BTC trades slightly higher on Coinbase than on the offshore exchanges, and that gap, called the Coinbase premium, has been the market's favorite tell for institutional demand since the ETFs launched. It flips negative when the offshore market leads a selloff, and this year it set a record of about a hundred consecutive negative days from May to late August. This market asks whether the premium averages positive over October. A market maker who quotes across both venues earns from the gap and is a natural seller, and a fund that believes in a return of US demand is a natural buyer.

YES	Traders who expect US institutions to lead the next leg.
NO	Those who think the offshore market stays in charge, and cross-venue market makers hedging their book.

> **EXAMPLE**
>
> Yes trades at 40 cents, and a fund buys 10,000 Yes tokens for 4,000 dollars. If the premium averages plus 0.03 percent over October, the tokens pay 10,000 dollars; if it averages minus 0.02 percent, the No side collects.

How we settle. The premium is the Coinbase dollar price minus the price on the largest offshore exchange, sampled every minute from the exchange trade data we already license and reduced to a daily median so that no single print can decide it. The market settles on the average of October's daily medians.

LEVERAGE PRINTS, FROM COINGLASS

Coinglass aggregates open interest, funding, liquidations, and positioning across about thirty venues. Its liquidation totals undercount, it has no policy for restating a figure, and its terms require a license for commercial use, so these markets settle on our licensed Coin Metrics feeds where they exist and use Coinglass as the cross-check against a frozen list of venues.

The Deleveraging Event

PREDICTION MARKET

How it works. Leverage leaves the system in one of two ways, slowly as traders lose interest, or all at once when a cascade wipes it out. Open interest, the total value of leveraged positions open across the venues, fell by well over a third in the crash of October 2025. This market asks whether BTC open interest falls by twenty percent or more within any seven-day window before October 31. It is the cleanest tail hedge on the leverage cycle, because it pays on the purge itself rather than on where the price ends up, and a desk running leverage is its natural buyer.

YES	Risk desks and leveraged holders hedging the purge.
NO	Those who expect the quarter to de-lever gently, if at all.

> **EXAMPLE**
>
> Yes trades at 12 cents. A desk running leveraged positions worth ten million dollars buys 50,000 Yes tokens for 6,000 dollars. If a cascade cuts open interest from 45 billion to 34 billion dollars inside a week, the tokens pay 50,000 dollars, in the week the desk is being forced to reduce.

How we settle. The daily aggregate open interest across a venue list frozen at listing is scanned each day for the largest seven-day decline, using the licensed Coin Metrics series with Coinglass as the cross-check. A drop of twenty percent or more from any day's reading to any reading within the following seven days resolves Yes at that point, and a quarter without one resolves No.

The Liquidation Cluster Sweep

PREDICTION MARKET

How it works. Coinglass's liquidation map shows the price levels where large numbers of leveraged positions would be forced to close, and the biggest cluster below the current price is the level every trader watches, because a move into it feeds on itself. This market takes the largest cluster within ten percent of the price at listing, prints its level on the market, and asks whether the price trades through it within the week. A leveraged holder whose own position sits near that level can buy Yes as a hedge on the sweep that would take them out.

YES	Traders who expect the sweep, and leveraged holders hedging the level that would take them out.
NO	Those who think the cluster holds as support.

> EXAMPLE
> The largest cluster below the price sits at 74,000 dollars and Yes trades at 30 cents. A trader with a leveraged long that would be liquidated near that level buys 10,000 Yes tokens for 3,000 dollars. If the price touches 74,000 on Thursday, the market resolves Yes that second and pays 10,000 dollars.

How we settle. The cluster level is a strike, not a settlement value: it is read from the map at listing, printed on the market, and never changes. Settlement is a touch on the Coin Metrics price from listing to the week's close, so the first print at or through the level resolves Yes on the spot and a week that never gets there resolves No. Reading the map needs Coinglass's professional tier.

The Hyperliquid Whale Board

PREDICTION MARKET

How it works. Hyperliquid publishes every position on its own chain, so the positioning of its largest traders is public in a way no centralized exchange allows. Positions above a million dollars currently total about 10.6 billion dollars, about 47 percent of it long. This board asks what share of that whale notional is long at the month's close, in four ranges from a crowded short to a crowded long. It is a market on positioning risk, because a crowded long is the setup for a squeeze and a crowded short is the setup for a squeeze the other way, so traders on either side can hedge the crowd.

UNDER 40 PERCENT LONG	A crowded short: whales positioned for a fall.
40 TO 50 PERCENT	Balanced, roughly today's reading.
50 TO 60 PERCENT	Whales lean long.
OVER 60 PERCENT LONG	A crowded long: the squeeze setup.

> EXAMPLE
> The ranges trade at 15, 45, 30, and 10 cents. A trader who fears a long squeeze buys 10,000 tokens of the over-60 range for 1,000 dollars. If whales end October 63 percent long, the tokens pay 10,000 dollars.

How we settle. At midnight UTC on the last day of the month we read every open position above a million dollars of notional from the venue's public state, sum the long and short notional, and compute the long share. It is aggregate positioning, never a named account, and because the underlying state is public, anyone with the venue's API can reproduce the count.

04 Markets only we can settle

Markets that settle on numbers only our own systems produce: the volatility forecast, RiskON's fair value, the knock-out events, the figures on our Risk Dashboards, and a Risk Regime Index we could build. Another venue would have to build the same machinery before it could list any of them.

VOLATILITY AND CORRELATION

Realized Volatility versus the Forecast

PREDICTION MARKET

How it works. Each week the Risk Engine publishes a forecast of how much BTC and ETH will move over the coming week, and this market asks a single question: will the volatility that actually happens come in above the forecast or below it? Market makers earn fees while prices stay calm and lose money when prices swing, and nothing today protects them from that loss, so the Yes side, which pays in a wild week, is their natural hedge. Anyone who thinks our model is too nervous takes No. Every settlement is also a public test of the model, because the forecast is the strike and the week itself is the settlement.

YES	Market makers and liquidity providers hedging the loss they take in a wild week.
NO	Traders who think the forecast overstates the coming week.

> EXAMPLE
> The forecast for the week is 45 percent and Yes trades at 45 cents. A market maker buys 20,000 Yes tokens for 9,000 dollars. If the week turns wild and realized volatility prints at 68 percent, the tokens pay 20,000 dollars, which offsets the losses their book took in exactly that week. In a sleepy week at 32 percent, the 9,000 dollars goes to the No side.

How we settle. The forecast is stamped and frozen when the market lists. Realized volatility is computed after the week closes, by a formula published with the market, from the Coin Metrics price. Above the forecast pays Yes and below pays No, and both halves of the comparison can be recomputed from public material.

BTC-ETH Correlation Market

PREDICTION MARKET

How it works. Many trading strategies are safe only while BTC and ETH move somewhat independently, and in a panic everything moves together, which is exactly when those strategies break. This market pays if the two coins start moving in lockstep at any point in the month, defined as their 30-day correlation crossing 0.9. It might sit at 15 cents through a calm quarter and then, in the one week when everything trades as a single asset, pay a dollar at precisely the moment a market-neutral desk needs the money.

YES	Market-neutral desks insuring the moment all their hedges fail together.
NO	Traders betting the two coins keep their independence.

> EXAMPLE
> Yes trades at 15 cents. A desk running a BTC-versus-ETH strategy buys 20,000 Yes tokens for 3,000 dollars. If a selloff in October pushes the 30-day correlation to 0.93, the market resolves Yes that day and pays 20,000 dollars.

How we settle. The correlation is computed from the Coin Metrics price for the two coins, the same series that prices our SMART Tokens, using a formula published with the market. If the 30-day figure crosses 0.9 on any day of the month, the market resolves Yes, and a month without a crossing resolves No.

Cross-Asset Relative-Performance and Basis

SMART TOKEN

How it works. This card holds two SMART Token pairs, and each one turns a comparison into a single token. The first pair is about relative performance. A desk that thinks ETH will beat BTC over the month today has to buy ETH and short BTC, which means two positions, two sets of fees, and a margin account that can liquidate it. Instead, a pot is minted with a Long token and a Short token, and at the end of the month the pot is divided according to the

difference between ETH's return and BTC's return. The second pair is about our own marketplace. RiskON has a published fair value, called the NTV, that the Risk Engine computes every second, but RiskON trades on an automated market maker where its price can drift above or below that value. The second pair divides its pot according to the average gap between RiskON's traded price and its fair value over the week, so anyone who believes the market is over- or under-pricing RiskON can trade that belief directly, and the pair's own price becomes a live measure of stress in our market.

LONG	In the first pair, desks backing ETH against BTC; in the second, holders who think RiskON is trading cheap.
SHORT	In the first pair, desks backing BTC; in the second, those who think RiskON is trading rich.

> EXAMPLE
>
> In the relative-performance pair, Long and Short each deposit 100 dollars, so the pot is 200. The published rule is that Long's share moves by two dollars for every percentage point by which ETH beats BTC, with a floor and a cap of 30 dollars either way. If ETH rises 8 percent in the month and BTC rises 3, the gap is 5 points, so Long ends with 110 dollars and Short with 90. If BTC beats ETH by 5 points, the split is reversed. Nothing is borrowed and nobody can be liquidated, because the division is a formula applied to the pot at the end of the month. The fair-value pair works the same way: if RiskON trades on average 3 percent above its fair value over the week, the side that bet on a premium receives the corresponding share of the pot.

How we settle. For the relative-performance pair, the two returns are measured on the Coin Metrics price between the first and last minute of the month. For the fair-value pair, the gap is the average over the week of RiskON's traded price on our own market maker minus the NTV the Risk Engine publishes, and a single wick cannot decide it because the average runs across every minute of the week.

REGIME AND CONDITIONAL MARKETS

The first market needs something we could build: a Risk Regime Index, an hourly gauge of the market's mood from 0 to 100 sorted into five named regimes, from Capitulation to Liquidity Fragile, built from options pricing, leverage, and on-chain behavior, with its method published so that anyone can recompute it. The other two markets are conditional, and neither ever returns a stake, because when the condition never happens the No side has earned its premium.

The Regime Market

PREDICTION MARKET

How it works. Protecting a portfolio when the market's mood turns usually means rotating everything or stacking hedges, which is slow and expensive. This market offers the mood itself as a single position. It pays if the Risk Regime Index touches its Liquidity Fragile regime at any hour of the month, the regime in which prices look calm while the market underneath is brittle, and a treasury can hold it as a standing hedge on the mood rather than on any one asset.

YES	Desks and treasuries buying a hedge on the mood itself, one position instead of five.
NO	Sellers betting the calm holds.

> EXAMPLE
>
> The index reads 68 and calm, and Yes trades at 11 cents. A treasury buys 30,000 Yes tokens for 3,300 dollars. If the index flips into Liquidity Fragile for a single hour in the third week of the month, the market resolves Yes and pays 30,000 dollars.

How we settle. The index would publish a score and a regime label every hour under a method that is public down to every input and cutoff, so that an outsider could recompute any print. Settlement watches the hourly labels, and any print reading Liquidity Fragile during the month resolves Yes.

Knock-Out Gap Cover

PREDICTION MARKET

How it works. In an ordinary epoch RiskOFF cannot lose more than five percent, because its floor is written into the payoff. The one exception is a knock-out in which the price gaps through the barrier faster than the engine can

rebase, so that the pot is exhausted before the floor can be honored and RiskOFF, as the residual claimant on the pot, absorbs the shortfall. This market insures exactly that gap. Yes pays if a RiskON knock-out fires this month and RiskOFF settles below 95 percent of its epoch-start value, and No pays in every other case, including the ordinary case in which no knock-out happens at all.

YES	RiskOFF holders and structured desks insuring the one scenario in which the floor can fail.
NO	Writers who collect the premium while the scenario stays hypothetical, which is most months.

> EXAMPLE
> Yes trades at 3 cents, since a knock-out is rare and a gap beyond the floor is rarer still. A fund holding a million dollars of RiskOFF buys 100,000 Yes tokens for 3,000 dollars. If a crash fires the ETH knock-out and RiskOFF settles at 88 percent of its starting value, the fund has lost 70,000 dollars beyond its floor, and the tokens pay 100,000 dollars. In the usual month the 3,000 dollars is the cost of the cover and goes to the No side.

How we settle. Nothing here needs an oracle. A knock-out is an event our own SMART Token contract writes to the chain the second it happens, and the rebase that follows records RiskOFF's settlement value in the same transaction. The market reads those two on-chain entries and pays accordingly.

Contagion Parlay

PREDICTION MARKET

How it works. The real fear in a crisis is the chain reaction, where one shock sets off the next, and today you can bet on each shock alone but not on the link between them. This market pays only if two things happen within the month: total liquidations across the named venues cross 15 billion dollars for the month, and USDe, the largest synthetic dollar, trades below 99 cents for a full hour. The numbers are calibrated to history. A normal month sees 9 to 13 billion dollars of liquidations and only genuinely bad months cross 15, while USDe's deepest genuine depeg on record is about two percent and its issuer treats 99 cents as its own alarm line. No pays if either leg fails, including the case in which the liquidation leg never comes.

YES	Loopers and desks whose positions die when a cascade drags the peg down.
NO	Skeptics who think USDe's hedges survive a bad month, and anyone who expects a calm month.

> EXAMPLE
> Yes trades at 6 cents. A trader running a leveraged loop on sUSDe buys 50,000 Yes tokens for 3,000 dollars. If a cascade in October pushes the month's liquidations past 15 billion dollars and USDe then trades at 98.7 cents for an hour, the market resolves Yes and pays 50,000 dollars, on the day the loop is being unwound. If the month is calm, or violent but the peg holds, the No side collects the 3,000 dollars.

How we settle. Each leg reuses the feed its own standalone market runs on. The liquidation total comes from the licensed feed summed across a frozen venue list on an as-reported basis, and the USDe price comes from the Coin Metrics price of the dollar token, checked every minute with a sixty-minute rule. One frozen document pins both thresholds.

MARKETS FROM OUR RISK DASHBOARDS

Our Risk Dashboards already publish a one-day Value at Risk for each coin, volatility split into its upside and downside halves, the frequency of extreme daily moves, and the volatility of every sector, and each market below settles on one of those figures.

The 99 Percent VaR Breach

PREDICTION MARKET

How it works. Value at Risk is the loss line that a coin should fall below on only a stated fraction of days, and our tail-risk dashboard publishes it every day for BTC and ETH at the 95, 99, and 99.5 percent levels, using a model that adjusts to the current volatility rather than a plain average of history. A 99 percent one-day VaR should be breached about three days a year, so this market asks the question a risk desk asks of every model: does any day in October fall below the 99 percent VaR that the dashboard showed on October 1? Yes pays if the month contains a day worse

than the model allowed for, which is precisely the day a desk sized on that model gets hurt, and No pays if the model held.

YES	Risk desks hedging the day their own model turns out to be too calm.
NO	Those who trust the model, collecting in the months it holds.

> EXAMPLE
> On October 1 the dashboard shows BTC's 99 percent one-day VaR at minus 7.5 percent, and Yes trades at 30 cents. A desk that sizes its positions on that figure buys 20,000 Yes tokens for 6,000 dollars. If October 14 closes down 9.2 percent, the market resolves Yes and pays 20,000 dollars, on the day the desk's model failed. If no day in October falls below minus 7.5 percent, the No side collects.

How we settle. The VaR figure is the one our dashboard published at midnight UTC on October 1, frozen at listing. Each day's return is measured on the Coin Metrics price from midnight to midnight, and the first day whose return falls below the frozen figure resolves the market Yes. Both the published VaR and the daily returns are public.

Downside versus Upside Volatility

PREDICTION MARKET

How it works. Volatility measures how much a price moves, but it does not say in which direction, so our dashboards split it into two halves: the volatility of the up moves and the volatility of the down moves. A month in which the down half is larger is a month of sharp falls and slow recoveries, which is the kind of month that hurts a holder most. This market asks whether BTC's downside volatility exceeds its upside volatility over October. A holder can buy Yes as a hedge on a crashy month, and a trader who expects the rallies to be the sharper moves takes No.

YES	Holders and lenders hedging a month of sharp falls.
NO	Traders who expect the rallies to be the sharper moves.

> EXAMPLE
> Yes trades at 50 cents at the start of October. A fund that holds BTC and suffers most in fall-led months buys 20,000 Yes tokens for 10,000 dollars. If October's downside volatility prints at 42 percent against an upside of 33, the tokens pay 20,000 dollars; if the month rallies hard and the split is reversed, the No side collects.

How we settle. Both halves are computed by the formula our dashboards already use, which measures the size of the up moves and the down moves separately over the month's hourly returns on the Coin Metrics price. The larger of the two decides the market, and the dashboard's own published figures are the settlement values.

Extreme-Move Days in October

PREDICTION MARKET

How it works. Our dashboards count how often a coin moves more than five percent in a day, which is the number market makers care about most, because a five percent day is the day a hedged book bleeds. This board asks how many days in October see BTC move more than five percent in either direction over 24 hours, in four ranges. A market maker buys the high ranges as a hedge on a violent month, and a seller of volatility collects on a quiet one.

NONE	A quiet month.
ONE OR TWO	The ordinary month.
THREE TO FIVE	A turbulent month.
SIX OR MORE	A crisis month.

> EXAMPLE
> The ranges trade at 15, 45, 30, and 10 cents. A market maker whose book loses about 20,000 dollars on every five percent day buys 10,000 tokens of the three-to-five range for 3,000 dollars and 10,000 of the six-or-more range for 1,000 dollars. If October has four such days, the first position pays 10,000 dollars; if it has seven, the second pays instead.

How we settle. A day counts if the absolute change in the Coin Metrics price from one midnight UTC to the next exceeds five percent. We count the days in the month, and the range containing the count pays. The count is arithmetic on a public series, and the dashboard's own extreme-move statistic serves as the cross-check.

The Riskiest Sector

PREDICTION MARKET

How it works. Our sector dashboard measures the volatility of every corner of the market, from infrastructure and DeFi to gaming and meme coins, weighted by market value. This board asks which sector is the most volatile over October, with one range for each of the three usual leaders and one for any other sector. A fund concentrated in one sector can hedge the month in which its corner of the market turns out to be the wildest, and the board's prices read as the market's map of where the risk sits.

MEME COINS	The usual leader.
GAMING	The second most volatile sector in most months.
DEFI	Volatile when leverage unwinds.
ANY OTHER SECTOR	Infrastructure, networks, and the rest.

> EXAMPLE
>
> The ranges trade at 55, 20, 15, and 10 cents. A fund holding gaming tokens buys 10,000 tokens of the gaming range for 2,000 dollars as a hedge on the month its sector leads the volatility table. If October ends with gaming at 95 percent volatility against meme coins at 88, the tokens pay 10,000 dollars.

How we settle. Each sector's volatility is the market-value-weighted average of its members' realized volatility over the month, computed exactly as the sector dashboard computes it, with the sector map frozen at listing. The sector with the highest figure decides the board.

PARAMETRIC INSURANCE

Cover that pays on a measured trigger with no claims vote, always industry-wide and never a bet on one named project.

Oracle-Deviation Insurance

PREDICTION MARKET

How it works. Every lending app depends on a price feed, and when a feed breaks or is manipulated, users are wrongly liquidated through no fault of their own, a failure that nothing insures today. This market pays if a major price feed strays more than a stated distance from the true market price for longer than a stated number of minutes during the month. A borrower whose large loan rests on that feed can cover the exact malfunction that could wipe the loan out for a cent or two a month.

YES	Borrowers, loopers, and market makers whose positions depend on the feed.
NO	Sellers confident the feed stays honest.

> EXAMPLE
>
> Yes trades at 2 cents. A borrower with a five-million-dollar position that would be liquidated if the feed misprinted by three percent buys 250,000 Yes tokens for 5,000 dollars. If the feed prints three and a half percent away from the market for twelve minutes on October 14, the market resolves Yes and pays 250,000 dollars, whatever the lending app did to the loan in the meantime.

How we settle. We run a continuous comparison of the watched feed against the Coin Metrics price. The two thresholds, how far the feed strays and for how many minutes, are printed on the market before the first trade, and both price series are public, so anyone can lay them side by side and confirm the breach.

Aggregate Hack-Loss Cover

PREDICTION MARKET

How it works. Hack insurance today is bought one protocol at a time, is limited in capacity, and pays only after a committee votes on the claim. This ladder replaces all of that with an automatic trigger on the whole industry. Each

rung pays if total confirmed losses to exploits across all of crypto cross its line during the quarter: 250 million dollars, 500 million, or one billion. A treasury spread across a dozen protocols does not need to insure each one; it buys the rung that matches the size of quarter it fears, once, and is covered for the season with no claim to file. The rungs price like insurance premiums, with the highest line the cheapest, and their prices together read as the market's view of how dangerous the quarter will be. Because the cover is industry-wide, no protocol is ever named and no market is ever a bet on one project failing.

OVER 250 MILLION DOLLARS	A quarter with one large exploit or several medium ones.
OVER 500 MILLION DOLLARS	A bad quarter, the kind that hits a diversified treasury.
OVER ONE BILLION DOLLARS	A catastrophe quarter.

> EXAMPLE
>
> A treasury holding twenty million dollars across a dozen protocols judges that a quarter with more than 500 million dollars of industry losses is the kind in which one of its own positions is likely to be hit, and buys 200,000 tokens of the 500-million rung at the market's price. If losses cross 500 million in November, the rung pays 200,000 dollars, whether or not any of the treasury's own protocols were the ones hit. If the quarter stays below the line, the premium is the cost of the season's cover.

How we settle. A specification frozen at listing names the exploit trackers we count, what qualifies as a confirmed on-chain theft, and how each loss is priced in dollars. Through the quarter we keep a running public tally under those rules. A rung pays the day the tally crosses its line, and the tally is open to challenge for a day before payout.

BARRIER MARKETS

Markets that pay the instant a level is touched, which is possible because the same per-second monitoring that watches the knock-out barrier can watch any level.

Drawdown Protection Barrier

PREDICTION MARKET

How it works. Buying crash insurance through options is expensive, and the payout depends on where the price ends the month rather than on the crash itself. Each rung of this ladder pays a full dollar the instant BTC falls 15, 25, or 40 percent from the start of the month, even if the price recovers minutes later. The deep rungs cost a few cents in an ordinary month and pay in full in the one that matters.

MINUS 15 PERCENT	The ordinary correction.
MINUS 25 PERCENT	A liquidation-cascade month.
MINUS 40 PERCENT	The crash rung.

> EXAMPLE
>
> The 25 percent rung trades at 4 cents at the start of the month. A leveraged holder buys 50,000 rung tokens for 2,000 dollars. If BTC falls 26 percent from its month-open on the fifteenth and bounces back to minus 18 by the close, the rung still pays 50,000 dollars, because it fired at the touch.

How we settle. The Coin Metrics price is compared with each rung's level every second through the month. The first print at or below a rung resolves it Yes on the spot, the touch is written on-chain, and trading in that rung stops. A rung never reached expires worthless at the end of the month.

05 Risk events, made direct

The events people actually worry about, such as a depeg, a liquidation cascade, or a chain halt, made directly tradable. Today they can only be hedged through the price, which means being stopped out before being proven right, and these markets pay the moment the event fires.

PEG INSURANCE

Everyone holding a staked coin or a dollar token is exposed to the moment it slips below its backing, and depeg markets are already the most traded risk markets in crypto.

Staked-Token De-Peg Ladder

PREDICTION MARKET

How it works. stETH is supposed to be worth the ETH behind it, but in a panic it can trade at a discount, and that discount is what forces leveraged holders into fire sales, with no clean way to insure against it today. Each rung of this ladder is its own token that pays if stETH trades below 99, 97, or 95 percent of its backing for a sustained window at any point in the month. The rungs price like insurance premiums, with the deepest the cheapest.

BELOW 99 PERCENT	The wobble rung: pays on a modest, sustained discount.
BELOW 97 PERCENT	The rung a looper's loan is liquidated on.
BELOW 95 PERCENT	The panic rung, priced in pennies.

> EXAMPLE
> The 97 percent rung trades at 5 cents. A looper holding stETH as collateral against a loan that would be liquidated at a three percent discount buys 100,000 rung tokens for 5,000 dollars. If a panic prints stETH at 96.5 percent of its backing for the required window, the rung pays 100,000 dollars, on the day the loan is being liquidated.

How we settle. Two public numbers decide it. The staking contract states how much ETH stands behind each stETH, and the market price comes from the Coin Metrics price of stETH. The engine compares the two every second, and a rung pays only if the discount holds for the published window, so that one stray trade cannot fire it.

Stablecoin De-Peg Ladder

PREDICTION MARKET

How it works. Yield-bearing dollar tokens pay good interest, but their holders carry the risk that the dollar breaks, and the only defenses today are selling, which forfeits the yield, or shorting, which is hard to do. This ladder lets a holder keep earning and buy the protection separately. Each rung is its own token that pays if a major dollar token holds below 0.995, 0.99, or 0.98 dollars for a full hour.

BELOW 0.995	The first wobble.
BELOW 0.99	The issuer's own alarm line, and the level most holders hedge.
BELOW 0.98	The deepest genuine depeg on record.

> EXAMPLE
> A treasurer holding ten million dollars of a yield-bearing dollar buys 200,000 tokens of the 0.99 rung at 3 cents for 6,000 dollars, a small slice of the yield. If the token trades below 99 cents for an hour, the rung pays 200,000 dollars, which covers the loss on the holding at that price twice over.

How we settle. The dollar price comes from the Coin Metrics price for the token, sampled every minute, and a rung pays only when the price has held below its line for sixty consecutive minutes. Only large, liquid dollar tokens are listed, and the market speaks strictly about a price, never about whether an issuer is solvent.

SYSTEMIC AND COUNTERPARTY STRESS

The biggest fears in crypto have no hedge at all today, so these markets pay the moment the event fires.

Liquidation-Cascade Ladder

PREDICTION MARKET

How it works. When crypto falls hard, forced selling feeds on itself: leveraged traders are closed out, their selling pushes prices lower, and lower prices close out more traders. Nothing today pays out when that cascade arrives. Each rung of this ladder is its own token that pays if total forced liquidations across the named venues cross two,

five, or ten billion dollars in a single day during the month. For scale, the crash of October 2025 force-sold nearly twenty billion dollars in one day, a print that would have paid every rung.

OVER 2 BILLION IN A DAY	A rough day, the kind that arrives a few times a year.
OVER 5 BILLION IN A DAY	A cascade day.
OVER 10 BILLION IN A DAY	The full storm.

> EXAMPLE
> The five-billion rung trades at 6 cents. A trader running leverage buys 50,000 rung tokens for 3,000 dollars. If a single day in October liquidates 6.2 billion dollars, the rung pays 50,000 dollars, on the day the trader's own positions are under pressure.

How we settle. The daily total is read from the licensed liquidation feed, summed across a venue list frozen at listing, on an as-reported basis that the specification states plainly, because every feed undercounts in chaos. Coinglass's displayed total for the same day is the public cross-check.

Exchange Reserve-Health Market

PREDICTION MARKET

How it works. When people worry about an exchange, their only move today is to pull their money out, and everyone pulling at once is what creates the disaster. This market offers insurance instead of panic. It pays if a major exchange's published reserves fall by more than a stated share within two days, so a fund with a large balance on the venue can cover the event it fears without giving up its trading seat.

YES	Funds and treasuries with balances parked on the venue.
NO	Sellers confident the reserves hold.

> EXAMPLE
> Yes trades at 3 cents. A fund with fifty million dollars on the venue buys 500,000 Yes tokens for 15,000 dollars a month. If the venue's reserves drain by 25 percent over two days in October, the market resolves Yes and pays 500,000 dollars.

How we settle. Exchanges publish the wallet addresses that hold customer funds, and the blockchain shows their balances to anyone. We total the venue's published addresses on a rolling clock, and the address list is pinned when the market opens so that a venue shuffling wallets is handled by the written rules. It is strictly an outflow event, never a claim about solvency.

Chain Liveness and Bridge Market

PREDICTION MARKET

How it works. Blockchains stall, and the bridges that hold their deposits get drained, so anyone keeping money on a chain carries a risk that nothing currently insures. This market pays if the chain stops producing blocks for a set stretch of time, or if the bridge's deposits fall sharply, and a market maker running size on the chain holds it the way a shop holds fire insurance.

YES	Projects and funds deployed on the chain, buying standing cover.
NO	Reliability bulls collecting the premium.

> EXAMPLE
> Yes trades at 2 cents. A market maker with twenty million dollars deployed on a chain buys 400,000 Yes tokens for 8,000 dollars. If the chain halts for four hours in October, the market resolves Yes and pays 400,000 dollars.

How we settle. Block timestamps decide the stall and the bridge contract's balance decides the drain, both read directly from the chain, so nothing has to be interpreted.

Known dates and on-chain events, settled by reading a named source or the contracts themselves.

Spot ETF Net-Flow Print

PREDICTION MARKET

How it works. The weekly flow of money into the US spot BTC funds is the most watched measure of institutional demand, and today the only way to trade a view on it is to buy or sell BTC itself and carry all the price risk. This market strips the trade down to the number, asking only whether the week's net flow comes in positive, and it relists every Friday. Issuers and market makers whose business tracks the inflows are natural buyers, and a desk that expects a week of redemptions takes No.

YES	Demand bulls, and desks whose business tracks the inflows.
NO	Traders betting the demand stalls.

> EXAMPLE
>
> Yes trades at 65 cents after three strong weeks. A trader who expects a week of redemptions buys 10,000 No tokens at 35 cents for 3,500 dollars. If the week's flow prints at minus 240 million dollars, the No tokens pay 10,000 dollars.

How we settle. One named public tracker's weekly total is written into the market, along with the exact reporting week and the rule for a later revision, and anyone can open the same page and check the print.

Restaking Slashing Market

PREDICTION MARKET

How it works. Restakers can be penalized, or slashed, when a service they help secure goes wrong, and no product anywhere insures that risk. This market pays if total slashing penalties across live restaking services cross a set amount during the month. Its price tells the story in real time: Yes might sit at two cents for months, until a service misfires, penalties land on-chain, and those two cents become a dollar.

YES	Restakers insuring the tail they already carry.
NO	Sellers collecting the premium through quiet months.

> EXAMPLE
>
> Yes trades at 2 cents. A restaker with a million dollars of ETH securing several services buys 100,000 Yes tokens for 2,000 dollars. If a service misfires in October and penalties across the ecosystem pass the line, the tokens pay 100,000 dollars.

How we settle. A slashing is a transaction: when a service penalizes its operators, a contract executes the penalty and it lands on-chain with an amount attached. We sum the recorded penalties across the services named at listing. The reading is aggregate by design, and no market ever singles out one named service.

Upgrade Turbulence

PREDICTION MARKET

How it works. Network upgrades ship on target dates that slip constantly, and the week after an activation is often turbulent, as bugs surface and positions built for the old rules unwind. This market lists once an upgrade's activation block is known and asks whether realized volatility in the seven days after activation comes in above the Risk Engine's forecast for that week. Builders and operators who cannot hedge the turbulence today take Yes, and those who expect a smooth launch take No.

YES	Builders, operators, and market makers hedging a rough launch.
NO	Those who expect a smooth activation.

> EXAMPLE
>
> An upgrade activates on October 20 with the week's forecast at 50 percent, and Yes trades at 45 cents. A market maker buys 10,000 Yes tokens for 4,500 dollars. If the week after activation prints 64 percent, the tokens pay 10,000 dollars.

How we settle. The activation block is observable on the chain itself. The forecast for the following week is frozen at activation, realized volatility is computed from the Coin Metrics price over the seven days after the activation block, and the comparison settles the market.

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06 DeFi returns as markets

The returns people chase through staking, lending, and leverage, offered as markets on the rate itself, so that the holder gets the return without running the position. One of them is a SMART Token, because its payoff is a multiple of a rate; the rest are prediction markets.

LEVERAGE WITHOUT LIQUIDATION

Leveraged-No-Liquidation Carry Token

SMART TOKEN

How it works. The most popular way to boost yield in DeFi is the loop. A trader deposits ETH into a lending market, borrows ETH against it at a lower rate than staking pays, stakes what was borrowed, deposits that, and repeats. Each turn of the loop earns the gap between the staking yield and the borrowing cost, and a well-run loop multiplies a gap of one or two percent into a return several times larger. The danger is that the loop is built from loans, so a sharp fall in the price of the collateral, or a spike in the borrowing rate, can force the whole stack to be sold at a loss. This token delivers the multiplied gap without the loans. A pot of collateral is split between a Long token and a Short token for a 30-day epoch. At the end of the epoch the pot is divided according to the average gap over the month between the ETH staking yield and the ETH borrowing rate, multiplied by a published factor such as five, with a floor and a cap on how far the division can go. The Long holder receives the multiplied carry, the Short holder is paid for underwriting the floor, and because there is no loan, nothing can be liquidated in between.

LONG	Yield-hunters who run the loop today and want its return without the wipe-out.
SHORT	Calmer counterparties paid a slice of the yield to underwrite the floor, and anyone who expects borrowing costs to spike.

> EXAMPLE
>
> Long and Short each deposit 1,000 dollars, so the pot is 2,000. The published rule is that Long's share moves by five times the month's carry gap, with a floor at 950 dollars and a cap at 1,050. Suppose staking pays 3.5 percent a year and borrowing costs 2 percent, a gap of 1.5 points a year, or 0.125 points for the month. Five times that is 0.625 percent, so Long ends the month with 1,006.25 dollars and Short with 993.75, which is the same return a five-turn loop would have earned, without a single loan. Now suppose borrowing spikes to 6 percent in a squeeze, so that the gap is minus 2.5 points a year, minus 0.21 for the month, and five times that is minus 1.04 percent: Long ends with 989.60 dollars and Short with 1,010.40. In that same squeeze a real loop might have been liquidated, but here the worst Long can ever do is the 950-dollar floor, because the floor is a rule for dividing the pot rather than a margin call, and the Short side's cap is what pays for it.

How we settle. The staking yield comes from a published external benchmark and the borrowing rate is read directly from the lending pool's contract, both averaged over the 30 days, so the carry gap is arithmetic on two public series. The multiplier, the floor, and the cap are published before the epoch opens.

RATES AS MARKETS

Each board below asks where a rate lands for the month, and a holder of the underlying position buys the range that would hurt them.

The Funding Rate Board

PREDICTION MARKET

How it works. Leveraged traders pay a running fee, called funding, to keep their positions open, and collecting it is one of the best income streams in crypto, but doing so today means either holding a yield-bearing dollar with its own risks or running a hedged position that can be force-sold. This board asks where the average BTC funding rate lands

for October, expressed as an annual rate, in four ranges from negative to hot. Funding spent the first half of this year below zero, the longest such stretch since 2022, and has run near 6 to 7 percent annualized this quarter. An income seeker can buy the ranges that pay when funding is rich, and a holder of a yield-bearing dollar whose entire income is funding can buy the negative range as a hedge.

NEGATIVE	The crowded-short month: shorts pay longs.
0 TO 5 PERCENT	A quiet, balanced month.
5 TO 10 PERCENT	The healthy carry, where this quarter has run.
OVER 10 PERCENT	A hot month: longs paying up for leverage.

> EXAMPLE
> The ranges trade at 10, 35, 40, and 15 cents. A holder of five million dollars of sUSDe, whose yield comes from funding, buys 50,000 tokens of the negative range for 5,000 dollars. If October's funding averages minus 2 percent annualized, the tokens pay 50,000 dollars, replacing roughly the income the holder lost.

How we settle. Every eight hours we collect the funding prints the named exchanges publish, drop the highest and lowest, and roll the rest into one time-weighted average for the month, expressed as an annualized rate. The range containing it pays, and every print in the average is public.

Staking Rate Fixing, ETH or SOL

PREDICTION MARKET

How it works. The staking yield is crypto's savings rate, and earning it means running validator software, waiting in queues, and accepting a rate that drifts. This board turns the rate into a market: four ranges on the average ETH staking yield for October, which sits near 2.6 percent today. A staker who fears a weaker month buys the low ranges and has effectively locked in a fixed yield, and a fund that wants exposure to the rate without running anything buys the high ones. The same board runs for SOL.

UNDER 2.4 PERCENT	A weak month: more stake, fewer fees.
2.4 TO 2.7 PERCENT	Roughly today's yield.
2.7 TO 3.0 PERCENT	A busier chain, with more fees for validators.
OVER 3.0 PERCENT	A strong month.

> EXAMPLE
> The ranges trade at 20, 50, 25, and 5 cents. A staking pool with 100,000 ETH, whose income falls by about 100 ETH a year for every tenth of a point the yield drops, buys 40,000 tokens of the under-2.4 range for 8,000 dollars. If October's average yield prints at 2.3 percent, the tokens pay 40,000 dollars.

How we settle. A published external staking benchmark, named on the market, publishes the rate daily. We average its readings across the month, and the range containing the average pays. The number is produced outside our walls on purpose, because on a market about a public rate the venue should never mark its own paper.

Lending Rate Fixing, Aave or Morpho

PREDICTION MARKET

How it works. Lending crypto earns interest, but the rate never sits still. It can spike or collapse overnight, and when a pool is fully borrowed, lenders cannot withdraw at all. This board asks where a named pool's average borrowing rate lands for October, in four ranges, and a companion Yes or No market asks whether the pool freezes at any point in the month, meaning that utilization pins at the ceiling for a stated number of hours. A borrower can lock the cost of leverage by buying the high ranges, and a lender can hedge a freeze.

UNDER 4 PERCENT	Cheap leverage.
4 TO 6 PERCENT	Roughly today's rate.
6 TO 9 PERCENT	A busy pool.

OVER 9 PERCENT	A squeeze: borrowers paying up.

> EXAMPLE
>
> The ranges trade at 15, 45, 30, and 10 cents. A borrower with a ten-million-dollar loan, for whom every point of rate costs about 8,300 dollars a month, buys 50,000 tokens of the over-9 range for 5,000 dollars. If the rate spikes and averages 10.5 percent in October, the tokens pay 50,000 dollars, which offsets the extra interest.

How we settle. The pool's contract exposes its live borrowing rate and utilization to anyone who reads the chain. We sample those fields through the month and average them, and the freeze market fires only if utilization pins at the ceiling for the number of hours stated at listing.

Vault Yield Attainment

PREDICTION MARKET

How it works. Yield vaults advertise a number, and depositors find out the real one only after their money is in. This market asks whether a named vault delivers at least its advertised yield over the 30 days after listing, measured from its on-chain activity. A depositor can hedge the shortfall, and a skeptic can be paid for calling it.

YES	Depositors hedging a shortfall, and believers in the vault.
NO	Skeptics betting the real number lands below the advertised one.

> EXAMPLE
>
> A vault advertises 14 percent and Yes trades at 35 cents, because the market prices the real outcome nearer 9. A depositor with a million dollars in the vault buys 10,000 No tokens at 65 cents for 6,500 dollars. If the vault delivers 9 percent, the No tokens pay 10,000 dollars, more than covering the income the depositor missed that month.

How we settle. A vault only qualifies if its earnings live on-chain, where every fee collected and reward harvested is a visible transaction. We add those flows up across the 30 days under a formula fixed at listing and compare the result with the advertised figure frozen at listing.

07 How we settle all of it

One rule runs through everything here: a public number settles on a deterministic public source, and a number of ours is published as a governed benchmark before anything lists on it. The tables below carry the rules, the data we already hold, and what other venues have tried.

THE RULES EVERY MARKET FOLLOWS

RULE	WHAT IT MEANS
A block-height anchor	Every settlement names the block or epoch it was computed at, so that two people running the method get one answer.
A window sized to the noise	Hash rate is never a one-day number, which carries eight percent of luck, but an epoch average, which carries about two. Fees settle on a median, never a mean. Prices settle on a sixty-second average, never a single print.
A versioned method	The formula, the frozen venue and contract lists, and the exclusion rules are published with a version number, and a change takes effect only from an announced date.
A restatement cut-off	A settlement can be corrected for our own error within two business days and is final after that, which mirrors the regulated benchmark administrators. A vendor relabeling its data after the cut-off does not reopen a market.
A dispute window	Every settlement sits open to challenge for a day before payout, with the inputs published alongside it.

RULE	WHAT IT MEANS
A conflict bar	Issuers may not trade markets on their own supply, and exchanges may not trade markets on their own balances. The terms say so, and the aggregate design means no single one of them can decide a print anyway.
A close before the window	Trading stops before a settlement window opens, one block before a retarget and sixty seconds before an intraday close, so that nobody trades against a number they can already see forming.
No refunds	No market in this report returns a stake when an event fails to happen; one side always wins. A conditional market pays No when its first leg never fires, and a board on a launch carries a range for the launch not happening. The one exception is a feed failure inside a gauntlet, where no side has won anything yet.

WHAT WE CAN BUILD WITH THE DATA WE ALREADY HOLD

NUMBER	WHERE IT COMES FROM TODAY	WHAT IS STILL MISSING
The Coin Metrics price, per second	The Coin Metrics price series we already license and run	Nothing
Difficulty, the retarget, hashprice	Block headers and a fee median from our own node; our hashprice matched the published index within one percent	A node with a transaction index
ETH rewards, burn, net issuance, the staking queue	Our own execution and beacon nodes	Nothing beyond the nodes
Stablecoin supply	Token contracts on a frozen list of chains, with DeFiLlama as a cross-check	The frozen contract list
Open interest, funding, liquidations, realized volatility	Licensed Coin Metrics market data at five-minute and hourly cadence; Coinglass as the public cross-check	A clause in the license permitting publication as a settlement value
The Coinbase premium	Licensed exchange trade data	The same clause
MVRV and the realized value	Our license carries the daily MVRV series; the underlying cost basis needs a node with a full index of unspent coins	The cost-basis pipeline
Exchange balances and flows	Our license carries the daily series, marked as an underestimate and revisable	An enterprise license from two providers that permits settlement use
The volatility forecast, the NTV, knock-out events	The Risk Engine and our own contracts	Nothing
The Risk Regime Index	A design	The index itself, built and published with its method

WHAT HAS BEEN TRIED

Across every precedent, volume has followed a scheduled print from one authoritative source, a short horizon, and either a story or a captive hedger, while slow continuous numbers with no print have decayed to nothing.

PRODUCT	UNDERLYING AND VENUE	WHAT HAPPENED
Luxor hashprice forwards	Hashprice, over the counter, since 2022	Live and growing: volume up five-fold in 2024 and more than a hundred million dollars of notional by May 2025, with miners selling and lenders buying
FTX difficulty futures	Quarterly average difficulty, 2020	No hedger flow and a mis-specified underlying; gone with the venue
Alkimiya	Fee rates, sequencer revenue, and stablecoin supply, 2022 to 2025	Weekly volume fell from 189,000 dollars to 767 in one week; the liquidity never arrived

PRODUCT	UNDERLYING AND VENUE	WHAT HAPPENED
CESR and TESR swaps and futures	The ETH staking rate, since 2024	A benchmark with no liquid contract, and no volume published in two years
Polymarket USDC flips USDT	Stablecoin supply, 2024	6.2 million dollars, the largest pure-metric market ever listed
Kalshi Satoshi moves coins	Dormant supply, live through 2026	More than 220,000 contracts traded
Kalshi fifteen-minute BTC binaries	Price up or down on a sixty-second average	Close to two million contracts per window; crypto is more than a third of Kalshi's volume
Polymarket five-minute markets	Price up or down on a single oracle print, then an average	Nine billion dollars cumulative, and 8.2 million dollars extracted by traders who moved the print before the fix
Polymarket Strategy sells any coins	A company's disclosures, 2026	407 million dollars, then a dispute when a sale was disclosed after the window closed

CONSIDERED AND LEFT OUT

Markets on the direction of the price such as whether BTC is higher in an hour, whether a coin reaches a round number, or which of two coins outperforms, were left out because they are speculation on price rather than markets on risk, and every venue already lists them. The one board on BTC's month-end range is kept because a range board is a hedging tool for a position that suffers in one particular range.

SMART Tokens that duplicated a prediction market were left out, because wherever a pair and a market would have answered the same question, this report keeps the market, which is simpler to price, simpler to explain, and needs no collateral pot. That rule removed pairs on hashprice, difficulty, issuance, cost basis, exchange balances, the Coinbase premium, open interest, the staked share, and the yield and funding rates, all of which survive as markets.

Markets faster than a minute were left out because a five-second market is a race against the oracle, in which whoever sees the reference print first wins, so every fast market here runs for at least the day, closes trading before its settlement window opens, and settles on a sixty-second average.

Gas and blockspace fee markets were left out because the mean fee per transaction can be doubled by a single large payment, a mining pool can include its own high-fee transaction at no net cost, and the ETH tip market can be gamed by builders, so hashprice carries the fee signal on a median basis instead.

Company-controlled prints such as Strategy's weekly purchases, public miners' production, Tether's excess reserves, and exchange proof-of-reserve ratios were left out because a single company decides and announces each of those numbers, which makes every insider a trader with the answer.

Markets on a named whale, a named position, or a named person's track record were left out because a market on one account's liquidation price is a bounty on that account and a market on a named trader's record is a market that trader can throw, so positioning settles on aggregates here.

Vendor-derived indicators as settlement values such as liquidation heatmap levels, bull-market peak signals, and difficulty estimates were left out because they are one vendor's model with no second source, which makes them useful strikes to talk about and never settlement values.

Wash-prone activity counts such as DEX volume, TVL snapshots, active addresses, and transaction counts were left out because all of them can be inflated for a fraction of what a market on them would pay out.