User Story

REMINDERS  
-clear browser data

-redeploy contracts

-have test file up for numbers to plug in.

-connect wallet once deployed.

-make sure local host website is not up to be safe.

-MOVE to new wallet account.

-change Nuon and Peg Price

-start with get Free test token

Intro

-im nelson. Guidance of brian Schuster. Trying brian armstrong’s idea of a flatcoin.

-brought over an existing companies contracts.

-will talk quickly in interest of time.

Purpose:

-bring over the Nuon Flatcoin to Base.

-preserve Purchasing Power as Nuon rises

-earn yields

-profit from arbitrage.

Features We Don’t include

-Using WETH to calculate the LR, which is based on .135 \* 1500(price), BUT, Inconsistency, because we are using a test token for the .135 amount, which is a different denomination of course.

-liquidity pool

-getting Nuon price from liquidity pool

-aribtrage market to trade your positions associated with an NFT

-Truflation Oracle?

MAIN USER STORY TO EXPLAIN.

-along with interest earned, arbitrage. Nuon price rise with inflation preserve power. So what are the market forces that drive this:

- CR, LR, and DPR concepts.

-IF Nuon Price is above target Truflation Peg price = so incentive to mint, because a user can supply less in the way of collateral, because their liquidation risk is down. BECAUSE the amount of collateral they need to cover is based on the target peg, which is low.

-explain front end, amounts: Collateral is 1600 price \* .015 WETH = $23. at 300 CR. Nuon minted is 7. At a high level can see 23/7 =ish 300.

----Opportunites for Profit:

-arbitrage: user that just minted at the low peg price, could turn around and sell Nuon at the higher price. NLP not implemented.

----Affect on the Peg

-along with arbitrage moving price back to peg..

-After this user minted Nuon, it will increase the Supply, which of course decreases the price of Nuon down towards the peg..

CHANGE IN MY CODE

-make price go below the peg. Explain why can’t happen naturally without liquidity pool

-Front end:

Using this value for redeem: 300000000000000000

-NOW, simulate price dropping below the Peg. Another way to look at it is, inflation/CPI went up. So, users LR risk goes up, because they may need to put in more collateral to cover the higher peg price.

-Now User redeems/burns 3 Nuon. They get back about 9$ (.0059 WETH).

----Opportunites for Profit:

-arbitrage: a user could buy cheaper Nuon on the market, and the redeem at the higher peg price now.

----Affect on the Peg

-along with arbitrage moving price back to peg..

-After this user burned Nuon, it will decrease the Supply, which of course increases the price of Nuon back up towards the peg.