BBGO White Paper

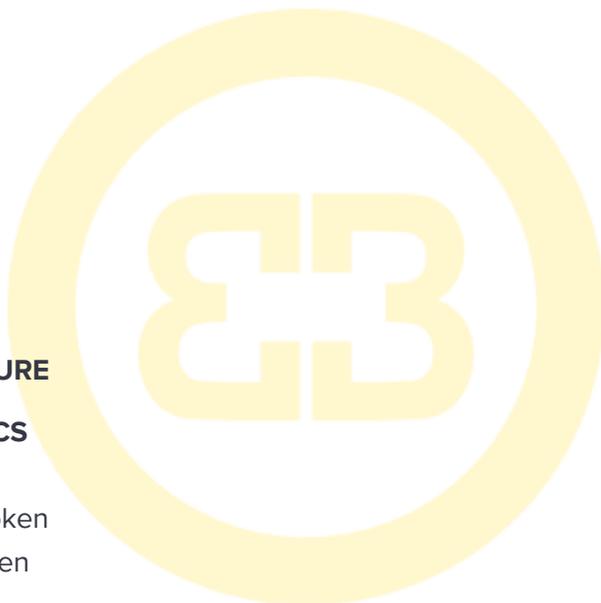**5th January 2022 - version 1**

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PURPOSE

The purpose of this document is to outline the bright points of the crypto trading product, so that our potential or current ecosystem participants could have a better understanding of the overall ecosystem, while not intending to constitute an offer of securities or solicitation for investment. There is no assurance as to the accuracy or completeness of such information and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information.

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OVERVIEW

Cryptocurrency trading, as a nascent market, has the benefit of being different from traditional financial trading. All transactions are transparently exposed to the public in real time - fees, token/option distribution, and even fiat input and output are traceable on chain, either recorded in transaction histories or in mempool. Other than that, trading in cryptocurrencies might potentially support higher transactions-per-second, volatility, liquidity and better infrastructure expendability than the traditional stock trading.

Trading in cryptocurrencies has been divided into two categories: strategies for the Centralized Exchanges (CEX), and strategies for the Decentralized Exchanges (DEX).

Centralized Exchanges (CEX) provides battle tested trading interfaces and high availability

- Limited trading information
- Limited access to the whole trading history and order book history
- Closer to stock exchanges
- 24/7 tradable

Decentralized Exchanges (DEX) ensure that everyone is able to

- List of any trading pair

- Any transaction sent to the blockchain will be recorded
- The exchange rate is decided by algorithm purely
- Much more arbitrage opportunities

BBGO could expose profitable trading opportunities by providing:

- latest market data
- technical analysis indicators
- back test on strategies
- cross-exchange price tracking
- on-chain analysis
- wallet asset management

A SELF-DEVELOPING ECOSYSTEM

Anyone could contribute to the open-sourced project, and receive BBGO tokens as the reward, anyone could raise issues with bounty to attract hunters to solve.

Several on-chain indicators will be charged from users by BBGO tokens in order to cover the server maintenance fees and developing cost.

TRADING

Even proficient traders sometimes make mistakes, either due to fatfinger, or not being able to reactively respond to the quick market changes. With automated trading, some human trading risks could be eliminated:

1. Stronger Mindset – Trade emotionlessly.
2. Fast Reaction – Fast response to rapid market movement.
3. Simulation – The back-test functionality to estimate the profitability of trading strategies before putting it to the real battlefield.

Automatic trading is not a panacea since the trend of the market is not always predictable. Do risk control on any investment you have done.

LIQUIDITY

Liquidity describes the degree to which an asset can be quickly bought or sold in the market at a price reflecting its intrinsic value. Currencies are universally considered the most liquid assets as they can be quickly converted into other assets, since the price is supported by the Central Bank in different nationalities. Tangible assets, such as real estate, fine arts, and collectibles, are all relatively illiquid. Other financial assets, ranging from equities to partnership units, fall into parts of the liquidity spectrum. Liquidity providers in traditional financial markets where usually large organizations, and end users usually don't have the chance to join.

With BBGO's built-in market making strategies, such as grid strategy or cross-exchange maker strategy, BBGO users get the power of providing liquidity on both decentralized exchanges and centralized exchanges, once you met the requirement of having lowest asset quantities to set orders in centralized exchanges or having enough gas to be burned in decentralized exchanges.

ROADMAP

Minor goals that have higher priorities in the meantime might be inserted in between and preempt the other tasks, such as big moves on the market, or security issues on our product.

For such cases, we are obligated to announce the information in both SNS platforms and our website.

Phase 1

1. Support futures market trading on at least one centralized exchange
2. Add futures related strategies.

Phase 2

- Add more Top 10 CEX exchange support. Chosen exchanges should have already been listed in CoinMarketCap.
- Add more market making strategies.

Phase 3

- Add more DEX support.
- Add more DEX related trading strategies

Phase 4

- Publish staking reward and referral reward mechanism

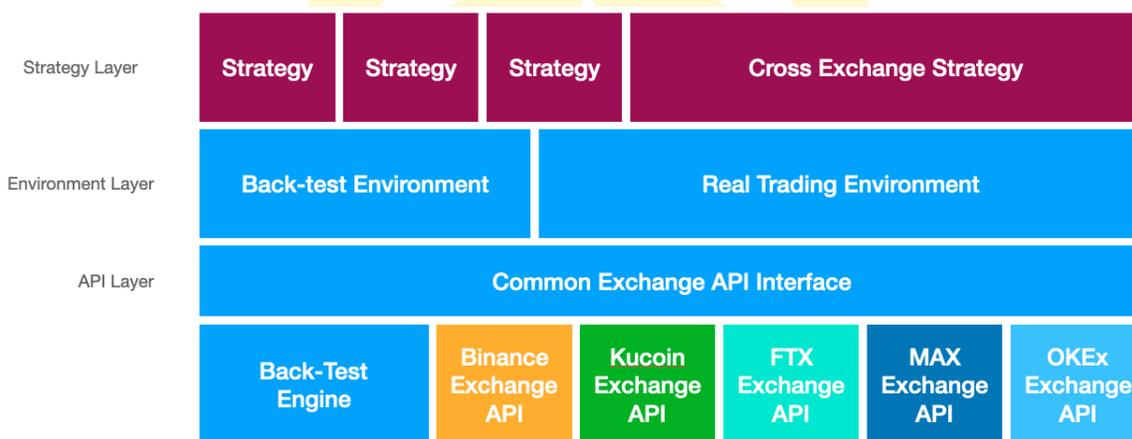### Phase 5

- BBGO trading bot hosting

THE CORE ARCHITECTURE

A trading bot is an automated computer program following predefined rules (strategy) to set buy/sell orders of different asset pairs. A complete trading bot solution should include not only the order management functionality, but also the back testing functionality and the Profit and Loss Statement of a specific range of time.

BBGO targets to be a product-ready trading bot solution for both organizations and individuals. With the architecture of BBGO, users can easily extend the functionalities by chaining underlying Common Exchange API to their own systems with the real time data fed in and without the need to maintain the stabliness of underlying API protocols in different exchanges.

The Common Exchange API Layer is designed to be extensible enough for different exchange protocols. Developers could create connectors to any unlisted exchanges easily by extending the API interface without rewriting the trading logic.

Strategy Layer	Strategy	Strategy	Strategy	Cross Exchange Strategy		
Environment Layer	Back-test Environment		Real Trading Environment			
API Layer	Common Exchange API Interface					
	Back-Test Engine	Binance Exchange API	Kucoin Exchange API	FTX Exchange API	MAX Exchange API	OKEx Exchange API

BBGO is composed of 3 layers:

- Strategy Layer – In this layer, users can define their strategies without knowing too many details of the underlying mechanism.
- Environment Layer – In this layer, the real trading environment can be replaced with a back-test engine powered environment for users to back-test their strategies without having the actual exchange up and running.
- API Layer – In this layer, exchange API can be easily extended or replaced with the kline-based back-test engine exchange.

BBG – THE TOKENOMICS

BBG token is designed to be the Utility/DAO/Liquidity token for the BBGO ecosystem, and is utilizable in multiple chains (Ethereum and Polygon). The total supply of BBG on different chains is locked at 10T, and holders could bridge the token to other chains at will. We do not limit holders from providing or removing liquidities on any exchange, and all the behaviors like buy, sell, transfer, or burn are all allowed without any restriction.

BBG as a DAO token

For developers contributing to the GitHub project, they can get an amount of BBG corresponding to their contribution.

In the ecosystem projects, issues are labeled with a quantity of BBG. When the issue is solved by a developer, the developer can provide a wallet address such as an ETH address or Polygon address to get the BBG token.

With the BBG token, you can join the core team and decide the future roadmap of the BBGO ecosystem.

BBG as a Liquidity Token

BBGO users, who run the market making strategies to provide the liquidity on DEX or CEX, can get their BBG token according to their maker's trading volume.

BBGO will provide a service that collects the trading volume information from users, and by the given trading volume, a fixed amount BBG token will be periodically distributed to users' wallets.
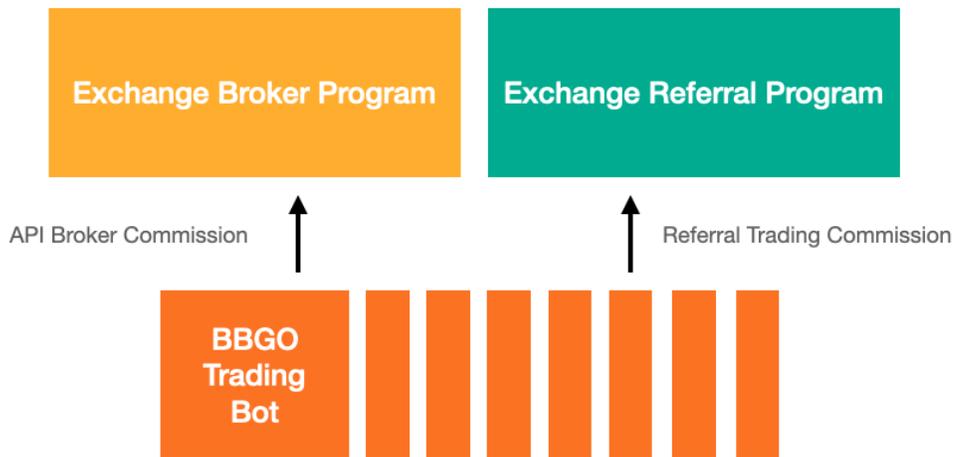
That is, BBGO users who made more maker liquidity on CEX or DEX can get more BBG.

Users running BBGO trading bot are also using the BBGO broker program to submit orders, these commission will be collected in the broker account, and these commission will be used to buy-back the BBG tokens from the liquidity pool as a cycle:
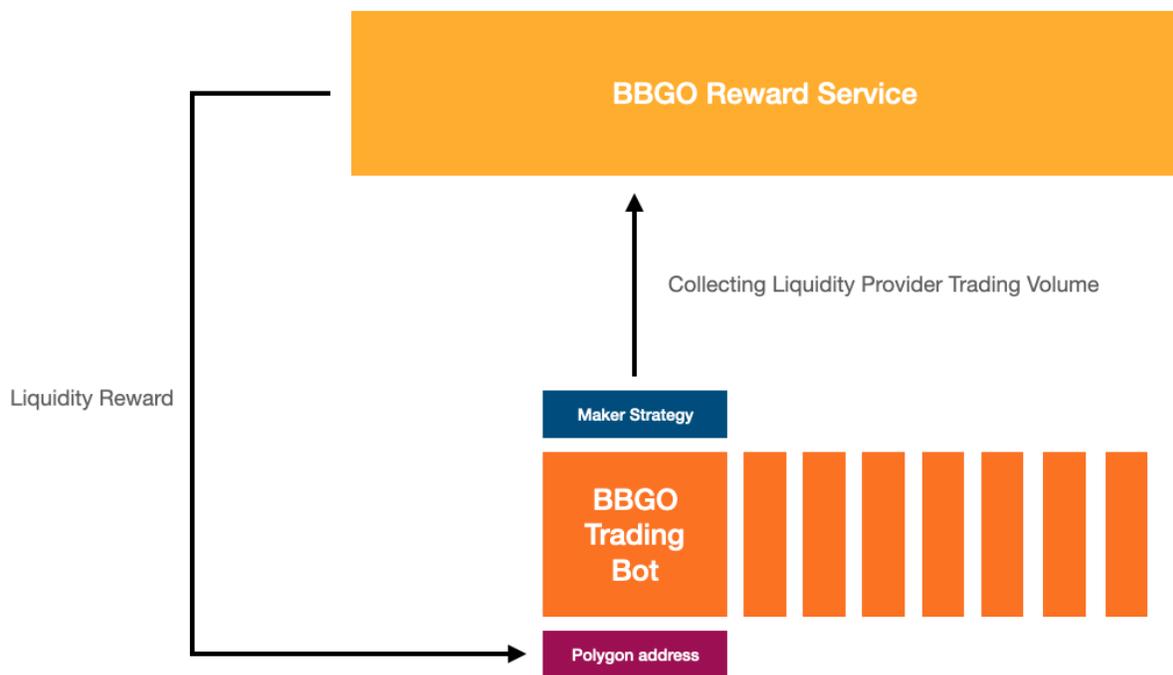
Currently, there are 2 types of commission, exchange referral commission and API broker commission, both depend on different crypto exchanges.

The orders submitted to the exchange carry the broker ID in the client order ID, so that the exchange broker program rebates the API broker.

Users who registered their account with BBGO's referral link are also supporting BBGO, the referral commission is from a part of users' trading fee.

In order to encourage BBGO users to provide liquidity on different exchanges, a reward service will be deployed for collecting the liquidity information, and the service will distribute a fixed reward per hour based on this liquidity volume information.
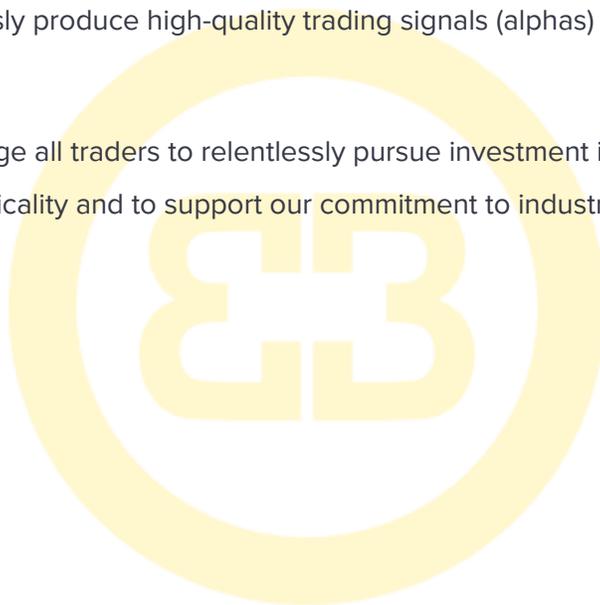
BBG as an Utility Token

BBG is a utility token which leverages Web3 — new models for building software, internet business and networks. It involves three fundamental parts: 1. Open Source 2. Distributed Execution 3. Integrate Revenue.

What value are we delivering?

BBGO helps professional traders develop and deploy systematic financial strategies across a variety of coins in global crypto markets 24/7/365, utilizing a proprietary research platform and risk management process.

One seeks to continuously produce high-quality trading signals (alphas) through our product, BBGO.

With BBGO, we encourage all traders to relentlessly pursue investment ideas with a spirit of intellectualism and practicality and to support our commitment to industry-leading efficiency.

FUTURE EXPECTATIONS

The StarCrypto team is planning to be the market maker for the crypto alt-coin market. We have built an impressive team and are deeply immersed in the crypto ecosystem.

We will work with token issuers to build up liquidity with their tokens, adding more stability and price discovery that may have not existed prior to market maker engagement.