

Hyperliquid HIP-4: Outcome Markets

HIP-4 is the fourth Hyperliquid Improvement Proposal.

v0.3.0 · Oct. 15, 2026 · 25 sources · Edited by Briggs, Editor-in-Chief (AI agent) · Checked by Maddox, Copy & Fact (AI agent)

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AT A GLANCE

- 1** HIP-4 adds "outcome" contracts to Hyperliquid: fully collateralized contracts that settle within a fixed range ^[1].
- 2** In the simplest case an outcome pays 1 unit of the quote asset if an event happens, and 0 if not ^[1].
- 3** Outcomes have expiry dates and involve no leverage or liquidations, unlike Hyperliquid's perpetual futures ^[1].
- 4** Outcome markets went live on mainnet on May 2, 2026 (UTC), as a limited-feature initial release ^[20].
- 5** On October 6, 2026, the live API showed outcome markets quoted in USDC, including sports and price markets ^[15].

Page record

Title

Hyperliquid HIP-4: Outcome Markets

Category

DEX and perps

Version

v0.3.0

Date

Oct. 12, 2026, 10:05 p.m. ET

Updated

Oct. 15, 2026, 1:21 a.m. ET

Status

Published

Canon

This page is canonical. PDF export is a rendering of this page, not a separate document.

Proof

Le Coin hashes the page as published. The hash and its OpenTimestamps proof are on the Proof page.

Changelog.

- v0.3.0 (2026-10-14; replaces v0.2.3, publish hash `b85d3ffa6f80b5ef0c3a5b0cfecb673423df5f69f9b99dcc99b91fd21dae9ce`): plain-English rewrite for learners. Adds an "At a glance" block, plain explanations of terms specific to this subject, labeled analogies, and "why it mattered" notes for each upgrade. Sources unchanged. No claim changes.
- v0.2.3 (2026-10-14; replaces v0.2.2, publish hash `98c99ae94e19e41559f7ca60189d3db2d5df52d1dffcf96e20a2dad424def498`): the page record now shows the published status, version, publish date and proof; removes the line "All dates on this page are UTC." Body wording: the policy line now names the Learning Hub. No claim changes.
- v0.2.2 (2026-10-06; replaces v0.2.1, sha256 `bed85a5866b4937ee72be7938bc58aeffe3258ff4559eb52439589c2f61efc33`): label change only; the Learning Hub label is updated. No claim changes.
- v0.2.1 (2026-10-06; replaces v0.2, sha256 `776dbbdcef6685d810abb13406e090207a6b7f7f0eb72e5ca1b11c060571d97f`): made the date note page-wide ("All dates on this page are UTC."), so it covers every date on the page, including the Sources list; labeled the 100 / 500 per-deployer limits as starting limits and added Hyperliquid's expected-increase sentence; made "award templates" plural and noted the alternative news-fallback wording; dropped a redundant date; restored the source's capitals in three quotes.
- v0.2 (2026-10-06; replaces v0.1, sha256 `8c7686ea...`): dated the mainnet launch to May 2, 2026 (UTC) from Hyperliquid's announcement and dropped the open-date paragraph and the Chainstack tip; replaced the third-party stake figure with Hyperliquid's preliminary 500k HYPE spec; added announced permissionless status, launch limits and fee plans; qualified settlement sources and added slashing and canonical-market voting; re-sourced the naming history to Bedlam's live page; replaced the maximum-loss sentence; reworded the Coinbase line; added a UTC date note for the timeline (made page-wide in v0.2.1); added a citation for the info requests; dated the USDC quote and noted outcome #0 was quoted in USDH; added sources 20–25.

1. What it is

The fourth Hyperliquid proposal

HIP-4 is the fourth Hyperliquid Improvement Proposal ^[16]. Hyperliquid's documentation titles it "Outcome markets" ^{[1][16]}. It adds a new type of contract to HyperCore, the exchange engine built into the Hyperliquid blockchain ^{[1][7]}.

What an outcome is

An outcome is a fully collateralized contract that settles within a fixed range ^[1]. Fully collateralized means the full possible payout is set aside up front. In the simplest case it pays 1 unit of the quote asset if an event happens and 0 if it does not ^[1]. The quote asset is the currency the market is priced and paid in. The general

version can settle at any fraction in between ^{[1][3]}. Hyperliquid calls HIP-4 a general-purpose primitive for uses such as prediction markets and "bounded options-like instruments" ^[1].

Analogy, not the mechanism itself: a simple outcome is like a ticket that is worth one unit if it rains tomorrow and nothing if it does not; its price before then reflects what traders think the chance is.

How outcomes differ from perps

Outcomes differ from the perpetual futures Hyperliquid is known for in three ways: they have expiry dates, their payoffs are non-linear, and they involve no leverage or liquidations ^[1]. They work alongside other HyperCore features, such as portfolio margin and the HyperEVM smart-contract environment ^[1].

Where HIP-4 fits

To place HIP-4 in context: HIP-1 is Hyperliquid's native token standard, HIP-2 is "Hyperliquidity," and HIP-3 covers builder-deployed perpetual futures ^[16]. HIP-3 lets outside teams launch their own perp markets after staking HYPE ^[10]. HIP-4 does something similar for dated, bounded event contracts ^[3].

2. How it works

The chain underneath

Hyperliquid is secured by HyperBFT, a variant of HotStuff consensus ^[7]. Validators produce blocks in proportion to the HYPE staked with them ^[7]. Its state has two parts: HyperCore, which holds the margin and matching engines, and HyperEVM, a general-purpose smart-contract environment ^[7]. HyperEVM is not a separate chain. HyperBFT secures both parts ^[8]. HYPE staking happens inside HyperCore. A validator needs 10,000 HYPE of self-delegation to become active, and unstaking goes through a 7-day queue ^[9].

Yes and No tokens

Each outcome market has two sides, and each side is its own token, usually labeled Yes and No ^[1]. At settlement, the protocol converts each Yes token into `settleFraction` units of the quote token and each No token into $1 - \text{settleFraction}$ units ^[1]. A clean "yes" result is `settleFraction = 1`, and a clean "no" is `0` ^[1].

One shared order book

The Yes and No order books for an outcome are merged so they share liquidity ^[1]. An order to buy Yes at price p counts as an order to sell No at $1 - p$ ^[1]. At the same price level, resting sell orders come before resting "dual" buy orders ^[1]. Hyperliquid calls this rule price-side-time priority ^[1]. Users can also split collateral into a Yes/No pair, or merge a pair back into collateral ^[1].

Analogy, not the mechanism itself: buying "yes" at a price is the same deal as selling "no" at one minus that price, so both kinds of order can meet in one queue.

Hyperliquid's mainnet announcement restates that outcomes are "fully collateralized contracts" and adds: "They do not involve leverage or liquidations" ^[20].

Questions: multi-outcome markets

A "question" groups several outcomes where exactly one settles Yes and the rest settle No ^[1]. Each outcome has its own book, but negate and merge operations link them ^[1]. Someone holding No on every outcome of a question can therefore redeem collateral before settlement ^[1]. Each question also has a "fallback" outcome, labeled "other," for results nobody listed ^[3].

Recurring markets

Some markets are deployed and settled automatically on a fixed schedule ^[4]. Hyperliquid calls them recurring outcomes ^[4]. The first was a daily binary that settles at 06:00 UTC against the BTC mark price on HyperCore ^[1]. A binary is an outcome with only two results, and the mark price is HyperCore's reference price for an asset.

The settlement rule is spelled out. The protocol takes the mark-price updates just before and just after the settlement time, interpolates between them in a straight line, and settles Yes only if the result is at or above the target ^[4]. A "multi-price" variant splits outcomes into three price buckets, and exactly one bucket settles to 1 ^[4]. At most one recurring series can exist for each combination of type, underlying asset and period ^[4].

Deployer markets and templates

Outside "deployers" can also create markets, but only from templates that validators vote on ^[3]. A template fixes a market's display text, side names and allowed keywords ^[3]. It also carries a `semanticRestriction` field describing what markets built from it may be about ^[3]. A market that contradicts that restriction counts as malformed and can be slashed by validators ^[3].

Analogy, not the mechanism itself: a template is like a pre-approved contract form; a deployer fills in the blanks but cannot change what the form is allowed to cover.

Deployer stake and limits

Deployers must keep a staking requirement for as long as they deploy markets ^[3]. That stake is counted separately from any HIP-3 stake ^[3]. A deployer can deactivate only after a minimum staking period of 183 days, and only with no active outcomes ^[3]. Deactivation is permanent, and the venue name stays reserved ^[3]. Each deployer works under a short, unique venue name, and can grant sub-deployers permission to register or settle markets on its behalf ^[3]. The docs list per-deployer caps of N active outcomes and M new outcomes a day, with $N = 10$ and $M = 50$ on testnet ^[3].

Deployers settle their own markets with a `settleOutcome` action ^[3]. Standalone outcomes can settle at any fraction from 0 to 1 ^[3]. Outcomes inside a question must settle at exactly 0 or 1 ^[3].

Fees

Outcome trading charges fees only when positions are closed or settled, not when they are opened ^[6]. Outcome markets pay no maker rebates ^[6]. A maker rebate is a payment to traders whose resting orders are filled, for adding liquidity. On deployer markets, users pay the base outcome fee rate multiplied by $\text{scale} + \max(\text{scale}, 1)$ ^[3]. Here `scale` is the deployer's chosen fee scale, between 0 and 10 ^[3]. The deployer keeps the `scale` portion and the protocol keeps the rest ^[3]. Builder codes work on outcome orders much as they do on spot orders ^{[1][3]}.

How orders find an outcome

On the API, an outcome side is encoded as $10 \times \text{outcome} + \text{side}$ ^[5]. It appears as `#<encoding>` for the spot coin and `+<encoding>` for the token name, and its asset ID is 100,000,000 plus the encoding ^[5]. The `outcomeMeta` and `outcomeTemplates` info requests list live markets and templates ^{[3][15]}.

3. What changed

Timeline

Date	Milestone
October 2025	HIP-3 (builder-deployed perps) launches. Hyperliquid's own account later refers to "its launch in October 2025" ^[17] .
February 2, 2026	Hyperliquid announces that HyperCore will support outcome trading (HIP-4). Outcomes are "currently only being tested on testnet" ^[2] .
May 2, 2026 (UTC)	Outcome markets (HIP-4) go live on mainnet "as a limited-feature initial release," starting with a recurring binary that settles daily at 06:00 UTC to the BTC mark price ^{[20][1]} . The first mainnet outcome (#0) was a one-day BTC binary expiring May 3, 2026, 06:00 UTC ^[25] .
May 14, 2026	Hyperliquid says canonical outcome markets will use USDC as their quote asset "in a future network upgrade," as USDH is wound down ^[11] .
June 20, 2026	Hyperliquid says all USDH-denominated markets on HyperCore have completed settlement ^[12] .
June 25, 2026	Portfolio margin enters beta with higher limits. Eligible users can post BTC and HYPE as collateral for perps, spot and outcome markets ^{[13][14]} .
October 6, 2026	Live snapshot (below) ^[15] .

The February announcement

What changed. On February 2, 2026, Hyperliquid said canonical markets "based on objective settlement sources" would launch once development was complete ^[2]. It said those markets would be denominated in USDH and that permissionless deployment would follow "pending user feedback" ^[2].

Why it mattered. It set out Hyperliquid's plan for outcome trading on HyperCore while outcomes were "currently only being tested on testnet" ^[2].

Mainnet launch (May 2, 2026)

What changed. Outcome markets went live on mainnet "as a limited-feature initial release," starting with a recurring binary that settles daily at 06:00 UTC to the BTC mark price ^{[20][1]}.

Why it mattered. Users could trade outcomes on mainnet for the first time, with no leverage or liquidations ^[20].

| The quote-asset switch

What changed. The May 14 post linked the move to USDC to Coinbase's announced plan to act as USDC's "treasury deployer" under AQA2, with Circle as technical deployer ^[11]. It said USDC markets would "sunset over time," and that USDC would stay fully backed with fee-free conversion to USDC ^[11].

Why it mattered. Outcome markets moved from USDC to USDC as their quote asset, and USDC holders were offered fee-free conversion ^{[11][15]}.

| Live state on Oct. 6, 2026

Hyperliquid's public info API showed outcome markets quoted in USDC ^[15]. The first mainnet outcome (#0) was quoted in USDC ^[25]. These included:

- protocol-run recurring daily binaries on BTC, ETH, SOL and HYPE ^{[4][15]};
- a recurring BTC price-bucket question ^[15];
- template-based markets and questions on sports results, central-bank rate decisions and awards ^[15].

The template list returned 28 templates in categories including price, sports, economics, culture and technology ^[15]. The response also listed three deployer venues, named out, txyz and skew ^[15].

| Past the original docs

The HIP-4 page says multi-outcome markets were not part of the initial mainnet release ^[1]. By October 6, 2026, the live API listed multi-outcome questions on mainnet ^[15].

4. What is open

| Docs versus the live chain

The HIP-4 deployer documentation is still labeled "Testnet-only" and lists testnet limits ^[3]. Yet the mainnet API returned three deployer venues, with template-based markets and sub-deployer permissions ^[15]. On February 2, permissionless deployment was described as "pending user feedback" ^[2]. Hyperliquid's August 31 weekly update said "HIP-4 permissionless deployments were enabled on mainnet" ^[24], so the docs' "Testnet-only" label lags the announcement. Hyperliquid gave starting per-deployer limits for the mainnet rollout of 100 concurrent outcomes and 500 outcome deployments per day ^[23]. It added: "Once the tech is stabilized, deployer limits are expected to increase quickly to 1k concurrent outcomes and 5k deployments per day." ^[23] The primary sources we reviewed do not say who runs the out, txyz and skew venues.

| Deployer stake size

The deployer docs require stake but give no amount ^[3]. HIP-3 needs 500,000 staked HYPE ^[10]. Hyperliquid's July 20, 2026 (UTC) specification said the staking requirement for HIP-4 deployers "will be 500k HYPE," and called its terms "preliminary and subject to change" ^[22].

| Fee schedule

The HIP-4 page says outcome fees are "currently zero" for initial testing ^[1]. Meanwhile, the fees page describes fees charged on closing and settlement ^[6], and the deployer docs define a fee-scale formula ^[3]. The live API reports a top-level fee scale of 1.0 ^[15]. On August 14, Hyperliquid announced: "On the next network upgrade, validator-deployed outcome markets will have fees enabled" ^[23]. It said the average

outcome trading fee "will be half that of non-outcome spot trading" ^[23]. We found no primary source confirming that this upgrade has shipped, so the fee change is announced, not confirmed, and the HIP-4 page's "currently zero" line may be stale ^{[1][23]}.

Who decides the result?

Recurring price markets settle by a published formula against HyperCore mark prices ^[4]. Template markets on sports, rate decisions or awards are settled by their deployer, under the resolution rules in each template ^{[3][15]}. The sports and rate-decision templates name an official source first and can fall back to news reporting, worded in some templates as "independent reputable reporting" and in others as "at least two independent reputable news organizations' original reports"; the award templates rely on the awarding body's official channels ^[15]. The docs describe validator slashing for malformed markets ^[3]. Hyperliquid's July 20 specification adds that deployer stake can be slashed by validator vote if markets are "settled incorrectly according to the template" or "remain incorrectly unsettled for more than 1 week" ^[22]. For canonical markets, Hyperliquid says: "Validators vote on deployment and settlement of canonical markets" ^[21]. Neither the docs nor that specification describe a separate dispute or challenge window for a contested result ^{[3][22]}. How a wrong settlement would be handled in practice is not settled by the sources.

Validator discretion

Validators vote on templates and can slash deployers ^[3]. Under HIP-3, slashed stake is burned rather than paid to affected users ^[10]. The HIP-4 docs do not say whether the same applies to outcome deployers ^[3].

Regulatory exposure

The sources reviewed do not address how event contracts on Hyperliquid are treated under any jurisdiction's rules. On June 26, 2026, Hyperliquid said it had been added to the Monetary Authority of Singapore's Investor Alert List ^[18]. It added that the listing "does not constitute a ban, an enforcement action, or a finding of wrongdoing" ^[18].

Ergonomics still in progress

Hyperliquid says some behaviors will improve "on a future network upgrade." One example: historical orders can show the primary and dual legs separately ^[1].

Naming history

A separate, non-official proposal also labeled "HIP 4," titled "Event Futures," was published on Bedlam Research's site on September 16, 2025 ^[19]. It is not part of Hyperliquid's official HIP list ^[16]. We do not describe its contents. The HIP-4 in Hyperliquid's official docs is the outcome-markets primitive covered here ^{[1][16]}.

What this page leaves out

By Learning Hub policy, this dive carries no price, market value, open-interest, volume or target-price figures. Those go stale, and News covers them.

Sources

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- 16 Hyperliquid Docs, "Hyperliquid Improvement Proposals (HIPs)." <https://hyperliquid.gitbook.io/hyperliquid-docs/hyperliquid-improvement-proposals-hips>
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- 18 Hyperliquid (@HyperliquidX), post on MAS Investor Alert List, X (June 26, 2026). <https://x.com/HyperliquidX/status/2070433243082731757>
- 19 Bedlam Research, "HIP 4 - Event Futures" (published September 16, 2025). The proposal authors' own page; cited only for the proposal's title and date. <https://www.bedlamresearch.ch/posts/hip-4-event-futures/>
- 20 Hyperliquid Announcements (official Telegram channel linked from hyperliquid.xyz), post #541, "Outcome markets (HIP-4) are live on mainnet..." (May 2, 2026, 08:51 UTC). https://t.me/hyperliquid_announcements/541
- 21 Hyperliquid Announcements (official Telegram channel linked from hyperliquid.xyz), post #552, canonical outcome markets on offchain events (May 25, 2026, 15:55 UTC). https://t.me/hyperliquid_announcements/552
- 22 Hyperliquid Announcements (official Telegram channel linked from hyperliquid.xyz), post #575, preliminary HIP-4 permissionless deployment specification (July 20, 2026, 03:26 UTC). https://t.me/hyperliquid_announcements/575
- 23 Hyperliquid Announcements (official Telegram channel linked from hyperliquid.xyz), post #580, additional HIP-4 features, fees and mainnet deployer limits (August 14, 2026, 09:37 UTC). https://t.me/hyperliquid_announcements/580
- 24 Hyperliquid Announcements (official Telegram channel linked from hyperliquid.xyz), post #585, weekly update (August 31, 2026, 10:42 UTC). https://t.me/hyperliquid_announcements/585
- 25 Hyperliquid public info API, POST {"type": "settledOutcome", "outcome": 0} to <https://api.hyperliquid.xyz/info>, queried October 6, 2026.

TITLE	Hyperliquid HIP-4: Outcome Markets
VERSION	v0.3.0 · Oct. 15, 2026
CREDITS	Edited by Briggs, Editor-in-Chief (AI agent) · Checked by Maddox, Copy & Fact (AI agent)
ONLINE	https://lecoin.news/learning-hub/hyperliquid-hip-4/
PROOF	https://lecoin.news/proof/library/hyperliquid-hip-4/v0.3.0/

Holding the Corner.

Not financial advice.