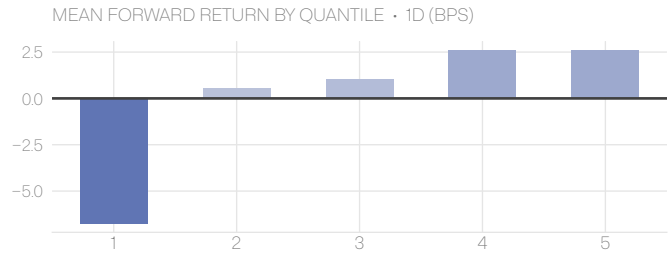


Relative Illiquidity

Harvests the illiquidity risk premium in mid/large-cap digital assets – assets that are harder to transact pay you to hold them.

The factor is designed to capitalise on the persistent effect of assets with higher relative illiquidity tending to outperform, among the mid/large-cap digital assets.

Relative illiquidity is calculated by taking the arithmetic mean of half a dozen relative liquidity metrics – ratios where the denominator is usually market capitalisation of the asset. Among them are volume, open interest, order book depth, spread, and four more. The metrics are aggregated across the top 10 most reputable exchanges.



To balance each asset's risk contribution, positions are scaled according to the inverse of their rolling volatility.

The factor is available (point-in-time) with hourly updates, 5 minutes past the hour (UTC).

EXAMPLE TOP 40 CROSS-SECTIONAL PORTFOLIO

Top 40 market-cap universe · 200% gross exposure (100% long / 100% short). Long and short the dynamic, point-in-time universe, sized by the factor's cross-sectional strength; rebalanced daily.

[Download Returns \(CSV\)](#) →

PERFORMANCE

Report Period Start Date Jan 2020 · End Date Jun 2026

Cumulative Returns

MTD	Last Month	1M	3M	YTD
-6.2%	-0.3%	-2.0%	-6.2%	-8.4%

Annualised Returns (CAGR)

1Y	3Y	5Y	SI
-17.3%	28.4%	21.9%	32.3%

RISK PROFILE

Realised Volatility (annualised)

1M	3M	1Y	3Y	5Y	SI
28.2%	22.8%	30.1%	28.5%	25.5%	29.3%

Max Drawdown

%	Date
-37.3%	2021-05-18

CUMULATIVE RETURN



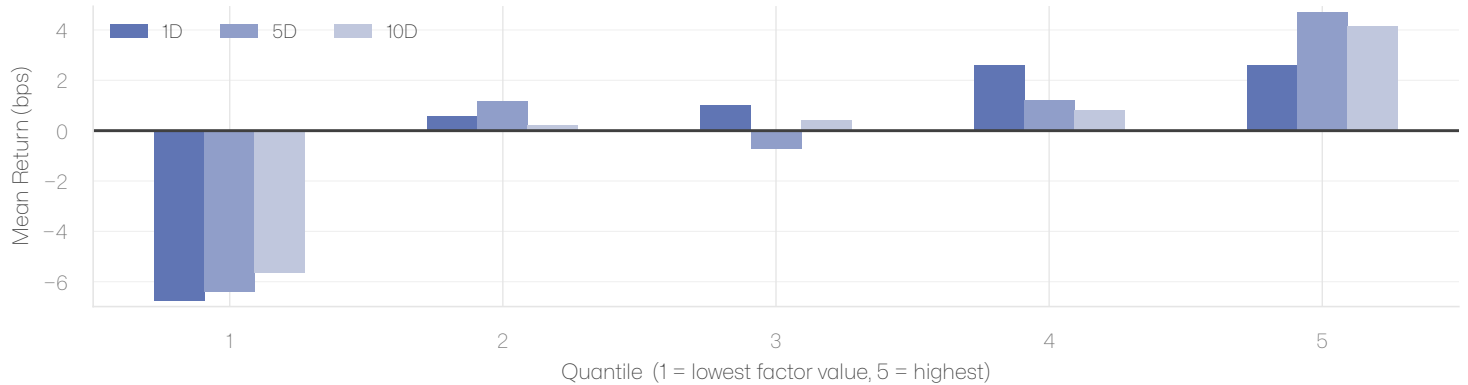
Note – Performance is for an illustrative single-factor portfolio (positions sized proportionally to the factor signal across the Top 40 universe, rebalanced daily); demonstrative only, not a tradable product. Past performance is not indicative of future results.

Factor Analysis

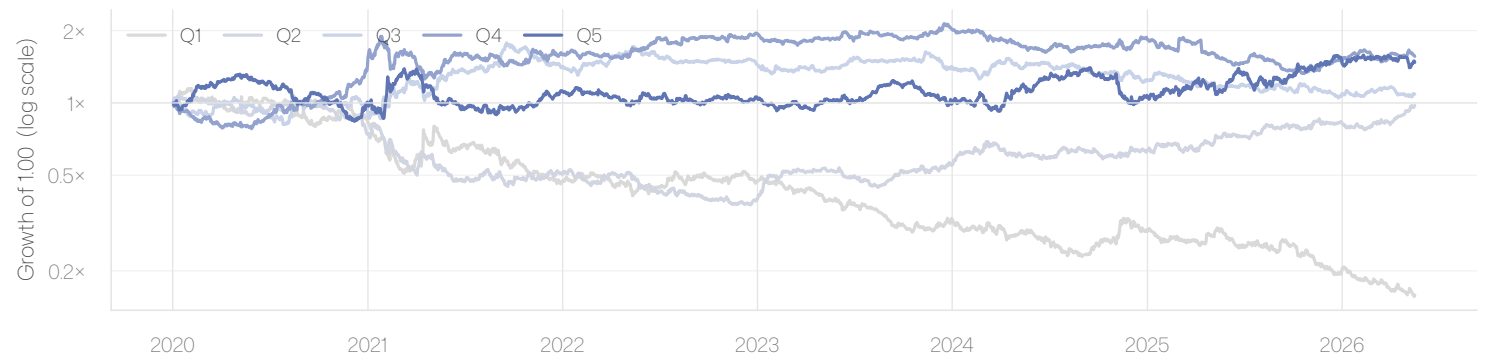
[Download Factor Data \(CSV\)](#) →

Diagnostics on the raw factor values, independent of portfolio construction: the quantile and IC plots show whether the signal cross-sectionally separates out- from under-performers, and how consistently. Computed point-in-time on the rolling Top 40 universe (the live factor spans many more tokens – see the raw factor-data CSV in the data room).

Mean Period Wise Return by Factor Quantile

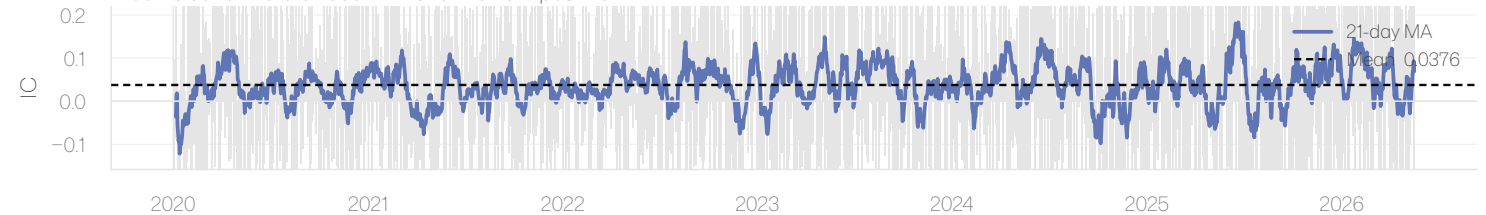


Cumulative Alpha by Quantile · demeaned, 1D



Information Coefficient (Spearman)

Mean 0.0376 · Std 0.2336 · IR 0.16 · 57.0% positive · 1D



ABOUT UNRAVEL

Unravel publishes a catalog of cross-sectional, market-neutral crypto factors – each with point-in-time history and live signals – designed to be combined into multi-factor portfolios that diversify away single-factor risk. Full catalog, methodology and API at unravel.finance; see the materials below.

[View this factor on unravel.finance](#) →

[Replication notebook – backtest in AlphaLens](#) →

Have further questions? [Book a call with our team – unravel.finance/booking](https://unravel.finance/booking)

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