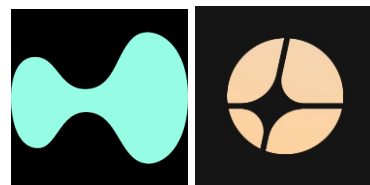


Description/Thesis: Humans flock to leverage like Bears to honey, and in a world that is only increasingly being built on-chain, two formidable opponents have emerged attempting to challenge the status quo in leveraged trading. Hyperliquid and Aster represent two divergent approaches to decentralized perpetual derivatives exchanges, each presenting distinct strengths and structural tradeoffs. Hyperliquid prioritizes long-term sustainability through disciplined fee management, a closed-loop deflationary token buyback mechanism, and gradual organic user growth. Harvard Mathematics graduate **Jeff Yan** started his career at \$GOOG and later at Hudson River Trading launched Hyperliquid on the main net in 2023, prioritizing decentralization, a positive user experience, and organic growth. Aster, on the other hand, emphasizes rapid market penetration through generous community incentive programs, multi-chain accessibility, and aggressive fee allocation toward buybacks. Both platforms have achieved significant traction, but their unit economics, tokenomics, management values, and sustainability profiles differ materially. Hyperliquid generates approximately \$1.021 billion in annualized revenue from 700,000 active users, with 93-97% of fees flowing to buybacks, while Aster has achieved approximately 2 million active users, has higher absolute fee generation during peak periods, but faces questions regarding revenue sustainability as incentive programs conclude. The data reveals no definitive winner, but rather two competing tians aiming for supremacy in an on-chain leveraged world: Hyperliquid emphasizes resilience through constrained incentives and superior infrastructure, while Aster prioritizes accessibility and reward distribution at the potential cost of long-term supply management. While both tokens and their trading vehicles are relatively new, I believe that through the examination of three critical dimensions—unit economics, tokenomics structure, and market share retention dynamics—Hyperliquid emerges as the most favorable long-term leveraged derivative in an already crowded and high-stakes DeFi space

Thesis #1: Hyperliquids approach to monetization has yielded the platform to process approximately \$5.838 billion in perpetual trading volume daily, generating \$949.42 million in annualized revenue from approximately 700,000 active traders. This translates to approximately \$1.36 million in daily revenue and \$1,355 in annual revenue per user, or approximately \$3.71 in daily revenue per active trader. The fee structure remains modest compared to most perp. dexts: 30-day fees totaled \$83.68 million on \$284.285 billion in perpetual trading volume, representing an effective fee rate of about 0.03%. Yet, to many Hype fans' surprise, Hyperliquid's most recent fee structure change, implemented under the **HIP-3 "Growth Mode"** framework, **aims to cut fees by almost 90%**. The new fee cutting structure is a calculated move to subsidize market share growth in new asset classes to grow the total fee pool. It shifts the primary value driver of \$HYPE from high fees on a few markets to high volume across many markets. Now, another defining characteristic is the platform's fee allocation structure: 93-97% of all protocol fees flow directly to the Assistance Fund, which implements an automated daily market purchase and burn of HYPE tokens. Between November 2024 and November 2025, this mechanism deployed over \$600 million in buybacks and removed approximately 29 million tokens from circulation. Aster has pursued a different approach, emphasizing rapid user acquisition and market share capture. The platform reached approximately 2 million registered users within 60 days of token launch in September 2025, with 330,000 users joining in the first 24 hours after the initial airdrop. Peak 24-hour trading volume reached as high as \$35 billion consistently for a two-week period, with 30-day cumulative volume reaching \$200 billion. Due to a similar buyback program to \$HYPE, allocating about 70-80% of revenue generation, Aster was able to remove 155 million ASTER tokens by November 2025. However, analysis reveals critical differences in revenue quality. Aster's volume-to-open-interest (V/OI) ratio stands at **27:1**, compared to Hyperliquid's **0.76:1**. A 35x difference in V/OI ratios is uncanny considering the similarity of the product offerings and timing into the market. A V/OI above 10 typically indicates high algorithmic trading activity, farming behavior, or artificial volume generation rather than committed capital deployment. While we are currently unsure how \$ASTER has been able to achieve such notably high trading volume, if we were to adjust for the ratio for inflation—applying Hyperliquid's demonstrated V/OI ratio to Aster's fee generation—it suggests that Aster's "real" annualized revenue per engaged dollar of capital is likely 15-25x lower than nominal figures might suggest.



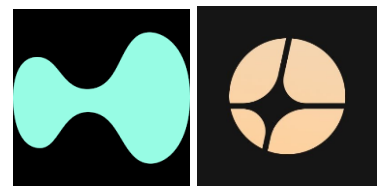
Thesis #2: Hyperliquid's total supply remains fixed at 1 billion tokens. Distribution at launch allocated 31% (310 million tokens worth \$1.2 billion) to 94,000 airdrop recipients, representing the largest community airdrop in crypto history. Critically, contributors' allocations began unlocking on November 29, 2025—exactly one year post-launch—releasing 238 million tokens over 24 months, or approximately 10 million tokens monthly (~333,000 daily). Now, while the price of \$HYPE coin is wildly volatile, now in a 46% drawdown from September '25 highs, we are still able to perform some napkin math. If we assume \$23.6 million monthly buyback deployment at \$43-47 per token, Hyperliquid yields approximately 500,000 tokens that are burned monthly, largely offsetting the 333,000 tokens released from contributor unlocks post-unlock. This results in a net deflationary pressure (assuming prices hold within range), creating a scenario where supply reduction compounds over. Aster implemented a fundamentally different distribution model emphasizing gradual token release. The token launched with a maximum supply of 8 billion tokens and is circulating, with an allocated 53% of the maximum supply (4.3 billion tokens) to community rewards and airdrops, distributed over 84 months (approximately 7 years). A system that represents significantly fewer deflationary measures than Hyperliquid's. Aster's airdrop model is a high-conviction bet that the Volume Acquired from the massive incentive program will generate sustained fee revenue sufficient to perpetually overcome the massive supply inflation inherent in its 53.5% community distribution. The extended distribution schedule creates an extremely predictable supply overhang: approximately 20-30 million ASTER tokens unlock monthly through 2032, representing consistent sell pressure regardless of buyback intensity. **If the incentives succeed in building a sticky base, it is brilliant; if not, the protocol will suffer from relentless, long-term token sell pressure.**

Thesis #3: Hyperliquid controls about ~75% of the decentralized perpetual exchange market share, a position established through gradual organic growth rather than incentive-driven expansion. The platform grew from 31,000 users in early 2024 to 700,000 by November 2025, representing a 22x increase driven largely by word-of-mouth adoption and infrastructure improvements. Core metrics as of November of 2025 include: a TVL of \$6.5 billion, cumulative volume of about \$2.7+ trillion, making it the largest in perpetual DEX history, and a predicted monthly run rate of ~\$200B in 2025. Not only that, their annualized revenue of \$1.021 billion is more than both Ethereum and Solana combined. On top of an already strong market outlook, Hyperliquid hosts substantial technological superiority. Hyperliquid processes up to 200,000 orders per second with sub-0.2-second finality, outperforming many centralized exchanges. An additional partnership with Circle for native USDC integration and the launch of USDH stablecoin provides institutional on-ramps compared to competing platforms. The numbers speak for themselves, yet like most things, the grass isn't only green on the Hyperliquid side. Hyperliquid faces major community scrutiny in terms of centralization. The platform operates with only 16-21 validators, and the core software remains closed source, creating audit and transparency concerns. Limited validation frameworks have led to two solvency attacks, with solvency attacks known widely as the "JELLY" and "POPCAT" solvency attacks, which artificially modified the spot price and overloaded the limited number of validators. Hyperliquid's management has already addressed the desire to double the number of validators in the near future in order to prevent the Hyperliquidity Provider (HLP) Vault from incurring another major, unrecoverable loss.

Aster has achieved outlandish user acquisition velocity, as mentioned through their ability to reach approximately 2 million registered users within 60 days of token launch in September 2025, and 330,000 users joining in the first 24 hours of the initial airdrop. This explosive growth stemmed primarily from, aggressive community incentive programs distributing billions in ASTER tokens to early traders, CZ's personal endorsement and \$2.5 million personal investment announced in November 2025, triggering 30% price rallies and \$2B volume surges, multi-chain accessibility (BNB Chain, Ethereum, Solana, Arbitrum), and unique product features including stock perpetuals (24/7 Apple, Tesla trading) and 1,001x leverage unavailable on competing platforms. However, critical metrics suggest elevated speculative positioning. The 27:1 volume-to-OI ratio is 35x worse than Hyperliquid's 0.76:1, indicating that volume stems predominantly from "short-term algorithmic churning, points farming, or artificial activity rather than committed capital deployment". Historical precedent shows crypto projects with V/OI ratios above 10 experience 40-80% user churn once incentive programs conclude. On top of an artificially inflated V/OI ratio, Aster's structure suggests vulnerability, with 53% of supply designated for rolling airdrops through 2032. As Aster's airdrop allocation

Hyperliquid vs. Aster | \$HYPE vs. \$ASTER

Samuel Smith | Quantitative Deep Dive | LONG \$HYPE



exhausts and staking yield incentives normalize, capital will inevitably migrate to competing venues with higher reward profiles. Hyperliquid, meanwhile, will continue organic growth, with an anticipated 1.2-1.5 million users by EOY 2026.

Recommendation: The data reveals two entirely different business models succeeding in different ways. Hyperliquid has constructed a sustainable financial infrastructure business with demonstrated product-market fit, earning \$1.36 million daily revenue from trading fees, backed by automated deflationary mechanics and organic user growth. Aster has achieved explosive short-term growth through generous incentives and product innovation, capturing meaningful market share despite questions regarding revenue quality and long-term sustainability. I believe with the information that I have presented today, that Hyperliquid represents the best leveraged DEX to play in the market today. \$HYPE represents a durable financial infrastructure business with self-sustaining unit economics, while \$ASTER represents a temporarily hyped alternative bound for market share compression once incentive programs exhaust. Smart money recognizes this—Hyperliquid's largest holders include institutional allocators who understand the difference between real revenue and points farming. \$HYPE continues compounding as the deflationary token in a \$100+ billion TAM, while \$ASTER's mercenary capital evaporates within 12 months post-incentive conclusion. **This isn't a hope trade on crypto prices mooning—it's a calculated mathematical projection rooted in unit economics and sustainable business model design.**

