

MyFichain

Secure, Fast And Low
volatility assest

MyFichain Whitepaper

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Abstract

MyFichain is a global payment system built on the ethereum network. Myfichain is a low-volatility crypto-asset regulated by the token holders and integrated with methods proven in traditional financial markets.

MyFichain asset is a low-volatility cryptocurrency with predictable and dirigible price development. It may be employed both as a means of settlement and a means of saving.

The Three Whales

We distinguish three kinds of crypto-market actors.

The first is traders or people making short and medium-term investments in cryptocurrency in order to quickly make the profit from exchange margin.

The second is investors. Investors are interested in cryptocurrencies as a means of long-term storage and growth of their capital.

The third is users or those using cryptocurrencies for routine economic activities like remittances, purchases, etc.

We believe that users are quite an important group as they make the cryptocurrency sufficiently liquid. However, existing cryptocurrencies hardly meet their demands. As a result, the lack of merchants and service providers causes the numbers of medium and long-term investors to grow slowly because of minor involvement of cryptocurrencies in the real economy. The lack of long-term investors not interested in exchange gambling, in turn, enables traders to manipulate currency's exchange rates thus aggravating its volatility. This vicious circle prevents any crypto-asset from becoming an established means of payment.

Volatility is a Problem

High volatility is amongst the biggest disadvantages of Bitcoin and similar cryptocurrencies. It hinders it from becoming a means of storage and exchange of value on the global market. Seasoned traders may get high profits from speculating on exchange margins, yet the risks pertaining to uncontrollable price fluctuations scare rookie users and online businesses away from cryptocurrencies.

Stability as an Answer

Stable cryptocurrencies are the solution enabling merchants to enjoy all the advantages of blockchain technology while keeping away from losses caused by major price fluctuations.

A stable cryptocurrency is a coin whose price is kept within a certain range with a set of financial mechanisms and algorithms. Existing solutions employ various means to maintain stable prices of their cryptocurrencies.

DigixDAO backs every DGX token with an equivalent amount of gold physically stored in a Singapore vault. For that reason, the token's price correlates with the price of gold. ChronoBank creates its own labor market where each LH token is pegged to the average worth of a work-hour.

Tether tokens are backed with U.S. Dollars kept on a private company's bank account. MakerDAO maintains a stable price of its DAI tokens with a complex red-tape system hardly comprehensible for those lacking profound cryptocurrency savviness.

In our opinion, the existing projects all feature several fundamental flaws. They're either pegged to an unstable asset, and therefore can't be considered currencies with stable and predictable purchasing power; or backed by an immovable asset, and therefore are of no interest for traders and investors; or, while promising some predictable profit to their investors, lack transparency; or make it too hard for an average user to assess their price growth.

MyFichain offers an innovative solution which creates an autonomous financial system that meets the demands of all three kinds of market actors.

MyFi: a Unique Innovative Solution

There are two factors that make MyFichain unique:

- Low volatility of the coin (within a five-percent range) achieved autonomously with traditional financial tools;
- Predictable and controllable annual growth of the coin's price which correlates with average annual price growth calculated for a portfolio of most popular altcoins.

Thanks to its unique features, MyFichain is a multi-purpose tool equally useful for trading, long-term investment, and routine financial operations.

Traders, whose speculations often tend to destroy cryptocurrency ecosystems, have a constructive role in the MyFichain system. Encouragement of trading activity will become a tool that the coin's autonomous algorithm uses to keep the token's price within a certain range.

Controllable price surge over time will make the coin a profitable asset for investors. Coin parking, which is the second volatility control tool in MyFichain, meets the strategy of medium and long-term investment.

Finally, thanks to price predictability, easy conversion and high-speed transactions, regular users and online retailers will be able to use MyFichain as means of payment and value storage. MyFichain excludes both exchange losses and service payments.

Hybrid Governance

At present stage, MyFichain uses hybrid governance, which implies that the algorithm's decisions are monitored by a group of professional economists. At early phases of the system's operation, the team reserves the right to introduce amendments to the algorithm's parameters in order to promptly prevent emerging risks and guarantee steady work of the entire system.

Once the algorithm is fine-tuned, MyFichain will become a decentralized autonomous organization. At final phases, the platform's financial activity will be completely free of human involvement, and use algorithms set earlier.

Main Exchange

While assessing market conditions, MyFichain will invoke asset price at the main exchange, which is the exchange where MyFichain stores, buys and sells its assets. The selected exchange will have to be the most secure of all currently in existence. Prices for assets traded elsewhere will correlate with those at the main one thanks to trader arbitration.

How It Actually Works

The main purpose of MyFichain is to stabilize the exchange rate within the range of no more than 5% of the previous day's closure price. The five percent growth owes to the practice of global stock exchanges. Once the values are reached, stock markets halt the trading, thus preventing speculators and misguided investors from dictating their own prices.

Once the limit values of the five per cent range are reached, MyFichain has two options: it either changes interest rates for parking payouts or intervenes to keep the price within the preset range. Coin parking and intervention are the basic financial instruments used by MyFichain.

Parking

Parking means that coins are voluntarily withdrawn from the market by a user who temporarily suspends them in their wallet. The 'parking' user is eligible to receive interest. Users will be able to choose the type of parking depending on the time they undertake to store coins in their wallets without using them online. There are three kinds of parking:

Day (24 hours): for short-term impact

Month (30 days): for medium-term impact

Annual (365 days): for long-term impact.

Average reference rate for parking payouts will gradually go down, yet, thanks to MyFichain price's growth, the actual parking revenue will only grow over time.

Interventions

Intervention means that MyFichain buys or sells MyFi to keep the exchange rate within the predetermined range.

Market Behavior

In practice, the MyFichain algorithm uses a simple and efficient pattern. As there are three possible options for market behavior (excessive demand, excessive supply or supply/demand equilibrium), there are three strategies for MyFichain behavior as well.

Distribution

Total supply: 900 000 000 MyFi

ICO: 200 000 000 MyFi

Bounty/Airdrop: 300 000 000 MyFi

Developers' and advisors' capital: 1 000 000 MyFi

Partner: 200 000 000 MyFi

Project development: 100 000 000 Myfi

The Future of MyFicoïn

MyFichain monetary policy serves the main purpose of making MyFichain token a global reserve cryptocurrency. In order to attain it, MyFichain will have to meet the following principles:

- Simplicity and high speed of transactions
- Exchange rate stability and predictability against U.S. Dollar
- Market cap of \$10 Billion

MyFichain will consistently administer the policy of increasing the price against USD on the basis of the growth rate.

MyFichain Ecosystem

The MyFichain Systems team intends to implement the extended functionality of MyFichain Ecosystem by incorporating such applications as MyFi Market, MyFi Exchange, and MyFi Platform. Implementation of those products seeks to expand the coin's sphere of circulation, thus driving demand for it.

Roadmap

Check [index/homepage](#) for Roadmap.