Orioswap Finance

A decentralized, swap-based, algorithmic margin trading mechanism

INTRODUCTION

Orioswap Finance is a swap based DeFi (decentralized finance) protocol which facilitates the margin trading of native swap tokens. Currently, there is no direct way to short or long these tokens despite the hundreds of millions of dollars of aggregated daily trading volumes that those projects attract and the $2 billion liquidity pooled in the protocol as of the time of writing. Orioswap Finance plans to solve this problem.

HOW IT WORKS

Lending

In Orioswap Finance , a central factory smart contract deploys lending pool contracts. That is, smart contracts which permit the lending of specific BEP20 tokens so that margin traders can borrow them for leveraged trading. Naturally, upon deployment of Orioswap Finance, there will be a default BNB lending pool created. This is necessary for the creation of a complete BNB denominated margin trading platform, since BNB must be lent for leveraged longs.

Orioswap Finance only permits the creation of lending pools for tokens that are trading within an OSF/BNB – OSF/BUSD swap pair. Lending pools cannot be created for tokens which are only trading within BNB,BUSD pairs on swap.

In Orioswap Finance, a lender creates a lending pool automatically by calling a function on the Orioswap Finance factory which checks that the BEP20-BNB pair is trading on swap, by querying swap's factory, while also ensuring that the lender seeds a sufficient amount of BEP20 tokens to the aforementioned pool.

There will be a restriction imposed upon which BEP20 tokens are eligible for the creation of a lending pool subject to the liquidity of the BEP20-BNB swap trading pair.
Unfortunately, a measure of decentralization will be sacrificed at this juncture, however this is a necessary preventative measure to combat the high-manipulability of lowliquidity pools.

Moreover, with onchain oracles so central to the functioning of our protocol, the effect of permitting free reign on the integration of swap pairs of low or dubious liquidity (e.g. pairs from fraudulent projects which are likely to have most of their liquidity pulled by an admin) could be catastrophic.

However, in the medium term we will liberate the process of approving the creation of lending pools from the governance of an admin, by subjecting this decision to a vote which users will be able to contribute to by burning/staking Orioswap Finance recognized governance tokens, this is expounded upon below.

All collateral from borrowers will be denominated in BNB. Although this sacrifices some flexibility, this is a necessary measure to ensure control of the margin trading process, as every asset valuation, which for example ensures sufficient collateralization from traders and sets the conditions for liquidations, within the protocol will be denominated in BNB.

Finally, lenders receive fees in the denomination of the asset borrowed. That is, BNB borrows will yield BNB [smart chain] fees and BEP20 borrows will yield BEP20 fees, distributed among borrowers proportional to their stakes in the according lending pools. Lenders will receive 0.4% fees enforced on margin traders upon the borrowing of assets.

Margin Trading

To begin margin trading a trader must stake BNB denominated collateral in a central account. No other asset beyond BNB will be recognized as collateral within the protocol. Once the appropriate collateral has been staked, the margin trader will be able to borrow BEP20 [BSC] tokens and BNB from relevant lending pools in order to open short or long positions respectively.

Orioswap Finance offers generous leverage within the range of 1x-5x depending on the liquidity of the BEP20-BNB swap trading pair and the soundness of the project which the BEP20 token represents. Orioswap Finance will thus permit a trader to borrow a multiple of the value of his BNB collateral in the relevant asset up to the maximum leverage multiplier available for the particular asset.

More specifically, to open a long position, a trader will borrow a multiple of his collateral in BNB up to the maximum leverage available for the BEP20-BNB swap pair, fees will be immediately deducted from the borrowed BNB and disbursed to BNB lenders in the BNB lending pool, and the trading contract will directly execute a transaction to purchase the BEP20 token in the BEP20-BNB swap pair.
Upon the closure of that position, either by the trader or through a forced liquidation, the borrowed amount of the BEP20 token will be directly sold on swap to reimburse the lender at which juncture fees will again be deducted (indeed fees are levied on each swap).

Alternatively, to open a short position, a trader will borrow a multiple of his collateral in the relevant BEP20 token up to the maximum leverage available for the BEP20-BNB swap pair, fees will be immediately deducted from the borrowed BEP20 in the denomination of the token, then disbursed to the BEP20 token lenders in the particular lending pool, and the trading contract will directly execute a transaction to purchase the BNB using the borrowed BEP20 token in the BEP20-BNB swap pair. Upon closure of that position, either by the trader or through a forced liquidation, the borrowed amount of BNB will be directly exchanged for the relevant BEP20 token, at which juncture fees will again be deducted.

Orioswap Finance margin trading engine is entirely contained within swap, thus, as the example above shows, all trades will be executed completely on chain. This creates a more decentralized system in comparison to the current approach of hashed trading parameters, delivered through a centralized API, exposed to far greater uncertainty in the execution of orders than an onchain direct-to-exchange approach.

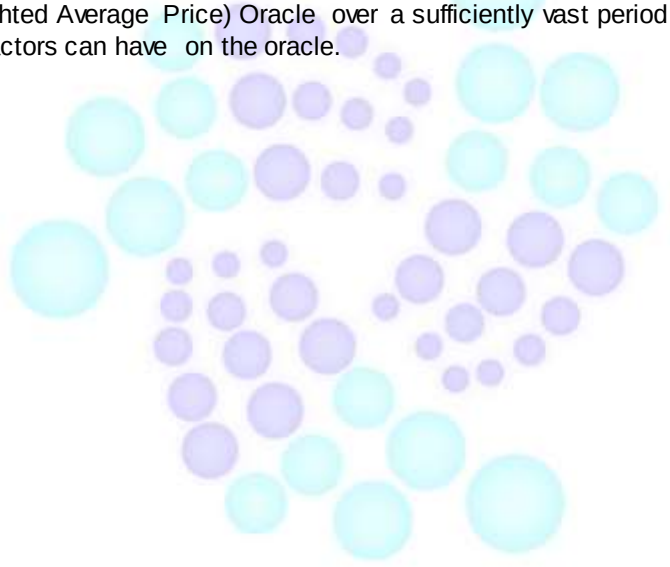
Liquidations

Orioswap Finance permits a trader to borrow a multiple of the value of his collateral in tokens up to a maximum leverage available for a particular swap trading pool. For example, let us assume that the exchange rate for BNB-Token A trading pair on swap is 1:50, and Orioswap Finance offers 3X leverage on that particular pair, a margin trader with 1 BNB deposited as collateral will be able to borrow 150 tokens.

Orioswap Finance will permit a 10% fluctuation against the value of a trader's position before enabling liquidation. Liquidations can be called by anyone.

Oracle

The intention for this project is to be as contained within swap as possible, and to uphold the philosophy of decentralization. Therefore we have elected to reject centralized oracles from sources such as Julswap and pancakeswap in favour of the direct, dynamic, innovative and robust swap TWAP (Time Weighted Average Price) Oracle over a sufficiently vast period to minimize the effect that manipulative actors can have on the oracle.



Coin Distribution $

Token Ticker -OSF

Total Token Supply – 100,000,000

Airdrop and Comnunity 20% [20,000,000]

Presale and leo 20% [20,000,000]

Liquedity 15% [15,000,000]

Staking program 20% [20,000,000]

Partnaship Ecosystem 05% [5,000,000]

Team 10% [10,000,000]

Other 10% [10,000,000

100% [100,000,000]

Governance

Decentralization is a principle which Orioswap Finance endeavours to uphold. So between OSF V2 of 2022, admin will be removed from the contract and instead governance will be liberalized

Orioswap Finance

Orioswap Finance is a full-service DeFi platform offering a suite of practical applications that empower people and organizations to easily and securely exchange cryptocurrency and digital assets using fully-audited, customizable smart contracts. Orioswap Finance saves time and money by greatly reducing the need for third-parties with services such as SmartSwap (trustless P2P transactions), SmartEscrow (trustless escrow), and SmartSubscriptions (time-released payments).

Orioswap Finance will enable OSF to conduct decentralized lending, as well as implementing a decentralized OTC desk for large volume trades. It will also provide token locks for the Orioswap Finance team to ensure longevity and sustainability of the projects tokenomics

ROADMAP

- Launch airdrop
- Token presale
- Pancakeswap listing
- Partnership
- Bithumb listing
- Airdrop distribution
- More exchange listing
- Burn token
- Launch OSF V2