**Umee**

<https://www.umee.cc>

What is umee?

Umee is a Cosmos-based decentralized finance hub supporting a suite of composable debt primitives that will enable the next generation of global debt markets. As a base layer blockchain, applications and money lego primitives can be built on top of Umee to access cross chain leverage and liquidity. The Umee Blockchain facilitates interoperability between the Cosmos ecosystem, Ethereum network, side chain architectures, layer two scaling solutions, and alternative base layer protocols.

Why umee?

Existing issues

* Short-Term Focus

Most existing DeFi markets are heavily short-term focused with unsustainable rates or unreliable expected returns for participants.

* Speculation-Driven

Existing DeFi markets are driven almost entirely by speculation. Yields don’t come from value add activities and rates aren’t properly reflective of risk. There is a lack of understanding of what the base rate (risk-free rate) should be and thus a lack of a term structure that uses credit-worthiness and duration to determine rates.

* Lack of Capital-Efficient Debt Financing Tools

There is a lack of understanding of what the base rate (risk-free rate) should be and thus a lack of effective financing tools based on a term structure that uses credit-worthiness and duration to determine rates.

1. Foundation of a Web3 Native Debt Market

Umee combines traditional debt market fundamentals with the next generation capabilities of blockchain technology.

#Traditional debt market fundamentals will provide Umee with the basis to create:

A term structure that uses time-to-maturity and credit-worthiness to determine rates;

The crypto format for debt primitives such as notes, bills, bonds, CDS, structured products, and other assets.

Umee’s web3 architecture will enable decentralization, transparency, immutability, PoS-based interest rates, decentralized credit rating systems, and more.

A Suite of Products and Features for Optimal Performance

1. A Suite of Products and Features for Optimal Performance

In building the next generation of global debt markets, Umee will integrate a variety of key technologies to offer scalability, interoperability across ecosystems and privacy.

#Umee will be able to provide users with:

Scalability via Cosmos’ CosmWasm and shared security to allow Umee to accommodate the entire volume of global debt markets;

Interoperability and interchain accounts via IBC to remove the silos between ecosystems to enable maximum liquidity in a universal market;

Privacy via ZK based technologies to grant participants with full control over their information that is shared across the network, and accommodate sensitive transactions currently confined to centralized resources.

1. Transforming Global Finance

Umee’s platform is an engine for long term building and growth, and will be the linchpin for the transformation of global finance as traditional debt markets are fundamentally reborn in Web3.

At $200t, the global debt market is the largest financial market in the world. Umee’s web3 technology is capable of supporting the debt market without the risk, cost, and inefficiencies associated with centralized intermediaries. While web3 is currently short-term focused, bonds will help shift focus towards long term building and growth.