

# Solana

(SOL)

## Tokenholder Report

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Q1 2026

**Blockworks Advisory**

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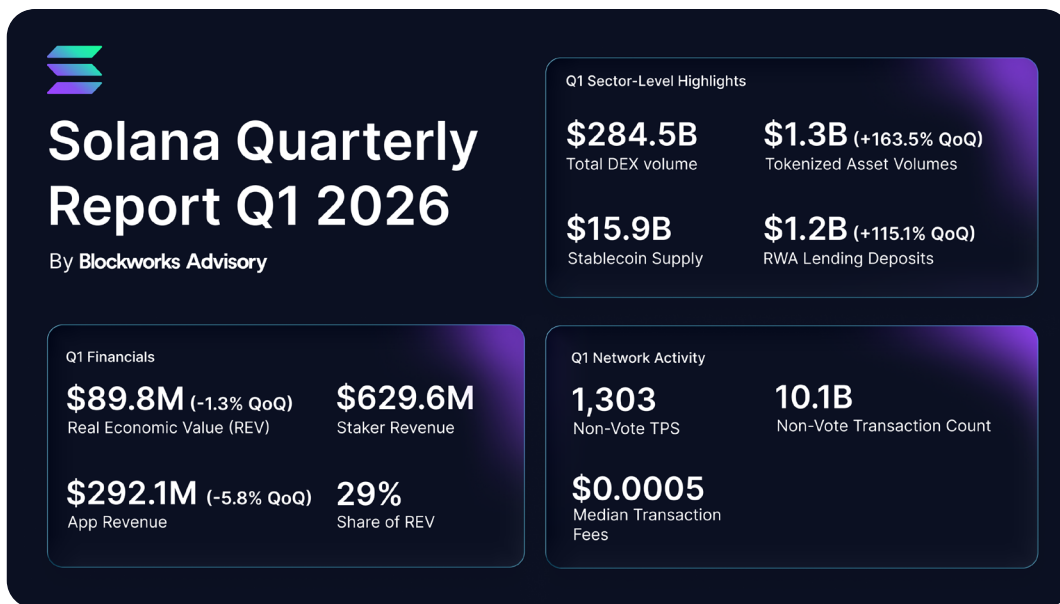
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# Executive Summary

Solana continued to solidify its position as the primary venue for onchain spot trading in Q1 2026, capturing a leading 41% volume market share against other chains. Institutional adoption also strengthened during the quarter, with SOL ETPs recording \$208M in net inflows despite a broader market downturn.

The ecosystem demonstrated growing depth across key verticals. RWAs emerged as a major growth driver in lending, with Solana surpassing Ethereum to become the leading chain in RWA lending deposits (\$1.23B, +115% QoQ). Tokenized asset volumes also reached a new all-time high of \$1.3B, driven primarily by equities and pre-IPO exposure. Consumer activity remained strong, supported by one of the deepest retail bases in crypto and continued traction in areas such as launchpads and mobile distribution.

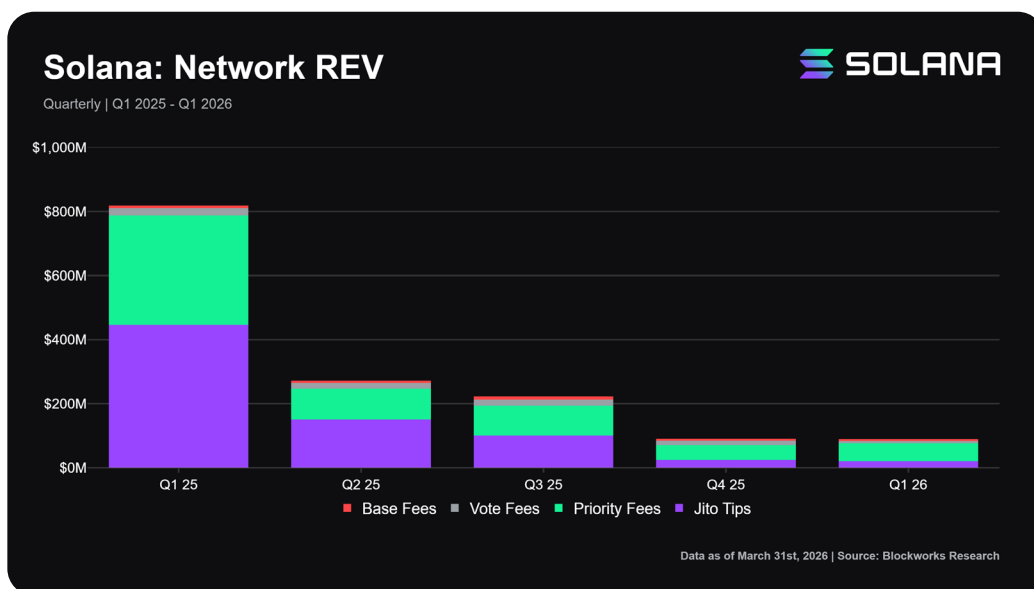
At the network level, Solana further validated its position as the most performant general-purpose chain in production, reaching all-time highs in transaction count (10.1B) and throughput (~1.3K TPS), while maintaining consistently low median fees (~\$0.0005) even during stress events.



# Financials

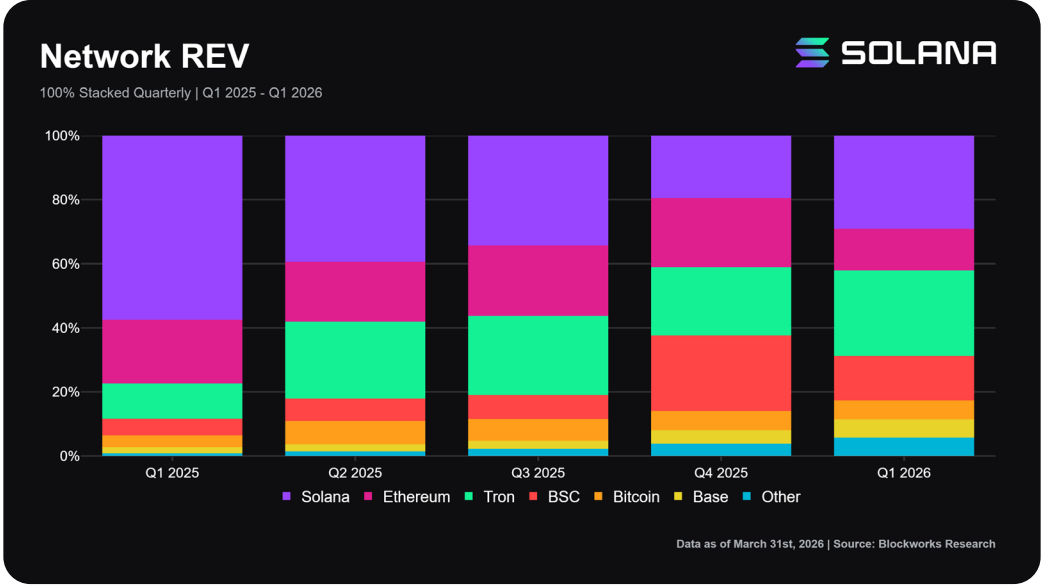
## Real Economic Value (REV)

Solana's Real Economic Value (REV) totaled \$89.8M in Q1 2026, stabilizing near Q4 2025's \$91.0M following a sharp normalization from the \$819M peak in Q1 2025. The year-over-year decline reflects a combination of factors: (1) a broad slowdown in memecoin-driven activity in line with overall market conditions, (2) a shift in DEX volume composition toward the SOL-USD pair driven by the rise of prop AMMs, and (3) improvements in Solana's market microstructure, which have reduced reliance on out-of-protocol tips for transaction inclusion.



Network REV Quarterly. Source: [Blockworks](#)

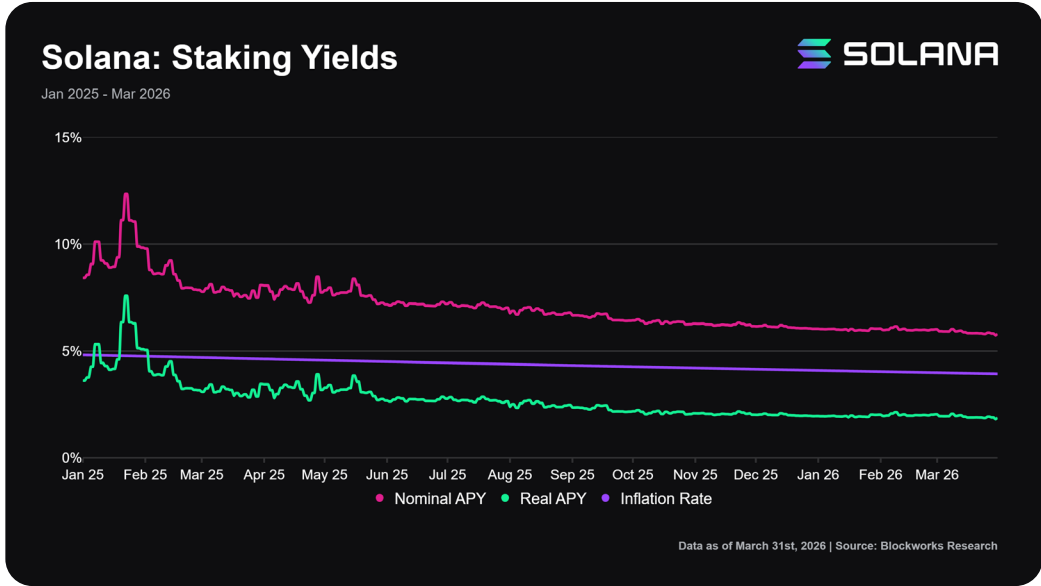
REV measures user demand to transact on a blockchain, tracking all value paid for transaction execution. Solana was the leading chain by REV in Q1 2026, with its share of network revenue increasing from 20% in Q4 2025 to 29%.



Network REV Distribution. Source: [Blockworks](#)

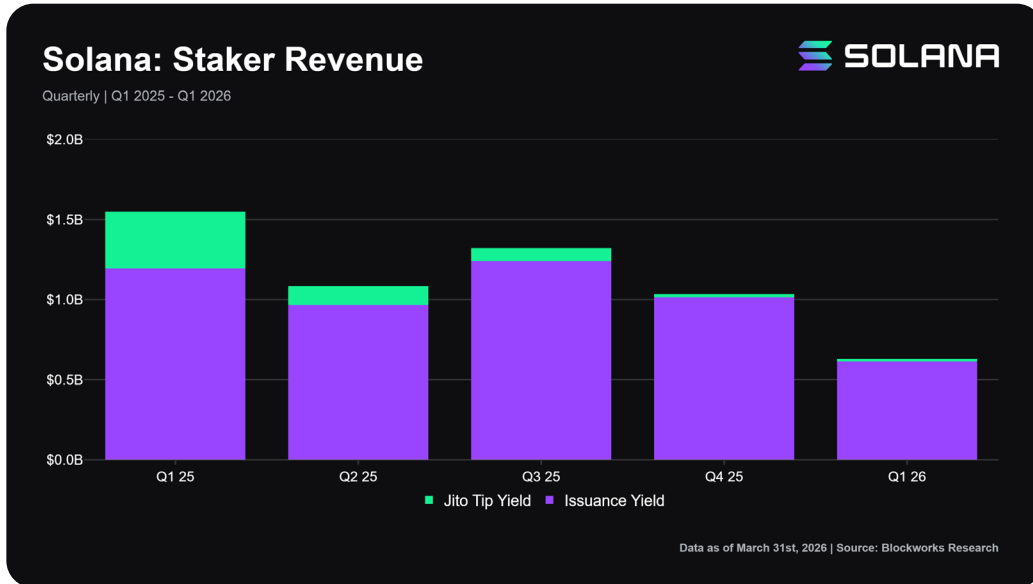
### Staker Revenue

SOL's nominal staking yield declined to approximately 5.8% by the end of Q1 2026, primarily due to a lower inflation rate. As a reminder, SOL follows a fixed emission schedule: inflation was initially set at 8% and declines by 15% annually until reaching a terminal rate of 1.5% around 2030. By the end of Q1 2026, SOL's annualized inflation rate had fallen to 3.93%.



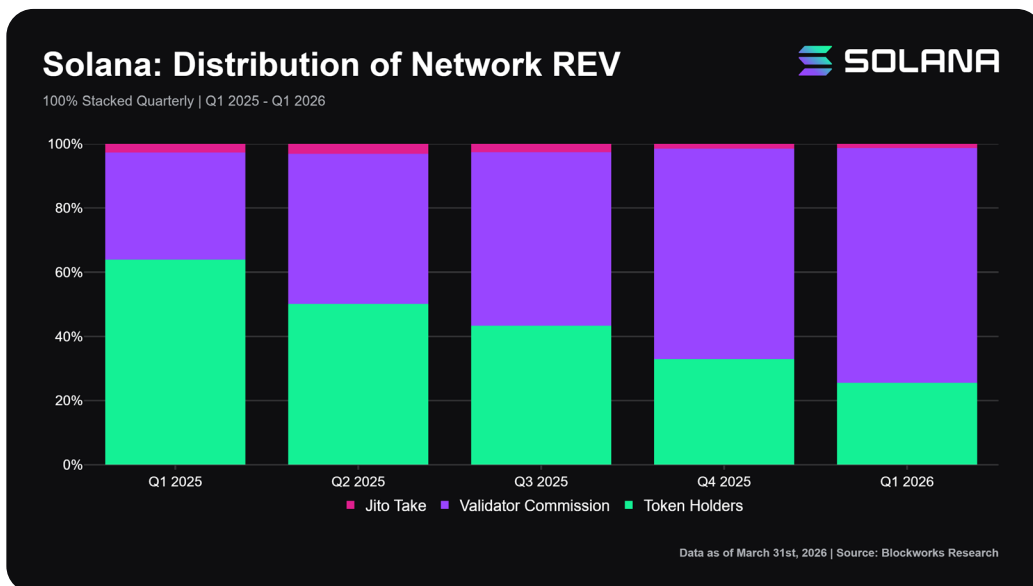
Staking Yields. Source: [Blockworks](#)

In total, Solana stakers earned \$630M in revenue in Q1 2026, down from \$1.03B in the prior quarter and \$1.55B in Q1 2025. This figure only captures staking revenue from SOL issuance and Jito tip yield, with SOL issuance accounting for 97.5% of total staking revenue in Q1 2026.



Staker Revenue. Source: [Blockworks](#)

As seen in the chart below, SOL token holders' net margin has declined over four consecutive quarters, hitting a new all-time low of 25.5% in Q1 2026. Meanwhile, validators' commissions now make up 73.2% of total REV, up from 33.3% in Q1 2025.



REV Distribution. Source: [Blockworks](#)

The reason that token holder's net margin has declined is because priority fee revenue is excluded from staking revenue estimates since it is not natively trackable at the protocol level. Solana still lacks a standardized in-protocol mechanism for validators to pass priority fees through to stakers, even though many large validators already do so via third-party infrastructure. For example, Helius and Jupiter use Sanctum for their LSTs, hSOL and JupSOL, with distribution automated through Sanctum.

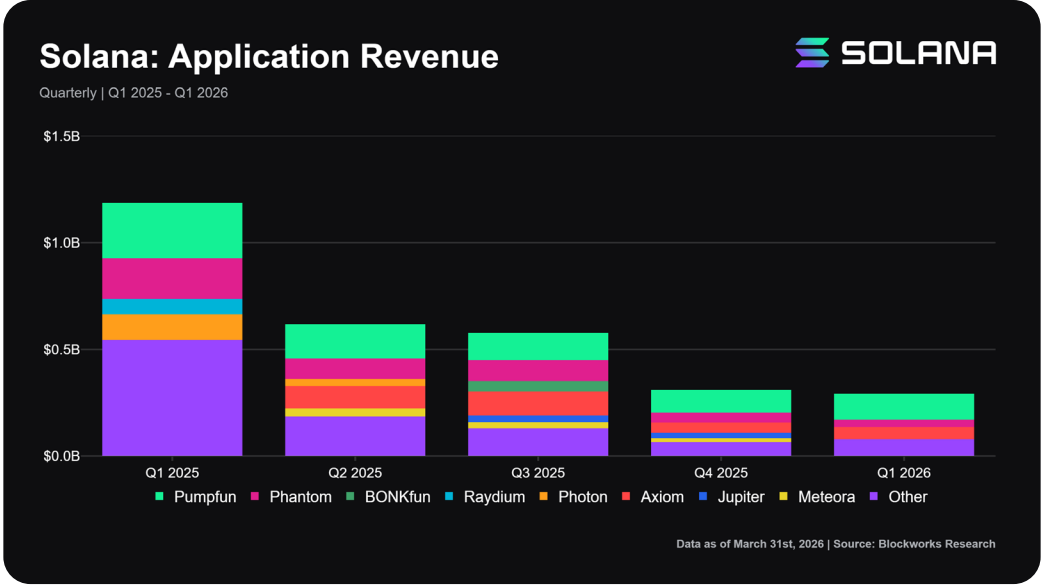
Historically, there was no native framework for sharing priority fees because 50% of those fees were burned, with only the remaining 50% paid to the block producer. That changed with SIMD-96, implemented in February 2025, which eliminated the priority fee burn and directed 100% of priority fees to the block producer. Base fees, by contrast, are still 50% burned. The broader objective of SIMD-96 was to reduce reliance on out-of-protocol payment arrangements for transaction inclusion, which had introduced additional complexity for application developers and market makers.

This is set to change with SIMD-123, one of Solana's key expected upgrades in 2026. Once activated, it will introduce a standardized in-protocol mechanism for validators to share priority fees with stakers.

## Application Revenue

Application revenue serves as an indicator of success for businesses within an ecosystem. While REV is an important metric to track, the true metric of an ecosystem's product market fit is the revenue generated by user-focused applications.

Solana apps generated \$292M in revenue in Q1 2026, down 5.8% QoQ, in line with a broader market drop in activity. Of note, the list of applications we track is not exhaustive, so total app revenue may be slightly underestimated, though only marginally. The leading apps by revenue in Q1 were Pumpfun (\$123M, 42%), Axiom (\$58M, 20%) Phantom (\$33M, 11%) and Jupiter (\$14M, 5%).

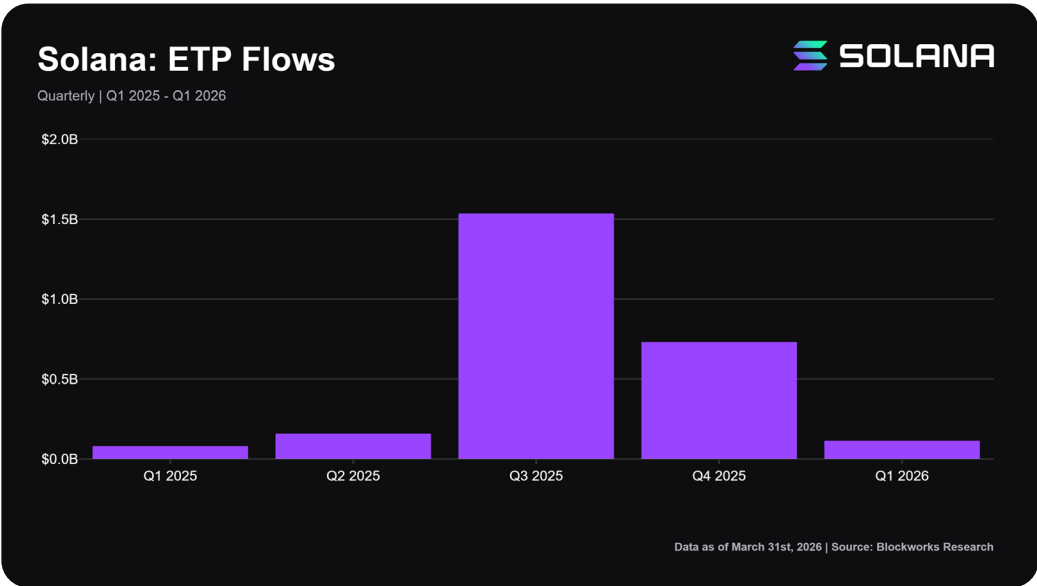


Application Revenue. Source: [Blockworks](#)

# Institutional Flows

## Exchange-Traded Products (ETPs)

Despite the market downturn, SOL continued to see strong institutional demand in Q1 2026, with ETPs across North America, Europe, and APAC recording \$208M in net inflows. Over the same period, ETH spot ETPs saw \$198M in net outflows, while BTC ETPs attracted \$1.53B in net inflows. Although BTC led in absolute terms, on a market cap-adjusted basis, SOL attracted roughly 4x more inflows per dollar of market cap.



Quarterly ETP Flows. Source: [Blockworks](#)

## Digital Asset Treasury Companies (DATCOs)

SOL DATCO holdings remained virtually unchanged throughout Q1 2026, constrained by limited secondary liquidity and persistent mNAV discounts. Holdings totaled 15.98M SOL by the end of Q1—effectively flat for a sixth consecutive month.



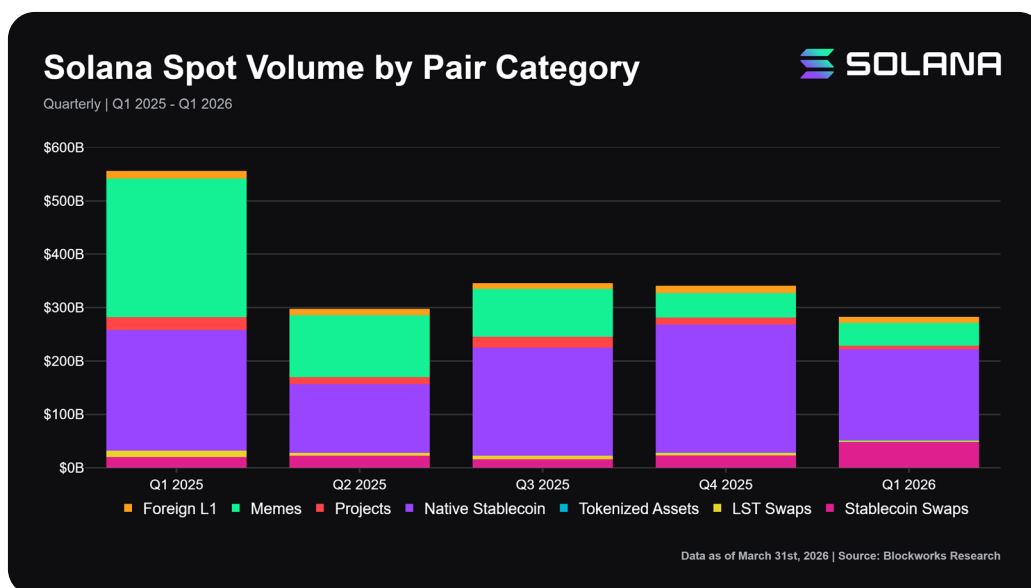
Solana Holdings by DATCOs. Source: [Blockworks](#)

# Sector Analysis

Solana is increasingly solidifying its role as the primary onchain venue for spot trading. In Q1 2026, the network demonstrated that its infrastructure, tooling, and liquidity are sufficient to enable permissionless trading of virtually any asset – moving closer to the vision of an “everything exchange.” However, trading is not the entirety of the story. The ecosystem continues to show depth across lending, RWAs, consumer applications, and stablecoin infrastructure, highlighting Solana’s evolution into a broader financial and application layer.

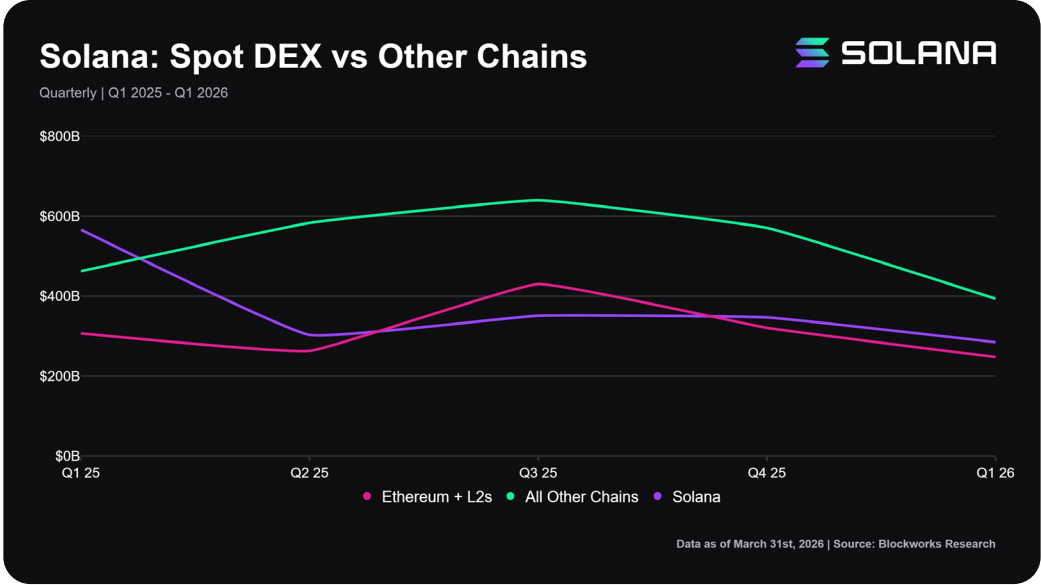
## Spot Trading

Solana DEX spot volumes amounted to \$284.5B in Q1 2026, down about 18% from the prior quarter and about 50% year-over-year decline from Q1 2025’s \$566.3B.



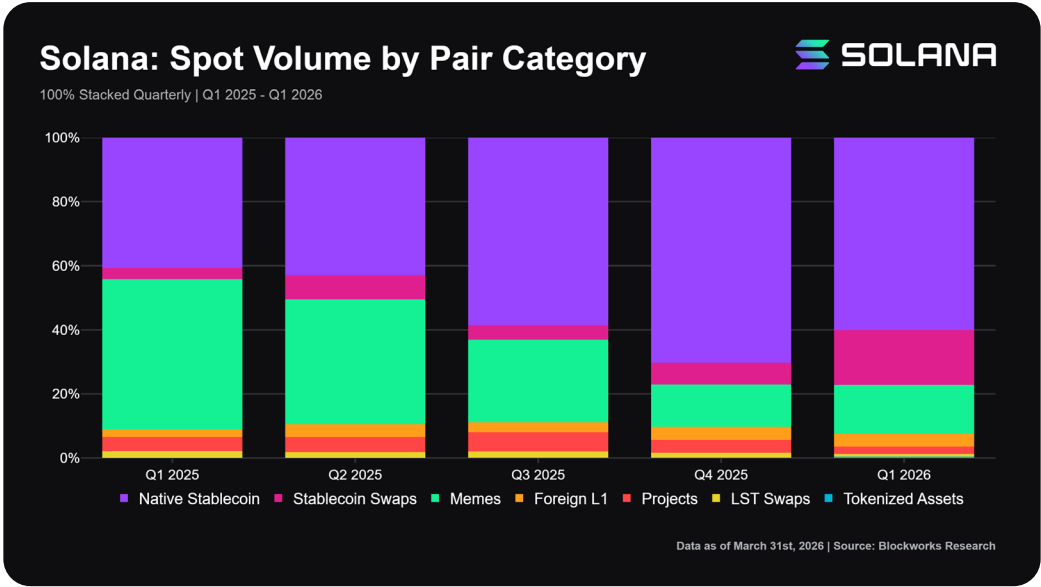
Spot Volume by Pair Category. Source: [Blockworks](#)

The year-over-year decline reflects normalization from memecoin-driven peaks and broader market conditions, rather than competitive displacement. In Q1 2026, Solana remained the leading chain for spot trading volume, capturing 41% market share and surpassing Ethereum and its L2s combined.



Spot DEX vs. Other Chains. Source: [Blockworks](#)

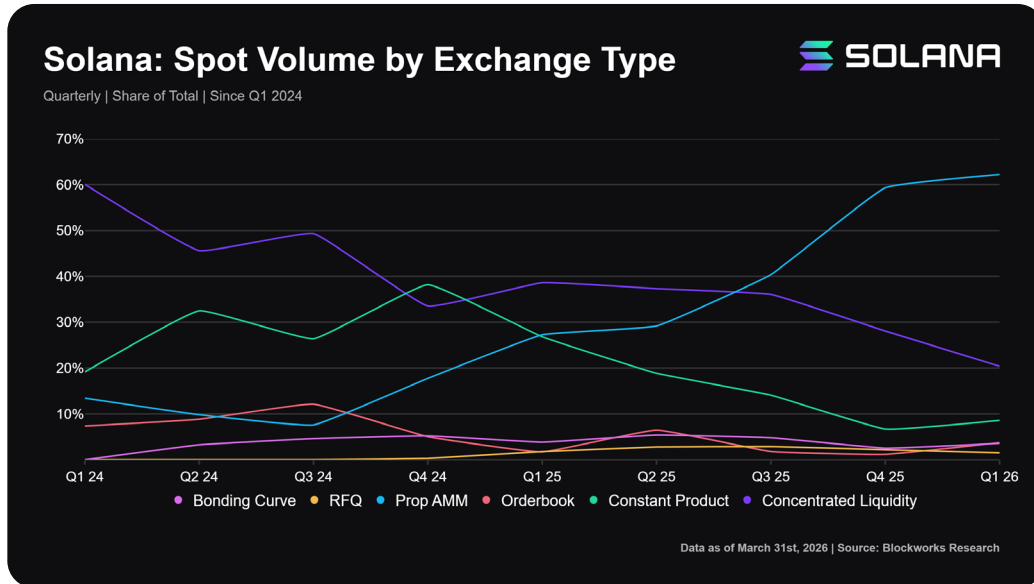
Regarding Solana DEX volume composition, the SOL-USD pair remained the largest category, though its share declined from 69.2% in Q4 2025 to 59.6% in Q1 2026. Stablecoin swaps ranked second and more than doubled QoQ, rising from 6.6% to 17.1% of total DEX volume.



Spot Volume by Pair Category. Source: [Blockworks](#)

DEXs on Solana remains a prop AMM story. Prop AMMs are spot exchanges with actively managed liquidity via oracle updates. Each prop AMM is operated by an individual market maker (no external LPs), who uses highly optimized transactions to update the oracle price, enabling quotes to be adjusted multiple times per

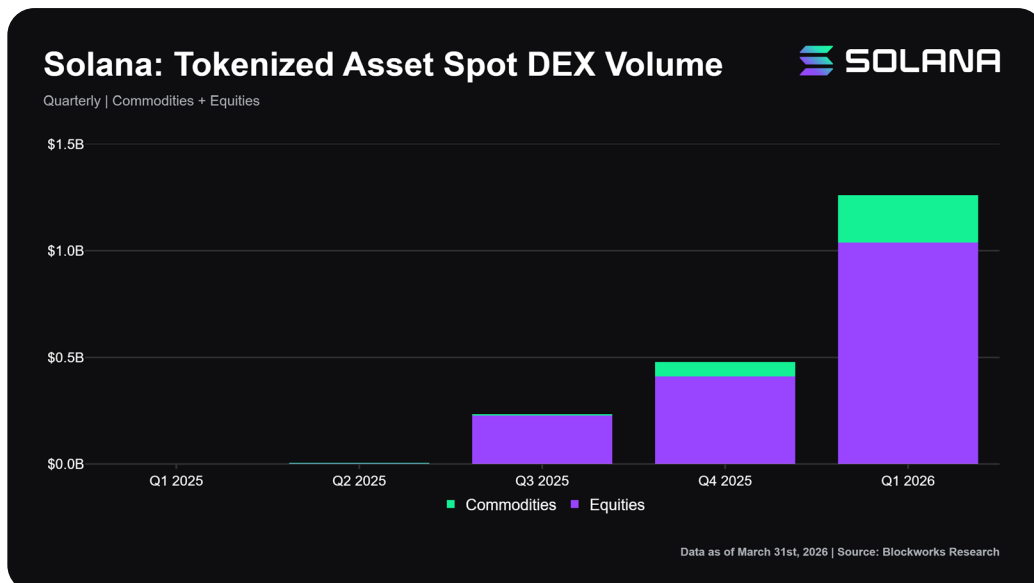
second. With over ten prop AMMs live on Solana, their share of spot DEX volume has grown from 27% in Q1 2025 to 62% in Q1 2026, marking a new all-time high.



Spot Volume by Exchange Type. Source: [Blockworks](#)

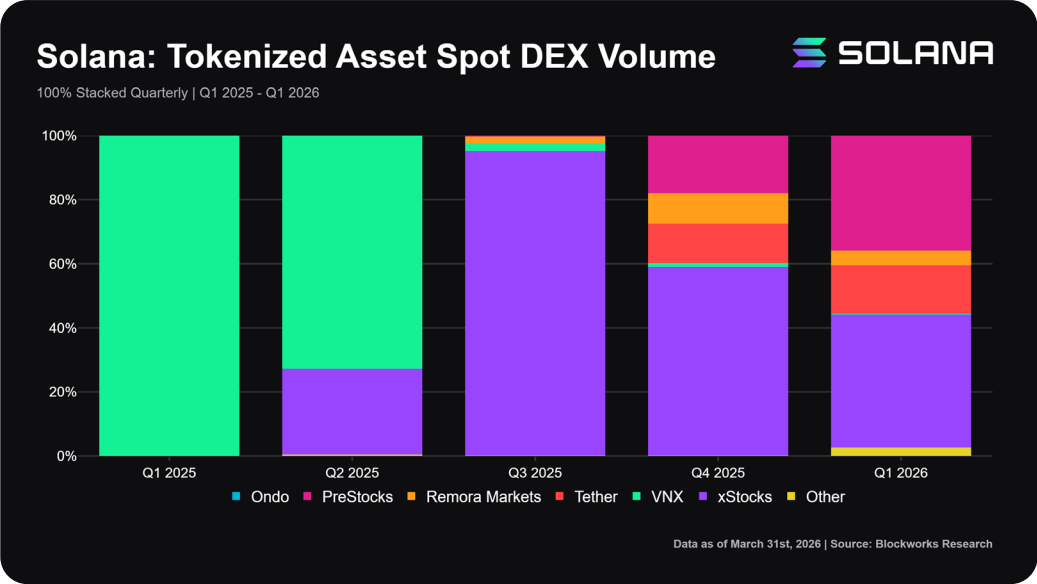
## Tokenized Assets

Beyond the SOL-USD pair and stablecoin swaps, tokenized assets were the highlight of Solana's trading landscape in Q1. Solana DEXs processed \$1.3B in tokenized asset volume in Q1 2026, up 164% QoQ and a new all-time high.



Tokenized Asset Spot DEX Volume. Source: [Blockworks](#)

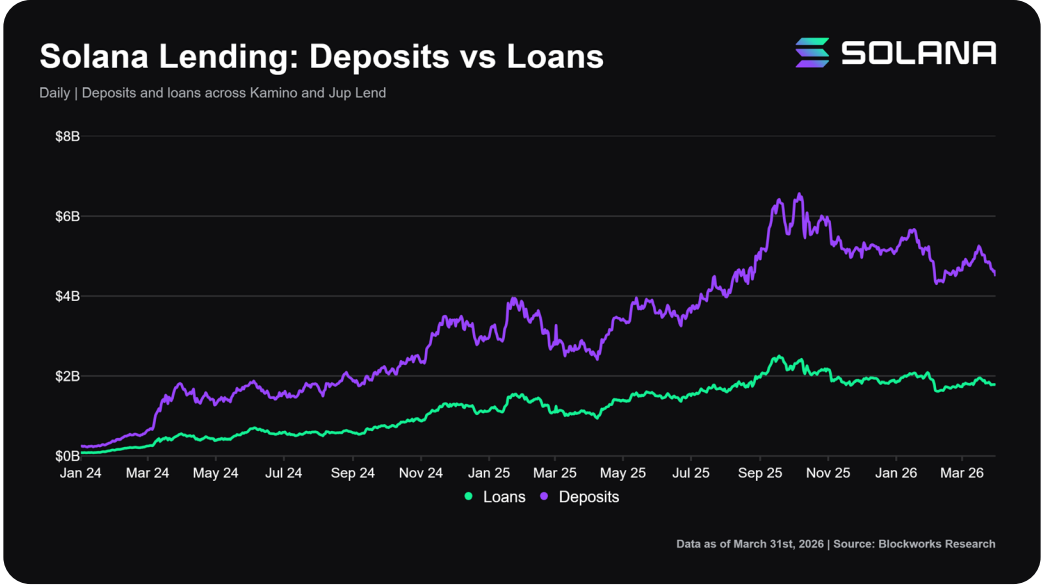
At the issuer level, xStocks accounted for the largest share of tokenized asset volume in Q1 2026 at 41.5%. xStocks offer permissionless access to tokenized public equities through a Swiss tracker certificate structure. PreStocks ranked second with 35.8% of volume and highlighted a use case more uniquely enabled by tokenization: trading pre-IPO companies.



DEX Volume Composition. Source: [Blockworks](#)

## Lending

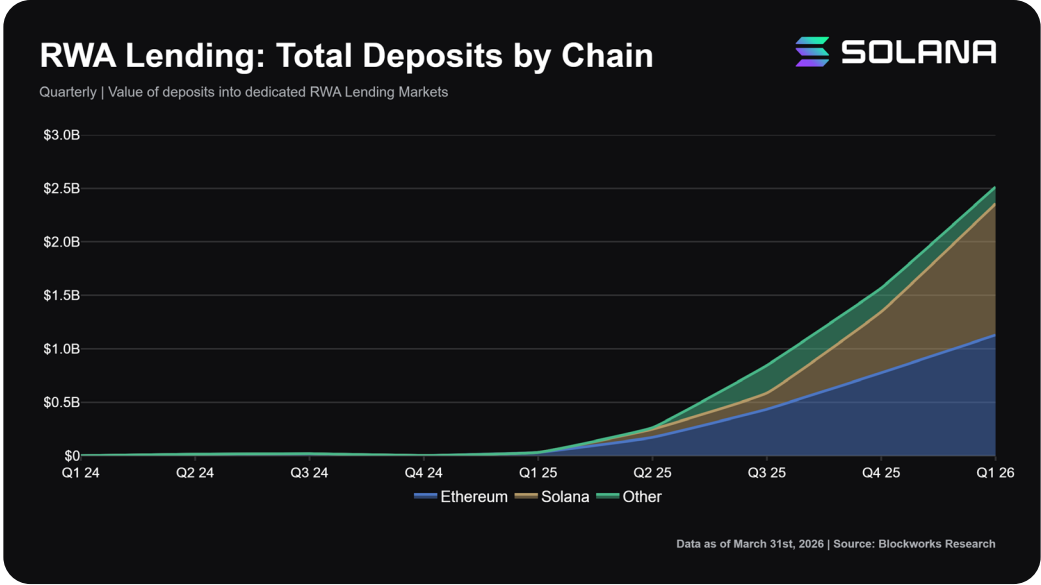
As of the end of Q1 2026, total deposits and outstanding loans across Solana’s two largest money markets, Kamino and Jup Lend, stood at \$4.39B and \$1.72B, respectively. Deposits declined 14.4% QoQ, while loans fell 6.8%, reflecting weaker demand for leverage across crypto markets.



Deposits and Loans, Solana Lending. Source: [Blockworks](#)

Despite this softer backdrop, RWAs emerged as a key area of growth within Solana lending, led by Kamino. Markets such as Figure’s PRIME (yield backed by HELOC lending) and OnRe (yield from reinsurance) introduced yield streams uncorrelated with crypto market conditions, reducing reliance on purely crypto-native activity.

Driven by this expansion, Solana surpassed Ethereum in RWA lending deposits during the quarter, becoming the leading chain in this vertical. Solana ended Q1 2026 with \$1.23B in RWA lending deposits, up 115% QoQ and above Ethereum’s \$1.13B.



Total Deposits by Chain. Source: [Blockworks](#)

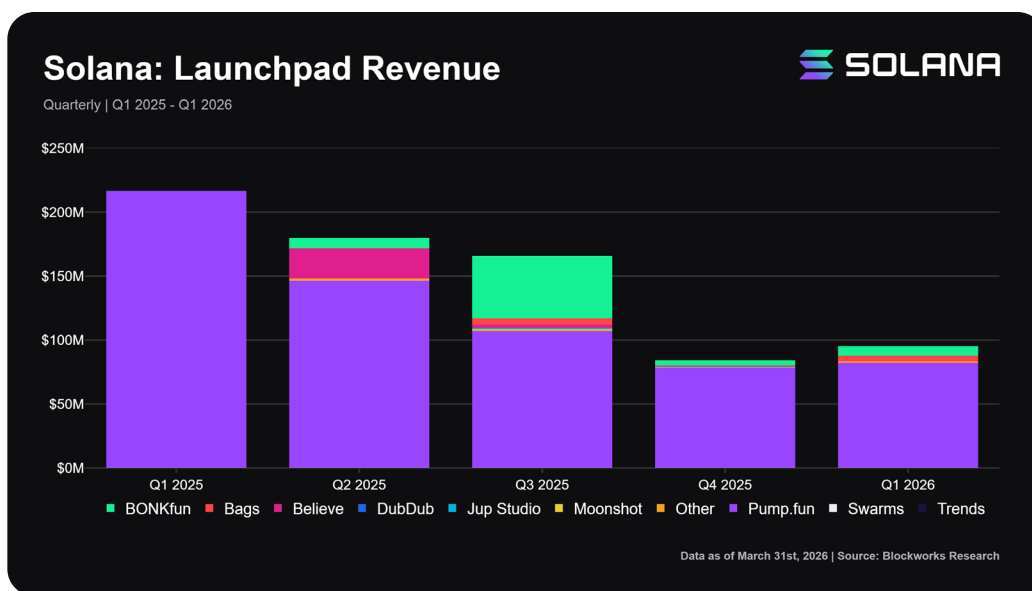
## Consumer

The trends across trading and lending suggest Solana's DeFi ecosystem is maturing, with increasingly sophisticated participants and RWAs emerging as a key theme across both verticals. At the same time, consumer finance and consumer applications remain important drivers of growth, supported by one of the deepest and most active retail user bases in crypto.

## Token Launchpads

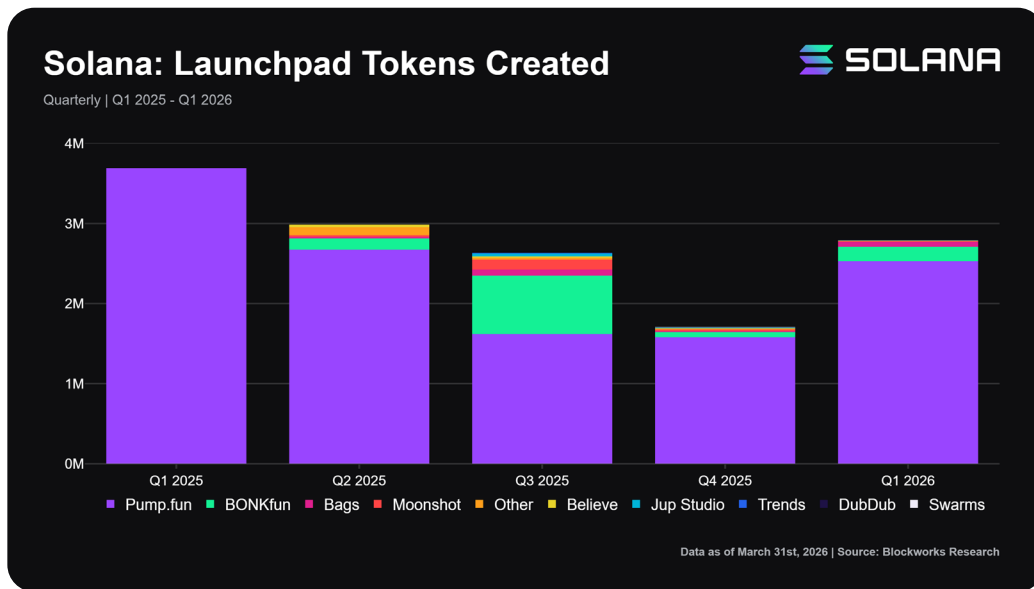
Token launchpads remain highly tied to market conditions, but they have clearly achieved product-market fit among retail users. Since the rise of Pumpfun in Q2 2024, bonding curve activity across Solana launchpads has generated more than \$1B in cumulative revenue.

In Q1 2026, launchpad revenue on Solana reached \$95.2M, up from \$84.3M in the prior quarter, with Pumpfun accounting for 86% of the total.



Launchpad Revenue. Source: [Blockworks](#)

Roughly 2.8M tokens were created in Q1 2026, representing a 63% QoQ increase. Pumpfun dominated activity, accounting for over 90% of total token creation.

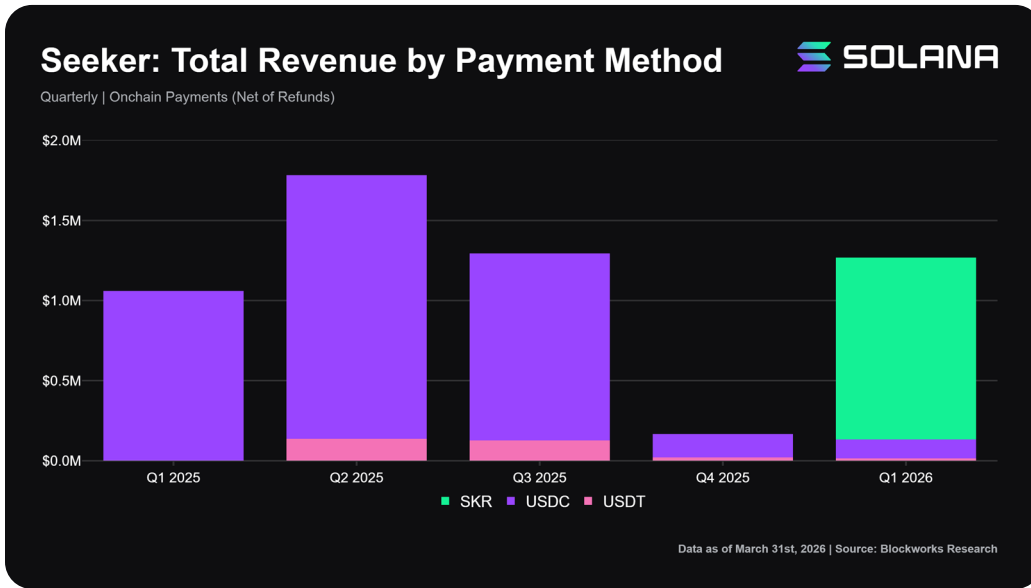


Launchpad Tokens Created. Source: [Blockworks](#)

## Seeker

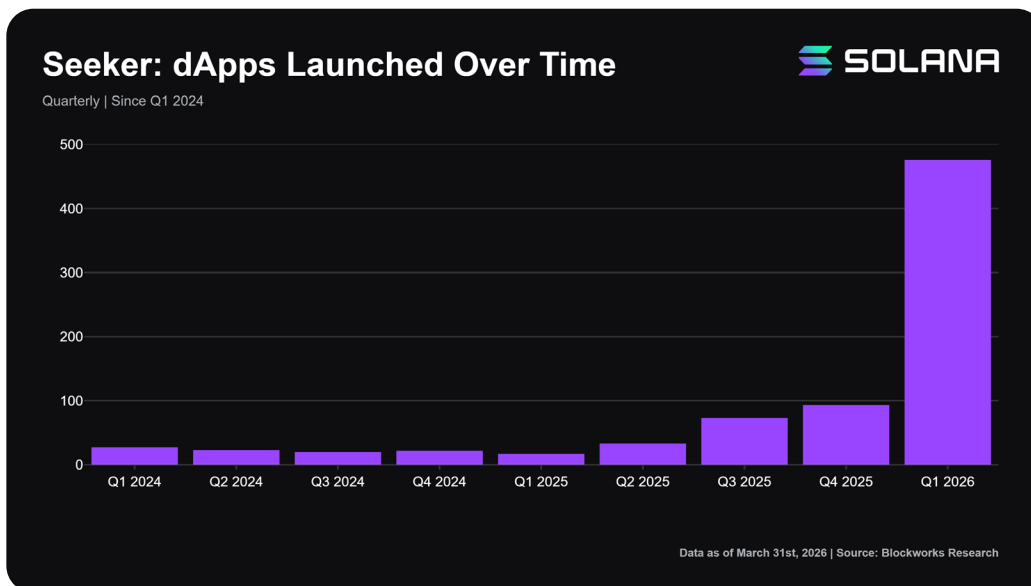
Seeker, Solana Mobile's second device, is an ambitious push into consumer hardware aimed at creating a crypto-native distribution channel for mobile-first applications.

Seeker phone sales generated \$1.3M in revenue in Q1 2026, the majority of which was paid in SKR. Following a slowdown in Q4 2025, when phone sales generated just \$166K in revenue, quarterly sales rebounded above \$1M.



Total Revenue by Payment Method. Source: [Blockworks](#)

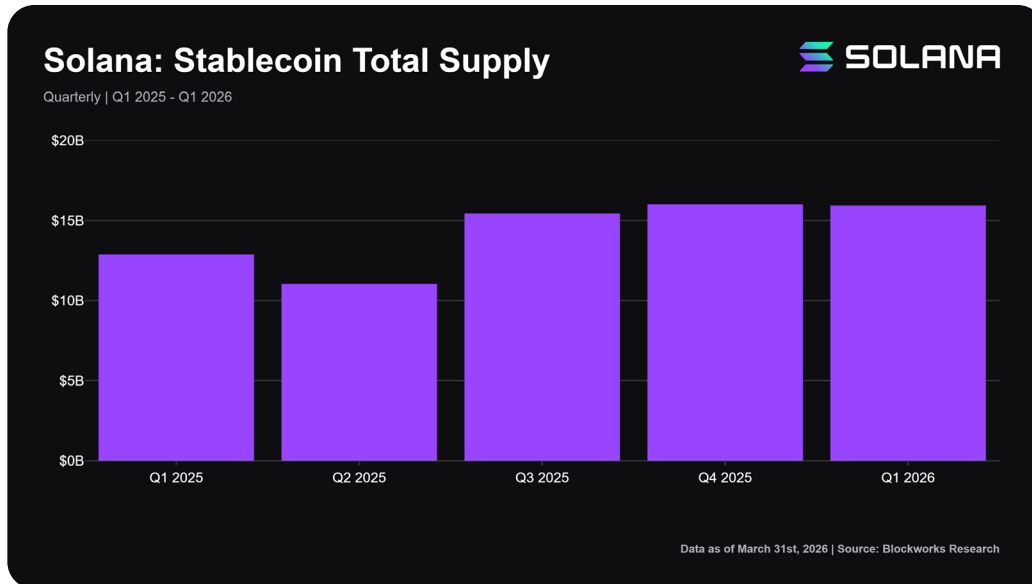
Seeker developer activity also accelerated meaningfully during the quarter. Developer count rose 116% QoQ to 443, a new all-time high, while the number of dApps increased from 308 to 784, implying 476 new launches in Q1 2026 alone. As the ecosystem has scaled, Seeker users have also begun contributing more meaningfully to network activity, accounting for 2% of total Solana spot DEX volume and 0.3% of stablecoin transfer volume.



dApps Launched Over Time. Source: [Blockworks Research](#)

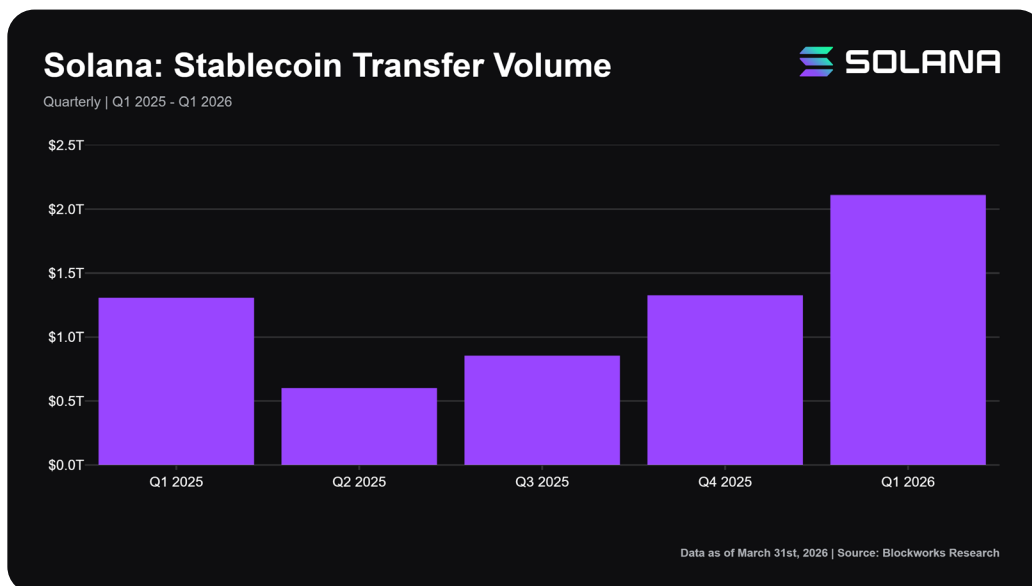
## Stablecoins

The circulating supply of stablecoins on Solana remained flat QoQ at just under \$16B. Circle's USDC represented 55% of stablecoin supply on Solana, followed by Tether's USDT (22%), and Paxos' USDG (6%).



Solana Stablecoin Total Supply. Source: [Blockworks](#)

Solana stablecoin transfer volume reached \$2.1T in Q1 2026, representing roughly 60% growth on both a QoQ and YoY basis. Notably, this figure excludes flash loan activity and other forms of inorganic volume.



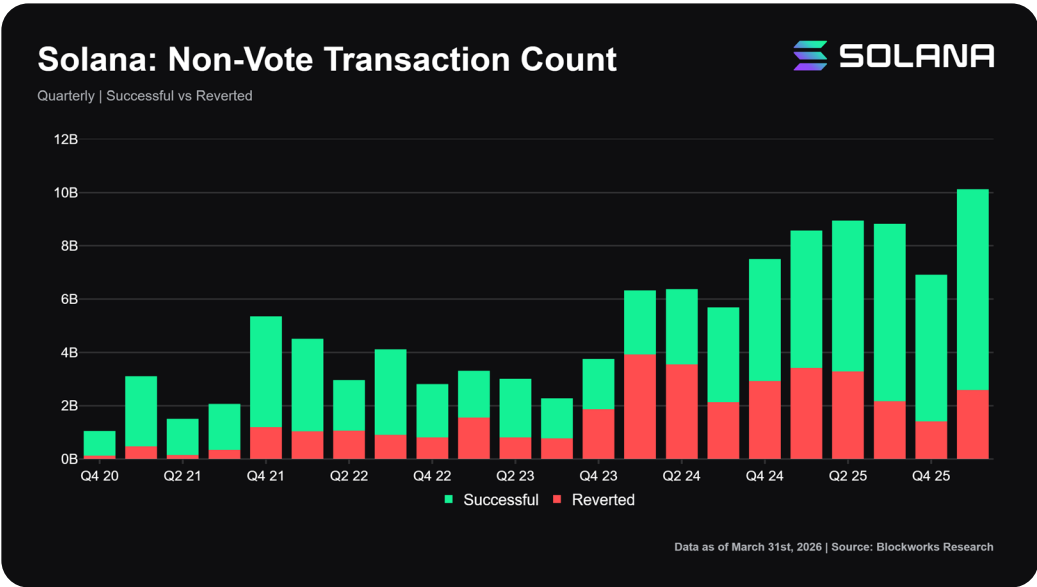
Stablecoin Transfer Volume. Source: [Blockworks](#)

# Network Analysis

Throughout Q1 2026, Solana continued to prove itself as the most performant general-purpose chain in production on various metrics.

## Transaction Count and TPS

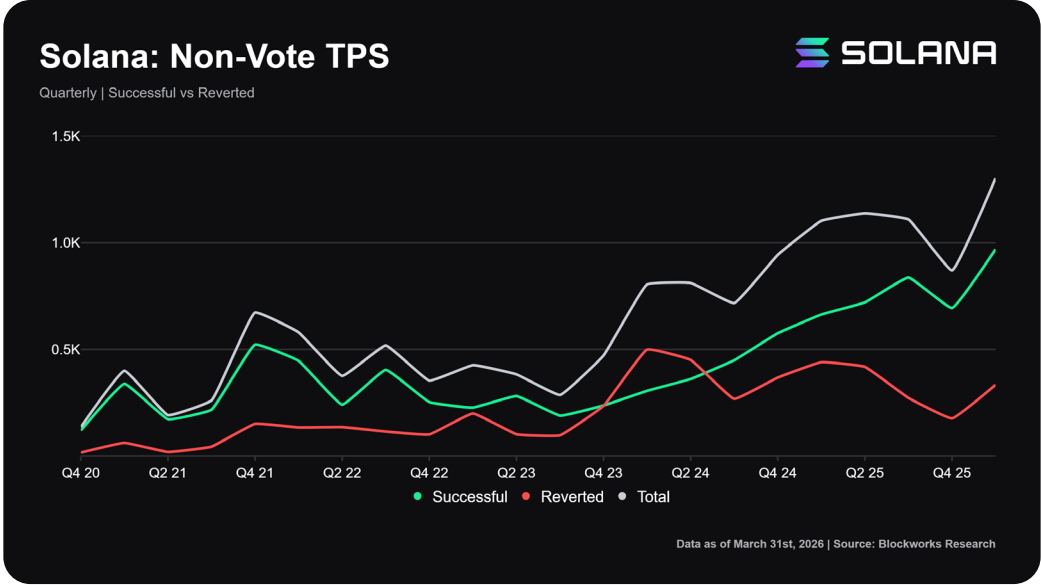
Solana processed 10.1B non-vote transactions in Q1 2026, a new all-time high reading, surpassing the previous all-time high count of 8.9B in Q2 2025 by more than 1B transactions. Of the 10.1B transactions, 74.4% were successful and 25.6% were reverted.



Non-Vote Transaction Count. Source: [Blockworks](#)

Reverted transactions are most often associated with automated strategies such as arbitrage bots. As such, they are often a feature, rather than a bug, where slippage conditions may have worsened or fallen outside set limits, resulting in reverted transactions.

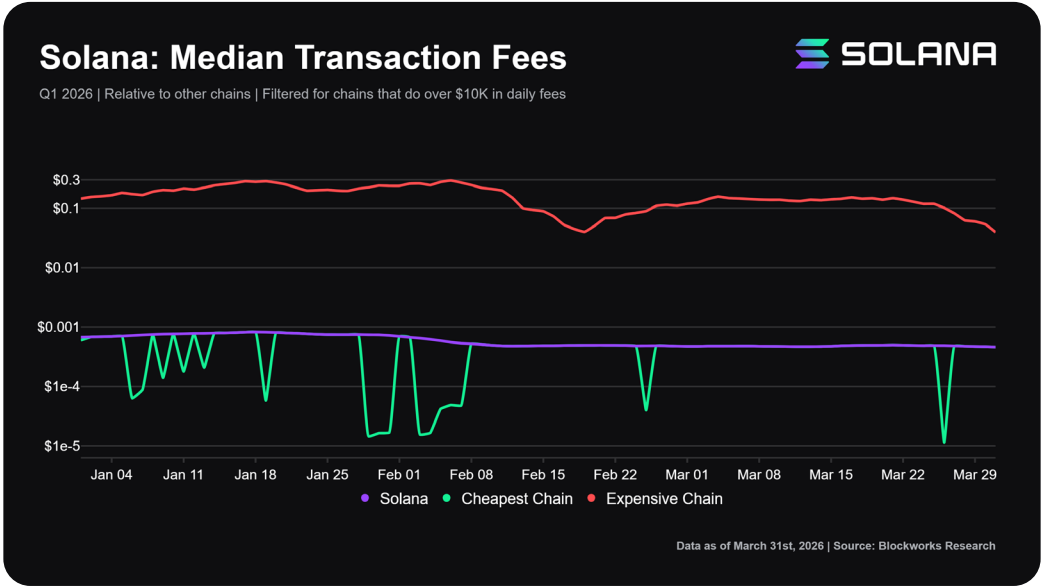
Non-vote transactions per second (TPS) also reached all-time highs in Q1 2026 at around 1.3K TPS. Looking ahead, Solana’s block limit could rise to 100M CUs in the coming months, increasing network capacity and supporting higher sustained TPS.



Non-Vote TPS. Source: [Blockworks](#)

## Median Transaction Fees

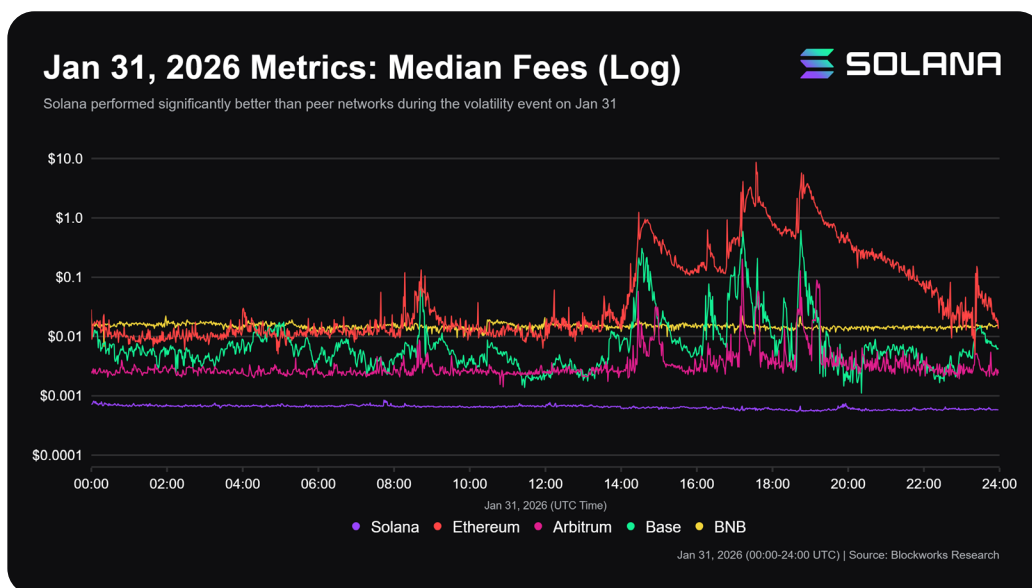
While absolute transaction count and TPS metrics are at all time highs, Solana has consistently maintained median transaction fees several orders of magnitudes lower than the most expensive chains. Throughout Q1 2026, median Solana transaction fees have hovered around a twentieth of a cent (~\$0.0005), making it the cheapest network on average. Note that we are filtering for chains that do over \$10K in daily fees.



Median Transaction Fees. Source: [Blockworks](#)

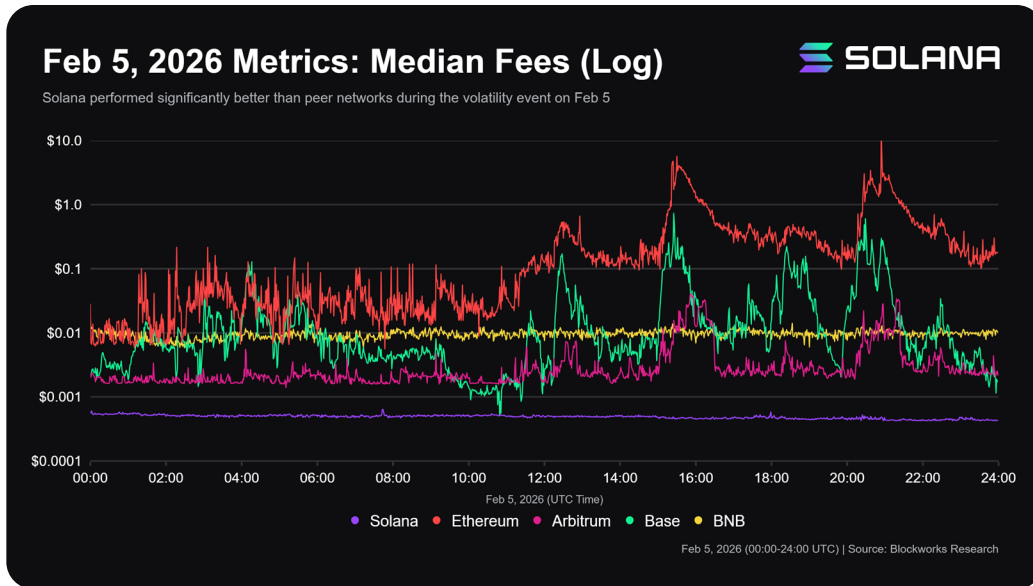
## Stress Tests and Fee Stability

Q1 featured two notable stress tests that showcased Solana's improved resilience under high-volatility conditions. The January 31 event, triggered by a large drawdown, saw median fees hold at approximately \$0.00065 with a peak of \$0.00085 (+32%), while TPS peaked at 4,366. By contrast, Ethereum fees spiked to \$8.67 (+500x) and Base fees rose to \$0.61 (+100x) during the same event.



January 31st Median Fees (Log Scale). Source: [Blockworks](#)

The February 5 event was even more significant. Over \$2 billion in liquidations occurred following a large drawdown, with SOL trading down 15% on the day. Through this volatility, Solana fees remained remarkably stable, even during blowout scenarios.

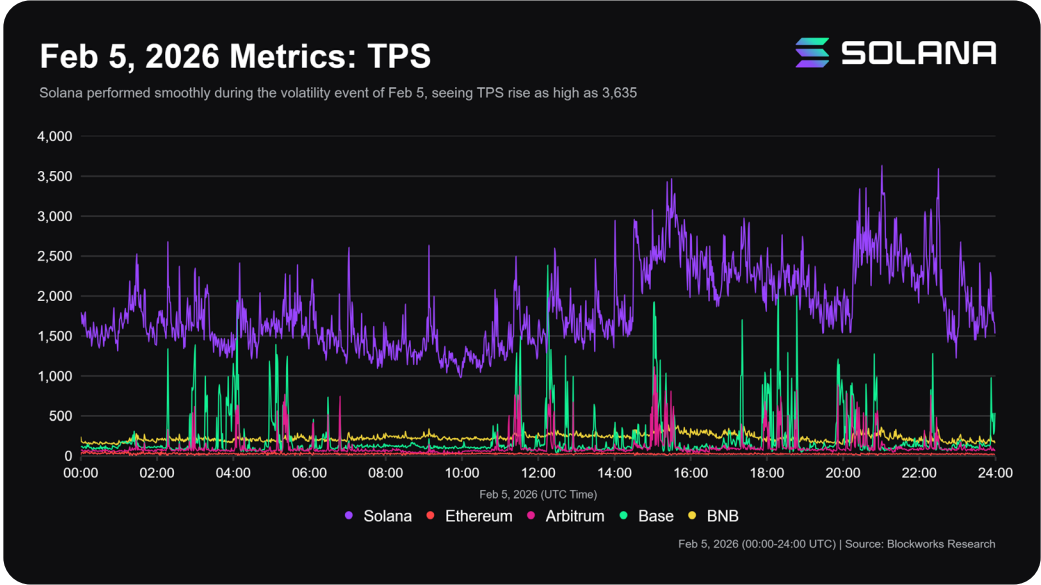


February 5th Median Fees (Log Scale). Source: [Blockworks](#)

Performance during periods of extreme market volatility matters because it's when reliability is most valuable to traders, market makers, and applications. These are the moments when users rush to buy the dip, top up collateral on levered positions, manage risk, and execute liquidations, often under tight time constraints.

If a chain degrades under load, execution becomes uncertain and costs become unpredictable, undermining market quality. By contrast, networks that remain consistently reliable through stress are structurally better suited for financial activity.

In this regard, Solana also delivered the highest sustained throughput during the event, with median TPS consistently an order of magnitude above all EVM chains and peaking at 3,635.



February 5th TPS Measurement. Source: [Blockworks](#)

# Product & Ecosystem Updates

On the product side, Solana core developers remain focused on increasing bandwidth through higher block limits, reducing latency via shorter slot times, and improving market microstructure. The efforts on the microstructure side aim to expand the design space for applications that require more granular control over sequencing – such as prioritizing cancels on perpetual exchanges – while helping mitigate negative externalities like frontrunning.

## Halving Slot Times

Anza's Brennan Watt kicked off exploratory discussions around reducing Solana slot times as part of the network's broader "IBRL" push, with an initial placeholder value of 200ms per block. Halving block times from the current ~400ms target would materially reduce network latency and constrain late packing behavior by validators prior to MCP implementation.

The biggest near-term blocker is economic rather than purely technical. Halving slot times would double the vote rate, which other things equal doubles voting fees. Voting is already the dominant recurring cost for many Solana validators, compounding to roughly ~32 SOL/month. Halving slot times would push that to ~64 SOL/month.

## Constellation: Multiple Concurrent Proposers (MCP)

On March 25, Anza introduced Constellation, an MCP protocol proposal for implementation into the Agave client. MCP aims to constrain the single leader's monopoly over transaction inclusion, which introduces negative externalities such as late packing or censoring of transactions.

In practice, MCP addresses censorship of transactions, as well as execution quality for market makers. As the Solana trading landscape continues to mature, ensuring that market makers are able to quote without worrying about transaction inclusion is paramount. In the meantime, JitoBAM is trying to address this gap by enabling developers to gain more granular control over transactions sequencing and inclusion. During Q1 2026, JitoBAM saw a 155% increase in stake, representing 28% of stake as of quarter end.

## Solana Developer Platform

The March 24th Solana Developer Platform (SDP) launch – featuring Mastercard, Western Union, Worldpay, Worldcoin, and Alibaba Cloud – represents the most significant enterprise partnership suite in Solana’s history. While SDP is pre-operational as of quarter-end, the partnership constellation signals Fortune 500 validation of Solana as a candidate settlement layer.

# Closing Summary & Outlook

Solana exits Q1 2026 with its core positioning increasingly validated across both market structure and network fundamentals. The network remains the leading venue for onchain spot trading, capturing 41% market share and demonstrating the viability of the “everything exchange” thesis, with growing activity across tokenized assets and stablecoin pairs. At the same time, institutional participation continues to deepen, supported by sustained ETP inflows and increased regulatory clarity.

The ecosystem is also showing increasing breadth and resilience across other sectors. RWAs have emerged as a key growth driver within lending, with Solana surpassing Ethereum in RWA deposits, while tokenized asset volumes reached new highs driven by equities and pre-IPO exposure. Consumer activity remains a structural strength, with strong engagement across launchpads and mobile distribution, reinforcing Solana’s position as one of the most active retail ecosystems in crypto.

At the network level, performance remains a clear differentiator. Solana achieved new all-time highs in transaction count and throughput while maintaining consistently low and stable fees, even during periods of elevated market volatility. These characteristics continue to support its role as the primary execution layer for high-frequency and latency-sensitive applications.

Looking ahead, improvements in bandwidth, latency, and sequencing design, alongside developments in infrastructure and validator-level upgrades, are expected to further expand Solana’s application design space. As these changes are implemented, Solana is well positioned to strengthen its lead in spot trading while closing the gap in adjacent verticals.

# Appendix

## What is Solana?

Solana is a high-performance layer-1 blockchain designed to support internet-scale applications on a single, globally synchronized state machine. Unlike chains that scale through fragmentation — rollups, sidechains, or app-specific chains — Solana pursues an integrated architecture where all applications share the same execution environment, liquidity, and settlement guarantees.

SOL, the network's native token, is used to pay for transactions, stake with validators, and participate in governance through the SIMD process. The ecosystem spans DeFi, consumer applications, stablecoins and payments, tokenized real-world assets, and DePIN.

## Core Infrastructure

**Slot / Slot Time** A slot is the time window during which a designated validator (the leader) can produce a block on Solana. Current slot times are approximately 400 milliseconds.

**Compute Units (CUs)** Solana's unit of measurement for the computational resources consumed by a transaction. Every instruction in a transaction costs a certain number of CUs, and each block has a total CU budget.

## Staking & Consensus

**Validator** A network participant that runs specialized hardware to process transactions, produce blocks, and participate in consensus on Solana. Validators stake SOL as collateral and earn rewards from inflation, priority fees, and Jito tips.

**Staking** The process of locking SOL tokens with a validator to help secure the Solana network. Stakers delegate their SOL to validators and earn a share of inflation rewards and, in some cases, tips.

**Inflation / Emission Schedule** The rate at which new SOL tokens are minted and distributed to stakers. Solana follows a fixed deflationary schedule: inflation began at 8%, decreases by 15% per year, and will reach a terminal rate of 1.5% around 2030.

**Liquid Staking Token (LST)** A token that represents staked SOL while remaining liquid and tradable. When a user stakes SOL through a liquid staking provider, they receive an LST (e.g., hSOL from Helius, JupSOL from Jupiter) that accrues staking rewards and can simultaneously be used in DeFi — as collateral, in liquidity pools, or for trading.

## Fees & Revenue

**Real Economic Value (REV)** A metric that measures total user demand to transact on a blockchain by tracking all value paid for transaction execution. On Solana, REV is composed of three components: base fees, priority fees, and Jito tips.

**Base Fee** The minimum fixed fee required for every Solana transaction, denominated in SOL. Base fees are currently subject to a 50% burn (permanently removed from supply) with the remaining 50% going to the block producer. They represent the cheapest tier of transaction inclusion.

**Priority Fee** An optional additional fee that users can attach to transactions to increase the likelihood of faster processing by incentivizing validators to prioritize their transaction. Since SIMD-96 (February 2025), 100% of priority fees go to the block producer (previously 50% were burned).

**Jito Tips** Out-of-protocol payments made to validators through Jito, a third-party MEV (Maximal Extractable Value) infrastructure provider on Solana. Jito tips are paid by searchers and traders who want specific transaction ordering or inclusion guarantees.

## Trading

**DEX (Decentralized Exchange)** A peer-to-peer marketplace for trading tokens that operates entirely on-chain via smart contracts, without a central intermediary holding funds.

**AMM (Automated Market Maker)** A type of DEX mechanism that uses mathematical formulas and liquidity pools (rather than order books) to determine token prices and facilitate trades. Traditional AMMs allow anyone to deposit tokens into pools and earn fees from trades.

**Prop AMM (Proprietary AMM)** A specialized type of spot exchange on Solana with actively managed liquidity via oracle price updates. Unlike traditional AMMs with passive external liquidity providers, each prop AMM is operated by a single, professional market maker who uses highly optimized transactions to update the

oracle price multiple times per second.

**Liquidity / Liquidity Provider (LP)** Liquidity refers to the depth of available buy and sell orders for a given asset — higher liquidity means traders can execute larger orders with less price impact. A Liquidity Provider (LP) is someone who deposits tokens into a DEX pool to facilitate trading, earning a share of trading fees in return. In prop AMMs, the market maker acts as the sole LP.

**Price Impact / Slippage Price** impact is the change in an asset's price caused by executing a trade — larger trades in less liquid markets cause greater price impact. Slippage is the difference between the expected price of a trade and the actual execution price.

**Perpetual Futures (Perps)** A type of derivatives contract that allows traders to speculate on the price of an asset with leverage, without an expiration date. Unlike traditional futures, perps use a funding rate mechanism to keep the contract price aligned with the spot price.

## MEV & Market Microstructure

**MEV (Maximal Extractable Value)** The maximum value that can be extracted from block production beyond standard block rewards and fees, by including, excluding, or reordering transactions within a block. MEV strategies include frontrunning, sandwich attacks, and arbitrage.

**Late Packing** A behavior where a block-producing validator deliberately delays finalizing a block to observe more incoming transactions and potentially extract additional MEV.

**JitoBAM** A Jito product that enables developers to gain more granular control over transaction sequencing and inclusion.

## Upgrades & Governance

**SIMD (Solana Improvement Document)** The formal process for proposing changes and upgrades to the Solana protocol.

**Agave** The Solana validator client developed and maintained by Anza (formerly a division of Solana Labs).

**Anza** A core development organization focused on Solana infrastructure, responsible for the Agave validator client and key protocol research.

**Alpenglow** A major upcoming protocol upgrade for Solana referenced in the report as part of the longer-term roadmap.

## Consumer & Applications

**Token Launchpad / Bonding Curve** A launchpad is a platform that facilitates the creation and initial trading of new tokens. A bonding curve is the specific pricing mechanism used: a mathematical formula that automatically adjusts the token's price based on supply — the more tokens purchased, the higher the price. This creates instant liquidity for new tokens without requiring a traditional order book.

**DePIN (Decentralized Physical Infrastructure Network)** A category of crypto projects that use token incentives to build and operate real-world physical infrastructure in a decentralized manner.

**dApp (Decentralized Application)** An application that runs on a blockchain rather than centralized servers. dApps use smart contracts to execute logic in a permissionless, transparent way.

## DeFi Mechanisms

**Flash Loan** An uncollateralized loan that must be borrowed and repaid within a single transaction. If the borrower cannot repay, the entire transaction reverts as if it never happened.

**Funding Rate** A periodic payment exchanged between long and short position holders in perpetual futures markets, designed to keep the perps price aligned with the spot price. When the funding rate is positive, longs pay shorts; when negative, shorts pay longs.