



ARBITRAGE CRYPTO TRADER

WHITE PAPER

20.11.2017
version. 2.0

CONTENT

1. Introduction	3
2. Why arbitration does not work today	4
3. How Arbitrage Crypto Trader solves these problems	6
4. How it works	8
5. Token ARCT	11
6. The aim of Arbitrage Crypto Trader	13
7. Roadmap	14
8. ICO	15
9. Team	16

1. Introduction

Arbitration is one of the oldest trading strategies. Its popularity, both among traders and investors, is the existence of a small risk. The task is to purchase and simultaneously sell the same or sufficiently similar types of assets.

Before the advent of the Internet, arbitration took place approximately like this. Two traders kept a constant telephone connection between exchanges in Chicago and New York. When on one of the stock exchanges (for whatever reason) the price rose sharply, for example, sugar, and on the second exchange yet, where sugar was more expensive than it was sold, and bought at the second exchange. After a few seconds / minutes, when information about price changes came to all market participants, prices again equalized. And the traders just fixed profits.

Huge states were made on a fairly simple trading algorithm. But he "came to an end" with the advent of the Internet and a massive transition of exchanges to electronic commerce. As a result, people occupied robots. Today they are happy to arbitrate price deviations of 0.01% and even 0.001%, while people earned up to 10% on one transaction.

Traders of classic stock and commodity markets remain nostalgic about times that will never return.

However, the arbitration did not die definitively. He again in favor, thanks to the appearance of crypto currency. All of us see that right now quotations bitcoyna on different stock exchanges differ from each other by 1-5%. And for some of the Altocums, the difference can sometimes be as high as 50%.

2. Why arbitration does not work today

The simplest question that comes to mind to everyone, even a person far from trading: "Why are all those who trade crypto currencies have not yet become dollar millionaires"? After all, everything looks very simple. On one exchange, they sold crypto currency or tokens, bought another one, waited for price convergence and fixed profit.

1. Absence of liquidity on the exchanges

Impossibility to quickly buy an asset on one of the crypto-instruments, and on the other to sell it with a large volume. Because of this, there are practically no large players on the market, let alone funds that move prices in the stock market.

If any major player (seeing a difference in price between exchanges of 10%), try on one of them to sell the asset at \$ 10 million, and the other to buy for the same amount, he will get a monstrous slip, which as a result, in most cases will not earn 10% in arbitration, but on the contrary lose 10-50%

2. Problems with the introduction / withdrawal of large amounts on exchanges

In connection with the toughening of the fight against money laundering, the introduction of large amounts on exchanges becomes a problem for the client, the bank and the stock exchange itself. And often drags on for weeks and months. And when it comes to withdrawing money, things get even harder and longer.

As a result, large players not only can not find liquidity (p1.), They also can not quickly dispose of their money, introducing and withdrawing them to various exchanges for arbitrage transactions.

3. There is no understanding of how to technically conduct arbitration

As a result of problems with clauses 1 and 2, there are practically no institutional investors on the market. But in large numbers there is an audience, with insufficient financial education. For most people, it is a problem how to implement arbitration by hand, and to create a robot that can monitor price divergence and conduct transactions.

4. Insufficient infrastructure

Most terminals of crypto-exchange exchanges are in the Stone Age, in comparison with technical progress. For example, the charts of each trading pair can be loaded for a few seconds. And when you click on the "buy" or "sell" button, the transaction may hang for another few seconds. Constantly changing prices on several stock exchanges, they make you instantly make calculations "by eye," often making mistakes.

As a result, it is extremely difficult for a trader to obtain a benchmark result, which will be equal to the price split between the two exchanges.

3. How Arbitrage Crypto Trader solves these problems

1. Absence of liquidity on the exchanges

The terminal is imprisoned for work with any size of trade deposit. They can be used by both small traders and large institutional hedge funds. By the way, in the strategies of the majority of the latter, hedging of risks, that is, arbitration, is prescribed.

At the moment, due to the low liquidity of the crypto-currency markets, small and medium players can earn money using the platform, the smaller the size of orders, the more benchmark results Arbitrage Crypto Trader shows.

In the next 1-2 years there will be a liquidity explosion in the market, when the aggregator companies will solve the problems in the likeness of today's ECN, reducing liquidity from hundreds of different suppliers. After that, large speculators and funds will be able to enter the market using Arbitrage Crypto Trader in their trading strategies.

2. Problems with the introduction / withdrawal of large amounts on exchanges

The sharpening at the moment of the terminal for small traders, removes the problem of the arbitration strategy itself, connected with the withdrawal of funds.

For small deposits such operations take place within a few hours and even minutes.

3. There is no understanding of how to technically conduct arbitration

Arbitrage Crypto Trader does not require any deep technical or even financial knowledge from the client. He monitors the markets in 24/7 mode, looks for suitable formations for entering the transaction and waits for the trader to only one-pressing the "enter the deal" button. At the same time, on one exchange, a coin is purchased, for another it is sold.

To train trading with a terminal, it's enough to watch a video about his work. We do not specifically include in the base version of a large number of functions, so as not to create confusion. But for premium accounts, which will be used by professional traders, Arbitrage Crypto Trader creates a huge amount of space in the use of various types of orders and strategies.

4. Недостаточность инфраструктуры

Arbitrage Crypto Trader does not require the presence of charts, much less the expectations of their download. The platform receives quotes via web-sockets of exchanges in approximately this format (from the stock exchange to the exchange it differs):

Time - ticker –price - volume of the deal. For example:

14.05.37 BTCUSD 4560.34 1.3 Bitcoin

The receipt of this data, unlike the loading of charts in the terminal of exchanges, occurs almost without delay. And the risk with the execution of the transaction in time, is solved by setting a time lag, which cancels the deal if the lag value in seconds is exceeded at this time.

4. How it works

Our product is the trading terminal Arbitrage Crypto Trader. How does he work? We receive quotes from several crypto-exchange exchanges. The user chooses 2 of them, where he has a trade deposit. Then the pair of interest is selected. For example Bitcoin / Dollar or Ether / Dollar.

From the quotes received from each exchange, the terminal automatically calculates the average price difference in percent between the two exchanges. It's not a secret for anyone that on some exchanges the crypto currency is slightly more expensive, and on others it's slightly cheaper. The main reason is different rules of money entry / withdrawal + commissions for these transactions.

Suppose the average difference between the two selected exchanges is 1.5%. This means that the situation when on the exchange 1 bitcoin costs \$ 4,000, and on the other \$ 4,060, is standard, with a standard deviation of 1.5%.

The task of Arbitrage Crypto Trader is to monitor this discrepancy between 2 exchanges every second of the time. The indicator will constantly change, amounting to 1.6%, 1.2%, 2.4%, etc. The client sees this discrepancy in the terminal in the form of a line on the chart, as well as a changing percentage.

Further, depending on whether the trade is conducted by hands or in automatic mode, there are differences:

--Manual trading

The client keeps an eye on the change in the percentage or gets an alert about it. When he considers the scramble sufficient, he commits an arbitration transaction. On one exchange he buys a pair of Bitcoin / Dollar, and on the other sells it. After a while, the price returns to its standard deviation of 1.5%, and the client's deposit increases

-- Automatic trading

The client does not need to constantly spend time with the monitor. He deals with his own affairs, for example, goes to work, studies, plays with children. From it you only need to set the price breakdown between the exchanges in%, at which the algorithm automatically enters the transaction. For example during the day, Arbitrage Crypto Trader can conduct several such transactions, and the user will review the report on them and the profit in the evening.

What are the risks of the client?

The main advantage of arbitrage deals is the extremely small amount of risk assumed. Since there is a simultaneous purchase and sale of the same asset. The user just waits for the discrepancy between the two exchanges and enters the transaction. When this discrepancy returns to its historical mean values, it fixes profits.

The main risk of arbitrage transactions is that at some point in time this discrepancy will not return to its historical values (for any reason). For example, on one of the exchanges, the rules for input / output of money will change and the standard discrepancy will increase from 1.5% to 3.0%.

In this case, if the user is already in the transaction, he will incur a loss. Its size will be less than 1.5%, since the entry into the transaction in any case occurred when the value differed from the average in the larger side.

Further, a new average discrepancy of 3% is established and the user again receives profit from new transactions.

How does Arbitrage Crypto Trader make money?

The standard version of the platform for all users will be free. In this case, monetization is by using a small window with the ads displayed.

In case the customer wants to use the trading functions in 1 click or auto-trade, he has Premium packages to his services. In this case, payment for Arbitrage Crypto Trader services is set as a percentage for the volume traded in the form of ARCT, KickCoin, and Bitcoin tokens. In fact, this is the same commission that the client pays for any transaction on the stock exchange.

The main difference is that the customer pays the Arbitrage Crypto Trader commission, making almost any profitable trades. The actual size of the commission will be approximately 2-5% of the profit, depending on the volume traded.



5. Token ARCT

Arbitrage Crypto Trader ARCT token will be used in all calculations between platform users. This will form a constant increase in demand for it. If 1000 new users who buy premium packages come to the platform, they will have to pre-purchase ARCT tokens on the exchange, increasing the demand for them.

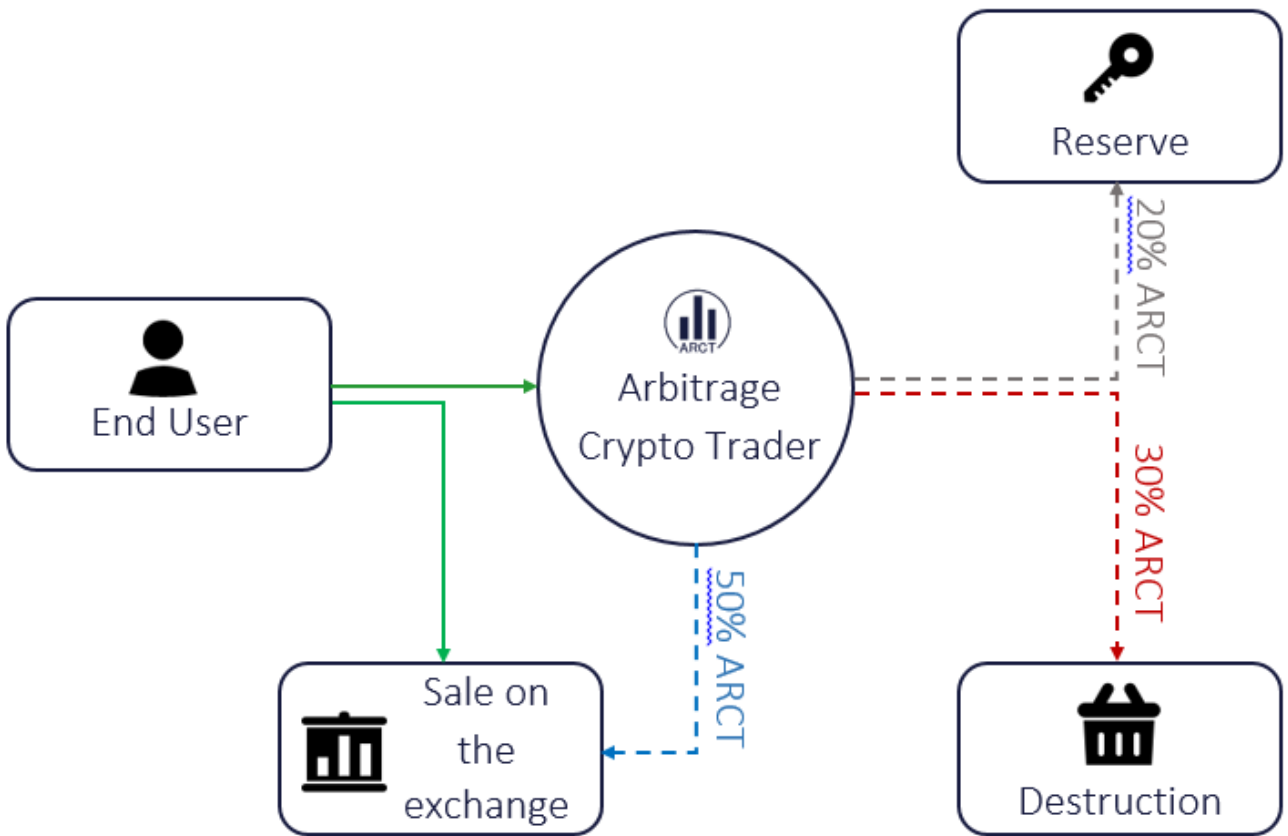
30% of the profit generated by the Arbitrage Crypto Trader platform will be lost, and 20% will be sent to the reserve fund, and the remaining 50% will be put up for sale at a price higher than the price of the holders of the token, which will increase the value of the token.

The ARCT tokens are placed in 2 stages: Pre-ICO and ICO. Their total stock is fixed. All tokens, which will not be redeemed at both stages of placement, are subject to destruction. Their additional emissions will never be conducted again. The ARCT is placed on the basis of the Ethereum smart contract.

The fixed number of issued ARCT tokens guarantees their buyer an increase in value as the demand for Arbitrage Crypto Trader services increases.

We also set the price for the traded package in Bitcoin, which will allow us to adjust the rate of ARCT relative to Bitcoin (the price in Bitcoin is constant, and the number of ARCT tokens required for payment decreases).

To get acquainted with the economic scheme of Arbitrage Crypto Trader you can see below.



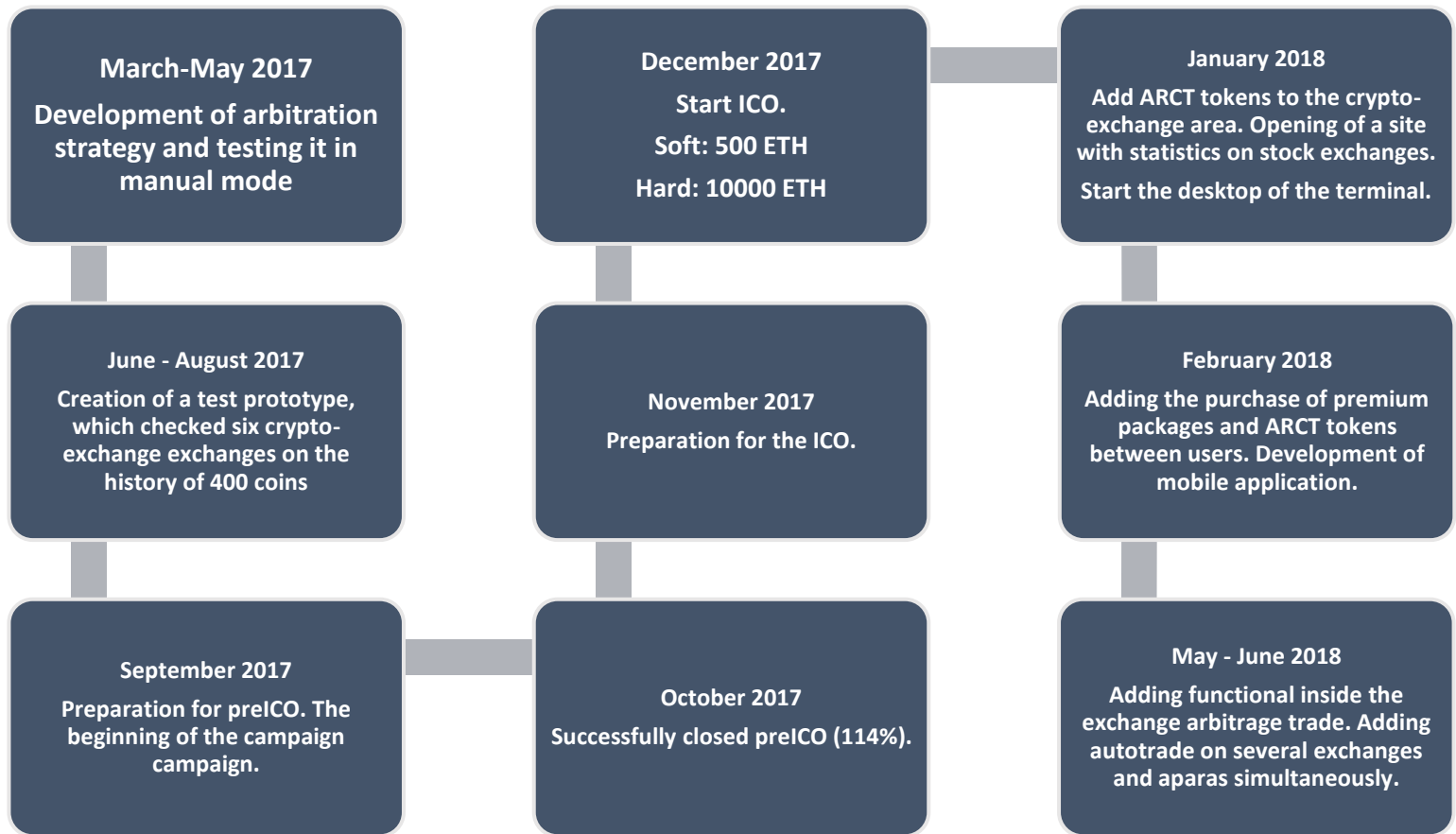
Pic. 1. The economic scheme of work Arbitrage Crypto Trader

6. The aim of Arbitrage Crypto Trader

Arbitrage Crypto Trader eliminates the huge market inefficiencies historically present in crypto-exchanges. The task of the platform is to redistribute the funds that platform owners take from customers in the form of large commissions and fees for entering / withdrawing money, in the direction of the clients themselves.

We believe that the benefits from the technology of blocking and the opportunities that crypto-currency trading provides are to be received by all users, and not by a narrow group of people who own exchanges.

7. Roadmap



8. ICO

Arbitrage Crypto Trader ARCT token is the only means of payment for terminal premium packages.

A total of 1,000,000,000 (1 billion) tokens will be issued. All coins that are not distributed by ICO results will be destroyed. The total number of remaining tokens will be distributed in proportion to the share of ownership.

The cost of tokens on Pre ICO: 1 ETH = 125.000 ARCT

Cost of tokens on ICO: 1 ETH = 75.000 ARCT

The minimum amount of fees is 500 ETH

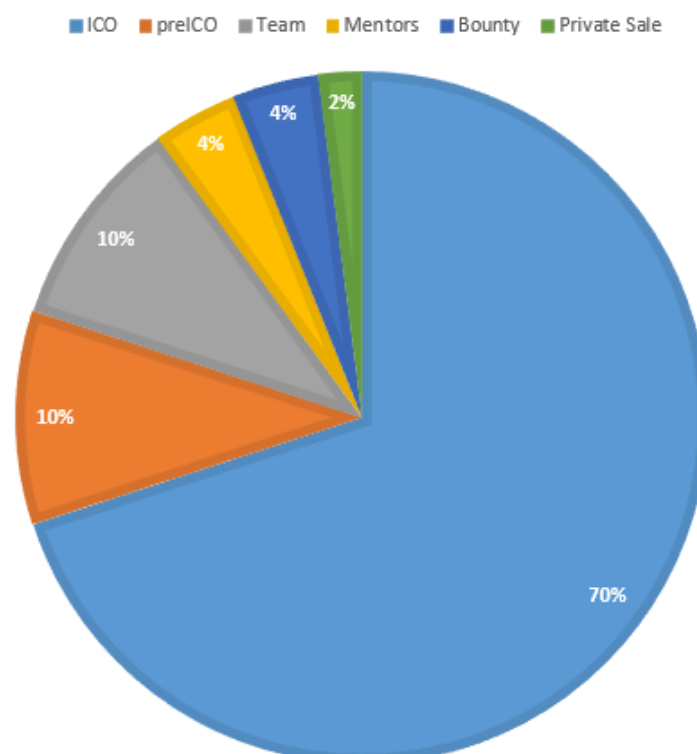
The planned amount of fees is 1000 ETH

The maximum amount of fees is 10000 ETH

If the minimum amount is not reached during the ICO, all credited money will be returned to the owners.

The team's share is frozen for 6 months without the right to sell.

Token distribution:



9. Team



Kirill Korzhenkov – CEO

Competencies:

Entrepreneur, trader, programmer, founder of "Arbitrage Crypto Trader".

Responsible:

Strategic planning, finance, improvement and adding functionality to the terminal.

About myself:

Was born in a provincial city of the Moscow region, since early years I am fond of IT - technologies. He started his career, like most of you, with enthusiasm for computer games, but soon after graduation cyber sport and IT technologies became a habitual way of earning and developing both yourself and the people around me. Work with online projects began in 2014 as a technical specialist. In parallel with working on the network, I studied programming, which helped to create our new and promising project "Arbitrage Crypto Trader". You will probably ask why the market is crypto-currency, the answer is obvious - great opportunities and unbridled spaces for the introduction of IT technologies into the work of the trader. I do not stop on the spot and always keep up to date, as my numerous participations in IT forums: "TB Forum 2014-2017"; «Infosecurity Russia 2013-2017» and many others.



Andrey Demyanov – Director of Marketing and PR

Competencies:

Marketer, an expert in information security, at the moment the head of the technical support team.

Responsible:

marketing, PR

About myself:

I started my professional activity in the field of IT, from work in a classified Russian organization in the role of an Information Security Specialist, and this subject completely and always won me over. Now I am the Head of the technical support team in an international corporation. Work in this role implies constant communication with subordinates and customers, which is my credo. During my time in IT, I launched many projects such as "Unidirectional data transfer", "Fund of algorithms and programs" and much more, for you nothing says the words, but believe these projects required a lot of strength and patience, for a successful launch and long work, the second is still on. I like to attend forums and various events related to IT, both as a guest and as a speaker, at one of such events we met with Kirill K. After a long conversation and a number of joint works, at the initiative of Cyril, a decision was made run the project "Arbitrage Crypto Trader". I see the development of this project on the crypto-currency market and I am confident in its development.



Vladimir Trembach - CTO

Competencies:

Programmer, trader, specialist in end-user technologies.

Responsible:

Functional development, maintenance and service development.

About myself:

I was born in a small town of Stupino, in the Moscow region.

His career in IT began in 2008, when he wrote his first site to order. When I realized that I like to create something new, unique, solve complex mathematical and logical problems - I decided to devote myself completely to this area.

For a long time I just wrote websites, worked for myself as a freelancer. I really liked to make people really quality products for adequate prices. After all, in our time, many do not even understand what they are paying for ...

At the moment I work in a large international IT corporation as an End User Technology expert and in parallel I run my web studio.

Under my leadership, more than 10 projects, developed personally by me from scratch, were launched and all of them successfully implemented in the infrastructure of customers.

Also, I wrote more than 80 websites to order and received a lot of positive feedback from customers.

After the offer to join the team Arbitrage Crypto Trader, I immediately agreed, without thinking, and do not regret it at all.

I'm sure that we will launch a really high-quality product and it will be successful.