Silo

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Abstract

Silo is a market exposure layer integrated directly into bonding curve ecosystems on Base. Existing launch systems produce assets whose surrounding economies remain almost entirely dependent on speculative trading momentum and ETH-denominated liquidity. Creator fees are generated continuously, yet in most systems they either remain idle, accumulate passively, or leave the ecosystem entirely.

Silo introduces a different structure. Rather than treating creator fees as passive extraction, Silo routes them into autonomous perpetual market exposure tied to external assets and broader market conditions. Treasury capital continuously participates in live markets while remaining connected to the growth of the underlying bonding curve ecosystem.

The result is a launch structure where token ecosystems evolve through both direct market participation and treasury exposure dynamics. Trading activity strengthens treasury exposure, treasury performance strengthens ecosystem visibility, and market positioning becomes integrated directly into the surrounding economic layer of the token.

Market Structure

Most launch ecosystems ultimately derive their behavior from a single source: the price movement of ETH itself. Liquidity expands during strong market conditions and contracts during periods of weakness. While narratives change between launches, the underlying mechanics remain relatively static.

Bonding curves successfully solved token distribution and speculative coordination, but they did not

solve treasury efficiency. Creator fees generated through trading activity rarely participate productively in the ecosystem that generated them. Capital accumulates without contributing to broader market positioning, treasury growth, or ecosystem reflexivity.

Silo introduces a treasury system designed to operate alongside bonding curve mechanics rather than outside them. As trading activity occurs, treasury capital continuously deploys into perpetual market exposure tied to external assets such as BTC, ETH, Base ecosystem assets, and broader market indices.

This allows a Silo-enabled ecosystem to evolve independently from direct token speculation. Treasury value changes continuously as broader market conditions evolve, even during periods where token trading activity slows.

Bonding Curve Integration

Silo integrates directly into the economic flow surrounding bonding curve launches. A configurable percentage of creator fees generated through trading activity is continuously routed into treasury allocation systems.

Let F represent cumulative creator fees generated by bonding curve activity and let a represent the treasury allocation ratio. Treasury exposure is therefore represented by:

$$E = aF$$

where E represents deployed treasury exposure.

Treasury value evolves according to broader market performance and perpetual position returns:

$$V(t) = E(1 + r(t))$$

where r(t) represents cumulative market return over time.

Unlike traditional launch systems where treasury capital remains static, Silo ecosystems evolve continuously alongside both trading activity and broader market movement. Treasury growth is therefore influenced by two independent systems:

• bonding curve participation

• perpetual market performance

This creates ecosystems whose surrounding economies remain active beyond simple token speculation.

Recursive Exposure Dynamics

Silo introduces recursive treasury mechanics into launch ecosystems. As trading activity increases, creator fees increase alongside it. As creator fees increase, treasury exposure compounds into larger market positions. Treasury performance then feeds back into ecosystem visibility, speculation, and participation.

This creates a reflexive system where bonding curve activity strengthens treasury exposure while treasury exposure strengthens ecosystem attention. During strong market conditions, treasury performance compounds alongside participation. During weaker conditions, treasury contraction influences speculative demand in the opposite direction.

Traditional meme coin ecosystems remain dependent almost entirely on whether users are actively buying or selling the token itself. Silo ecosystems continue evolving through live market participation even during periods of reduced trading activity because treasury exposure remains connected to external markets continuously.

Market Infrastructure

Silo is designed around perpetual market infrastructure rather than passive treasury storage. Treasury exposure may route through supported execution venues including Hyperliquid perpetual markets, Base-native synthetic systems, leveraged vaults, or broader perpetual market infrastructure.

The architecture intentionally separates:

• token issuance
• bonding curve execution
• treasury exposure
• perpetual routing infrastructure

This separation allows Silo ecosystems to evolve independently from any individual execution venue or launch environment while preserving the simplicity of bonding curve launches themselves.

Future implementations may support:

- automated treasury rotation
- volatility-responsive leverage
- multi-market exposure baskets
- autonomous hedging systems
- dynamic treasury weighting

Properties

Treasury value evolves continuously with broader market conditions rather than remaining dependent exclusively on token trading activity. Silo ecosystems therefore remain connected to external market conditions even during periods of reduced participation.

Because treasury exposure compounds recursively through bonding curve activity, ecosystem participation directly strengthens surrounding market positioning over time. Treasury performance simultaneously strengthens ecosystem visibility, speculation, and broader participation.

Silo also reduces dependency on purely ETH-denominated ecosystem behavior. Treasury exposure may track broader markets independently from Base-native liquidity conditions, allowing ecosystems to evolve through external market positioning rather than isolated token speculation alone.

The result is a launch structure where creator fees evolve from passive extraction into active market infrastructure.

Risks

Treasury positions may experience substantial volatility depending on leverage profile, market selection, and broader macroeconomic conditions. Reflexive systems amplify both positive and negative momentum, meaning treasury drawdowns may reduce ecosystem visibility and speculative demand simultaneously.

Silo also depends on external infrastructure including perpetual exchanges, liquidity venues, oracle systems, and treasury execution infrastructure. Unexpected failures or disruptions across these systems may impact treasury performance.

Aggressive leverage profiles increase the probability of treasury liquidation events during adverse market conditions. Treasury performance is therefore inherently tied to the volatility of the underlying markets selected by the ecosystem.

Conclusion

Silo introduces a treasury exposure layer integrated directly into bonding curve ecosystems on Base.

Rather than treating creator fees as passive revenue, Silo converts them into autonomous perpetual market exposure tied to broader external markets. Trading activity strengthens treasury positioning, treasury performance strengthens ecosystem participation, and bonding curve ecosystems evolve through both speculation and live market exposure simultaneously.

Silo transforms creator fees from passive extraction into active market infrastructure.