AVALANCHE – Stablecoin whitepaper notes

Money is supposed to have three functions:

1. a store of value
2. a unit of account
3. a medium of exchange.

In addition, all the functions should be stable.

(CTN: So volatility, impacts 1 – stability required for predictability)

Stablecoins are a class of cryptoassets created to address this problem. (i.e. the stability issue)

There are a lot of stablecoins in existence or in progress (date of paper?)

* $4.6B market cap for top three (CTN: what are the top three?)

Stablecoin Key features:

Early stablecoin project taxonomy:

* classified by Collateral type
* (discussed pros and cons of each category)

After:

* more detail on individual projects

Taxonomy proposed by Pernice et. Al:

* categorizing by monetary and exchange rate regimes

Extended Taxonomy proposed by Avalanche:

* use existing taxonomies.
* consider stabilizing mechanisms.
* consider measurement methods.