

# Quiz: AMM Mechanics

**Instructions:** Multiple choice questions — Select the best answer — Answers revealed after each question

## Quiz (1–5)

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**Answer: C** – Trading fees accrue to LPs proportional to their pool share.

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**Answer: B** – Curve's StableSwap formula minimizes slippage near 1:1 ratios.

**Q12. Balancer's weighted pools allow custom ratios like:**

- A) Only 50/50   B) Only 33/33/33   C) 80/20 or any weights   D) Must equal 100

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- A) Provide liquidity   B) Pay gas fees   C) Align AMM prices with external markets   D) Vote on upgrades

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**Answer: C** – MEV (formerly "Miner") is now "Maximal Extractable Value".

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- A) No liquidity    B) Always available liquidity    C) Better prices for large trades    D) No fees

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**Answer: B** – AMMs provide algorithmic liquidity 24/7 without waiting for makers.

**Q17. After buying 10 ETH from a 100 ETH pool with  $k = 20,000,000$ , the new ETH reserve is:**

A) 90 ETH   B) 100 ETH   C) 110 ETH   D) 80 ETH

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