FREQAI

Beyond the limits of ERC20-based trading

Since the creation of Uniswap, the premier Decentralized Exchange (Dex), the Ethereum network and specifically the ERC20 community or 'meme' coin space has seen unprecedented growth. Evolving into its own market, Meme coins have introduced new participants from around the world to trade in a new zero-sum game; completely separated from the regular cryptocurrency environment. After months of peak euphoria during the bull market, came months of despair, as the fire fueling this mania was dying with the decaying price of ETH.

What happened next is a case study for economists to research for decades. Within this new market, a new paradigm was established. With less and less market participants able to survive in the market, less tokens went into a parabolic price discovery or 'mooned.' When the option to simply hold a token and make life changing wealth no longer existed, participants found new ways to make money in an unregulated market.

The ability to create a new ERC20 token once reserved for Solidity coders became much more prevalent. Thus, the liquidity in the market became heavily diluted from the amount of new tokens created every day; fueled by more and more 'developers' entering for quick pump and dumps and other scams.

In the bull, innovative developers invented unique ponzinomics, brand new memes and other ideas to spark the imagination of an unhinged 'ape' anything market. In the bear market, where the average coin would die in less than an hour, even shady ideas like team controlling supply, were unable to prevent the new coins from inevitably going to zero. On some days, 99% of the coins launched were complete scams or completely dead before 24 hours. No longer was the market ripe for profit making. No longer were new participants thinking of entering a rigged game.

A new hero must emerge. A new form of trading must exist. The algorithmic intelligence of FREQAI delivers a desperately needed answer to this call.

What is algorithmic trading and why is it superior?

Algorithmic trading uses computer programs to execute trades based on a set of rules and parameters. The user no longer is trading based on 'Alpha' or random information. No longer is there an emotional element which can lead to subsequent revenge trading. No longer is there even a user error of misclicking or other human mistakes.

FREQAI Superiority arises from:

Consistency
Algorithms will always execute trades in the same way, without any emotional interference. Forget about the common human trader mistakes of 'FOMO', buying the top, or the infamous 'paper hand', panic selling the bottom. We have created a strict system and the FREQAI bot will apply it religiously.

Scalability
Our FREQAI algo backend can handle a huge number of trades at once and can be easily scaled up. The sky is the limit. Moon missions of the past can finally be revisited.

Backtesting
Trading strategies can be backtested on historical data to evaluate their performance. This takes out the guess work of: is this trading strategy profitable or not? Our strategies backtests are based on two years worth of historical data, detailed further below.

Risk Management
Thanks to the backtesting results and our understanding of different strategies, a portfolio running multiple strategies can be optimized to adjust volatility of the equity according to our preferences.

Overall, algorithmic trading increases efficiency, reduces errors, and improves trading performance.

What is a real yield protocol ?

Real yield is a yield that comes from the generation of real revenue. The alternative of real yield is yield created from ponzi schemes or unsustainable APY like the failed schemes of OHM and TIME. Such crazy yields tend to die out a few hours, days, or months after the launch of protocol depending on how well the scheme is sold to the market participants.

With FREQAI, the yield comes from real winning trades. Token holders do nothing, while our bots make winning trades providing sustainable passive income. Small wins, consistently compounding. No false promises. Real yield!

Our vision

The future of ERC-20 tokens is creating real revenue streams to incentivize buying and holding a token, not pump and dumps. We have seen this first hand in the overwhelming success of the GMX protocol.

Through the power of algorithic intelligence with our trading strategies, we plan on generating real yield for our protocol treasury and our token investors.

Giving access to signals and strategies to our holders will incentivize buying and holding the token. We will eventually have staking for passive income and make the bots available to our 1% token holders to import the API keys directly into their trading accounts. Advertising on mainstream social networks, through organic posts and paid ads will help us gain new investors and users from just the memecoin marketplace.

Signal groups, trading communities, and strategies sellers are flourishing businesses thanks the mass adoption and acceptance of trading cryptocurrencies and other assets.

With our expertise and our historically data driven trading systems, we believe it is possible to acquire a small piece of this multi billion dollar market place. We will be able to bring more volume and revenue than an average meme focused project with zero to no utility. We will given the investors of the space, a real product that is backed by real data not fake hype. FREQAI will finally be a bag you can sleep on in peace!
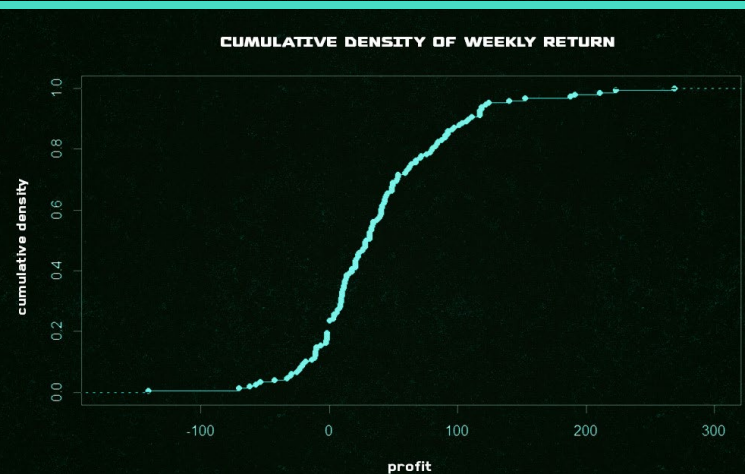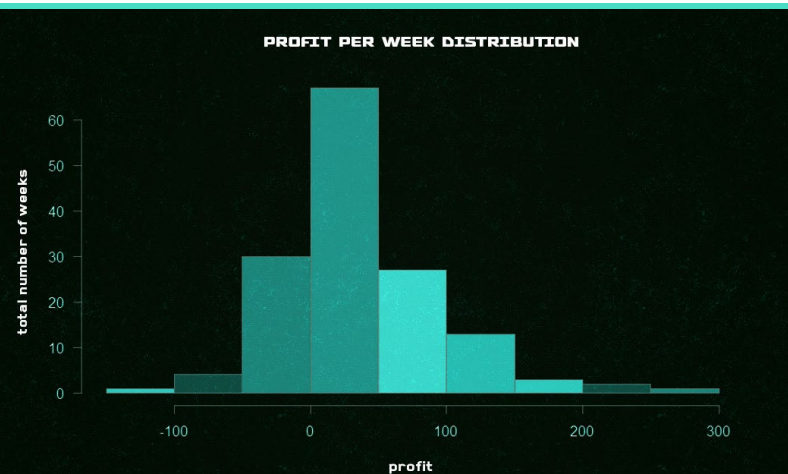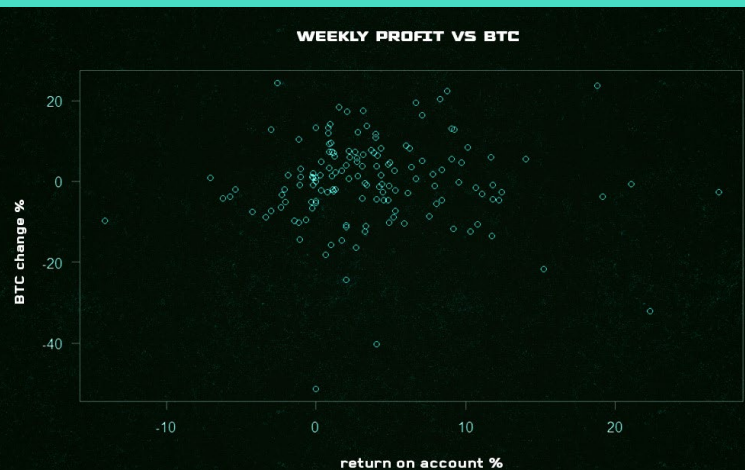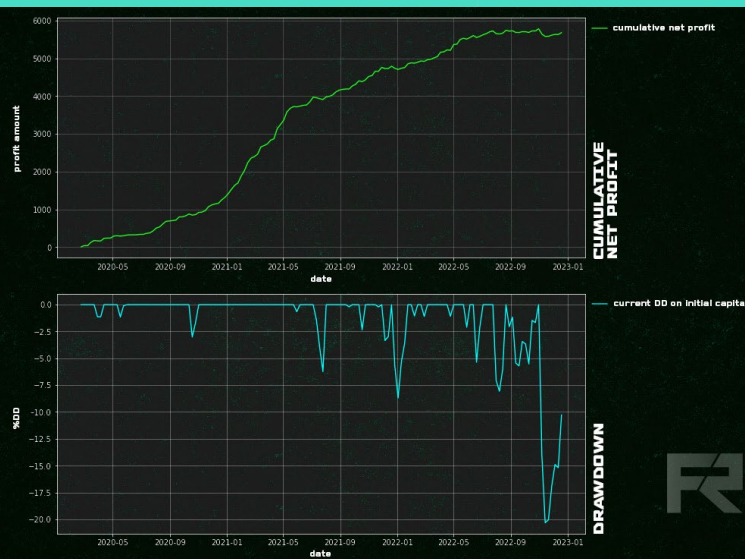
The Backtest

Our portfolio uses 3 complementary trading strategies. The Razor's Edge of FREQ AI is we will run THREE uncorrelated trading strategies with positive profit factors. Thus, our holders will be exposed to less volatility, can play the market up or down, and achieve profits no matter the market conditions.

The data sample used for the backtesting of each trading strategy is composed of THREE years of chart data of the top EIGHTY pairs with the biggest trading volume on BINANCE. Our portfolio will be composed of the three algo bots each running its own unique strategy not on brand new 'live pairs' but real crypto coin survivors. Using real data and analytics, FREQAI will be the future of passive income in Crypto!

Each individual strategy backtests starts with 1000$ equity and uses a fixed 100$ stack per trade.

COMBINED STRATEGIES

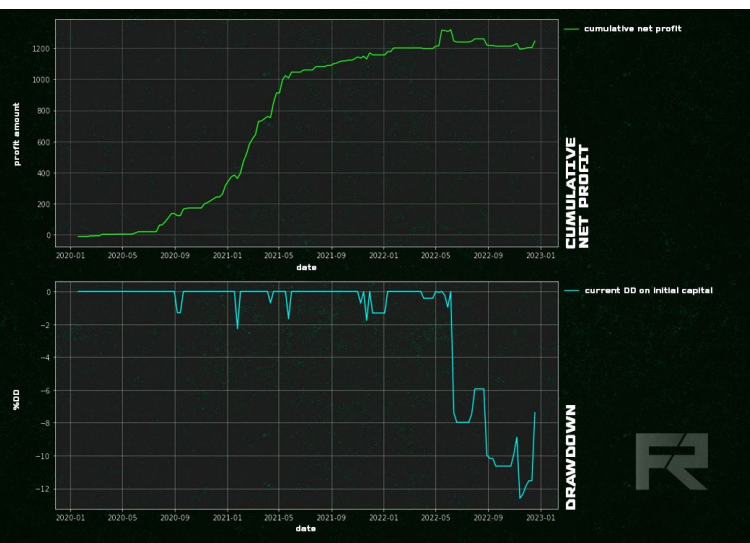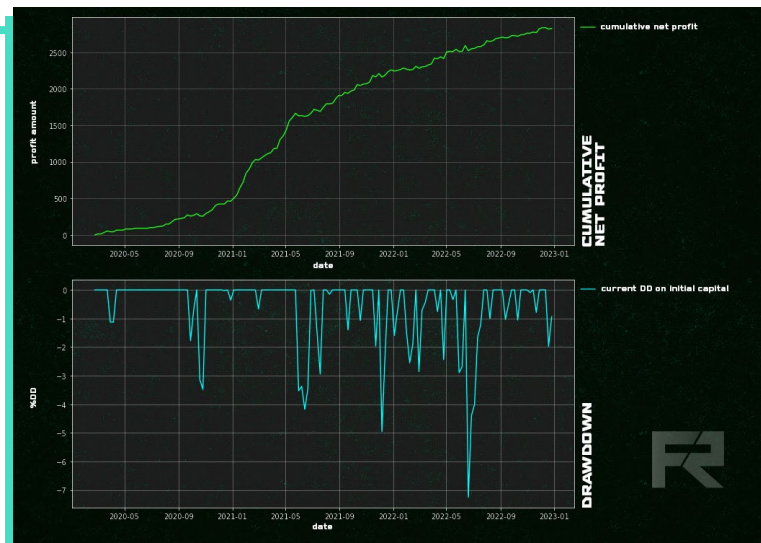Portfolio of the 3 strategies combined with our risk management and starting equity of 1000$:

CUMULATIVE NET PROFIT

DRAWDOWN

WEEKLY PROFIT VS BTC

PROFIT PER WEEK DISTRIBUTION

CUMULATIVE DENSITY OF WEEKLY RETURN

05 STRATEGIES

STRAT 01
Pullback Reaction Strategy

timeframe:
4H

winrate:
74%

total trades:
953

avg profit per trade:
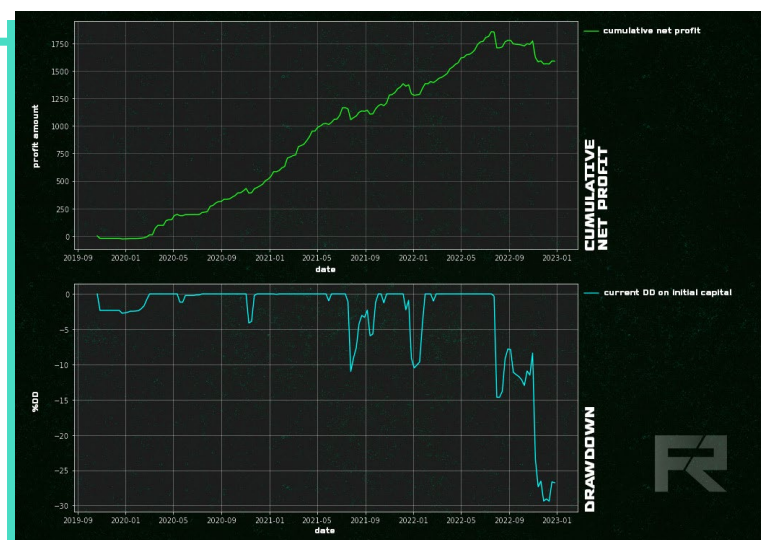**1.49%**

cumulative profit:
1417%

STRAT 02
The Balance of Imbalance

timeframe:
5M

winrate:
72.6%

total trades:
441

avg profit per trade:
1.89%

cumulative profit:
832%

STRAT 03
Persistent Imbalance

timeframe:
2H

winrate:
84%

total trades:
1829

avg profit per trade:
0.88%

cumulative profit:
1610%

FREQAI - Tokenomics

10%
10%
80%

1B TOTAL
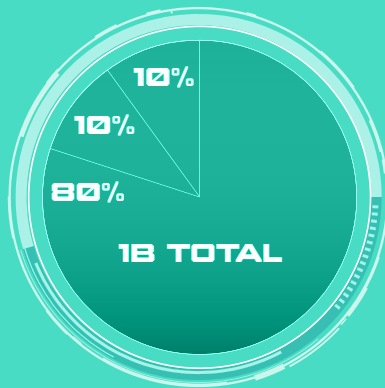
1 Billion Fixed Supply

80% Added to Uniswap LP

10% saved for the team to be staked in perpetuity of the project to collect APY rewards

10% allocated to an advisory panel presale

TX taxes

Buy tax: **6%** including **3%** to Treasury, **2%** to Marketing, **1%** to Development

Sell tax: **6%** all to Treasury

All Treasury Taxes will be used to trade by the FREQ AI trade bots as explained earlier in the white paper.

We will have 2 staking periods, a 30 day cycle and a 90 day cycle.

These profits at the end of each 30 day cycle will be split amongst all locked stakers. The treasury will then reset itself from the taxes accumulated.

For example, if during the first 30 day period, FREQAI collects $30,000 in taxes and makes $10,000 trading, we will then distribute $10,000 amongst all stakers, and restart the next cycle with the $30,000 from taxes.

At the end of each 30 days cycle, we will have the report of all trades taken and all taxes collected for holders.

An additional benefit for 1% holders who are staked for 90 days, we will offer our API for them to add to their own trading accounts to trade with their own money. We will verify their wallets thru collabland in separate telegram for these select holders.

The project is thus capable of generating REAL SUSTAINABLE YIELD!

Holders simply stake and are provided with effortless passive income.

DISCLAIMERS + NOTES

Whitepaper Version
1.1

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2022.02.16

Not Financial Advice

As you have read in this Whitepaper, extensive testing and tuning has gone into our automated algorithmic trading system. Yet, as with all financial trading, **past performance does not guarantee future performace**. Manage your risk appropriately, especially when leveraged trading is involved, and always DYOR.

Limit of Liability

As a decentralized system, we shall not bear liability for any losses users may incur while using or investing in FreqAI. All investors are responsible for all of their own losses incurred for any reason at any time, as is the normal risk assumed when trading decentralized cryptocurrency assets.

LINKS

Website:
https://freqtrade.ai/

Twitter:
https://twitter.com/freq_ai

Telegram:
https://t.me/freqai

Contract Addres:
0xB685145D7F127b9093d7f9278BaE902EF59Ff486

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