

Rank: Tokenomics

Rank Overview

Rank is an investment platform enabling investors of all types to easily and effectively invest in crypto. Rank offers simplified investment types in the form of digital containers called 'Strats.' Additionally, Rank enables anyone to create and deploy their own trading strategies for others to invest in, with or without prior coding experience.

No-Code Trading Strategies (Strats)

Strats enable users to create and deploy trading strategies as well as invest in strategies created by other users. The Strat creator can build their strategy piece by piece by selecting from a list of 200 technical indicators on the Rank interface.

Rank Token (RAN)

RAN is the Rank platform's utility token. The primary purpose of the RAN token is to allow users to invest in any of the Strats available. A peer will need the token in order to activate their investment, implementing a fee in RAN which will generate revenue for the platform and the overall ecosystem. As more fees are generated, the value of the RAN token will increase automatically, since peers without RAN will have to swap their cryptos in any of our liquidity pools, creating a healthy buying pressure and an instant price increase after each swap. The underlying asset for each Strat might be different than RAN (for example, USDT), however a RAN fee will always be necessary in order to both create the Strat initially (by the trader) and invest into it (by the investing peer). Just by owning the Rank token, which is the great advantage of tokenization, peers will automatically share part of the overall platform value, in direct proportion to how much RAN one may have. As more and more users participate in Rank, more fees will be generated for the platform, systematically increasing the overall platform value. The plan is to mint 1 billion tokens without any inflation or further minting techniques (such as, for example, minting on demand). Additionally, those that hold the governance token are provided the opportunity to interact with the protocol further via incentivizing liquidity providers, increasing rewards and staking.

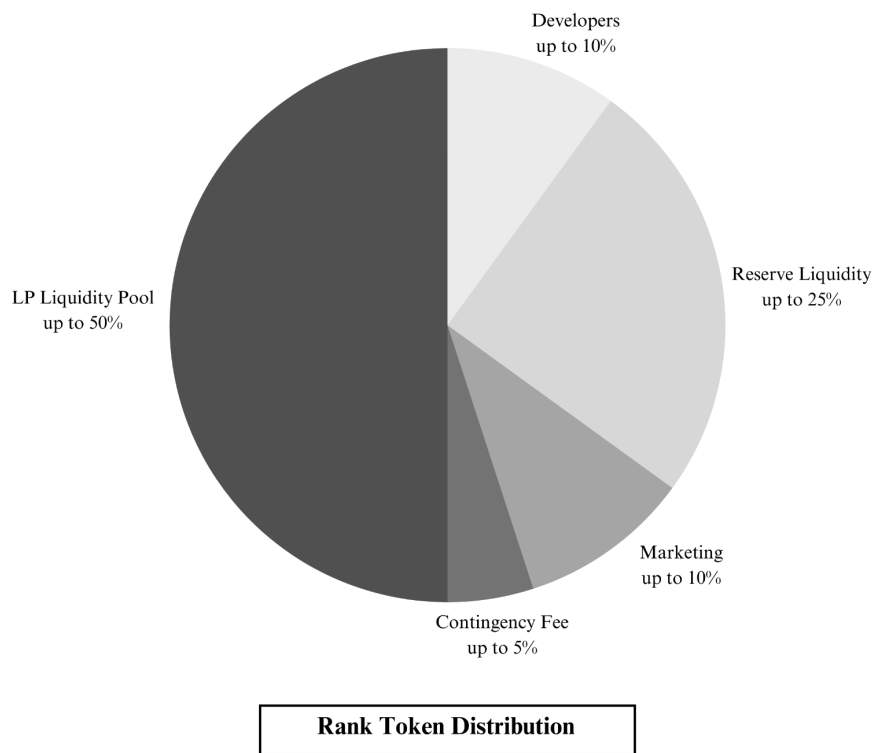
Initial RAN Supply

1 billion RAN tokens will be minted during the pre-sale phase. This phase will last approximately 4 weeks once the landing page is active. The pre-sale phase will end once the main fundraising activities on DeFi protocols such as PinkSale and Fjord are concluded, or once the 4-week time period is complete. During the pre-sale, the RAN price may range between 0.1–0.001 USDT. 500 million RAN tokens will be allocated to Rank, with the rest sold to pre-sale investors. After the pre-sale, any of these tokens that remain unsold will be burned.

Rank's RAN token treasury will be used to help increase the token buy pressure and to create the LP liquidity pools. This may come in the form of community airdrops, contests, incentives, or even burning the tokens altogether.

The 500,000,000 RAN allocated to Rank will be distributed as follows:

- **LP Liquidity Pool:** up to 50%
- **Reserve Liquidity:** up to 25%
- **Developers:** up to 10%
- **Marketing:** up to 10%
- **Contingency Fee:** up to 5%



RAN Minting Mechanism

Other Protocol Mechanisms

The common model for minting large amounts of tokens on a per-block basis to satisfy high APY incentives for liquidity has proven to be unsustainable. This model incentivizes liquidity miners to deposit liquidity in farms, offering the highest APY of a new token as a reward. However, a heavily increasing supply from high APY incentives for rented liquidity is unsustainable in the long term, eventually rendering the token worthless and therefore having users take their capital elsewhere. Additionally, liquidity pairs that heavily fluctuate in price increase liquidity providers' exposure to impermanent loss. As seen in the diagram above, in each block there are tokens minted and distributed to participants in the form of rewards. Typically, a larger amount of tokens are minted in the beginning to satisfy large APY incentives. This is followed by a decrease in APYs after a period of time and a fixed amount of tokens minted per block onward. The relationship between supply and price can be seen below. Some contributing factors to the price increase include a lack of supply/liquidity for the token itself coupled with a higher demand from users seeking to buy and stake the token in order to capitalize on high APY incentives. Supply thus increases sharply in order to satisfy the high APY incentives offered. However, when reaching point **a**, high APY incentives begin to decrease. This lowers the overall return for staked investors, and therefore may result in some profit taking and exiting. Overall, this decreases price, as sell pressure is high and buyers are now less incentivized to purchase the token due to a lack of high APY incentives (which sparked the original interest).

Rank Mechanism

RAN tokens employ a one-time minting mechanism. Instead of constantly minting tokens to satisfy an unsustainable model, RAN tokens are only minted at the very beginning, creating a non-inflationary environment, where the more peers participate in the platform's features, the more the token will increase in value.

Since each form of participation requires the purchasing of RAN tokens, more participants means a higher demand for RAN. This results in the token price increasing.

Token Buyback/Burn

In order to help supply balance out with a smooth price growth, Rank will allocate a small percentage of fees towards purchasing RAN tokens and holding them or burning them altogether. Periodically purchasing RAN tokens adds to the buy pressure and provides liquidity along with an increase in the RAN price. By burning RAN tokens, the overall supply is decreased, which benefits all RAN token holders.

- **Percentage of revenue allocated towards buyback/burn: 2.5-5%**