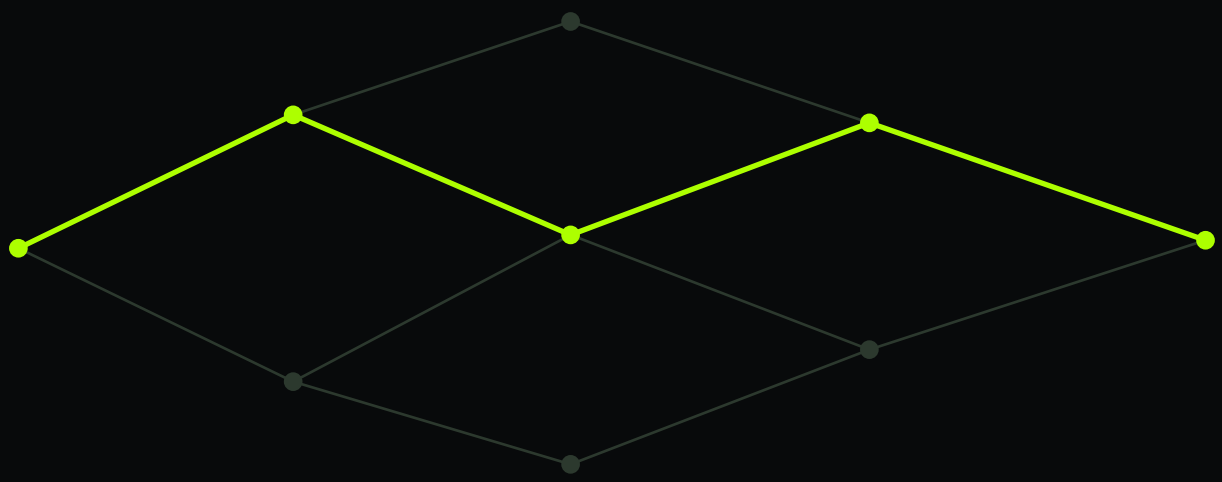
Markov Tree

PUBLIC EDITION / TECHNOLOGY OVERVIEW

Connected states. Clear context.

A proposed research and pricing framework for connected prediction markets.



DEFINED INPUTS. VERIFIABLE OUTPUTS.

Pricing the future.

MARKOVTREE.COM / THE MARKOV ECOSYSTEM

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01 / PURPOSE AND SCOPE

Understand outcomes together.

Markov Tree explores how related events can be understood within a consistent view of uncertainty.

Prediction-market questions often share causes and consequences. An economic decision can change expectations for later decisions; a delivery delay can affect a commercial deadline. Markov Tree is designed to make those relationships explicit.

CONTEXT

Connected events

Understand the relationship between possible states and the sequence in which events may occur.

DISCIPLINE

Comparable views

Separate model estimates from quoted prices and from the evidence used to settle a contract.

CONTROL

Defined exposure

Explain what a position can pay, what it can lose and which conditions determine the result.

Its role in the ecosystem

Markov Tree	Markov Market
Proposed research, pricing and risk framework for connected outcomes.	Proposed market experience for discovering events, reviewing terms and managing eligible positions.
Produces analytical context subject to validation and stated assumptions.	Retains its own product rules, eligibility, financial obligations and settlement responsibilities.

Development status

This overview describes a proposed framework. It does not represent a live trading venue, an investment fund, customer-fund management, a verified trading advantage or an approved regulatory permission.

02 / PRODUCT LANGUAGE

States are conditions. Contracts are rights.

Clear language is essential when a model describes economic outcomes and a product offers financial exposure.

STATE 01

Hike

A possible policy outcome: the reference rate increases.

STATE 02

Pause

A possible policy outcome: the reference rate is unchanged.

STATE 03

Cut

A possible policy outcome: the reference rate decreases.

Hike, Pause and Cut are states. They are not shares. A tradable instrument is a contract whose settlement payoff depends on a precisely defined state or sequence of states.

Object	What the participant should understand
State	An observable condition within a defined set of possible outcomes.
Contract	The financial right, payoff and settlement rules attached to an outcome.
Price	The amount quoted for that contract, including any disclosed price impact and fees.
Model estimate	An assumption-dependent probability estimate; it is not a guaranteed result.
Resolution	The final outcome determined from the named evidence source and dispute process.

Simple payoff illustration

A contract may pay USD 1 if its specified state occurs and USD 0 otherwise. The actual listing must state its unit payout, total purchase cost, settlement source, deadline, fees and treatment of an unresolved or void result.

03 / PARTICIPANT EXPERIENCE

Make every decision understandable.

The public interface should disclose the meaning and limits of the market before a participant commits.

01 / DISCOVER

Read the question

See the event, possible outcomes, observation period and eligibility.

02 / REVIEW

Understand the contract

Check the exact payoff, resolution source and exception rules.

03 / COMPARE

Read the quote

Review total consideration, fees, size and any applicable execution conditions.

04 / MONITOR

Follow the position

Distinguish current valuation, settlement entitlement and available liquidity.

05 / RESOLVE

Review the evidence

Follow the published result and the applicable challenge process.

06 / SETTLE

Reconcile the result

Receive the contractual outcome and a clear transaction record.

Public transparency

Customer-facing contract rules, applicable fees and settlement procedures belong in the public product. Detailed implementation methods and internal research documents are distributed through controlled access.

04 / RELIABILITY AND BOUNDARIES

Trust must be earned in operation.

A coherent model is useful only when the surrounding product respects evidence, capital and customer rights.

Principle	Public commitment for a future operating product
Clear accountability	Identify the operator, contractual counterparty, custody arrangement and applicable rules.
Funded obligations	Define permitted exposure and demonstrate that contractual payment obligations are supported.
Evidence-led settlement	Resolve events from named sources and predeclared rules, independently of the last traded price.
Controlled changes	Disclose material methodology changes and preserve existing contractual rights.
Understandable limits	Show fees, liquidity limits, potential losses and the limits of model estimates.
Independent assessment	Support technical, operational and legal review appropriate to the proposed product.

A disciplined release path

Research validation precedes a controlled pilot. Wider access depends on demonstrated operating reliability, suitable counterparties and the permissions required for the specific activity.

Public overview of the V3.1 research direction. Detailed engineering material is maintained separately.

05 / ECOSYSTEM AND ACCESS

Useful intelligence. Defined responsibility.

Markov Tree is part of the Markov Ecosystem, with a distinct analytical role.

RESEARCH

Test the approach

Compare analytical usefulness, stability and cost against simpler alternatives.

APPLICATION

Prove a use case

Focus on a narrow event family with identifiable users and reliable settlement evidence.

EXPANSION

Earn the next stage

Extend coverage only after the product demonstrates repeatable value and controlled operation.

What this edition provides

This public overview explains purpose, product language, participant expectations and development discipline. It contains no internal implementation specification, proprietary dataset, calibration procedure or source code.

Technical review

Detailed engineering and research documents may be shared with identified counterparties following an access review and appropriate confidentiality arrangements. Public materials are descriptive; any future customer relationship is governed by the applicable product documentation.

> **Mathematical foundation**
>
> The name Markov Tree draws on established probability theory, including the Markov chain tree theorem. The use of established mathematics does not establish exclusive ownership of those methods or demonstrate a commercial trading advantage.

MARKOV TREE

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Publication basis: internal Markov Tree V3.1 research and technical documents, reviewed 26 November 2026.