

# Cryptoasset Arbitrage in global FIAT & Inter-exchange markets

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Prepared for:  
PROSPECTIVE CLIENT

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## What returns can I expect to earn annually with Crypto Arbitrage?

Average annualized performance	46.52%
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Crypto Arbitrage achieves high annualized returns at very low risk through cryptoasset arbitrage. Arbitrage is the process of simultaneously buying and selling cryptoassets in different markets to take advantage of differing prices for the same asset. Pricing varies because of supply and demand, which is influenced by access to information and, at times, regulation or capital flow inefficiencies.

## Where & how does Crypto Arbitrage achieve regular profits?

<p><b>FIAT arbitrage markets</b></p> <p><u>FAQs</u></p> <p>How does it work exactly? How does arbitrage on ZAR market work? How does arbitrage on NGN market work? How does arbitrage on KRW market work? How does arbitrage on JPY market work?</p>	<p>FIAT arbitrage markets happens in countries in which cryptoasset price premiums exist. Crypto Arbitrage has operational ability in these countries, such as; subsidiary companies, local financial intermediaries (Banking, Foreign Exchange &amp; Compliance), and local cryptoasset exchange accounts. This operational ability allows us to profit from the below-identified arbitrage opportunities.</p> <table border="1"> <thead> <tr> <th>Market</th> <th>Avg arbitrage premium</th> <th>Avg trade profit</th> <th>% of profitable trades</th> <th>No. Exchanges used</th> <th>Trades per month</th> </tr> </thead> <tbody> <tr> <td>South Africa (ZAR)</td> <td>2.92%</td> <td>1.05%</td> <td>100.00%</td> <td>6</td> <td>3 - 8</td> </tr> <tr> <td>Nigeria (NGN)</td> <td>35.62%</td> <td>3.29%</td> <td>98.60%</td> <td>7</td> <td>1 - 2</td> </tr> <tr> <td>South Korea (KRW)</td> <td>2.66%</td> <td>0.88%</td> <td>100.00%</td> <td>5</td> <td>1 - 3</td> </tr> <tr> <td>Japan (JPY)</td> <td>35.62%</td> <td>3.29%</td> <td>100.00%</td> <td>5</td> <td>1 - 3</td> </tr> </tbody> </table>	Market	Avg arbitrage premium	Avg trade profit	% of profitable trades	No. Exchanges used	Trades per month	South Africa (ZAR)	2.92%	1.05%	100.00%	6	3 - 8	Nigeria (NGN)	35.62%	3.29%	98.60%	7	1 - 2	South Korea (KRW)	2.66%	0.88%	100.00%	5	1 - 3	Japan (JPY)	35.62%	3.29%	100.00%	5	1 - 3
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<p><b>Exchange arbitrage markets</b></p> <p><u>FAQs</u></p> <p>How does it work exactly? What is intra-exchange arbitrage? What is direct arbitrage? What is loop arbitrage? What is triangular arbitrage?</p>	<p>Exchange arbitrage is a strategy whereby Crypto Arbitrage takes advantage of different spreads offered by exchanges for a particular cryptoasset pair by making trades without converting to any form of FIAT currency. Different spreads imply disparities between the bid and ask prices. Therefore, to profit, we buy and sell cryptoasset pairs from other brokers to take advantage of the mispriced rates.</p> <table border="1"> <thead> <tr> <th>Market</th> <th>Avg arbitrage premium</th> <th>Avg trade profit</th> <th>% of profitable trades</th> <th>No. Exchanges used</th> <th>Trades per month</th> </tr> </thead> <tbody> <tr> <td>Intra-exchange</td> <td>0.25%</td> <td>0.13%</td> <td>92.65%</td> <td>1</td> <td>2 - 5</td> </tr> <tr> <td>Direct</td> <td>0.54%</td> <td>0.45%</td> <td>100.00%</td> <td>37</td> <td>5 - 8</td> </tr> <tr> <td>Loop</td> <td>0.33%</td> <td>0.29%</td> <td>100.00%</td> <td>37</td> <td>3 - 6</td> </tr> <tr> <td>Triangular</td> <td>0.61%</td> <td>0.53%</td> <td>100.00%</td> <td>37</td> <td>5 - 8</td> </tr> </tbody> </table>	Market	Avg arbitrage premium	Avg trade profit	% of profitable trades	No. Exchanges used	Trades per month	Intra-exchange	0.25%	0.13%	92.65%	1	2 - 5	Direct	0.54%	0.45%	100.00%	37	5 - 8	Loop	0.33%	0.29%	100.00%	37	3 - 6	Triangular	0.61%	0.53%	100.00%	37	5 - 8
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## Crypto Arbitrage service - High level overview

Percentage of profits derived from arbitrage markets



### Tranche information

Tranche size	\$9,558,634
Number of clients	550 - 570
Tranche cap	\$20,000,000
Profitability	99.70%

### Minimum contribution amounts\*

Initial lump sum per client account	\$1,000.00
Additional lump sum	\$1,000.00

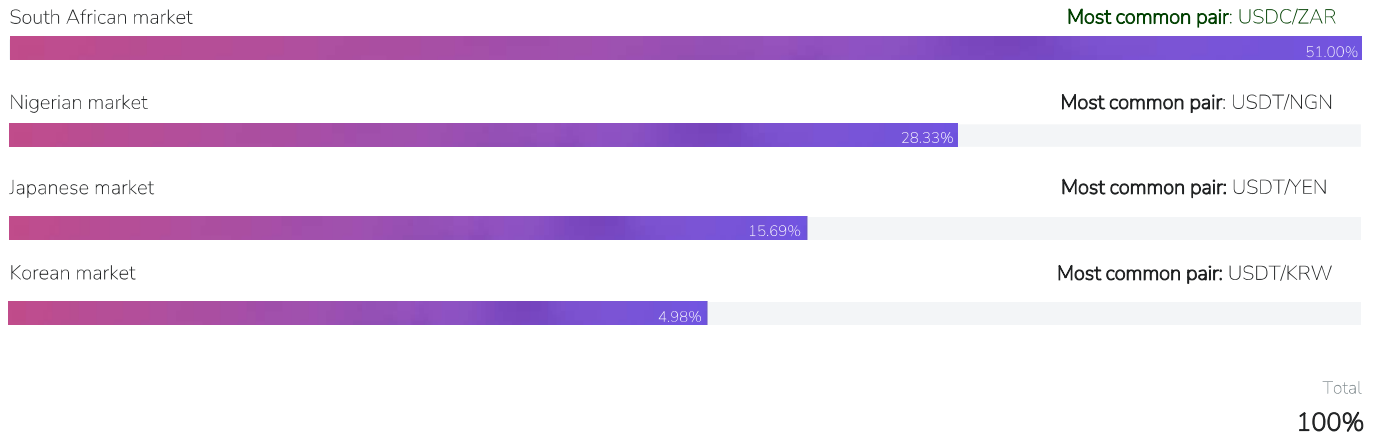
\*Lower contribution amounts may apply if negotiated with Crypto Arbitrage support. Please send a request to funding@cryptoarbitrage.tech if you wish to contribute less.

\*\*Contributions can be made by USD, EUR, GBP or JPY bank transfer, or by cryptoasset deposit in the following currencies: USDT, USDC or DAI.

## FIAT market arbitrage

The percentages shown below equate to the rate of total arbitrage trades completed in a specific market and FIAT currency. Therefore, it is essential to consider the market and most common cryptoasset pairing to understand where Crypto Arbitrage executes its FIAT arbitrage trades.

### FIAT arbitrage breakdown



## Exchanges used in FIAT market

A cryptoasset exchange is a platform on which you can buy and sell cryptocurrencies. For example, exchanges are used for trading one cryptoasset for another — converting Bitcoin to US Dollars for example. Crypto Arbitrage only uses the best cryptoasset exchanges in the countries in which FIAT arbitrage markets exist.

Market	Primary US exchange	Primary EU exchange	Local exchanges			
South Africa (ZAR)	CIRCLE	kraken	VALR	OVEX	LUNO	coindirect.
Nigeria (NGN)	FTX	kraken	AIJACRYPTO	quidax	LUNO	BitPesa
South Korea (KRW)	FTX	kraken	bithumb	korbit	UPbit	Huobi Global
Japan (JPY)	FTX	kraken	bitFlyer	BINANCE	Coincheck	Huobi Global

## FIAT market summary and objective

The FIAT market trades cryptoassets for national currency in markets that provide the opportunity for an arbitrage profit. These markets include South Africa, Nigeria, Japan and Korea.

It is becoming increasingly difficult to access these arbitrage markets as local governments have restrictions on FIAT capital outflows from their respective countries. Fortunately, Crypto Arbitrage has well established operational ability in each market, which encompasses access to local exchange accounts, local bank accounts, local authorized foreign exchange (FX) dealers, local compliance officers, and local advisers.

Our objective is to leverage our operational ability and extensive network of partners to complete FIAT arbitrage trades in these markets compliantly, fully abiding by local rules and regulations. In doing so, we aim to derive regular profits at very low risk in a way which is predictable and sustainable.

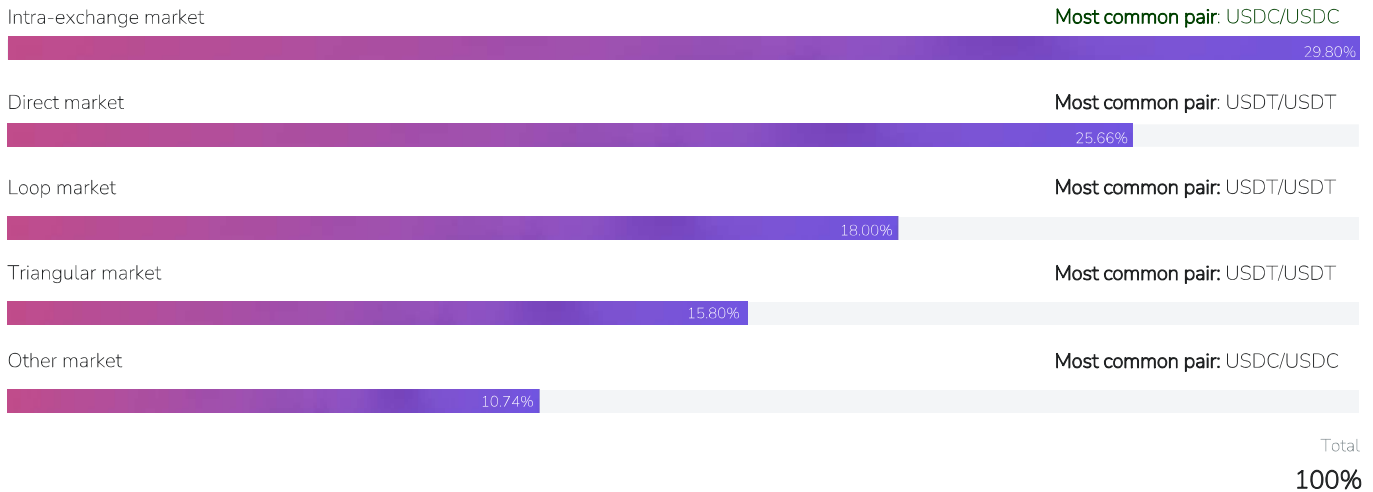
Additionally, by increasing selling pressure on these FIAT markets, we are assisting local citizens in purchasing cryptoassets at reduced rates - this is because the increased selling pressure in these markets results in a price reduction as supply temporarily outweighs demand, decreasing prices in the process.

Therefore, the arbitrage trade on the local cryptoasset exchange is mutually beneficial as Crypto Arbitrage can generate profits for our clients whilst enabling local exchange users to enjoy temporary price reductions on their favourite cryptoassets.

## Exchange market arbitrage

The percentages shown below equate to the rate of total arbitrage trades completed in a specific type of exchange arbitrage market. Therefore, it is essential to consider the market and most common cryptoasset pairing to understand where Crypto Arbitrage executes its exchange arbitrage trades.

### Exchange arbitrage breakdown



## Exchanges used in Exchange market

A cryptoasset exchange is a platform on which you can buy and sell cryptocurrencies. For example, exchanges are used for trading one crypto for another — converting Bitcoin to Ethereum. Crypto Arbitrage only uses the world's most established cryptoasset exchanges; moreover, we employ the most stringent security measures on our accounts to ensure the highest level of fund safety. Below are our most used cryptoasset exchanges by the exchange-exchange market for your perusal.

Crypto Arbitrage makes use of 37 Global cryptoasset exchanges



## Exchange market summary and objective

Arbitrage is a trading strategy in which an asset is purchased in one market and sold immediately in another market at a higher price, exploiting the price difference to profit. Cryptoasset arbitrage on the exchange market is a strategy that takes advantage of how cryptoassets are priced differently on different cryptoasset exchanges across the globe.

For example, on FTX, Bitcoin might be priced at \$40,000, while on Binance, it could be priced at \$40,300. Exploiting this price difference is the key to arbitrage. For example, a trader could buy Bitcoin on FTX, transfer it to Binance, and sell the Bitcoin—profiting by around \$300. This type of arbitrage is similar to the FIAT arbitrage market; however, no funds are converted into FIAT money in this market. Instead, arbitrage profits in this market are derived purely from cryptoasset arbitrage.

Our objective in this market is to pursue the highest profitability as frequently as possible whilst minimizing all risk to the fullest extent possible. To achieve this objective we are constantly improving our proprietary cryptoasset arbitrage software and training of our staffers.

## Investment performance and risk

This section shows a comparison between the performance and risk of Crypto Arbitrage and benchmark based on performance and risk of the S&P 500 over the last 10-years.

Factors of comparison	Annualized return		Risk and performance measures since in the last 10-year period	
	3 years	5 years	Annualized return	Maximum drawdown (recovery)
Crypto Arbitrage	46.52%	56.98%	76.55%	-0.98% (1wk)
S&P 500	20.71%	16.78%	15.43%	-12.67% (21wks)

### Notes

1. Crypto Arbitrage has only been in operation for 3-years, therefore, in order to ascertain what our performance would have been on a 5 & 10 year time frame we had to back test our performance against historical market data. It is important to note we did not materially realize the annualized returns on those time frames.
2. The Crypto Arbitrage historical performance on the 5 & 10 year time frame is higher than what is currently achievable as the arbitrage premium was higher in FIAT and Exchange markets in the nascent years of cryptoassets. Average returns are now between 40% - 50% per year with no changes currently foreseeable.

## Fees applicable

### Consolidated fee table

The fees shown in this section are accurate at all time, should this fee schedule change Crypto Arbitrage will communicate said changes no later than 3 months in advance via email and notification on your user account.

Fee type	USD fee	Percentage fee
Monthly subscription fee	\$0.00	0.00%
Deposits	\$0.00	0.00%
Withdrawals	\$0.00	0.00%
Administration	\$0.00	0.00%
Non-profitable trade	\$0.00	0.00%
Profitable trade	\$0.00	15.00%

### Notes

1. All fees shown include value-added tax (VAT), where applicable.
2. The only fee charged and payable to Crypto Arbitrage is a 15% fee levied against the profit of any successful trade.
3. In the unlikely instance an arbitrage trade is not profitable, then no fee will be charged.
4. All fees charged are displayed in your user account alongside all related transaction history of pending and previously completed arbitrage trades.

## Get in touch

If you are interested in learning more or if you are ready to sign up then please let us know and a member of our team will reach out to assist you. You may contact us on:

**Learn more:** info@cryptoarbitrage.tech

**Sign up:** applications@cryptoarbitrage.tech

Regards