

Bitget x Reality x Keyring: Decentralising Equity Basis with rToken



Earn

passive yield by lending against high quality equity collateral by rToken.



Trade

the index using DeFi infrastructure to gain passive exposure to equity basis.



Build

custom rToken equity basis strategies by combining reusable index components.

Bitget and Keyring are collaborating on a rules-based equity-basis index and associated onchain lending markets using Reality's rTokens.

Reality provides the tokenised equity exposure, while Keyring develops the index methodology and structures the related lending markets. The index is designed to combine rToken holdings with offsetting equity-perpetual positions to capture funding and basis opportunities. Selected products are planned for distribution through Bitget Earn, subject to product review, eligibility requirements and availability.

The collaboration brings together Reality's tokenized equity infrastructure, Keyring's rules-based investment strategies and lending markets, IPOR Fusion's onchain vault infrastructure, and 1Token's portfolio management and risk-monitoring tools. It explores how these components can support the development of onchain equity-basis products, while addressing the operational, liquidity and risk-management challenges associated with strategies spanning traditional and decentralized markets.

Equity basis with Bitget and Reality

Reality provides onchain equity exposure through its rTokens. Traders can purchase rTokens through Bitget Exchange or Bitget Wallet X, or directly through Reality's request-for-quote (RFQ) service.

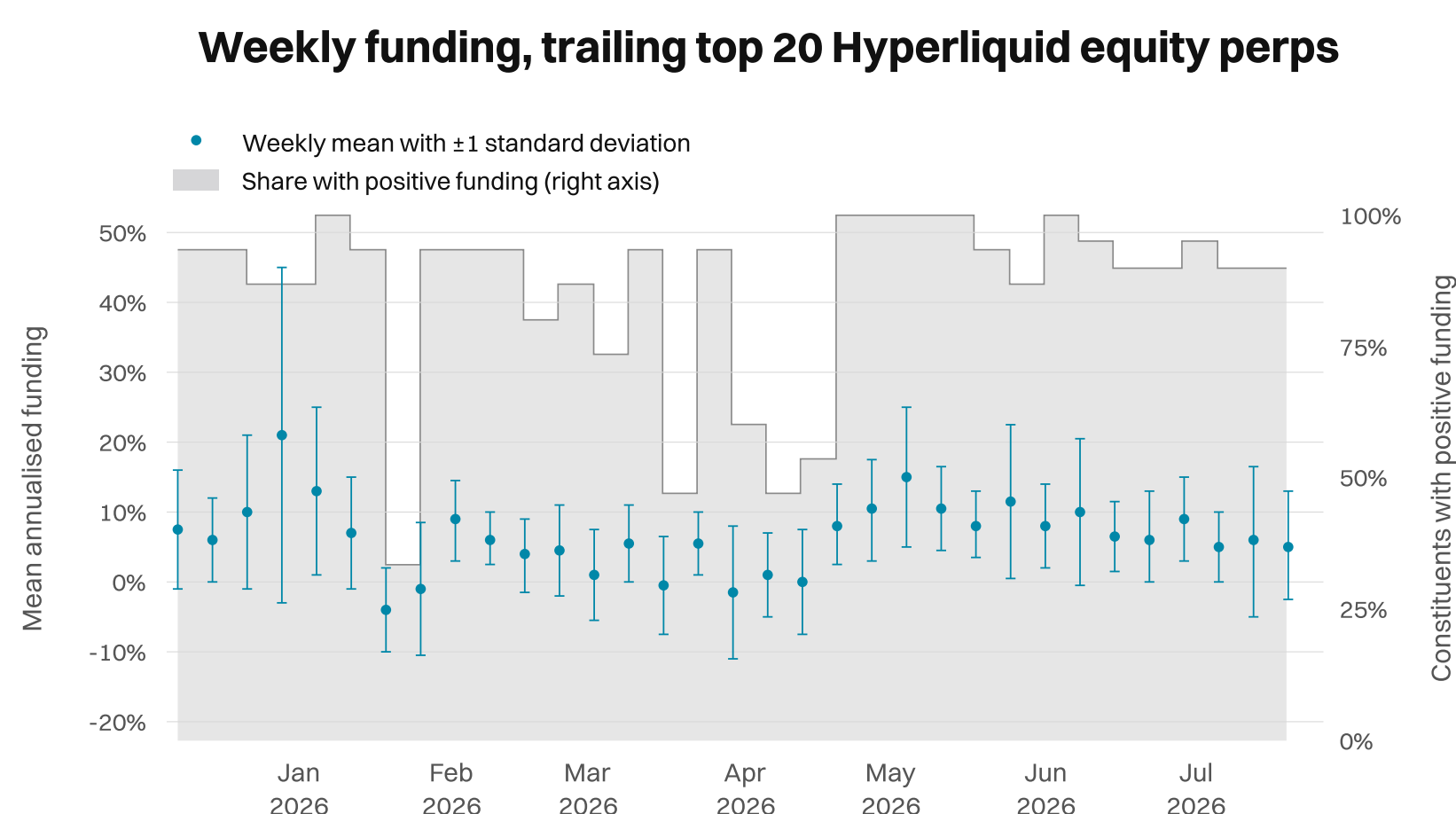
Reality's rTokens provide the onchain equity leg of the basis trade and can also serve as collateral in the associated lending markets. Reality RFQ service and Bitget Wallet support access to rToken liquidity and execution infrastructure, enabling eligible participants and vaults to acquire tokenized equity exposure, subject to applicable settlement conditions.

Tokenized equities make basis trading more accessible to onchain strategies by allowing equity exposure to be integrated directly with decentralized lending and investment infrastructure. Unlike traditional equities, which typically require separate brokerage and financing arrangements, rTokens can serve as both the equity leg of a basis trade and collateral in onchain lending markets. This allows investors to combine tokenized equity holdings with offsetting perpetual positions while using decentralized infrastructure to manage finance and execute rules-based strategies.

The equity basis trade with rToken

A risk premium is a premium received by traders for taking on some kind of risk that is above the risk-free rate. The basis is the spread or difference between the spot price and the total return received by its equivalent future or perpetual swap.

The equity basis trade seeks to capture funding paid by long positions to shorts.



Source: Keyring Research, January-July 2026

Where funding is positive, traders can seek to collect payments by holding the corresponding rToken and shorting its perpetual contract. This aims to offset stock-price exposure, forming a delta-neutral basis trade.

Decentralising the basis trade

"Equity-basis strategies have traditionally relied on centralized exchanges to manage spot and derivatives positions within a common margin framework. Cross-margining allows gains and collateral value from one position to support margin requirements elsewhere in the portfolio, reducing the need to maintain separate collateral buffers for each trade.

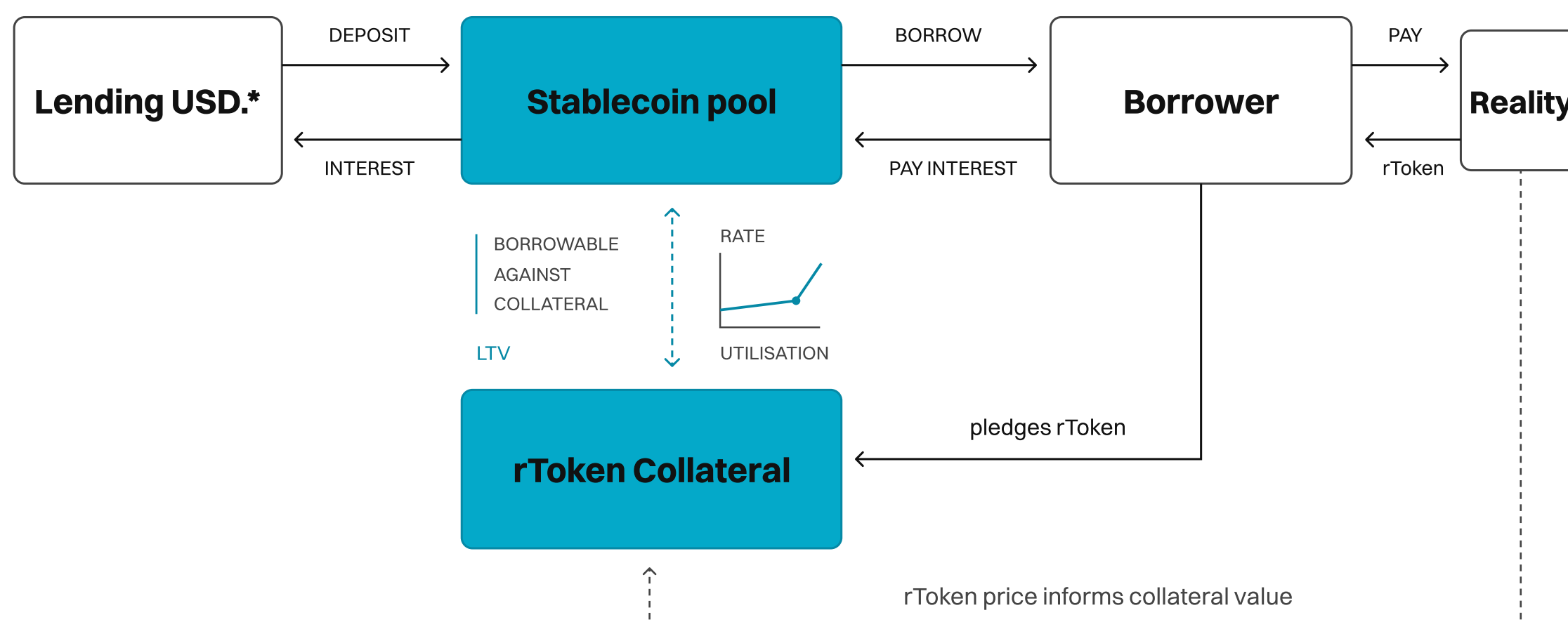
However, concentrating custody, execution and margin management within a single intermediary introduces counterparty and operational risks. The failure of major centralized market participants has increased interest in structures that separate these functions while preserving the capital efficiency needed to manage hedged positions.

Decentralized lending and execution infrastructure offers an alternative approach, allowing tokenized equity collateral, financing and derivatives exposure to be managed across interconnected protocols. While this can reduce dependence on individual intermediaries, it also introduces risks associated with smart contracts, bridges, pricing oracles and fragmented liquidity. Effective risk management therefore requires reliable collateral valuation, adequate margin buffers and coordinated execution across venues."

Lending markets as leverage

Lenders deposit stablecoins in a lending pool. A borrower buys Reality's rTokens and deposits them as collateral. The pool lends stablecoins against that rToken collateral. The borrower pays interest to the pool, which passes interest to lenders after fees. The pool can sell the collateral if the loan becomes too large relative to its value.

Lending and borrowing against rToken



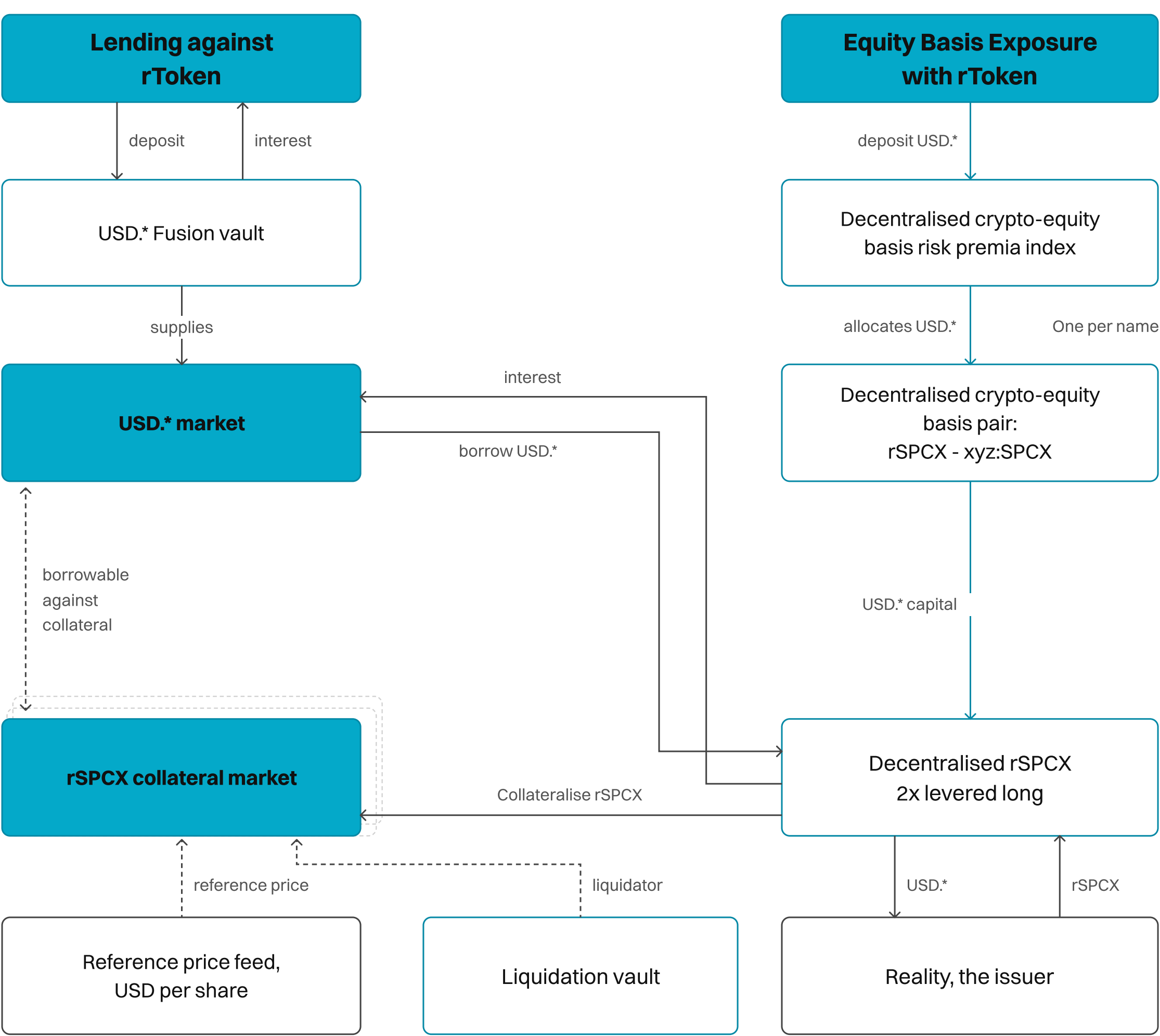
This structure can be used as a source of leverage allowing borrowers to fund a larger position in a collateral asset that is listed in the market. This is commonly known as “looping” in the DeFi industry and this practice can be used to obtain leverage in tokenised equities without a margin account on an exchange.

This collateralised lending structure performs a financing function similar to repo in traditional markets, enabling investors to obtain funding against their tokenised equity holdings.

For eligible Bitget users, the proposed lending structure could provide access to yield generated from overcollateralized lending against rToken collateral, subject to borrower demand, applicable fees, collateral valuation and liquidation risks. Keyring applies institutional-style risk framework (ISDA’s standardised initial margin model parameters) into its decentralised lending framework, supporting a structured approach to collateral and margin requirements.

Stablecoin lending and equity-basis index exposure are distinct products. Stablecoin lenders earn interest paid by borrowers, after applicable fees. Index investors receive the net performance of the combined rToken and perpetual strategy, including funding and basis gains or losses, less financing and execution costs. The index performance illustrated below does not represent the returns earned by stablecoin lenders.

Strategy lending market



An important concern is that the value of the rToken position in the lending market is balanced by the short position in Hyperliquid and that the lending market can value the rToken price correctly. This is where cross-margining is a key feature of any market.

Reality’s rToken oracles use official price sources during the regular US trading session and Hyperliquid pricing outside that session. These feeds support collateral valuation; cross-venue margin offsets depend on the applicable market and account arrangements. The basis strategy also requires coordinated management of the lending position and perpetual margin.

For example, if US equity markets are closed and the corresponding perpetual price falls sharply, the rTokens's collateral valuation may also decline as its oracle incorporates Hyperliquid pricing outside regular trading hours. This could reduce the borrowing capacity of the lending position and potentially trigger liquidation, even if the underlying stock has not traded during the period. Meanwhile, gains on the short perpetual position may not

automatically offset the decline in collateral value across separate protocols. This highlights the importance of coordinated margin management, reliable price feeds and sufficient liquidity to manage positions during periods of market volatility.

Liquidations use Keyring's [un]wind product, connected to Reality RFQ, to coordinate collateral redemption and debt repayment. Settlement may take place during regular US trading sessions across multiple days. This mechanism is designed to support orderly liquidation of larger rToken positions, subject to redemption capacity, settlement timing and the proceeds ultimately recovered.

Onchain index strategies

Reality's rTokens provide the on-chain equity holdings for these index strategies.

Quantitative Investment Strategies (QIS) are a popular family of products traditionally created by investment banks and issued to clients looking to capture known market inefficiencies (risk premia) in a transparent format.

Smart contracts can automate elements of index calculation, execution and risk enforcement that have traditionally required centralized financial intermediaries. They provide a programmable framework for implementing rules-based strategies, enabling automated execution, transparent risk parameters and integration with decentralized financial infrastructure. IPOR's Fusion vault infrastructure applies predefined investment mandates through smart contracts, enforcing permitted assets, authorised markets, risk limits and execution rules. This made the strategy fully programmable while keeping implementation tightly aligned with the rulebook.

In terms of strategy construction, a common challenge of QIS is to ensure that the strategy captures the underlying risk premia correctly in a scalable way. A simple robust rulebook is essential.

A decentralised and robust strategy rulebook

The index follows a rules-based methodology built around three core steps:

1. Define the eligible universe of tokenized equities and corresponding perpetual markets
2. Rank eligibility basis opportunities over the last 3 weeks
3. Allocate capital according to predefined portfolio construction, liquidity and risk-management constraints

The complexity is in how to deal with unexpected events in a decentralised and trustless fashion. Adding rules for margin buffers in case a bridge fails is one such example. Factoring in transaction costs and dealing with slippage and execution is another.

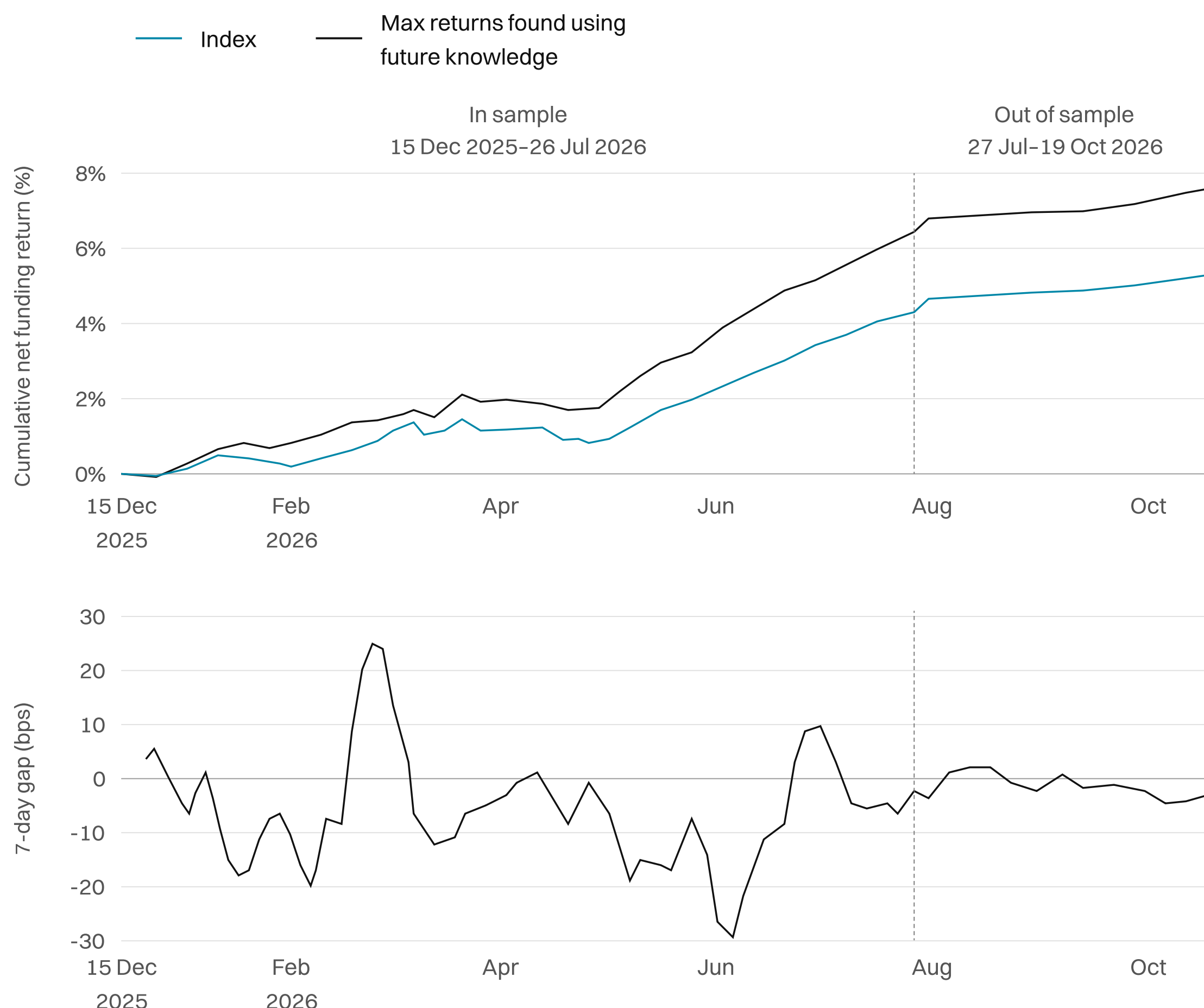
The following analysis evaluates the historical performance of the rules-based equity-basis index using simulated net funding returns from December 15, 2025, to October 19, 2026. The dataset is divided into an in-sample period used to establish the strategy's parameters and an out-of-sample period used to assess performance beyond the initial calibration window. The simulation incorporates trading constraints, execution costs, financing assumptions and portfolio concentration limits.

The results are based on historical simulations. They are sensitive to the assumptions used and may not reflect actual execution conditions or future market behavior.

The index was also compared against a theoretical maximum-return portfolio constructed using future market information. This hypothetical benchmark identifies the highest cumulative return achievable under the model's trading constraints, including daily volume limits, slippage, concentration restrictions and margin requirements. Because it relies on information unavailable to investors at the time of trading, it serves only as a retrospective reference and does not represent an investable strategy.

It is important to note that the index will always maximally allocate assets so there is no tactical risk overlay in this signal. That means that when funding rates turn overwhelmingly negative, such as in April, even the optimal portfolio suffers as there is no premium to capture. It is also worth noting that in some cases the optimal portfolio will underperform our index such as in March and July. Daily trading limits mean that positions take time to build and unwind, so choices that improve returns over the full period can produce lower returns during a particular week. Under the simulation assumptions, the index recorded a Sharpe ratio of approximately 6 during the in-sample period and above 9 during the out-of-sample period. The maximum simulated drawdown was approximately 60 basis points, occurring during the in-sample period. These results reflect the historical dataset and modeling assumptions and should not be interpreted as indicative of future performance.

Cumulative net funding returns and differences



The simulated index generated annualized net returns of approximately 7% during the in-sample period and 4% during the out-of-sample period. The theoretical maximum-return portfolio produced corresponding annualized returns of approximately 11% and 5%. These results incorporate modeled execution and financing costs and do not represent realized investor returns. The analysis indicates a gross funding premium of approximately 11%–14% before applicable strategy costs. The simulation assumes execution costs of 20 basis points per rebalance, or approximately 40 basis points for a round trip, alongside a 6% annualized financing cost for leveraged positions. Under the modeled assumptions, reducing execution costs by 10 basis points could improve annualized strategy returns by approximately one percentage point, while a one-percentage-point reduction in financing costs could provide a further improvement of approximately one percentage point.

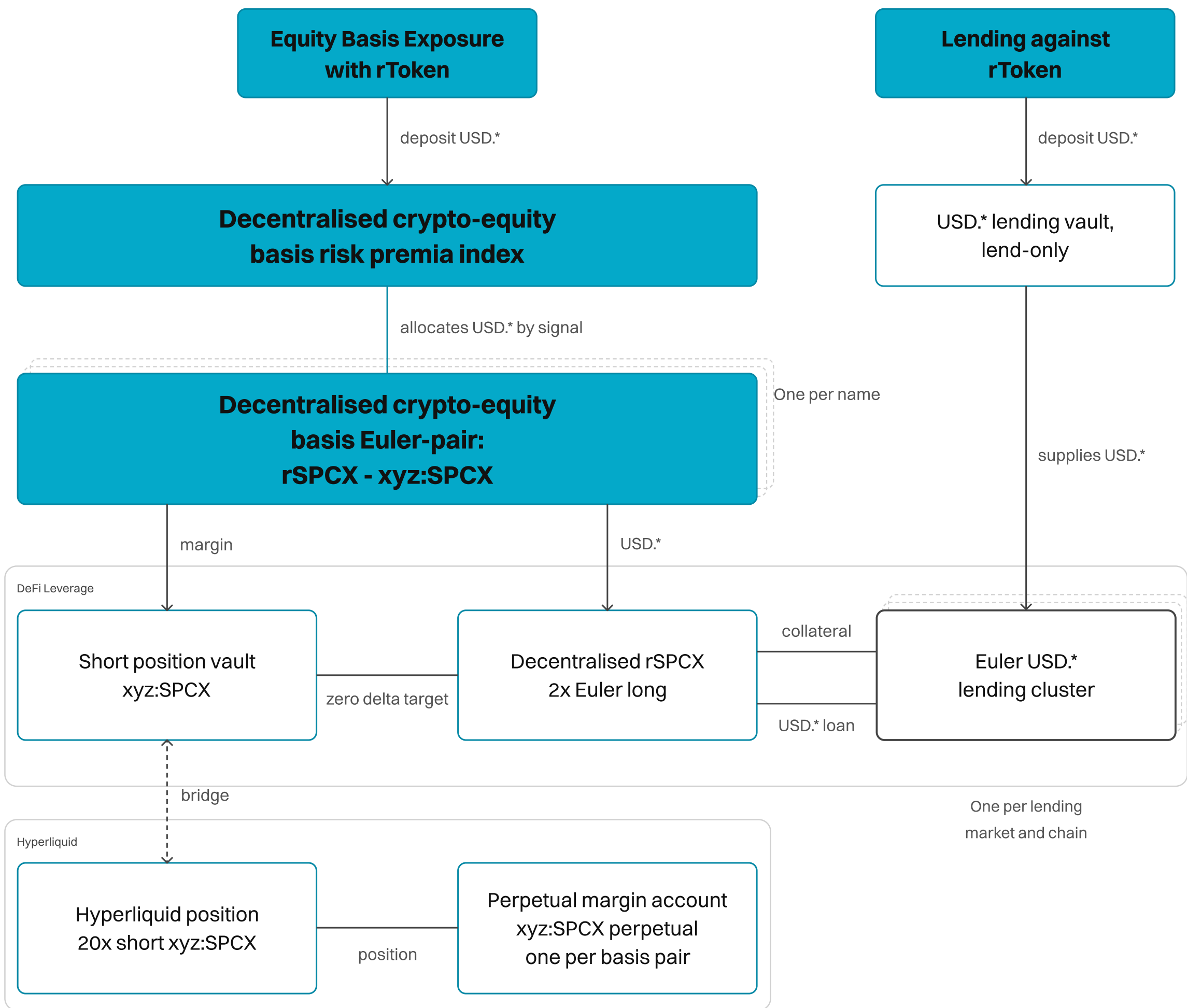
There are also capital dilution impacts. In particular, when slippage increases the strategy can't deploy 100% of its capital and cash sits idle. Due to this, and margin buffers, about 25% of the strategy sits in cash at any given time and could potentially collect the risk free rate to lift the returns by another +1%.

The simulation assumes a 50% loan-to-value ratio for rToken-backed borrowing, allowing up to 2x leverage on the tokenized equity position. The corresponding Hyperliquid perpetual positions are modeled with leverage ranging from 8x to 20x, subject to margin buffers determined by stressed market scenarios. Under these assumptions, the average rToken notional exposure is approximately 1.5 times the capital allocated to the basis strategy. For example, a \$100 million allocation would correspond to approximately \$150 million in average rToken exposure. These leverage assumptions increase the strategy's sensitivity to margin requirements, liquidity constraints and adverse market movements.

A composable index to build your own strategies

Keyring has created a number of “modular basis-pair” index components built around Reality’s rTokens. Each component can be used independently, allowing managers to construct systematic strategies with differentiated risk, return and allocation objectives.

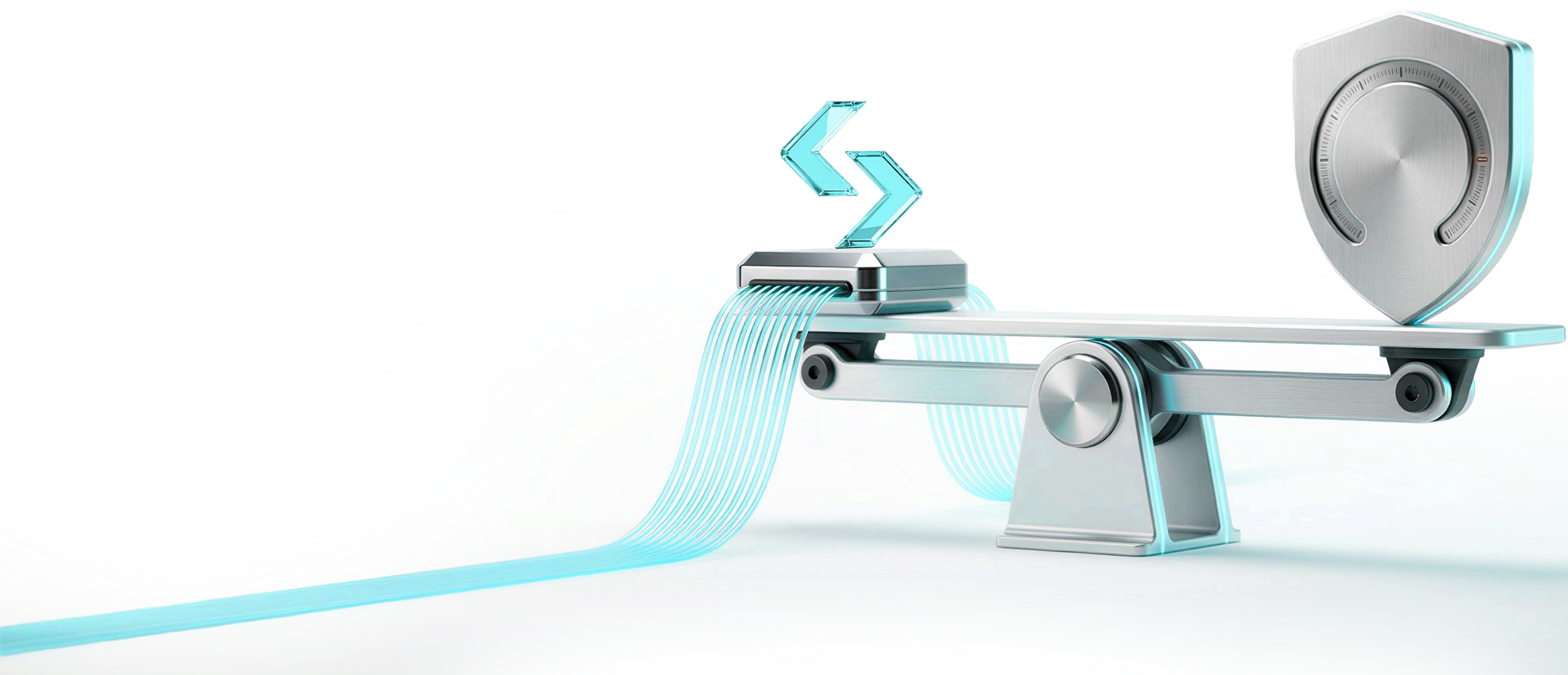
Strategy structure



Trading the index. One recommended strategy is to Managers may apply a “risk overlay” to adjust exposure to the equity-basis index based on changes in the market conditions. For example, momentum indicators such as Bollinger Bands could be used to identify shifts in funding-rate trends and inform allocation decisions. These approaches are illustrative and do not guarantee improved performance.

Trading the basis pairs. Managers may also construct strategies around individual rToken basis pairs, and trade those to beat the index. Statistical arbitrage techniques could involve using principal component analysis (PCA) with an assumption that there will be a typical “structure” in how the basis pairs move, known as covariance. If this covariance matrix contains some key directional drivers, we can measure those principal components (known in mathematics as eigenvectors) and trade against the noisy movements around these principal directions. This is a common type of strategy, known as statistical arbitrage, often run by hedge funds but be wary of transaction costs!

These trades are for sophisticated investors and running the trade onchain requires a clear view of the rToken holding, perpetual hedge and collateral across protocols. Tools such as 1Token help bring these positions into a single portfolio view, allowing managers to monitor PnL and margin throughout the trade. The index and lending markets are planned to be available through Bitget Earn.



About Bitget

Bitget is the world's largest Universal Exchange (UEX), serving over 125 million users and offering access to over 2M crypto tokens, 500+ tokenized stocks, ETFs, commodities, FX, and precious metals such as gold. The ecosystem is committed to helping users trade smarter with its AI agent, which co-pilots trade execution. Bitget is driving crypto adoption through strategic partnerships such as MotoGP™. Aligned with its global impact strategy, Bitget has joined hands with UNICEF to support blockchain education for 1.1 million people by 2027. Bitget currently leads in the tokenized TradFi market, providing the industry's lowest fees and highest liquidity across 150 regions worldwide.

For more information, visit: [Website](#) | [X](#) | [Telegram](#) | [LinkedIn](#) | [Discord](#)

For media inquiries, please contact: media@bitget.com

Risk Warning: Digital asset prices are subject to fluctuation and may experience significant volatility. Investors are advised to only allocate funds they can afford to lose. The value of any investment may be impacted, and there is a possibility that financial objectives may not be met, nor the principal investment recovered. Independent financial advice should always be sought, and personal financial experience and standing carefully considered. Past performance is not a reliable indicator of future results. Bitget accepts no liability for any potential losses incurred. Nothing contained herein should be construed as financial advice. For further information, please refer to our [Terms of Use](#).

About Reality

Reality is a regulated real-world asset issuance platform built for global markets, and is proudly part of the Bitget ecosystem. Working with licensed brokers across major exchanges, including Nasdaq and the NYSE, we purchase and hold the underlying assets in custody, then issue the corresponding rights on-chain. This connects traditional capital markets with on-chain infrastructure, opening institutional-grade access to real-world assets for users worldwide.

About Keyring

Keyring is the trust layer for on-chain markets.

- Keyring Connect verifies participant eligibility while protecting personal data.
- Keyring Structuring builds permissioned credit markets backed by tokenised assets and index strategies.
- Keyring Unwind enables investors to open and close leveraged positions in tokenised assets at scale, coordinating redemption and debt repayment through smart contracts.

Important Disclaimer

Keyring.Network (Cayman) Limited (“Keyring”) operates as a permissioned access gateway to decentralised protocols and other decentralised finance (“DeFi”) applications. Keyring provides zero-knowledge verification services that allow verified users to interact with smart contracts while maintaining privacy.

Keyring is NOT a:

- *Financial intermediary, broker-dealer, or investment adviser;*
- *Custodian of user funds or digital assets;*
- *Party to any transactions between users and DeFi protocols; or*
- *Guarantor of protocol performance or investment outcomes.*

Interacting with DeFi protocols through Keyring involves substantial risk, including smart-contract exploits, market volatility, and the possible total loss of digital assets. Participants engage with these protocols directly and bear full responsibility for all outcomes. Access may be restricted where local laws or sanctions prohibit use. Users worldwide must ensure compliance with all applicable laws in their own jurisdictions. By using Keyring’s services, participants acknowledge these risks, accept sole responsibility for their actions, and agree that Keyring’s liability, if any, is limited to the fullest extent permitted by law.

About 1Index by 1Token

1Token is a global technology provider for digital-asset investment managers, with operations across APAC, Europe and North America. The company supports more than US\$20 billion in assets across over 100 institutional clients and holds SOC 2 Type I and Type II certifications.

Its award-winning Crypto Asset Management (CAM) system connects with CeFi and DeFi venues through APIs, bringing portfolio management, trading, risk control, fund operations and reporting into a single environment. The platform supports front-office teams with live positions, exposures and performance analytics; middle-office teams with portfolio operations, risk monitoring, shadow NAV and investor activity; and back-office teams with trade reconciliation, valuation and P&L reporting.

1Index complements this infrastructure as 1Token's research and data platform for tracking, analysing and evaluating digital-asset investment strategies.

1Index: <https://1index.1token.tech/>

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About IPOR Fusion

Developed by IPOR Labs AG (Zug, Switzerland), IPOR Fusion is the onchain vault infrastructure built for institutional-grade on-chain yield strategies. Its modular architecture provides deterministic risk enforcement, per-client vault isolation, embedded compliance, and flexible configuration through composable modules called Fuses, integrated with leading on-chain protocols.