

## Introduce keywords of the reading "Yield Farming: The Truth About This Crypto Investment Strategy"

### 01. Yield Farming:

Yield farming is a high-risk investment strategy involving staking cryptocurrency assets on DeFi platforms to earn higher returns, often paid out in additional cryptocurrency.



### 02. Decentralized Finance (DeFi):

Digital or virtual currency that uses cryptography for security and operates independently of a central bank, unlike traditional currencies.

### 03. Liquidity Mining:

Liquidity mining involves lending crypto assets to decentralized exchanges in exchange for incentives, contributing to liquidity in the market.



### 04. Governance Token:

A governance token, like COMP in Compound, provides holders with voting rights to influence protocol changes in DeFi platforms.

## 05. Liquidity Provider:

A liquidity provider contributes assets to decentralized exchanges to facilitate trading liquidity and may receive fees or new liquidity pool tokens in return.



## 06. Borrower:

Borrowers use collateral to borrow assets on DeFi platforms, enabling them to farm yield with borrowed coins while retaining their initial holdings.

## 07. Regulatory Risks:

Yield farming carries regulatory risks, including potential oversight by authorities like the SEC and the issuance of cease-and-desist orders against crypto lending platforms.

