

MILKY

Milky BabyStable

MILKY Address:

[zi11l8l658hqwz6zmzr7e6emlnfshs9tg53qg3pju9](https://mambo.li/zi11l8l658hqwz6zmzr7e6emlnfshs9tg53qg3pju9)

Full peg price: 2.48 \$FRANC September 2021

Launch Price: 0.53 - 0.62 \$FRANC

Backed by other cryptos as collateral. Milky has to grow up toward full peg over time.



What is MILKY?

MILKY is an **elastic stablecoin**, issued by mambo.li.

Elastic means the quantity of coins will be adapted to the demand. Coins can be minted, if demand drives the price above the pegged price, and coins can be taken out of circulation or burnt if the price sinks below the pegged price.

The name MILKY, Milky BabyStable

It's pegged on the price of Milk. Why BabyStable? It is launched at about 1/4 of the full peg price. That means, it has to grow over time towards peg. Milky begins as baby and must grow to full peg value.

Onto what exactly is MILKY pegged?

MILKY BabyStable is pegged on 1 Liter of organic goats milk of a small family goats farm, manually milked, 2x daily. The price is from an eastern Europe country but it's calculated in \$FRANC.

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This price does not reflect the real labor put into it to get 1 Liter of organic goats milk. It is not a business to have some goats, but it is a hobby that may soon prove to be very important and vital for survival and independence. The fair price with all labor and costs calculated into it would be about 6-7.50 \$FRANC. **That means, it is almost not possible for the peg of Milky to go down.** It can rather easily go up. Since one of the mambo team is such a goats shepherd, he controls personally the peg. Last year we went up about 0.40 cents / liter for our neighbors who take milk or cheese. The forex fluctuations between the country fiat and \$Franc are neglected to make Milky easy manageable.

Two main reasons the peg can change. 1) The price of 1 liter goats milk goes up.

2) The peg of \$Franc changes, but not the peg of Milky itself. That could change the price peg of Milky calculated in \$Franc. Probably the only reason it could go down, if \$FRANC peg grows faster.

The Logo of MILKY

The logo is taken from one of our anglo-nubian goats, Amalia, when she was about 5 month old.

At time of launch of Milky (September/October 2021) she is about 1.5 years old and gives already milk, that means she gave birth almost too early to a next generation goat. This was unintended but went all well. :-). Amalia is a very nice and lovely goat. She is now written in blockchain.



Why it's pegged on a retail price of a physical asset, in this case milk?

Read the stablecoin protocol on <https://mambo.li/stablecoinphilosophy>

(This is basic part of each mStable whitepaper).

In short: To peg the mStables on physical assets and retail market prices helps fight against creeping inflation (devaluation of fiat money). Since inflation periods normally last for decades, and deflation only for short time, it is most of the time a good alternative to be into physical assets pegged mStables instead of fiat stablecoins or fiat money.

To be pegged on a retail price of good known daily life asset makes mStables more practical compared to gold, silver or platinum stablecoins. And retail prices are much more stable and less volatile compared to raw commodities.

MStablecoins are independent of fiat money policies or jurisdiction. They are not money. They can be considered as digital assets. MILKY is fungible, tokenized, digitized organic goats milk.

To invest in MILKY makes it likely to maintain the same buying power for milk over years.

Who may consider to buy MILKY?

Milky is a mixture of speculative utility token and stablecoins. It begins as speculative token with 4x growth potential to full peg and finally will be an mStablecoin with limited downward risk.

MILKY is backed by other cryptocurrencies coming in at launch and later on MamboSwap or by Mambo selling Milky into zilswap if price should spike above full peg. This makes it unlikely that Milky will fall far below the launch price. The incoming collateral is 100% used to back Milky and our other stablecoins. But Milky has the potential to grow unto full peg and be stabilized at full peg, if the value of the collateral tokens rise as much over time.

So Milky is an ideal coin for all those who love the excitement of possible x-time profits combined with a very limited risk to fall far below launch price and the effort from Mambo to bring Milky towards full Peg at 4x the launch price over time.

The price of small family goats farm milk represents: the rarity and "luxury" of decentralized organic high quality small farming goats milk, cheese and yogurt, with the hard labor involved with it. As the evil absurd self destruction great reset agenda continues intentionally with determination to destroy food production lines, it may become in near future essential and vital for survival that some freaks began early enough to go back to the roots of decentralized, healthy local food production.

That means, to be invested in MILKY should help against already fast growing food prices all over the world thanks to the insane great reset agenda using absurd lock downs which do not prevent from anything but only destroy the culture, economy, production and supply lines. The lock down kakourgocrats (criminal rulers) proof the necessity of creating cryptocurrencies which are decentralized and far better than the money of those corrupt control freaks.

Use cases:

The most important use case is, that it can be used for payments for daily life payments, since it has a stabilized price and it's lower band value is backed. If the full peg price can be reached and maintained, it will be a good mean for payments, it's not so volatile like unpegged cryptocurrencies and has similar stability like fiat money. To be used as payment, it must be recognized by more and more shops and services and groups of people. Just begin to pay your friends in MILKY.

It is finally FUN TO PAY, thanks to mStablecoins.

Stabilization mechanism – How the MILKY will be stabilized to the pegged price?

Read the Token philosophy on <https://mambo.li/stablecoinphilosophy>

In short:

1. One or two trader or **stabilization accounts** will trade the price back to the pegged price if it diverges more than 1-20% of the pegged goal. This is done manually with irregular latency, giving

other arbitrage traders or robots the chance to do it. Possible profits made with such trades will be used for building up collateral, expanding liquidity pools, for the mambo team and for token LP Pool providers and to build up collateral for other mStablecoins.

2. As a second important measure to stabilize Milky to the pegged price is our newly developed **MamboSwap, MAFRE, Mambo Automated Fixed Rates Exchange, a token swap specially made for stablecoin to stablecoin swaps at a fixed rate without price slippage**. Rates are adjusted by mambo at least once daily if necessary.

MamboSwap runs on a subdomain of mambo.li: <https://mafre-swap.mambo.li>

We consider this fixed rate swap as a game changer in the cryptomarket. Such MAFRE's run in parallel with the AMM (Zilswap, pancakeswap, etc..) and allow to adjust the price to the peg, giving everybody who likes to do it the occasion for arbitrage trades and giving everybody who wants to buy or sell the Stablecoin the choice: **Everybody can swap where the price currently is better.**

3. **Seigniorage & elasticity:** Minting and Burning Tokens: If demand expands, more tokens are minted or put into circulation from the reserve account. If demand shrink, tokens will be bought back and taken out of circulation and partially burnt, if appropriate.

4. If we can raise enough funds from MILO and MamboSwap, **we will open a liquidity pool on zilswap**. Such AMM (automatic market maker) liquidity pools are not ideal for stablecoins. In case the zilswap liquidity pool price or any other future liquidity pool price should divert far from the pegged price, everybody can find better fixed price at MamboSwap and even make some profitable arbitrage trades. This helps to stabilize the pegged price. On your own risk, since you must always calculate price slippage and the possibility that someone else is faster than you and transaction costs.

5. The specialty of MILKY is, that is is launched at about 1/4 of the full pegged price. That means, we will not sell back the price on zilswap unless it reaches the full peg and goes above it. We may make supporting buy trades, if the price falls to deep below the estimated price backed by collateral.

Mambo Burning Security:

NO Burning Enforcement: It will be impossible by smart contract to burn out of other accounts than the burners. This makes law enforcement burn by corrupt totalitarian regimes as we currently face them, impossible. All mStablecoins fulfill the Mambo Token Security Standard for Secure Minting and Burning: <https://mambo.li/mtss>

Collateralization:

As collateral will be mainly ZIL and \$Mambo, \$XSGD, \$STREAM, \$CARB. Others like gzil, zwap, and others are not excluded. For LP on Zilswap, we need to change half of our contribution into ZIL. Milky is an mStablecoin that is more backed with \$Mambos than our other stablecoins.

For Liquidity on our MAFRE Swap we need xsgd. But xsgd has an authoritarian burn out of any account possibility in the code and we consider this as potential risk.

In future a part of our overall collateral may be changed into cryptocurrencies outside of zilliqa, as diversification, like Dai, BNB, BUSD, Monero and others.

We are convinced that a good currency must not be fully and exactly collateralized to be trustworthy. But we aim to collateralize it to about 150% to 200% over time. This will help to avoid big or long term off peg fluctuations.

Profits:

Possible profits made with the stabilization mechanism are considered to be available profits, if the estimated collateral value is between 150-200% of circulating Milky. Depending on general crypto market conditions and other factors, mambo team will decide when and how to distribute the profits. About 60% for MILKY LP providers. About 10% for mambo team and About 30% to finance new mambo projects and mStablecoin launches and further development. If the market situation brings the collateral value below 150%, we will immediately stop distributing rewards.

Risks:

Specific risk of MILKY: since it can grow 4x unto full peg, such growth can be rather speculative but not backed fully by collateral. That means it may fall back as fast, as it spikes up like the other speculative tokens, as long as there is not a stable backed basis. But this risk is limited and it should not fall far below launch price, since this price is backed from beginning.

General risks:

Collateral loose value over long term. Short term likely to happen. Long term very unlikely.

Crypto market crashes could short time lead to a lack of enough collateral value. This may specially happen in the beginning phase where collateral must be build up yet. This can cause Milky to fall below pegged price until collateral growth in value.

It is not fully decentralized. Human error, abuse, inability to act. **Inability to act in time** may not be underestimated as a risk. We are still a very small team an the goal is to become replaceable in future. But not in the beginning. One of the goal and vision of the Mambo Team is, to make those stablecoins as decentralized as possible. But in the beginning, many things are manually made by our team. One of the most difficult things to decentralize is the api to the peg price, the oracle. If somebody manipulates the api to the pegged price (the oracle), he can by this manipulate the whole thing. It maybe more trustworthy to trust in a team with a proof of history and proof of actions. Oracles do not exclude the possibility of bad manipulation completely in most cases. The Milky peg cannot be automatized.

Risk of bug in the whole concept of mambo.

We are writing this whitepaper at the end of September 2021. Our first stablecoin \$FRANC runs since about 3 month and there was no bug in the concept found. It all works as we thought. No holes or loopholes. The previewed risks of falling collateral prices happened, it went up again to peg. It runs as it should run - even with very low liquidity we could maintain the concept and proofed it to be very good and easy to be copied by others. The most important thing it needs besides understanding our concept is: integrity. That is the thing you will not find in the fiat monetary world.

Watching what just happened in spring 2021 to some new "algorithmic pegged stablecoins", we rethought once more the whole concept before launching our first stablecoin.

Conclusions: To build up and defend collateral is main rule. Better to allow the price for short term to fall below the pegged price, than holding a price peg with thin air.

We will not make unsustainable trades to support the price! We will only buy back franc or Milky on Zilswap at a price estimated to be covered by collateral. And we will set the sell back rate on MamboSwap as low, as estimated to be backed by collateral.

That means, it is likely to happen in the beginning, that Milky falls again below peg for short or mid term, once the peg was reached.

Traders of MILKY which did not read our concept may suffer loss because of buying or selling to a unsustainable price. We will aggressively sell down MILKY, if it is spiking above peg.

This last mentioned risk is not only for our stablecoins, but it is generally for all ppl, who trade on AMM's without caring of the price slippage and without having done DYOR.

The Future of this new kind of Stablecoins

Since our idea an vision is very easy to copy, the best thing that could happen is to see many other groups of people realizing their stablecoin projects with the easy stabilization mechanism of Mambo, MamboSwap (MAFRE): **Mambo Automated Fixed Rates Exchange** for Stablecoins.

This would be a kind of decentralization by diversity of private offers and issuers. A free decentralized market allows everybody to issue his (crypto)currency, and the most trustworthy will survive and be established finally and be used for daily trustworthy stable payments.

For this reason we offer anybody to launch their stablecoin idea at MILO, fixed pegged on \$FRANC to get in touch at very low cost with our concept, everything outsourced to us.

Tokenomy see next site.

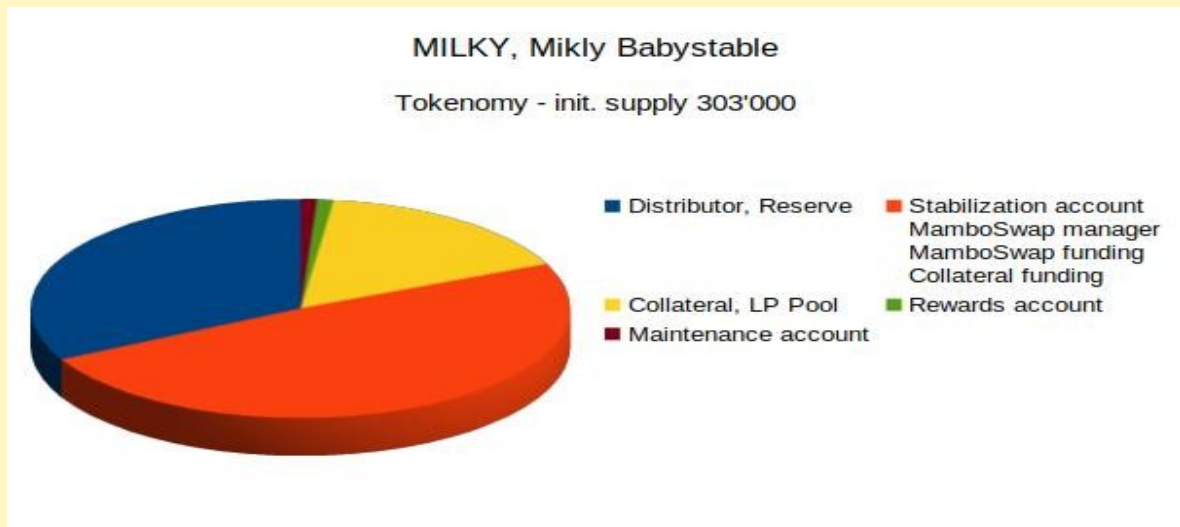
Tokenomy of MILKY, Milky BabyStable

Initial supply: 303000 Tokens (supply is elastic). Aimed full peg 2.48 \$FRANC decimals 6

Token Contract address: **zil1I8l658hqwz6zmzr7e6emlnfshs9tg53qg3pju9**

Initial Token Distribution:

| Who | Percentage | Amount tokens | Address: |
|--|--|--------------------------------|---|
| Contract owner | 0% | 0 | zil1nt00zxls992zakdq9fwcqghafm4lqhxjf8rndk |
| Burner / Minter | 0% | 0 | zil1lrltfxlmzky9dl3m3k35wdyamuz5ekmz7cm300 |
| Distributor, Reserve | ca 33% elastic | 100000 | zil1jwupzktvdqpd90y7mrh68hpgxr9w8hlve8zk4l |
| Stabilization Trader 1 Mafre Milo manager funded by Distributor | elastic 50% | 150000 | zil1nn0w0wyezp2109eksyzekzv8t0yuc9jrwc37qn |
| MamboSWAP MAFRE Milo | elastic, funded from mafre manager | elastic following demand | https://Mafre-Swap.mambo.li zil1pfvzz9vqpc60j3l2n3ltc586l65gvahj85xxg7 |
| Collateral from MILO Zilswap LP, | elastic | 50000 | zil183gx8k6y4shxel0r6754evw33m99lucutx3lpx |
| Liquidity Pool taken from reserve presales account | elastic | elastic | zilswap.io |
| Rewards Account | 1% | 3000 | zil1jkn9fjree722uc99crd4rz3qpe67p7w7e3xrfu |
| Maintenance | 1% | 3000 | zil1f0gpn358eudw0l7ehr3cefe395hk97s2up7pk5 |



This is only the initial Token amount and distribution. The principle of mStablecoins is an elastic quantity according to demand. Additional tokens may be minted if needed. To much tokens may be taken out of circulation and burned, if the demand shrinks, to maintain the price.

Important to know is, that only the tokens in the liquidity pool and sold on Mambo Exchange or Milo, tokens sold from stabilization account, can be counted to be in circulation. Only those must be collateralized. Tokens remaining in Distributors & collateral account, Mambo Exchange or Stabilization Account are not to be considered in circulation. They are in reserve. Tokens in circulation are collateralized. By selling tokens from reserve, the amount of collateral growth.