



Trade[XYZ] 2026 Q1 Report



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Purpose of the Quarterly Report

Earlier this year, HRC published the Hyperliquid 2025 Annual Report, a TradFi-style review of Hyperliquid's financial performance, key milestones, and ecosystem dynamics, written for investors and market participants more accustomed to reading earnings reports than parsing blockchain data. The goal was to reduce information asymmetry and lower barriers for new entrants.

That mission does not stop at Hyperliquid itself. HIP-3 formalized the open-infrastructure thesis at the market layer: external teams can deploy perpetual markets on Hyperliquid's orderbook, controlling oracle design, leverage, discovery bounds, and fee structures, while earning 50% of the fees their markets generate. The protocol requires deployers to stake 500,000 HYPE as economic collateral, aligning incentives without centralized gatekeeping. For Hyperliquid, each new deployer adds volume at zero marginal infrastructure cost.

Trade[XYZ] was the first team to deploy under this framework and remains by far the largest, accounting for approximately 85 to 90% of all HIP-3 volume. Processing billions of dollars in daily volume and the emerging signs of genuine weekend price discovery all point to something larger than a successful product launch. They point to a structural shift in how global markets could operate. Given that scale, independent and structured reporting on its performance has become a necessity.

This quarterly report documents Trade[XYZ]'s progress with the same rigor we brought to the Annual Report.

We hope you find it valuable.

Shoku's Q1 2026 Comments

Executive Summary

Trade[XYZ] launched as the first HIP-3 deployer on Hyperliquid in October 2025 and closed Q1 2026 as the dominant venue for real-world asset perpetual derivatives onchain. The protocol processed \$112.87B in trading volume during the quarter, a +857% increase from its Q4 2025 baseline, while open interest grew from \$181M to \$1.94B. By quarter-end, Trade[XYZ] accounted for approximately 33% of total Hyperliquid volume and ~92% of all HIP-3 open interest.

Revenue reached \$7.93M in deployer fees for the quarter, implying an annualized run rate of approximately \$40M based on trailing 30- and 60-day windows. Growth Mode activation in November



2025 compressed taker fees by over 90%, and monetization has since tracked at a broadly stable 0.65–0.95 bps rate as volume scaled.

The quarter was shaped largely by two macro stress events, the silver crash of January 30 and the Strait of Hormuz oil crisis spanning late February through March, which generated peak daily volumes of \$4.67B and \$1.77B respectively and established Trade[XYZ] as a functioning price discovery venue during periods when traditional markets were closed or unavailable. Market quality improved steadily throughout the quarter, with median spreads across the top fifteen markets compressing from 25–30 bps in early January to below 5 bps by March, broadly in line with Hyperliquid's native crypto perpetuals.

The asset class offering expanded from 22 to 45 markets across commodities, equities, indices, and forex. The quarter's most significant milestone was the March 18 licensing agreement with S&P Dow Jones Indices, making Trade[XYZ] the first decentralized platform to offer an officially licensed S&P 500 perpetual derivative. Daily active addresses averaged 19,297 across the quarter, up 417% from Q4. Several of Trade[XYZ]'s microstructure innovations, including its impact-price oracle design and Discovery Bounds mechanism, were adopted by other HIP-3 deployers and centralized exchanges during the period.



Q1 2026 Highlights

Trade.xyz · Q4 2025 vs. Q1 2026 · Source: ASXN, DefiLlama, HRC

Metric	Q4 2025	Q1 2026	QoQ
VOLUME			
Total quarterly volume (XYZ)	\$11.80B	\$112.87B	+857%
Total quarterly volume (HIP-3)	\$12.55B	\$133.64B	+965%
Average daily volume (XYZ)	\$200M	\$1.25B	+527%
Highest volume day (XYZ)	\$516M Nov 24	\$5.30B Mar 23	+928%
Lowest volume day (XYZ)	\$17M Nov 7	\$51M Jan 1	+195%
MARKET POSITION			
Open interest, end of quarter	~\$200M	\$1.54B	+670%
XYZ share of HIP-3 volume (avg)	93.33%	82.59%	-10.7pp
Avg XYZ share of HL perp volume	3.57%	16.28%	+12.7pp
Highest weekly XYZ share of HL	4.85% Dec 1-7	33.53% Mar 23-29	+28.7pp
REVENUE			
XYZ quarterly revenue	\$2.32M	\$7.93M	+242%
XYZ annualized revenue run-rate	\$5.59M	\$44.69M	+700%
Highest daily revenue (XYZ)	\$272K Nov 20	\$373K Mar 23	+37%
Avg fee take rate (XYZ revenue)	1.97 bps	0.70 bps	-1.27bps

* Q4 2025 data covers Nov 3 – Dec 31 (HIP-3 launched Oct 13; full Q4 may add ~\$750M in volume). Q4 OI estimated; exact figure to confirm.
Annualized run-rate = last 30 days × 12. Fee take rate = XYZ revenue / total XYZ volume (XYZ's 50% of total protocol fees).

Q1 2026 Highlights: Timeline, Key Achievements and Business Updates.

Oct. 13, 2025: [Official Launch](#): First HIP-3 Deployer, XYZ100. Trade[XYZ], built by [Unit Labs team](#), launches as the first and only deployer on HIP-3 mainnet day one. Its inaugural market is XYZ100 , which is interpreted as a Nasdaq 100 proxy. The first 100 users on the waitlist will get alpha access.

Nov. 7, 2025: \$1.3B Cumulative Volume. XYZ100 surpassed \$1.3B in cumulative trading volume in just over three weeks. Trade[XYZ] announces [another 1,000 users](#) let off the waitlist.

Nov. 15, 2025: Public Access Live. Trade[XYZ] now [enables](#) anyone to trade perpetual derivatives on any asset, anytime. Stocks, indices, crypto, and more. First equity perpetual derivatives launch with NVDA, TSLA & PLTR.



Nov. 24, 2025: Growth Mode Activation. Hyperliquid activates HIP-3 Growth Mode at the protocol level. Trade[XYZ] [activated](#) it across all Trade[XYZ]assets on November 24, reducing taker fees by over 90%, maximum taker fee falling below 0.009% and maker fee below 0.003%.

Dec. 20, 2025: Funding Rate Formula Update. Trade[XYZ] introduces a [0.5x multiplier](#) on Hyperliquid's baseline funding rate formula for all Trade[XYZ]markets, reducing baseline annualized funding from approximately 11% to approximately 5.5%. The adjustment better reflects the carry costs of traditional asset classes, typically closer to SOFR +1–2% and dampens funding volatility during weekend price discovery sessions.

Dec. 23–26, 2025: First Commodities and First Forex perpetual derivatives Listed. Trade[XYZ] lists [Gold](#) (GOLD-USDC) and Silver (SILVER-USDC), the first commodity perpetual derivatives alongside EUR/USD and [JPY](#), marking the first forex perpetual derivatives on the Trade[XYZ]protocol.

Jan. 6-8, 2026: Crude Oil (CL) went live. Trade[XYZ] reached new all-time highs with \$600M in 24h volume and \$350M in open interest.

Jan. 27-30, 2026: In the span of 3 days, Trade[XYZ] reached [new all-time highs](#) with \$1B, \$2B & \$3B in 24h volume and \$715M, \$850M & \$1B in open interest.

Jan. 30, 2026: 24h Volume ATH (\$4.4B); Silver Reaches [~2% of COMEX Volume](#) Trade[XYZ] records its highest single-day volume to date as silver suffers its steepest decline since 1980, falling approximately 31% from its all-time high near \$121/oz to as low as \$74, triggered by news of Kevin Warsh's nomination as Fed Chair and a cascade of forced liquidations. Gold falls over 12% on the same session.

Feb. 6, 2026: Trade[XYZ] reached new all-time highs with [\\$5.45B](#) in 24h volume.

Feb. 19, 2026: New Oracle Methodology for Equity Indices ([Equity Indices v1](#)). Trade[XYZ] ships a new oracle methodology for equity index perpetual derivatives. The updated design uses two external sources rather than one: during cash sessions, the live spot index value is used directly as the oracle price; outside cash sessions, the oracle derives an implied spot value by discounting the corresponding dated futures price using a continuously updated EMA of the observed spot-futures basis.

Feb. 20, 2026: First Korean Equity Perpetual Derivatives Listed. Trade[XYZ] lists Samsung Electronics (SMSN), SK Hynix (SKHX), and Hyundai Motor (HYUNDAI), the first Korean equity perpetual derivatives on Hyperliquid, giving global traders permissionless 24/7 leveraged exposure to equities that are otherwise difficult to access from outside Korea.



Feb. 26, 2026: cross-margin [enabled](#) for MAG7 assets.

Feb. 27 - Mar. 27, 2026: Oil Contract: 24/7 [Price Discovery](#) Under Extreme Stress. During the Strait of Hormuz conflict, Trade[XYZ]'s CL-USDC became the only continuously open venue for crude oil risk transfer while CME was closed. Peak daily volume reaches \$1.77B during the week of March 9-10. The weekend of March 6 saw weekend notional alone surge as Hyperliquid reprices crude through live headlines before CME reopens \$15.54 higher than Friday's close.

Mar. 13, 2026: Discovery Bounds V2. Directly in response to CL-USDC being pinned at its upper weekend limit during the March 6 oil shock, preventing further price discovery despite genuine market demand, Trade[XYZ] ships [Discovery Bounds V2](#), initially applied to CL and BRENT OIL only.

Mar. 10-15, 2026: Wall Street Journal, Fortune and Bloomberg Cover Trade[XYZ]'s Oil Markets. In the span of five days, three of the world's most widely read financial publications cover Trade[XYZ]'s crude oil perpetual markets on Hyperliquid. [Bloomberg](#) leads with its coverage of CL-USDC hitting \$1.3 B in daily volume and overtaking ETH's volume, followed by the [Wall Street Journal](#) and [Fortune](#) both documenting how traders are using Hyperliquid's 24/7 oil markets to express views on the Strait of Hormuz conflict while CME remains closed.

Mar. 18, 2026: S&P 500 License: First Officially Licensed Index Perpetual on Any DEX. [S&P Dow Jones Indices licenses the S&P 500](#) to Trade[XYZ], the first and only officially licensed S&P 500 perpetual derivative contract on any decentralized platform. The distinction matters: this contract runs on institutional-quality index data from the source itself. Eligible non-U.S. investors can now access 24/7 leveraged onchain S&P 500 exposure, with no fixed expiry, no broker, and no market hours.

1. Introducing Trade[XYZ]

1.1 Hyperliquid, HIP-3 & Trade[XYZ]

Hyperliquid is a purpose-built L1 optimized around a single application: a fully onchain central limit order book (HyperCore) with sub-second finality. Every order, fill, and liquidation is onchain and publicly verifiable.

Trade[XYZ] launched on October 13, 2025 as the first HIP-3 deployer. By Q1 2026 close, it represented ~85% of HIP-3 volume and ~92% of HIP-3 open interest. No other deployer has materially challenged that share.

Trade[XYZ] is built by Unit Labs, the same team behind Hyperliquid's asset tokenization layer enabling native BTC, ETH, and SOL deposits on HyperCore. This creates a structural edge: traders



can hold Unit spot assets and Trade[XYZ] perpetual derivatives within the same execution environment.

1.2 XYZ's Business Model

Trade[XYZ] earns 50% of the trading fees generated on its markets. It bears no market-making risk, no inventory, and no balance sheet exposure, volume converts directly to revenue.

In Q1 2026, Trade[XYZ] generated \$7.93M in deployer revenue on \$112.87B in volume, at an average monetization rate of ~0.70 bps on its fee share. Annualized revenue runs at approximately \$40M based on 30-day and 60-day trailing windows.

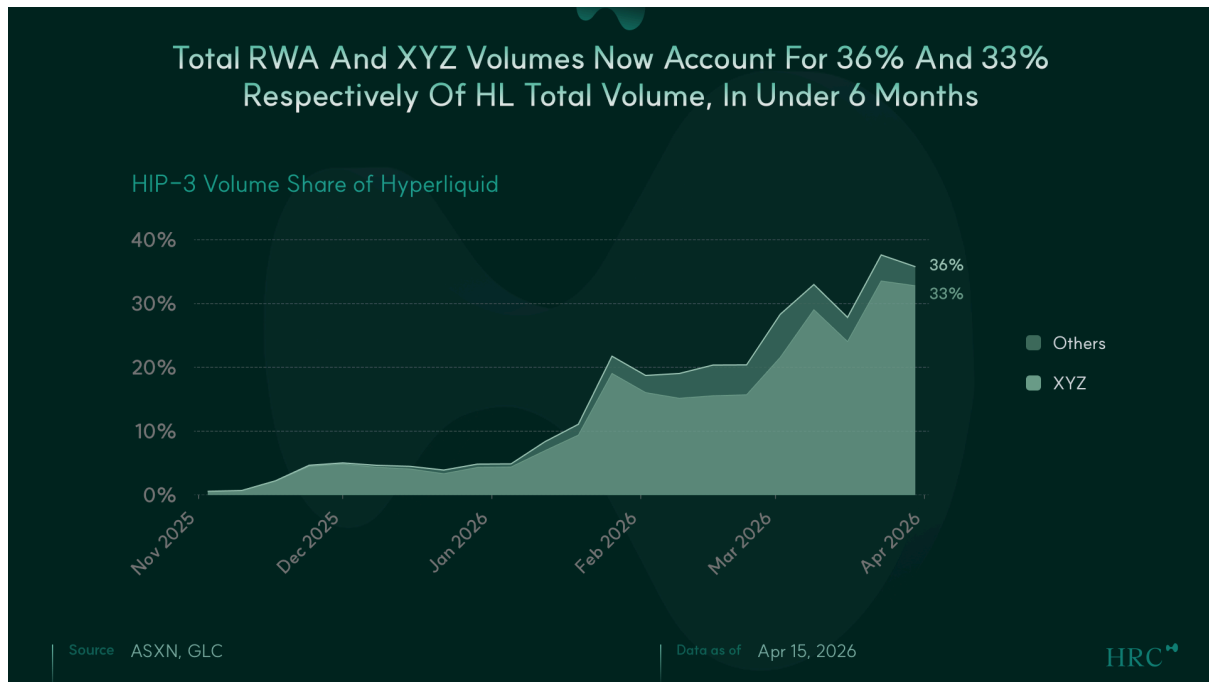
The 500,000 HYPE stake is a one-time commitment, not a recurring cost. It functions simultaneously as an alignment mechanism and an entry barrier for low-quality deployers.

2. Trade[XYZ] Q1 Financial Review

Q1 2026 was a breakout quarter for Trade[XYZ]. RWA perpetual derivatives saw tremendous traction as volume and volatility were significant across commodities, Gold, Silver, and Oil, as well as equity indices, creating ideal conditions for these markets to shine.

Trade[XYZ] has been leading the way, writing the playbook on how RWA perpetual derivatives should be structured. That intellectual leadership explains the level of dominance they currently hold, not just on HIP-3 but across the broader perpetual derivatives market. The S&P Dow Jones Indices licensing deal, announced on March 18, was likely the clearest symbol of that recognition, the first officially licensed S&P 500 perpetual on any DEX, awarded to a team that had only launched five months prior.

By the end of Q1, HIP-3 represented 36% of total Hyperliquid volume, with Trade[XYZ] alone accounting for 33%.



2.1 Volume & Market Share

Trade[XYZ]'s Q1 2026 was defined by a single dynamic: every major competitor in the perp DEX space lost volume in absolute terms while Trade[XYZ] grew at a pace with no comparable precedent in the sector. Against a peer group that contracted 40% QoQ, Lighter down 67%, Aster down 54%, Trade[XYZ] generated \$112.87B, a +857% increase from its \$11.80B Q4 baseline, capturing 6.74% of total peer-group volume, up from 0.43%, the largest share gain of any protocol in the cohort.

Perp DEX Market Share						
Selected protocols · Q4 2025 vs. Q1 2026 · Source: ASXN, DefiLlama, HRC						
Protocol	Q4 Volume	Q4 Share	Q1 Volume	Q1 Share	QoQ Volume	QoQ Share
Hyperliquid	\$735.55B	26.56%	\$613.64B	36.66%	-17%	+10.10pp
Aster	\$696.50B	25.15%	\$318.70B	19.04%	-54%	-6.11pp
Lighter	\$765.01B	27.62%	\$254.11B	15.18%	-67%	-12.44pp
EdgeX	\$414.31B	14.96%	\$272.28B	16.26%	-34%	+1.31pp
Trade.xyz	\$11.80B	0.43%	\$112.87B	6.74%	+857%	+6.32pp
Solana perps	\$146.47B	5.29%	\$102.43B	6.12%	-30%	+0.83pp
Total market	\$2,769.6B	100%	\$1,674.0B	100%	-40%	—

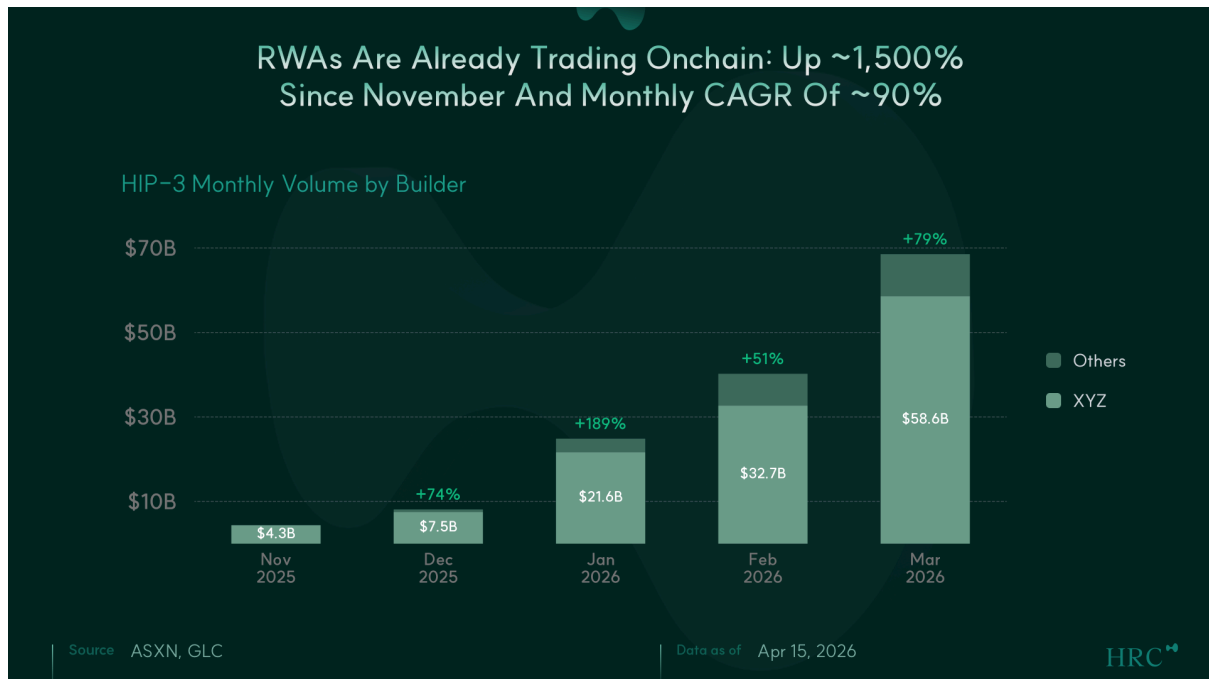
* Q4 2025 = Oct 1 – Dec 31, Q1 2026 = Jan 1 – Mar 31. All protocols start Oct 1, 2025 for comparability.
Trade.xyz (XYZ) volume starts Nov 3, 2025 (HIP-3 mainnet launch) — Q4 XYZ share reflects 59 days, not 92.
Solana perps aggregates Solana-native derivatives protocols (Drift, Jupiter Perps, etc.).



Perp DEX Market Share						
Selected protocols · February vs. March 2026 · Source: ASXN, DefiLlama, HRC						
Protocol	Feb Volume	Feb Share	Mar Volume	Mar Share	MoM Volume	MoM Share
Hyperliquid	\$205.79B	38.07%	\$213.41B	41.13%	+4%	+3.06pp
Aster	\$99.91B	18.48%	\$79.15B	15.25%	-21%	-3.23pp
EdgeX	\$91.85B	16.99%	\$79.22B	15.27%	-14%	-1.72pp
Trade.xyz	\$32.68B	6.05%	\$58.57B	11.29%	+79%	+5.24pp
Lighter	\$76.83B	14.21%	\$59.06B	11.38%	-23%	-2.83pp
Solana perps	\$33.49B	6.20%	\$29.45B	5.68%	-12%	-0.52pp
Total market	\$540.53B	100%	\$518.86B	100%	-4%	—

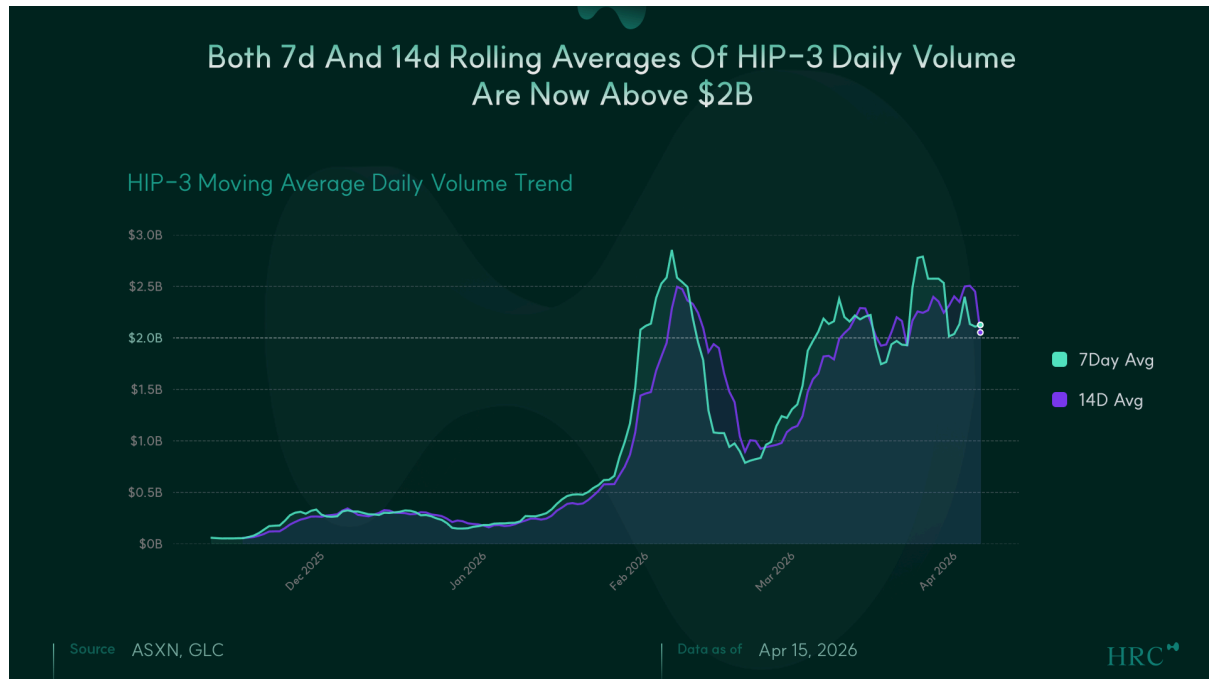
* Shares as % of combined volume across the 6 selected protocols. Solana perps aggregates Solana-native derivatives (Drift, Jupiter Perps, etc.).

The monthly breakdown suggests the trajectory is more than a one-time event. Volume grew from \$4.3B in November to \$58.6B in March, with monthly CAGR above 90%. Each successive month accelerated: +74% in December, +189% in January coinciding with the Silver crash and commodity volatility, +51% in February, and +79% in March alongside the Iran oil shock. While each of these catalysts carried discrete risk events that may not repeat at the same intensity, the consistency of MoM growth suggests an underlying demand curve that extends beyond any single episode.

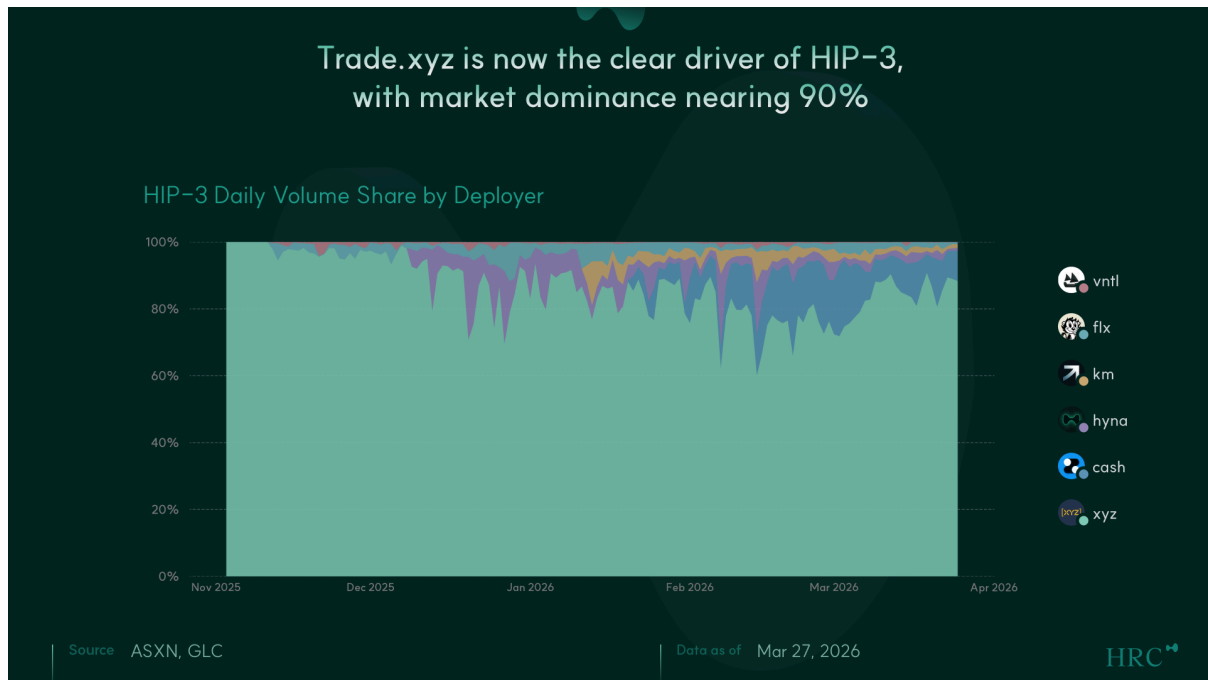




The moving average chart confirms what the monthly figures suggest: the volume base is structural, not episodic. Both the 7-day and 14-day rolling averages of HIP-3 daily volume are now above \$2B, having recovered fully from the post-Silver-crash normalization in late January.



Within HIP-3, Trade[XYZ]'s dominance has been consistent from day one and is now approaching 90% of HIP-3 volume. No other deployer, VNTL, FLX, KM, HYNA, or Cash, has materially challenged that share. Trade[XYZ] entered as the first mover, built the deepest liquidity, set the microstructure standards that others subsequently adopted, and has compounded that lead with every new market launch.



2.2 Open Interest & Market Share

Where volume can be driven by discrete risk events, open interest is harder to manufacture. It requires traders to commit capital, hold positions, and maintain margin, making it a more reliable signal of genuine, sustained market engagement. On that measure, Q1 2026 was equally compelling.

Trade[XYZ] average OI grew from \$181.21M in Q4 to \$795.67M in Q1 (+339% QoQ), while end-of-quarter OI closed at \$1.936B, a +737% increase from the Q4 close.

Perhaps more significant than the absolute levels is where that OI sits within the broader ecosystem. XYZ's share of total Hyperliquid OI grew from 3.92% to 26.46% (+22.54pp) by quarter-end, suggesting that RWA perpetual derivatives may be capturing a structurally growing portion of Hyperliquid's positioning base, not merely borrowing flow from crypto markets during volatile episodes.



XYZ Open Interest Metrics

Trade.xyz · Q4 2025 vs. Q1 2026 · Source: Hyperliquid, HRC

Metric	Q4 2025	Q1 2026	QoQ
XYZ Average OI	\$181.21M	\$795.67M	+339%
XYZ Peak OI	\$231.31M	\$1,936.10M	+737%
XYZ End-of-Quarter OI	\$231.31M	\$1,936.10M	+737%
XYZ OI Share of HL EOQ	3.92%	26.46%	+22.54pp
XYZ Share of HIP-3 EOQ	81.16%	92.09%	+10.93pp

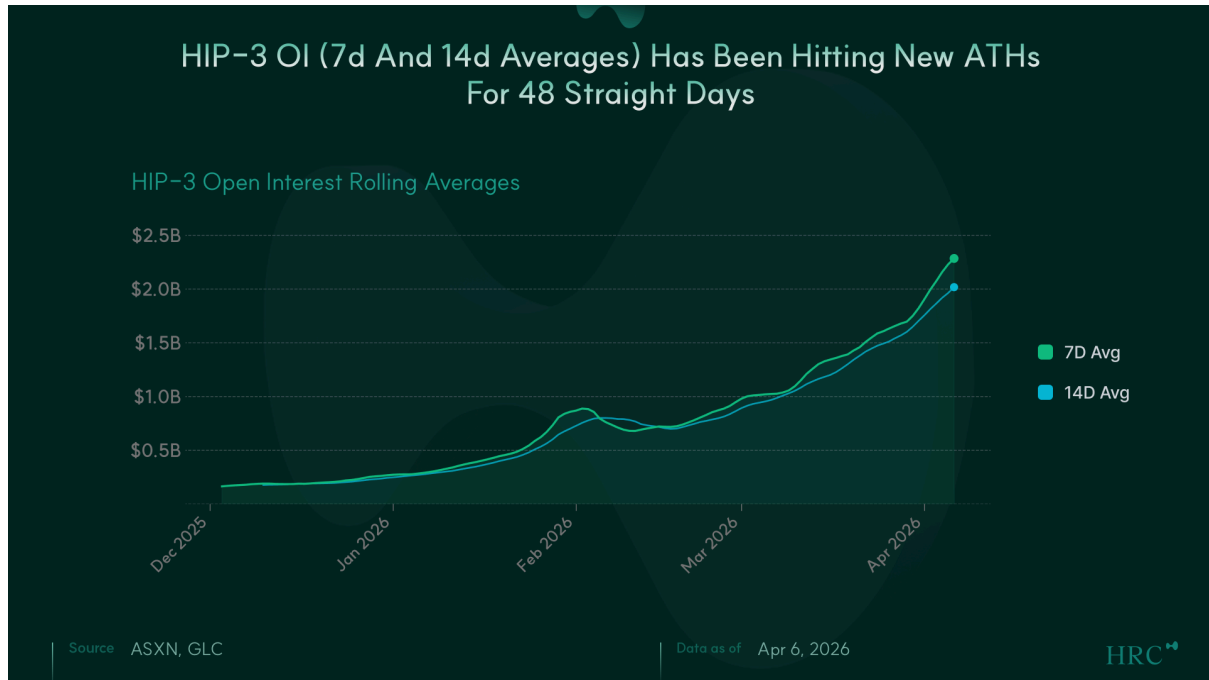
* Q4 2025 = Oct 1 - Dec 31. Q1 2026 = Jan 1 - Mar 31. XYZ OI data begins Nov 27, 2025 — Q4 average reflects 35 days, not 92.

OI Share of HL uses total Hyperliquid OI (including HIP-3). HIP-3 Share measures XYZ vs. all HIP-3 protocols (FLX, VNTL, XYZ, HyENA, etc.).

End-of-Quarter OI uses the closing snapshot on Dec 31, 2025 and Mar 31, 2026 respectively.

Note: As with volume, the Q4 baseline is structurally compressed: Trade[XYZ] OI data begins November 27, meaning the Q4 average reflects only 35 days rather than a full quarter, likely understating the true QoQ progression.

Unlike the volume curve, which peaked sharply around the Silver crash and the oil shock, the OI trajectory is notably smooth. Both the 7-day and 14-day rolling averages climbed in a near-uninterrupted line from approximately \$250M in December to over \$2B by early April, hitting new all-time highs for 48 consecutive days. Positions opened during stress episodes appear to have been largely maintained rather than unwound, suggesting a user base building longer-duration exposure rather than purely trading around events.



2.3 Revenue & Take Rate

Trade[XYZ] generated \$7.93M in deployer revenue in Q1 2026, a +237% increase from the partial Q4 figure of \$2.35M. Revenue is derived from fees, which are split in two between Hyperliquid and Trade[XYZ].

QUARTERLY REVENUE — QoQ EVOLUTION (based on full revenue)			
Quarter	Revenue (\$)	% of total	QoQ %
2025 Q4 (partial -	2,353,244	18.6%	—
2026 Q1	7,930,286	62.7%	+237.0%

Growth Mode activation on November 24 compressed taker fees by over 90%, from 8.5 bps in November to approximately 1.3 bps from December onward. December's \$487K revenue against \$7.5B in volume reflects that transition directly. From January through March, revenue scaled steadily alongside volume, at a broadly stable monetization rate of approximately 0.65–0.95 bps.



MONTHLY REVENUE, VOLUME & MONETIZATION RATE (overlapping dates only)					
Month	Days	Revenue (\$)	Volume (\$)	MR (bps)	Taker fee (bps)
2025-11	28	1,832,493	4,304,724,578	4.257	8.514
2025-12	31	487,942	7,493,156,739	0.651	1.302
2026-01	31	2,048,990	21,624,565,226	0.948	1.895
2026-02	28	2,131,283	32,677,472,512	0.652	1.304
2026-03	31	3,750,013	58,571,397,738	0.640	1.280
2026-04	5	493,721	8,272,718,121	0.597	1.194
TOTAL	154	10,744,442	132,944,034,915	0.808	1.616

Across all measurement windows, the annualized revenue run rate converges in a relatively tight range of \$33M–\$40.5M, with the 30-day and 60-day windows both pointing to approximately \$40M.

ANNUALIZED REVENUE RUN-RATE (based on recent actuals)					
Window	Days	Revenue (\$)	Daily avg (\$)	Annualized (\$)	Annualized (\$M)
Last 7 days	7	633,172	90,453	33,015,397	33.0M
Last 14 days	14	1,337,406	95,529	34,868,085	34.9M
Last 30 days	30	3,330,195	111,007	40,517,373	40.5M
Last 60 days	60	6,610,468	110,174	40,213,680	40.2M
Last 90 days	90	9,560,191	106,224	38,771,886	38.8M

2.3.1 Revenue Sensitivity: What If Growth Mode Were Unwound?

The \$40M annualized headline reflects post-Growth Mode economics: taker fees were compressed by ~90% on November 24, 2025, from ~13.94 bps to ~1.39 bps, with the deployer's monetization rate (MR) tracking at ~0.70 bps on its 50% fee share. Growth Mode is a deliberate, protocol-level decision to subsidize early adoption at the expense of near-term revenue, not a reflection of long-run unit economics. The exercise below isolates this discount by re-pricing current volumes against three counterfactual fee regimes.

Methodology. Recent 30-day actuals give daily revenue of ~\$111K at an MR of ~0.70 bps, implying an annualized volume run rate of ~\$583B. Holding volume constant, we strip out the Growth Mode discount in three steps: a Best Case where the 90% reduction is fully removed (full pre-Growth Mode fee schedule restored), a Base Case where 50% of the discount is retained, and a Bear Case where 75% of the discount is retained (i.e., trader fees recover to only ~25% of full).

Scenario	Fee Discount	Trader Fee (bps)	Deployer (bps)	MR	Annualized Revenue
Current run rate	90%	1.39		0.70	~\$40M
Bear case	75%	3.49		1.74	~\$101M



Base case	50%	6.97	3.49	~\$203M
Best case	0% (full)	13.94	6.97	~\$406M

Sources: *HL_Metrics_25_HRC*, “xyz Analysis” tab. Trader fee derived from *Pre-Growth Mode* benchmark (2025-11-03 to 2025-11-23). $MR = \text{trader fee} \div 2$ (50/50 split with Hyperliquid). Volume held constant at recent 30-day implied annualized run rate.

Volume elasticity caveat. These figures are illustrative ceilings on revenue at unchanged volume. Growth Mode’s explicit purpose was to manufacture volume by collapsing the cost to trade, the evidence is direct: monthly volume scaled from \$4.3B in November to \$58.6B in March. Re-pricing at higher fees would mechanically reduce volume, with the magnitude depending on user mix (size-sensitive retail flow is most exposed; institutional and macro flow less so). A practical reading: Trade[XYZ]’s long-run earnings power likely sits well above the current \$40M run rate but also below the unconstrained \$400M+ ceiling, with the eventual landing point set by how quickly fees can be normalized without bleeding the volume base.

2.4 User Growth

Average daily active addresses grew from ~1,000 at launch to 32,000+ in March 2026, with Q1 2026 averaging 19,297 daily addresses, up 417% QoQ.

Worth noting: daily addresses are an imperfect proxy for unique individuals, as one trader can hold multiple wallets. The real user count is likely lower than headline figures suggest.

QUARTERLY SUMMARY						
Quarter	Avg_Daily_Traders	Peak_Daily	Peak_Date	Min_Daily	Days	QoQ_%
Q4 2025 (Oct 13–	3729	8284	2025-12-29	413	80	—
Q1 2026 (Jan 1–	19297	50507	2026-03-23	4459	90	417.48%

MONTHLY BREAKDOWN						
Month	Avg_Daily_Traders	Peak_Daily	Peak_Date	Min_Daily	Days	MoM_%
2025-10	989	1812	2025-10-28	413	19	
2025-11	3403	8077	2025-11-25	712	30	244.08%
2025-12	5723	8284	2025-12-29	3005	31	68.18%
2026-01	10418	29316	2026-01-30	4459	31	82.04%
2026-02	14921	22527	2026-02-28	6311	28	43.22%
2026-03	32129	50507	2026-03-23	17141	31	115.33%

3. Trade[XYZ]’s Markets Overview

3.1 Commodities

Commodity perpetuals were the largest volume contributor on Trade.xyz in Q1 2026, accounting for an estimated 47% of platform volume. Two macro stress episodes defined the quarter: the silver rally



and crash of late January, and the Strait of Hormuz oil crisis from late February through March. Together they validated the platform's architecture under opposing directional shocks.

Silver crash: January 30, 2026

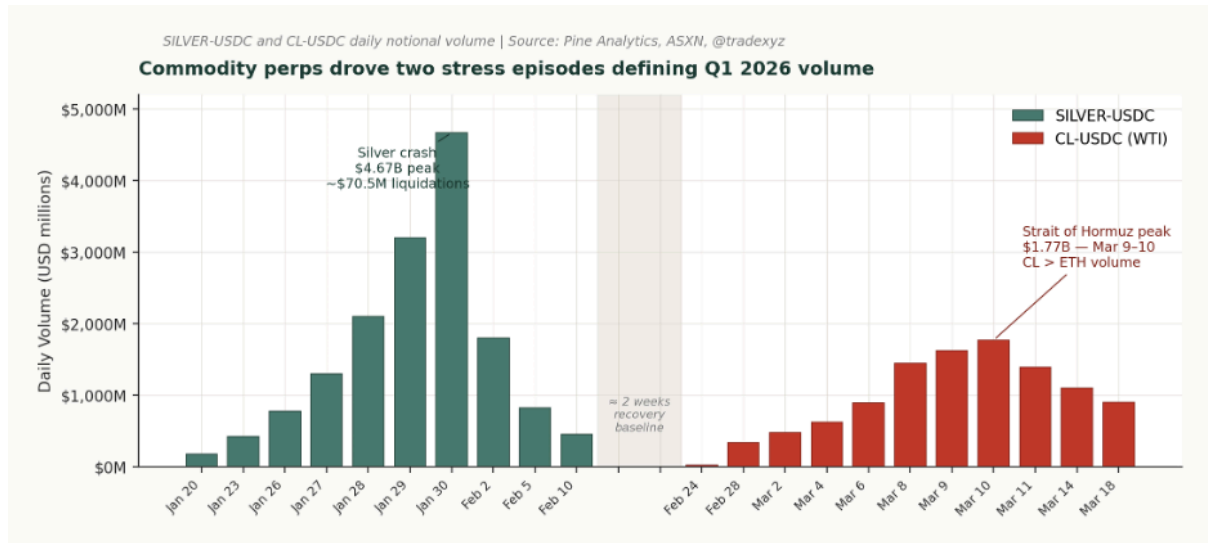
SILVER-USDC launched mid-January 2026 and rapidly concentrated speculative positioning as spot silver ran to an all-time high of \$121.64 on January 29. The Kevin Warsh Fed Chair nomination on January 30 triggered a ~38% intraday collapse to ~\$75. On-chain Trade.xyz liquidations in the four-hour window totaled approximately \$70.52M, of which ~99% were long positions, with the largest single wallet liquidation at \$18.13M. Peak 24h volume reached \$4.67B in one weekday session against pre-crash open interest of approximately \$142M on January 27.

Strait of Hormuz oil crisis: late February through March

WTI crude (CL-USDC) carried pre-crisis 24h volumes of only ~\$21M in late February. Operation Epic Fury on February 28 and Iran's declared strait closure on March 4 triggered escalating volume: \$339M on February 28, \$1.2B on March 9, and a \$1.77B peak on March 10. Peak OI on CL-USDC rose from \$183M to above \$400M mid-March, with the contract representing approximately 18% of total Hyperliquid volume during the peak. March 9–10 liquidations totaled \$39M (~95% shorts), and weekend HIP-3 volume on March 8 reached \$7.2B as commodity weekend throughput expanded roughly sevenfold versus pre-crisis baselines..

Gold, Brent, and the commodity long tail

GOLD-USDC, launched late January 2026, tracked spot gold from \$4,200 through a \$5,602 high on January 29, a \$4,745 crash-day print, and a Q1 close near \$4,700 (+4% net). Peak 24h volume reached approximately \$553M, and gold consistently held a top-five HIP-3 OI position through March without producing a standalone \$1B+ daily session. BRENT OIL peaked at \$113M daily volume on March 9. NATGAS launched January 21, USAR (rare earth) January 22; COPPER, PLATINUM, PALLADIUM, and URNM were listed without material per-market disclosures.



A reconstructed cumulative ranking places CL-USDC first by both peak open interest (~\$400M mid-March) and Q1 volume (>\$15B), followed by SILVER-USDC (~\$10B), GOLD-USDC (\$3–5B), and BRENT OIL (\$1–2B). Figures are triangulated from ASXN-referenced reporting, Pine Analytics, and official Trade.xyz communications.

3.2 Equities

The equities category comprises three sub-layers: U.S. single-name perpetuals (NVDA, TSLA, PLTR from mid-November 2025); the full MAG7 roster extended through January 2026; and Korean single-names (Samsung, SK Hynix, Hyundai) added February 19, 2026. The category contributed approximately 36% of Q1 volume..

Launch timeline and cross-margin activation

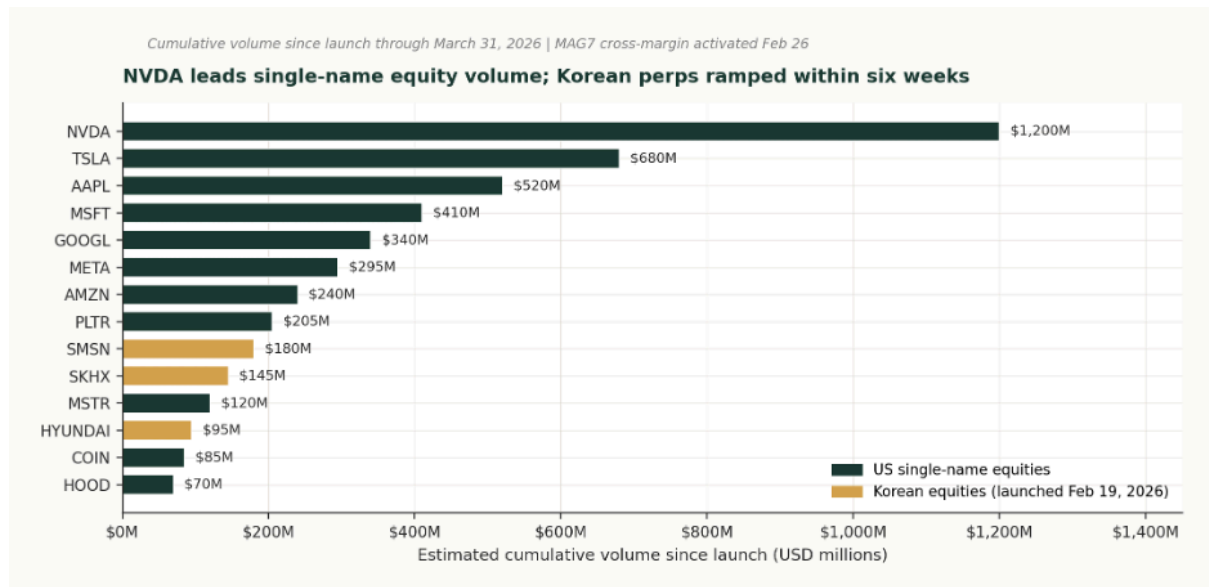
NVDA and TSLA launched November 11–12, 2025, with Trade.xyz winning the AAPL and MSFT HIP-3 ticker auctions for 500 and 527.83 HYPE respectively. PLTR followed November 15; the remaining MAG7 (GOOGL, META, AMZN) activated through December. On February 26, 2026, Trade.xyz enabled cross-margin for the full MAG7 roster, permitting shared USDC collateral within the xyz HIP-3 DEX. The mechanic does not extend to Hyperliquid's core perps DEX or other HIP-3 deployers, and is irreversible at the protocol level.

Volume leaders and NVDA earnings catalyst

NVDA established itself as the leading single-name perp by cumulative volume, crossing \$1.2B by late January 2026. The February 25 post-market earnings release (EPS \$1.62 vs \$1.50 consensus, revenue \$68.1B +73% YoY, Q1/FY27 guidance \$78B) drove a peak daily NVDA perp volume of approximately \$200M. Korean equity perpetuals launched February 19, 2026 with 10x maximum



leverage and a quanto oracle (KRX/KOSPI KRW prices ÷ USD/KRW). SMSN reached approximately \$180M cumulative volume within six weeks, SKHX \$145M, and HYUNDAI \$95M.



Volume concentration follows the broad liquidity hierarchy of traditional venues, with NVDA, TSLA, and AAPL dominating and the Korean trio clearing combined cumulative volume of \$420M by quarter-end — positioning SMSN above PLTR overall. Per-asset monthly volume splits and the differential lift attributable to the February 26 cross-margin activation remain candidates for remediation through direct Hyperliquid API queries.

3.3 Indices

Index perpetuals were the highest-OI asset class on Trade.xyz at quarter-end, anchored by XYZ100 (live since October 13, 2025) and extended on March 18, 2026 by the officially licensed S&P 500 perpetual. XYZ100 OI reached a \$213M peak in early-to-mid March, the single largest market across the entirety of HIP-3 by that metric.

XYZ100 performance trajectory

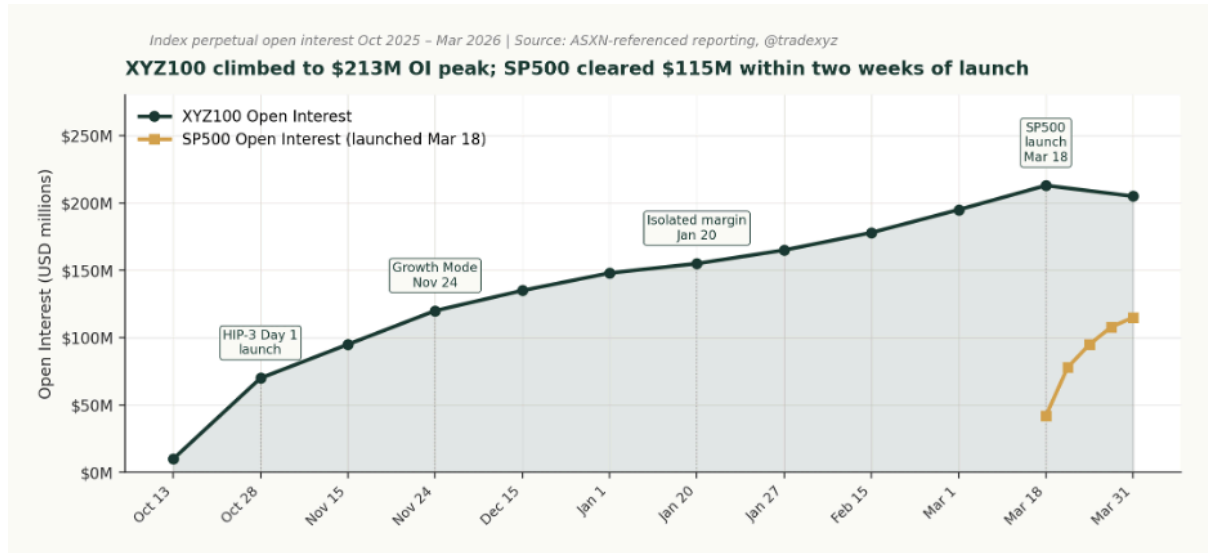
Day-one XYZ100 volume cleared \$35M on October 13, 2025. Following the November 24, 2025 Growth Mode activation, daily volume scaled to ~\$285M by late November. The January 20, 2026 transition to isolated margin mode permitted withdrawal of unrealized P&L. By February 3, 2026, cumulative volume stood at \$0.36B, ranking third on the platform behind SILVER (\$1.72B) and GOLD (\$0.48B). OI then climbed to the \$213M all-time high. The product carries 30x maximum leverage.

S&P 500 perpetual: first officially licensed DEX index product

On March 18, 2026, S&P Dow Jones Indices licensed Trade.xyz to deploy the first officially licensed perpetual derivative based on the S&P 500. Specification: 50x max leverage, ±2% discovery bound, cross-margin mode, \$500M OI cap. Launch-day platform aggregates from @tradexyz: cumulative



volume \$110B, platform OI \$1.6B, 24h peak \$5.6B, 45,300 daily unique traders. SP500 OI cleared \$42M on launch day and reached approximately \$115M within two weeks.



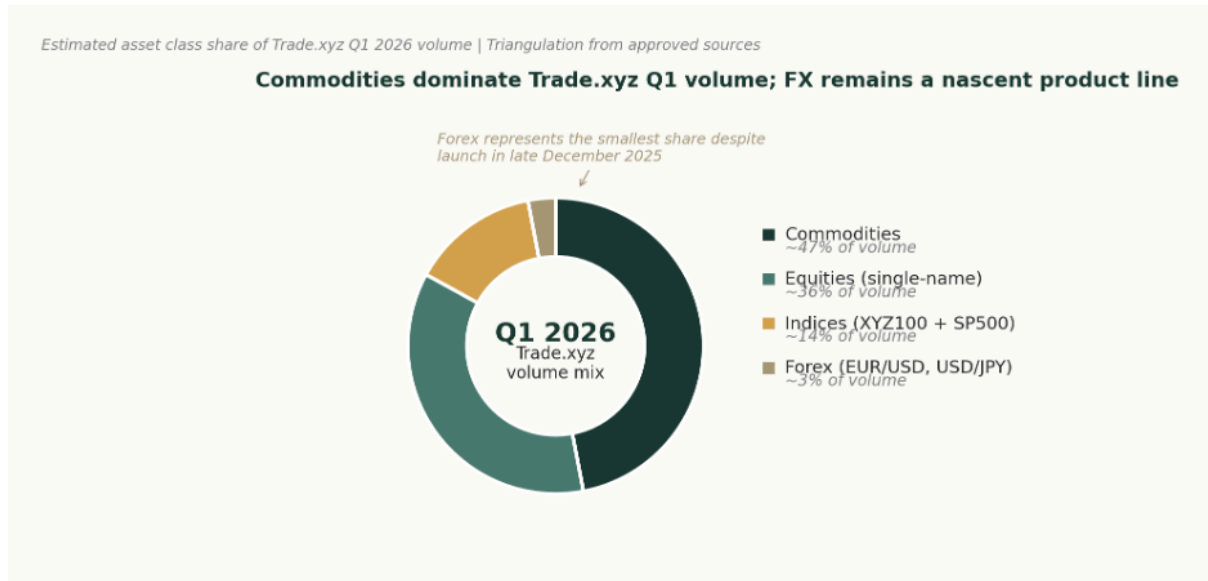
Combined index OI exceeded \$320M at quarter-end, establishing indices as the OI-intensive asset class on the platform notwithstanding commodities' higher volume throughput. Specific week-one SP500 wallet concentration metrics referenced in the original brief (5,175 wallets, top-10 = 58% of volume) were not independently verifiable from approved sources and warrant direct Dune drill-down before publication

3.4 Forex

FX perptuals on Trade.xyz during Q1 2026 were limited to EUR/USD and USD/JPY, each carrying 50x maximum leverage, $\pm 2\%$ discovery bound, strict isolated margin, and a \$25M OI cap. No additional pairs (GBP, AUD, CHF, CNY) were deployed during the quarter.

FX contributed approximately 3% of Q1 platform volume, the smallest category by material margin. This is structurally expected: FX markets already trade near-24/7 on traditional venues, sharply reducing the access premium that drives demand for commodity and equity perpetual derivatives outside their native trading hours. The 0.5x funding multiplier produces near-zero base carry for both pairs given the negligible interest rate differential during the quarter, with the premium component remaining active and responsive to order book positioning.

The FX category establishes infrastructure for subsequent expansion but was not a volume driver in Q1.



The composition above contextualizes the FX category against the remainder of Trade[XYZ]'s product mix. Notwithstanding the limited Q1 contribution, the launch of FX perpetual derivatives extends the platform into a fourth distinct asset-class and establishes infrastructure for subsequent expansion, a pattern consistent with Trade[XYZ]'s broader strategy of asset-class sequencing from commodities to equities to indices to FX.

4. Trade[XYZ] Technical Architecture and Updates

Beyond its market share dominance, Trade[XYZ]'s most lasting contribution has been a series of market microstructure innovations that solved fundamental problems preventing tokenized perpetual derivatives from achieving adoption. Several of these designs were subsequently adopted not only by other HIP-3 deployers but by centralized exchanges (Binance, Bybit) and competing DEXs (Lighter, Aster), likely establishing Trade[XYZ] as a de facto standard-setter for 24/7 derivatives market design.

4.1 The Oracle Layer

Trade[XYZ] developed a proprietary internal pricing mechanism now adopted by every major HIP-3 deployer, where the oracle's Exponential Moving Average (EMA) updates via the impact price rather than conventional reference points such as mid-price or mark price. The impact price reflects the actual cost of executing a meaningful-sized order against the order book, making the oracle inherently resistant to manipulation through thin-book spoofing or wash trading at the spread.

This design drew inspiration from Hyperliquid's own pre-launch futures ("Hyperps") oracle methodology, which Trade[XYZ] refined and adapted for the unique liquidity dynamics of equity and commodity perpetual derivatives. The result is a pricing mechanism that remains robust during low-liquidity hours, weekends, overnight sessions, when traditional reference markets are closed and



the order book is thinner. These are precisely the conditions under which naive oracle designs are most vulnerable.

The three oracle regimes in practice: during cash hours (NYSE/COMEX open), the external oracle is fully active with tight tracking. During extended hours (CME only), the oracle is partially anchored to a thinner underlying. During the internal session (all traditional markets closed), the oracle advances using order-book-derived impact prices filtered through the slow EMA, with the mark price constrained by Discovery Bounds to prevent economically meaningless price moves.

4.2 Discovery Bounds: The Critical Unlock for 24/7 Trading

Perhaps Trade[XYZ]'s most structurally important innovation was the concept and implementation of Discovery Bounds, price bands restricting how far the mark price may deviate from the last externally derived fair price. While seemingly obvious in hindsight, this mechanism solved the fundamental problem that had prevented tokenized equity perpetual derivatives from gaining real adoption: without bounded price discovery, weekend and off-hours markets are vulnerable to cascading liquidations from manipulated price moves that bear no relation to the underlying asset's true value.

Discovery Bounds gave traders, market makers, and liquidity providers the confidence to participate in 24/7 markets, knowing that prices could not deviate beyond economically meaningful limits. This was the critical unlock that transformed HIP-3 from a novelty into a viable trading venue.

Discovery Bounds V1

The original implementation coupled bound width mechanically to maximum leverage, increasing available leverage narrowed the price band, and widening the band required reducing leverage, forcing two distinct risk parameters into a single value. Bounds were also static: if a market reached its limit during a weekend gap event, price discovery simply stopped until traditional markets reopened, regardless of whether the price move was legitimate. The March 2026 Strait of Hormuz conflict, where CL-USDC surged 30% over a weekend, exposed this limitation directly, V1 bounds temporarily constrained price discovery at exactly the moment when Hyperliquid's 24/7 availability was most valuable.

Discovery Bounds V2 (March 13, 2026)

On March 13, 2026, a direct response to the March 7-10 commodity crisis, Trade[XYZ] introduced Discovery Bounds V2. The upgrade addresses both V1 constraints. Bound width is now independent of maximum leverage, allowing each parameter to be calibrated to the specific risk profile of the instrument. More critically, bounds are now dynamic: when a market sustains trading activity at its



limit, the oracle gradually catches up and the bounds reset, enabling further price discovery without requiring traditional markets to reopen, while preserving the safety properties of bounded off-hours trading.

V2 launched initially for CL (WTI crude oil) and BRENT OIL markets only, with future rollouts planned per-market with individually preconfigured discovery bound thresholds and maximum step parameters. The significance of this upgrade extends beyond the technical fix: it demonstrates Trade[XYZ]'s ability to identify structural failure modes in real time and ship solutions within days of a live stress event.

4.3 Funding Rate Mechanics: Asset-Class Calibration

Trade[XYZ]'s funding rate design reflects a deliberate rejection of the one-size-fits-all crypto funding model. Each asset class receives a funding rate calibrated to its specific liquidity and trading hour characteristics.

Equity and Commodity perpetual derivatives: Funding Rate Halving

Trade[XYZ] implemented a 50% reduction in the funding rate for its commodity and equity perpetual derivatives relative to the standard HyperCore funding model. This addressed a structural mismatch: crypto perpetual derivatives use aggressive funding rates to keep prices tethered to spot markets with 24/7 liquidity, but equity and commodity perpetual derivatives reference assets that trade only during limited exchange hours. The standard crypto funding rate would systematically over-penalize positions held overnight or over weekends, creating a carry cost that discouraged longer-duration positioning. By halving the funding rate, Trade[XYZ] made it more economically viable for traders to hold multi-day equity and commodity positions, a prerequisite for attracting macro-driven traders who naturally hold positions for days or weeks, not hours.

FX perpetual derivatives: Zero Base Funding

For foreign exchange perpetual derivatives, Trade[XYZ] set the base funding rate to zero, recognizing that FX markets already trade nearly 24/7 (with brief weekend gaps) and that the interest rate differential between currency pairs is the primary driver of carry, not the synthetic funding mechanism. This granularity demonstrates Trade[XYZ]'s market design philosophy: each asset class receives a bespoke funding model rather than an inherited crypto formula.

The 0.5x multiplier: formula and observed behavior

The platform-wide funding reduction is implemented as a 0.5x multiplier on Hyperliquid's baseline formula: $F_{XYZ} = 0.5 \times [P + \text{clamp}(r - P, -0.0005, 0.0005)]$, where P denotes the normalized



impact-price difference ($\text{impact_price_difference} / \text{oracle_price}$) and r represents the relevant interest rate. The multiplier compresses baseline annualized funding from approximately 11% to 5.5%, aligning with traditional asset carry costs in the SOFR + 1–2% range and dampening weekend price-discovery noise. Payment interval is hourly, capped at $\pm 4\%$ per hour, and impact notional for the $\text{impact_bid} / \text{impact_ask}$ calculations is \$1,000. Payment is computed on oracle price (not mark): $\text{funding_payment} = \text{position_size} \times \text{oracle_price} \times \text{funding_rate}$. The multiplier applies uniformly across all Trade[XYZ]markets: equities, indices, commodities, and FX. Observed stress behavior includes annualized funding on WTIOIL-USDC reaching -300% to -400% during the March and April oil contango peak, demonstrating that the multiplier still permits extreme market-clearing rates when positioning diverges materially from underlying futures rolls.

4.4 Margin, Leverage & Liquidation

Leverage parameters differ by market and are calibrated to the liquidity and volatility profile of the underlying asset. HyperCore executes all liquidations at the protocol level, not the deployer. This separation is important: Trade[XYZ] sets the parameters, but the liquidation engine itself is HyperCore, which means liquidation behavior is deterministic, transparent, and independent of any deployer intervention.

How the system behaved during the January 30 Silver crash is covered in depth in Chapter 5. Portfolio margin, consolidating collateral and risk management across spot and derivatives positions, is an expected upgrade that would significantly improve capital efficiency for traders running delta-neutral strategies between Unit spot assets and Trade[XYZ]perps. Current status and timeline to be updated as information becomes available.

Leverage caps and discovery bounds by asset class

Trade[XYZ] [publishes](#) a comprehensive asset-by-asset specification index documenting maximum leverage, discovery bound, margin mode, and open interest cap per market. The structure reflects deliberate calibration to underlying liquidity and volatility profiles:

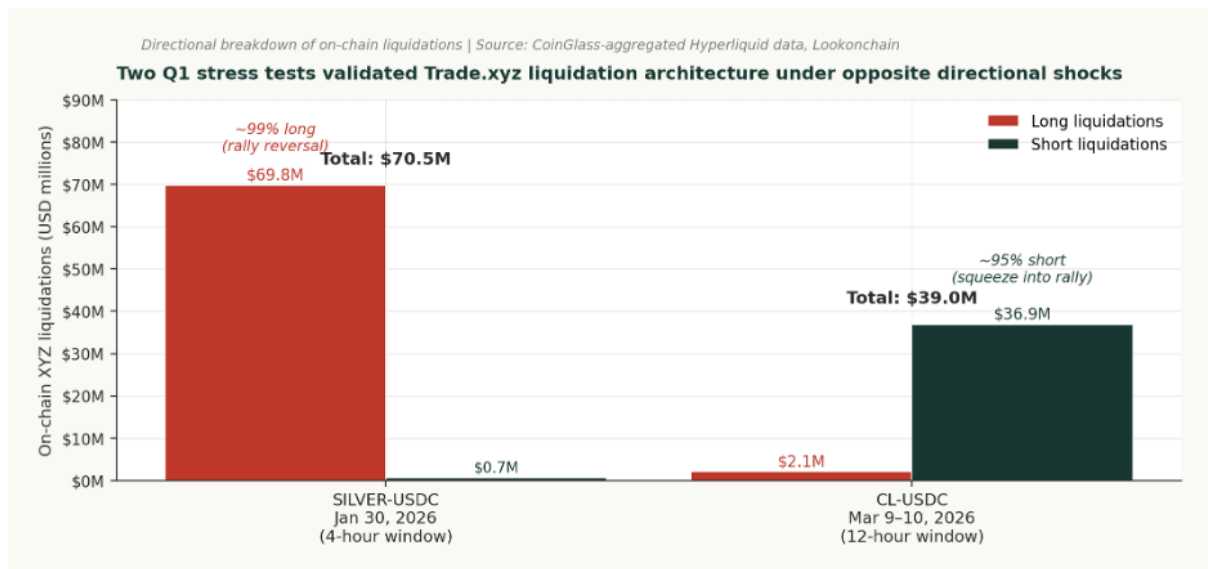
Asset class (representative markets)	Max leverage	Discovery bound	OI cap
Equity indices: SP500	50x	$\pm 2\%$	\$500M
Equity indices: XYZ100	30x	$\pm 3.5\%$	\$400M
Equity indices: JP225, KR200	20x	$\pm 5\%$	\$25M
Commodities: GOLD, SILVER	25x	$\pm 4\%$	\$500M
Commodities: CL (WTI), BRENT OIL	20x	$\pm 5\%$	\$750M–\$1B
Commodities: COPPER, PLATINUM, PALLADIUM	20x	$\pm 5\%$	\$25–300M



Commodities: NATGAS	10x	±10%	\$100M
Forex: EUR/USD, USD/JPY	50x	±2%	\$25M
Equities: MAG7 (AAPL, NVDA)	20x	±5–10%	Varies
Equities: Korean, MSTR, COIN, HOOD	10x	±10%	Varies

Initial margin fraction scales mechanically as the reciprocal of maximum leverage: 50x corresponds to a 2% initial margin, 25x to 4%, 20x to 5%, and 10x to 10%. Maintenance margin is set by the Hyperliquid protocol at approximately half of initial margin (1% on 50x markets, 2.5% on 25x). Explicit per-tier maintenance schedules for Trade[XYZ]markets are not publicly documented.

Q1 2026 liquidation stress tests



The January 30 silver crash and the March 9–10 oil crisis constituted the two principal stress tests of Trade[XYZ]’s liquidation architecture during Q1 2026. The two events were directionally inverse: silver produced ~99% long liquidations as the rally reversed, whereas the oil crisis produced ~95% short liquidations as positioning was squeezed into the rally. In both cases the HyperCore liquidation engine processed the events deterministically at the protocol level without deployer intervention, validating the architectural separation between parameter-setting (Trade[XYZ]) and execution (HyperCore).

Cross-margin scope and portfolio margin roadmap

Cross-margin activation for the MAG7 roster on February 26, 2026 is scoped exclusively to the Trade[XYZ]HIP-3 DEX. Shared USDC collateral does not extend to Hyperliquid’s core perpetual derivatives DEX or to other HIP-3 deployers. Validators enforce eligibility (sufficient observable liquidity, reliable external oracle, manipulation resilience) and maintain slashing authority if



externalPerpPx deviates more than 50% from start-of-day. Cross-margin-enabled Trade[XYZ]assets as of quarter-end include SP500, XYZ100, GOLD, SILVER, and the MAG7 constituents (AAPL, NVDA, TSLA, GOOGL, AMZN, MSFT, META). All other Trade[XYZ]assets remain in Normal Isolated or Strict Isolated mode. Full cross-margin benefits across the Hyperliquid ecosystem would require a unified account or portfolio margin architecture, which has not been publicly scheduled in approved-source communications.

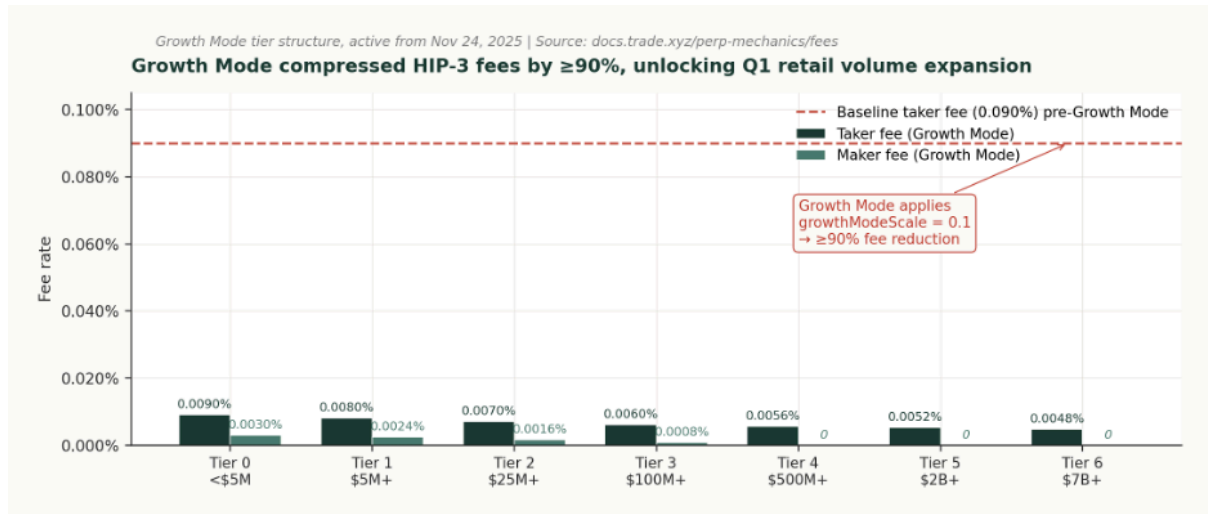
4.5 Market Hours Architecture: The 24/7 Design

Three sessions define the trading environment on Trade[XYZ]markets: Cash (traditional exchange open, fully anchored external oracle, highest volume, tightest spreads relative to depth), Extended (CME only, partially anchored), and Internal (all traditional markets closed, oracle in impact-price EMA mode, bounded by Discovery Bounds, retail-dominated flow, paradoxically tighter spreads due to lower flow toxicity).

Weekend volume runs at approximately 0.31x weekday levels across HIP-3 markets, the 24/7 structure is real but the participation asymmetry between sessions is significant. The strategic value is not uniform liquidity around the clock. It is the ability to capture geopolitical events overnight, provide a continuous price path through weekends, and enable pre-open positioning ahead of COMEX and NYSE auctions, use cases that do not exist on any traditional venue.

4.6 HIP-3 Growth Mode: fee compression as a retail unlock

The single most consequential fee event of Q1 2026 was the activation of HIP-3 Growth Mode at the protocol level on November 19, 2025 and the corresponding enablement on Trade[XYZ] on November 24, 2025 across all Trade[XYZ]markets. The protocol applies growthModeScale = 0.1, reducing all-in fees, rebates, and volume-contribution credits by at least 90% relative to the standard HIP-3 rates of 0.090% taker and 0.030% maker. The 50/50 fee split between deployer and protocol is preserved.



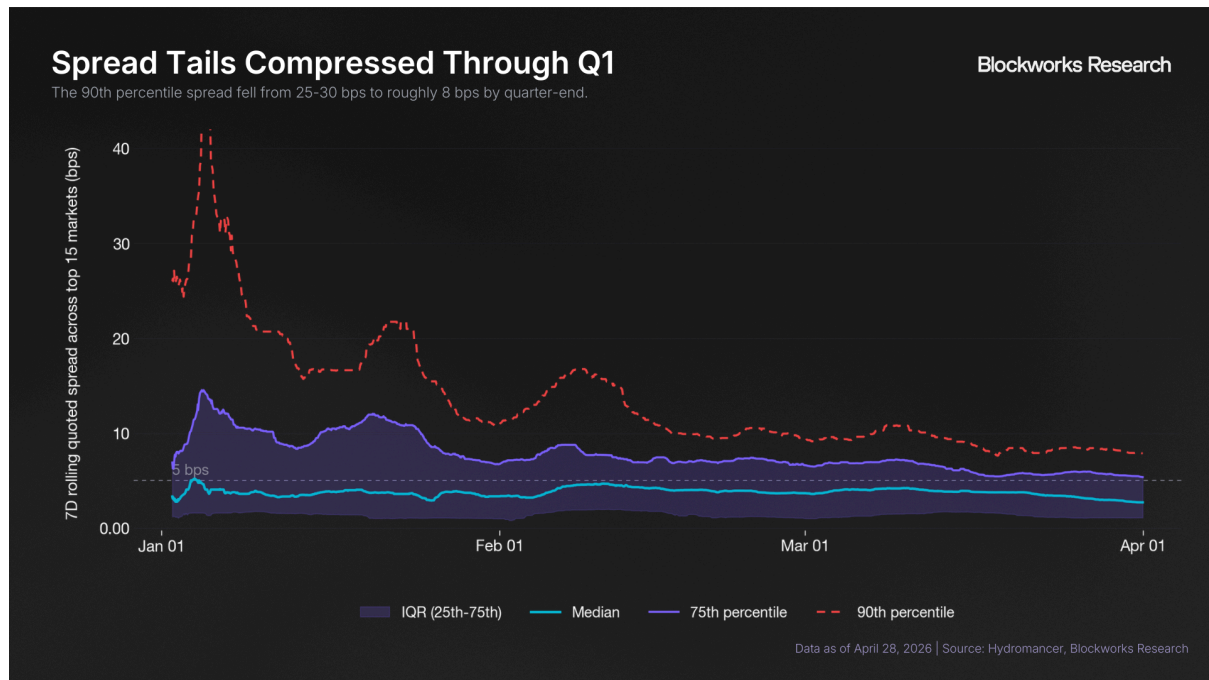
The tier structure illustrated above scales from Tier 0 (taker 0.0090%, maker 0.0030%) to Tier 6 (taker 0.0048%, maker 0.0000% at \$7B+ 14-day volume). With Diamond-tier HYPE staking, taker fees reach 0.00288% at the top tier. Growth Mode expressly excludes crypto perpetual derivatives against any collateral, perpetual derivatives on crypto indexes, ETFs or baskets, perpetual derivatives on crypto-holding vehicles (such as MSTR), and gold (on the basis that PAXG-USDC already tracks gold natively on HyperCore). The Q1 2026 volume trajectory, from the \$15–80M daily band pre-Growth Mode to \$200–500M in December, above \$1B on January 26–27 during the silver rally, and exceeding \$5B on peak March sessions, provides direct evidence of the demand elasticity unlocked by the fee compression.

5. Price Discovery & Market Efficiency Analysis

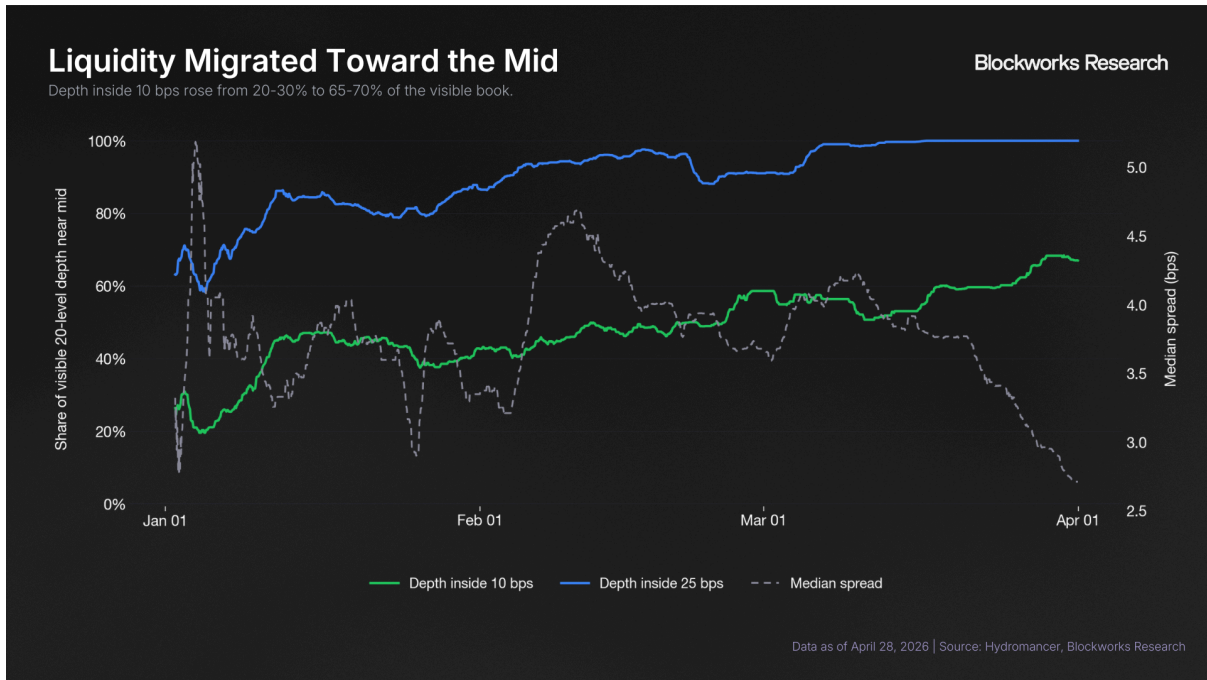
5.1 Introduction & Context

Trade[XYZ]'s Q1 growth established demand. The more important question is whether its market quality could sustain that demand. Perpetual RWA contracts face a structural burden that pure crypto perps do not: they must price real-world assets through oracles, manage session boundaries, and absorb inventory risk from markets that close overnight and on weekends. If market makers could not quote them as tightly as native crypto perps, the product would remain a novelty.

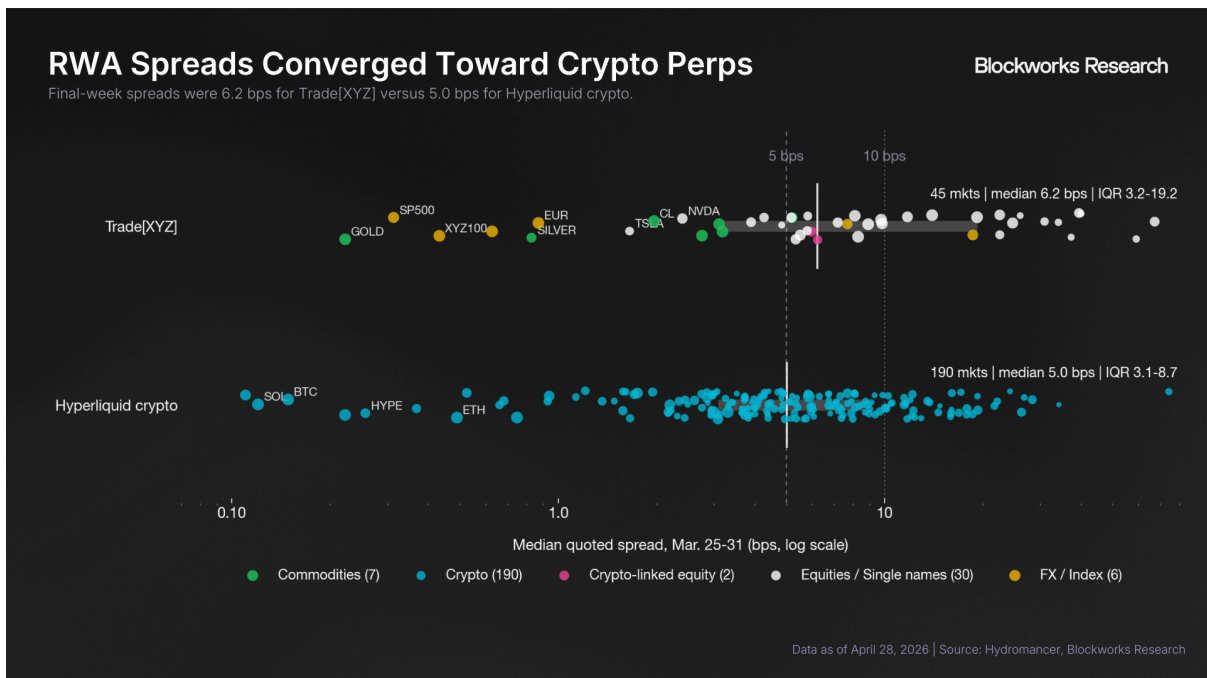
The data indicate it did, and faster than expected. Trade[XYZ]'s top fifteen markets compressed from a 25 to 30 bps tail in early January to an 8 bps 90th percentile by quarter-end. The median held below 5 bps for most of the period. But the more telling shift was in the weak tail. In January, newer and more idiosyncratic contracts quoted widely while GOLD, SILVER, CL, SP500, XYZ100, and EUR traded tight from the start. By March, that gap had closed, and market makers were gaining confidence in the oracle and session framework itself, lowering inventory penalties across the board.



Depth followed the same trajectory. In early January, only 20 to 30 percent of visible 20-level depth sat within 10 bps of mid. The rest was parked further from the fair value and only utilized when aggressive participants pushed the internal mark price further away from the oracle reference. By quarter-end, 65 to 70 percent of the visible book rested within 10 bps, and depth within 25 bps had gone from 60 to 70 percent of the book to essentially all of it. Market makers were adding usable size, placed where traders actually needed it.



Trade[XYZ] also expanded from 22 live markets at the start of Q1 to 45 by quarter-end. In the final week, the median quoted spread across all Trade[XYZ] markets was roughly 6.2 bps, compared with approximately 5.0 bps for Hyperliquid's native crypto perps.





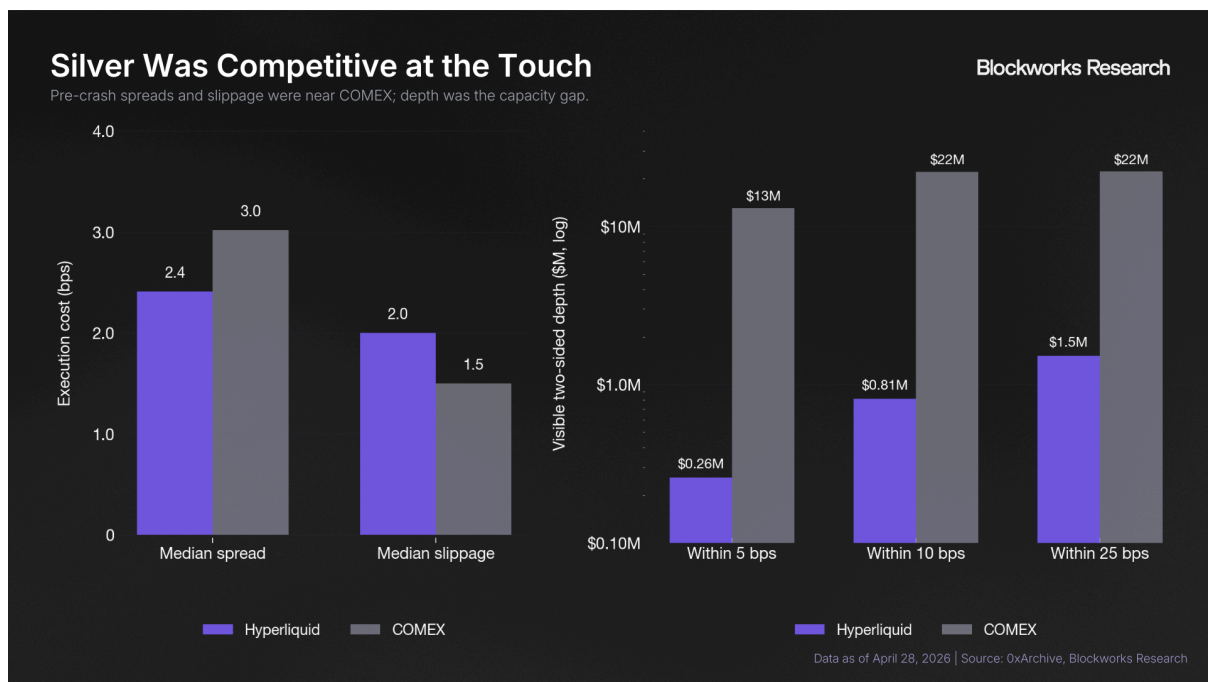
The core commodity, index, FX, and liquid equity contracts were already trading in the same range as their crypto-native counterparts, and the perpetual RWA primitive had, within a single quarter, achieved crypto-grade execution quality.

5.2 Silver: Traction, Efficiency, Price Discovery

While the above was promising for Trade[XYZ], median values can obscure the tails. For nascent primitives like perpetual derivatives, dislocations from liquidations and extreme moves are where performance is actually tested, and market makers will not hold positions on the platform unless execution stays resilient through those episodes. Silver emerged as the ideal case study: it was Hyperliquid's third most traded asset on January 30 (\$2.2B notional), and experienced its largest observed crash, falling roughly 19% peak-to-trough in five hours.

Before the selloff, execution was already competitive. Hyperliquid Silver quoted a 2.4 bps median spread versus roughly 3.0 bps on COMEX, with 90 percent of observations inside 5 bps. Median slippage was 2.0 bps against COMEX's 1.5 bps.

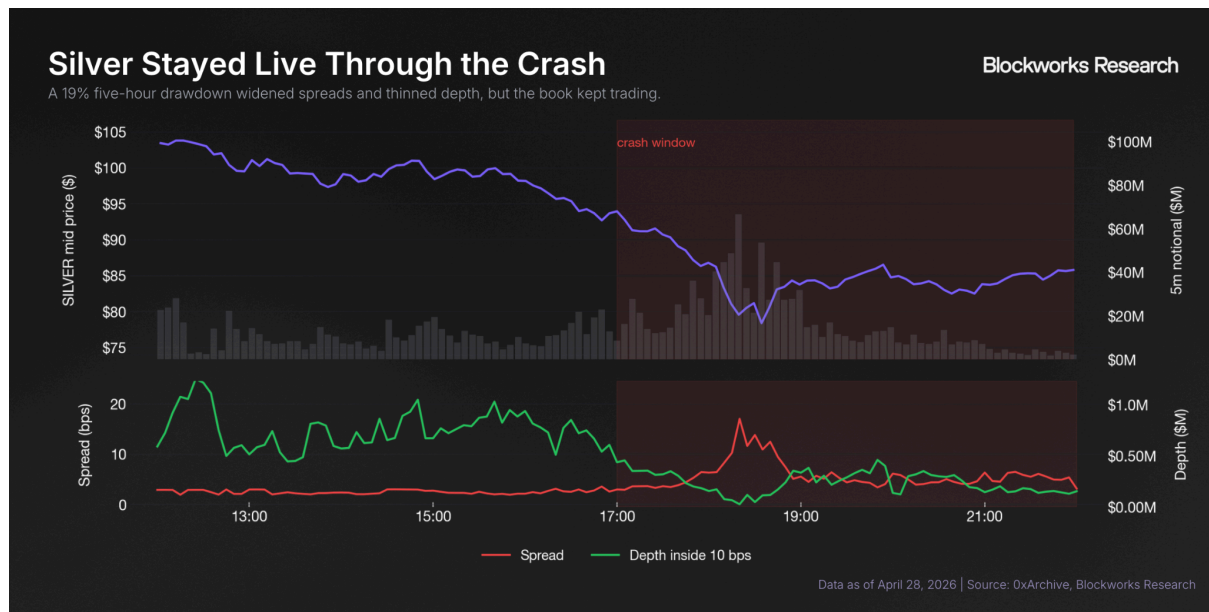
Still, the size markets could handle was still constrained, COMEX held roughly \$13M within 5 bps of mid vs Hyperliquid that held \$231k, enough for active flow but thin for institutional blocks.



Despite a COMEX basis blowout that peaked near 463 basis points and stayed above 400 for roughly 95 seconds before compressing below 50 within 19 minutes, Hyperliquid remained open while parts of



the traditional silver stack were unavailable. The Shenzhen Stock Exchange halted its silver fund for the entire day, London had already closed, and the Shanghai Gold Exchange was effectively offline. Spreads did worsen, but in line with the benchmark stress regime: COMEX SILH6 had already widened from a 1.70 bps median spread on Jan. 29 to 3.02 bps pre-crash on Jan. 30, while Hyperliquid moved from 2.41 bps pre-crash to 5.05 bps during the selloff.



That continuity carried into the weekend. COMEX, the only remaining traditional anchor, was closed. Hyperliquid processed roughly 175k trades and \$257M of notional at a 0.93 bps median spread. Trade sizes were smaller still, the book stayed active and tradable while the benchmark was offline, and that weekend Trade[XYZ]'s Silver remained the only tradable instrument for Silver.

Overall, Silver showed two things. First, that Trade[XYZ] can quote benchmark-competitive spreads against COMEX despite operating at a fraction of its trade size. Second, that it remains functional during market stress. Trade[XYZ] has demonstrated a form of resilience that legacy infrastructure does not offer: the ability to price, trade, and reconverge through a crisis, and then to keep doing so while the benchmark itself is offline.

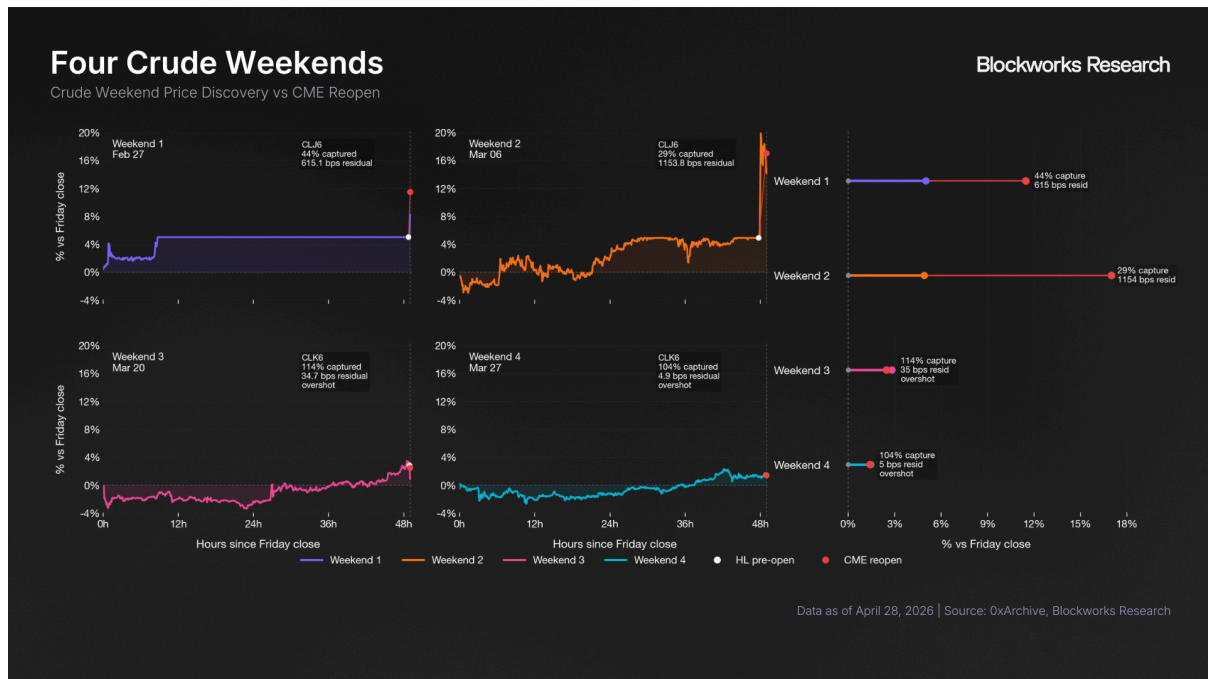
5.3 Oil: Traction, Efficiency, Price Discovery

Silver proved impressive execution during open benchmark hours. The clearest use case for 24/7 perpetual derivatives, however, is weekend price discovery. Perpetual RWA contracts already offer clean delta-one exposure, unlike options. But their 0-1 improvement comes on weekends, when traditional markets close and they become the only live venue for assets that otherwise close. For this, crude oil was the perfect case study.



During the Strait of Hormuz shock, CME crude futures were offline while a major energy-risk repricing was underway. Public reports of strikes on Iran began hitting while CME was still closed, and within minutes Trade[XYZ] had repriced crude from \$68.72 to a local high near \$70.62 — capturing the initial shock before traditional venues could open. When CME finally reopened Sunday at \$75, more than \$7 above Friday's close, Trade[XYZ] had already bridged roughly 44 percent of the gap.

This continued across a volatile regime. Across all four weekends, Trade[XYZ]'s final pre-open price finished closer to the eventual CME reopen than Friday's close. On Weekend One, it bridged roughly 44 percent of the gap before the benchmark reopened, despite the basis blowout and near-zero depth at the peak. On Weekend Two, it repriced to its ceiling while processing \$305.6 million in notional. By Weekends Three and Four, the residual error to the reopen had compressed to 34.7 basis points and then to 4.9 basis points. A market that began band-constrained and partially accurate became, within a month, extremely precise against the benchmark.



Execution quality followed the same curve. The first shock weekend was expensive to trade: pre-move spreads were near 1 bps, but median spreads widened to 13.9 bps during catch-up and roughly 24 bps during the sharpest acceleration, with P95 slippage approaching 89 bps. By the later March weekends, CL was still clearing hundreds of millions in weekend notional, but median spreads had compressed toward 2 bps and median slippage had fallen to roughly 1.5 bps. The venue was open and handled mid-sized clips with impressive execution.

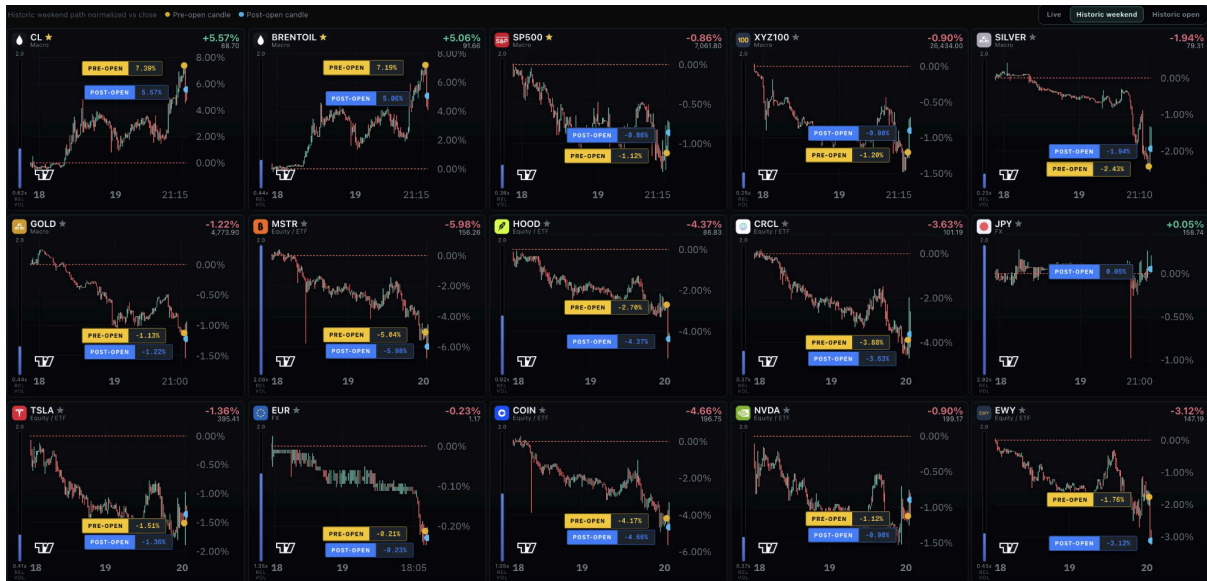


Oil provides the strongest Q1 evidence for crisis-hours price discovery. During a global energy shock, Trade[XYZ] is live while the benchmark is closed. The first weekend exposed thin-book fragility. The later weekends showed scale, tighter spreads, and lower slippage as the market used Trade[XYZ] to price risk in continuous time.

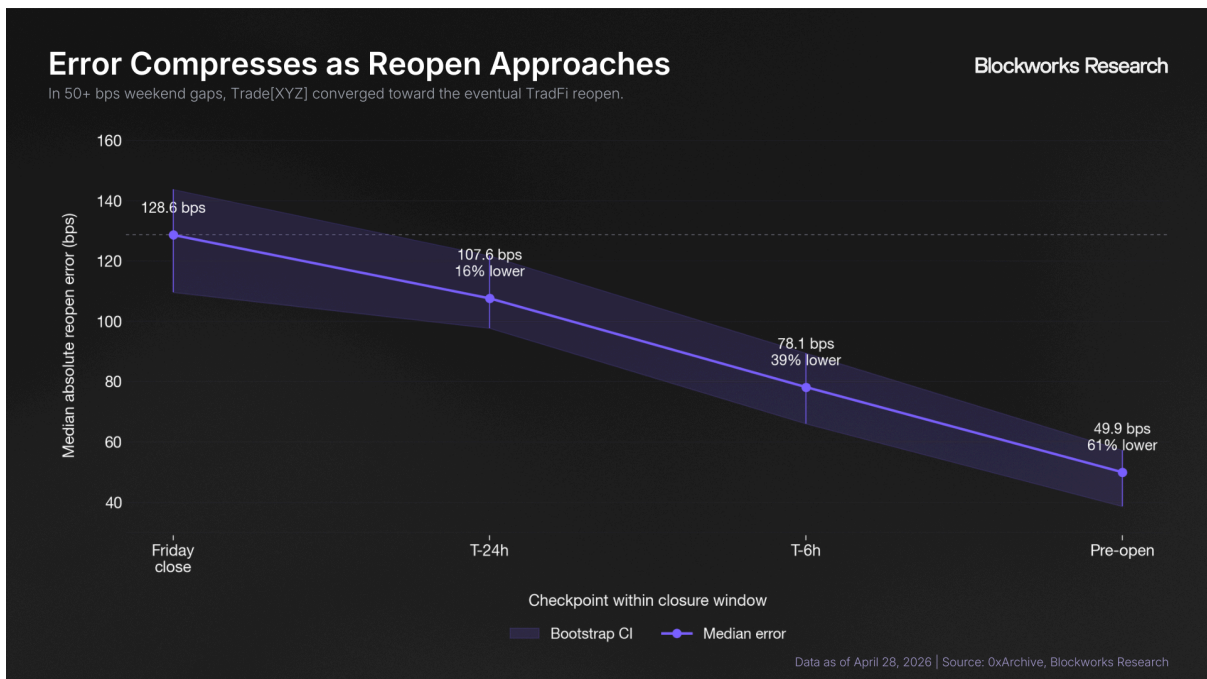
5.4 Cross-Market Price Discovery

Against a backdrop where traditional giants like CME, Nasdaq, and NYSE are all expanding toward 24/7 access, silver and crude oil raise an interesting question: is Trade[XYZ] already operating as an efficient 24/7 venue?

Our methodology was to take (a) the Friday closing price, (b) Trade[XYZ]'s pre-open price, and (c) the TradFi opening auction price. We then compared (a) and (b) to (c) to determine which was closer. If Trade[XYZ] is consistently closer, we can infer that its markets are informative and actively traded rather than stale.



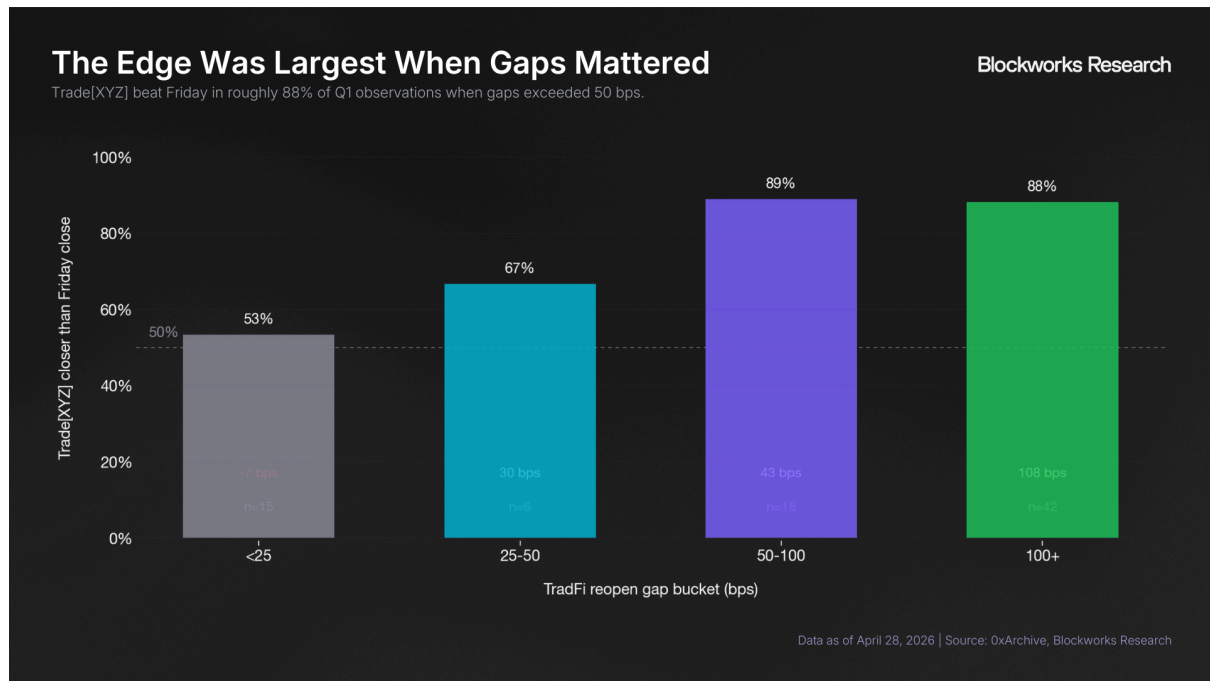
In the primary 50+ bps gap sample, median error fell from 128.6 bps at the Friday close to 107.6 bps at T-24h, 78.1 bps at T-6h, and 49.9 bps by the final pre-open mark. That pattern matters because it shows Trade[XYZ]'s prices became progressively more informative as the reopen approached.



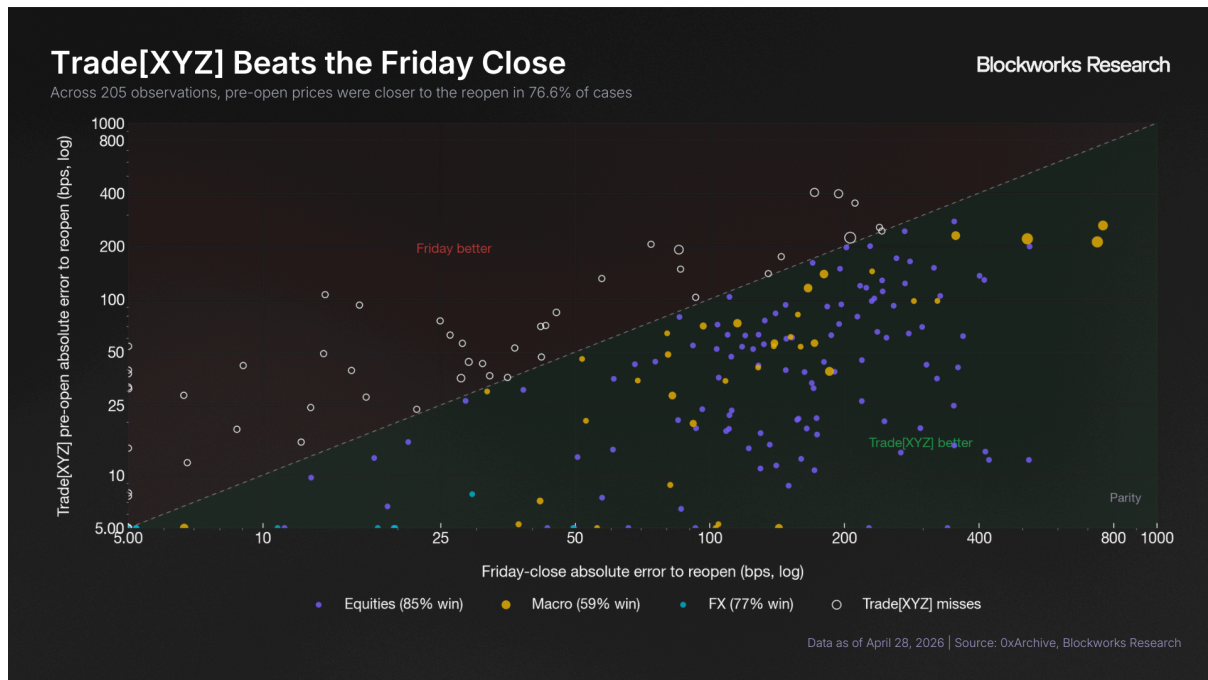
For gaps above 50 bps, Trade[XYZ] was closer than Friday in roughly 88 to 89 percent of observations. For gaps above 100 bps, the median improvement versus Friday was roughly 108 bps.



For sub-25 bps gaps, the hit rate fell toward 53 percent, a range where spread, funding, and thin weekend liquidity can overwhelm small moves.



The post-Q1 validation set confirmed the result was not isolated to the quarter. Across 205 symbol-weekend observations through April 24, Trade[XYZ] remained closer than Friday in 76.6 percent of cases, with median reopen error falling from 115.2 bps to 40.8 bps.



The key finding is that Trade[XYZ]'s largest RWA markets are beginning to behave like mature crypto markets: tight enough to trade during normal hours, resilient enough to stay live during stress, and informative enough to carry signal through weekends. By quarter-end, its core commodity, index, FX, and liquid equity contracts were quoting in the same range as many Hyperliquid crypto perps, while its weekend prices were usually closer to the eventual TradFi reopen than the stale Friday close.

In just one quarter, Trade[XYZ] became the only venue for live weekend trading, running it in an informative and orderly way while the TradFi giants lagged behind.

6. Risks and Challenges

For the Risks and Challenges section, we'll cover Hyperliquid's overall risk landscape at a high level, focusing mainly on the regulatory developments that evolved over the quarter, with comments from Jake Chevrinsky and other HPC members.

We'll then discuss with Jake the specific regulatory risks for Trade[XYZ], distinct from Hyperliquid's own exposure. The key angle here is how the regulatory treatment may differ for a deployer offering equity perpetual derivatives exposure, rather than just the base layer risks.

Closing Thoughts



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Report: *Trade[XYZ]'s 2026 Q1 Report*

By: GLC, G & Shaunda.

Date: *April 28, 2026*