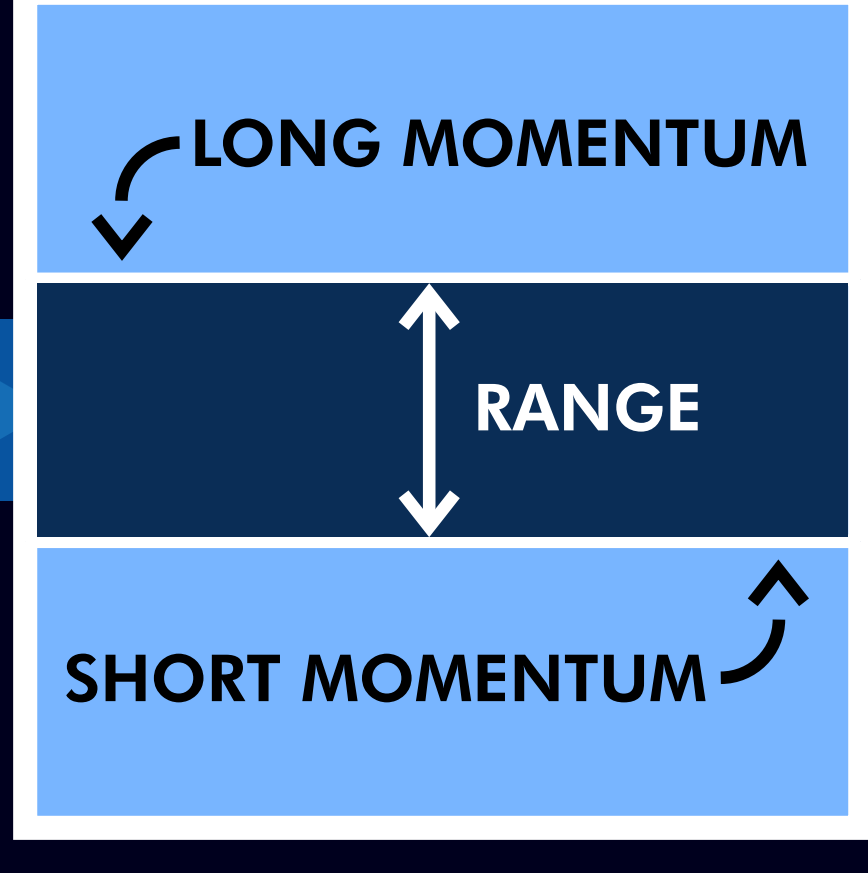


XMM MOMENTUM

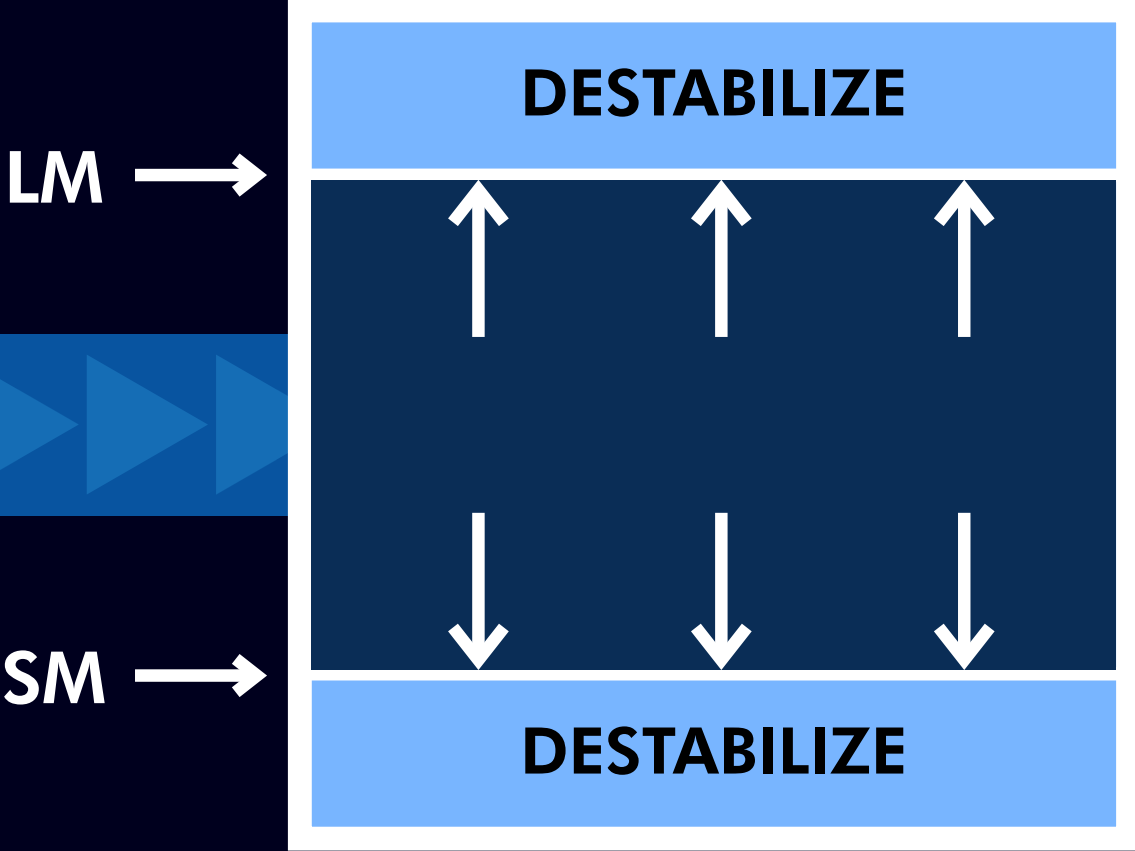
What is it?

Momentum (XMM) is a deflationary token built on Ethereum. Every transfer will burn some tokens. Whether that's sending between two wallets or buying/selling from an exchange, tokens will be burned. This will cause the total supply to decrease over time.

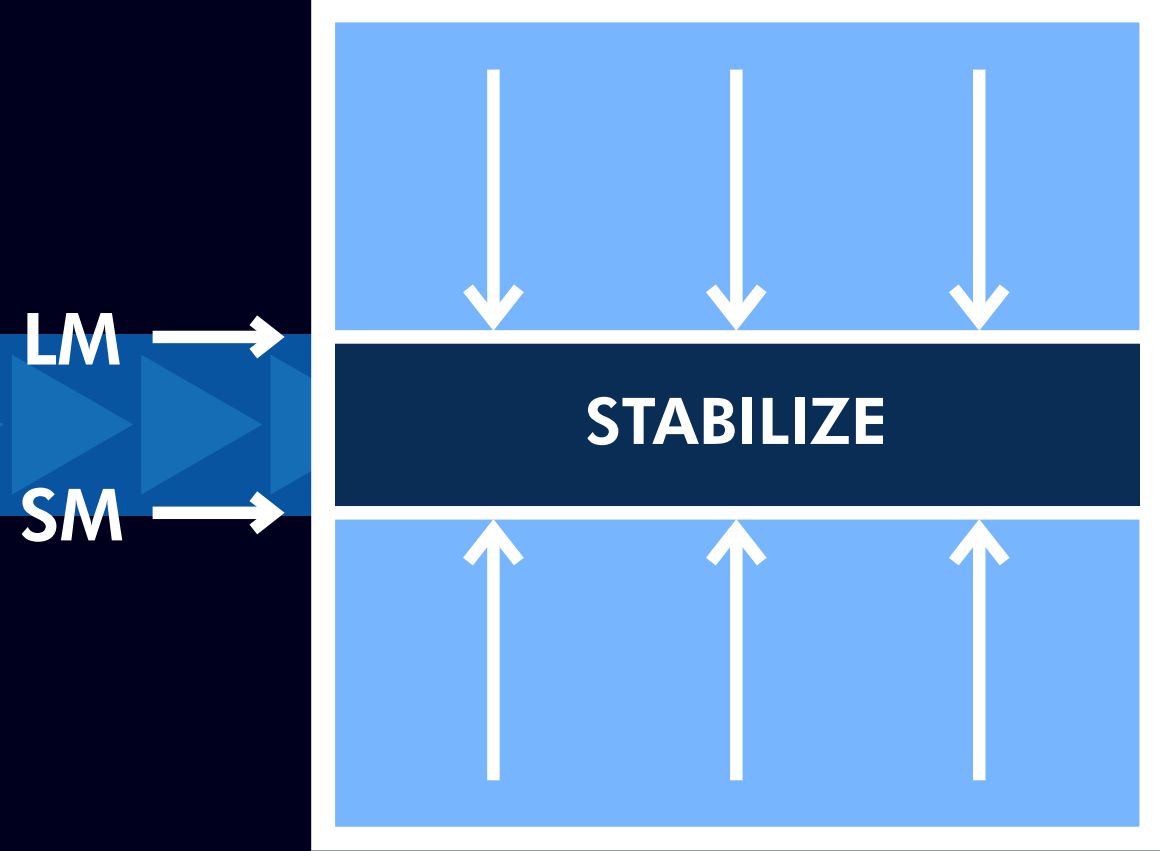
Long Momentum (LM) and Short momentum (SM) behave somewhat like simple moving averages. Any given transaction has a greater impact on the SM value compared to the LM value. For more information on how the two trackers are weighted please refer to the white paper available on xmmtoken.com. The behavior of SM and LM will be further illustrated in examples below.



Simple Breakdown:



Transfers that increase the range will burn between 0.75% and a rough upper bound of 3.5% (getting this high is rare!). This is considered a **destabilizing** transfer.

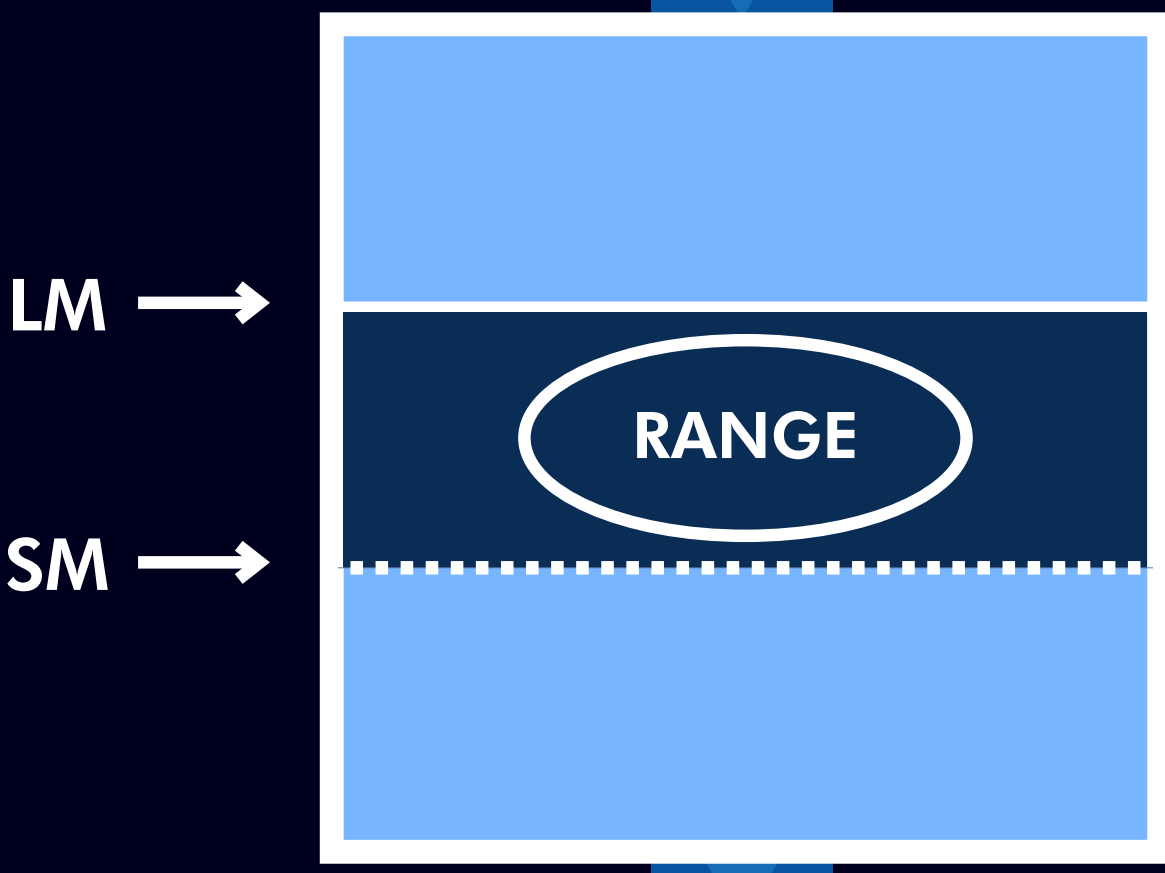


Transfers that decrease the range will always burn the minimum 0.75%. This is considered to be a **stabilizing** transfer.

Exactly how the destabilizing burn amount is calculated is a little too complicated for this post and those who are interested, again, can read the whitepaper available on our website xmmtoken.com

A good rule of thumb is that transfer amounts that fall between the momentum values (SM and LM) incur the minimum burn rate of 0.75%. However, some transfer amounts outside the momentum values will also have a stabilizing effect (i.e. decreases range) and will also incur the minimum burn rate of 0.75%.

BEFORE

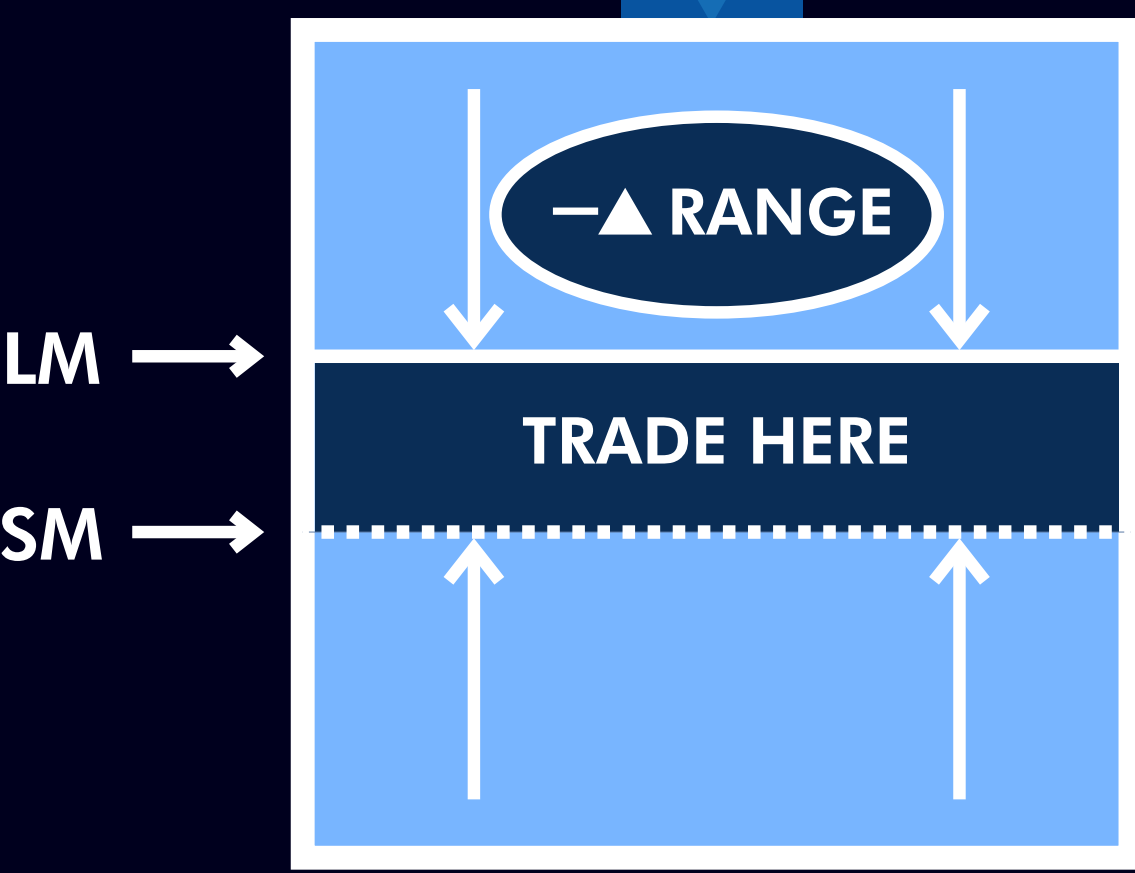


Examples:

In each example the short momentum starts below the long momentum. It's important to note that the results outlined here generalize to the reverse case as well where the short momentum starts above the long momentum.

- The starting point has short momentum below long momentum and there exists a reasonably sized range between them.

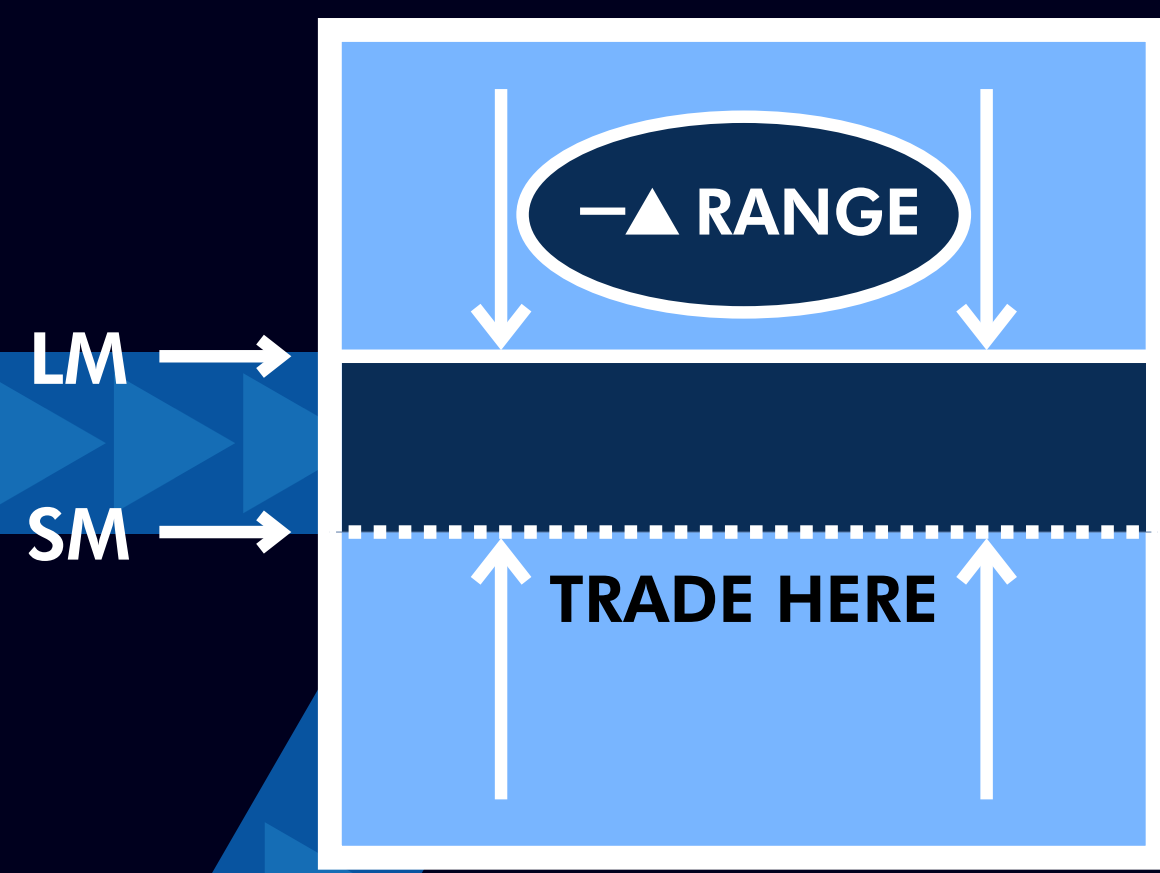
AFTER #1



Example 1:
Trading between the momentum values
In this example a transfer/trade takes place between the momentum values, pulling both inward and reducing the range, therefore giving the minimum transfer fee of 0.75%

- Trading between the momentum values reduces the range.

AFTER #2



Example 2:
Trading right below the short momentum
In this example a transfer/trade is made just below the SM. Since the SM will barely move and the LM would move slightly more, the range would decrease, providing the minimum transfer fee of 0.75%

- Trading right below the short momentum here reduces the range since the long momentum would be pulled a greater distance than the short momentum.

AFTER #3



Example 3:
Trading far below the short momentum
In this example a transfer/trade is made a good distance below the SM. The result of this would be that the SM is pulled quite far down and the LM is pulled down as well. As LM moves slower than SM this would increase the range. This results in a destabilization fee related to how much the range increases as a result of the transfer/trade.

- Trading far below short momentum pulls both momentum values down and increases the range.

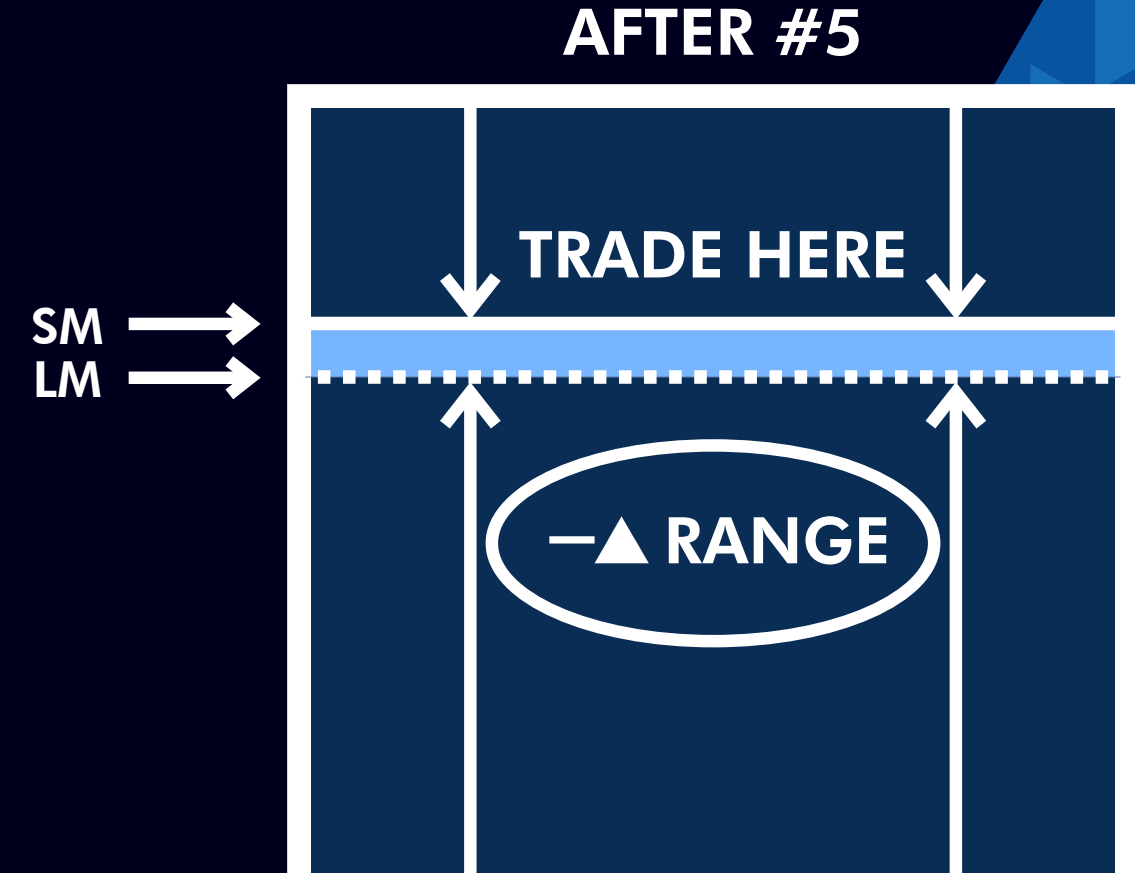
AFTER #4



Example 4:
Trading just above long momentum
In this example a transfer/trade is made just above the LM. The LM would barely move here and the SM would be pulled up by a reasonable amount, thus reducing the range and giving the minimum transfer fee of 0.75%.

- Trading just above the long momentum pulls up the short momentum and decreases the range.

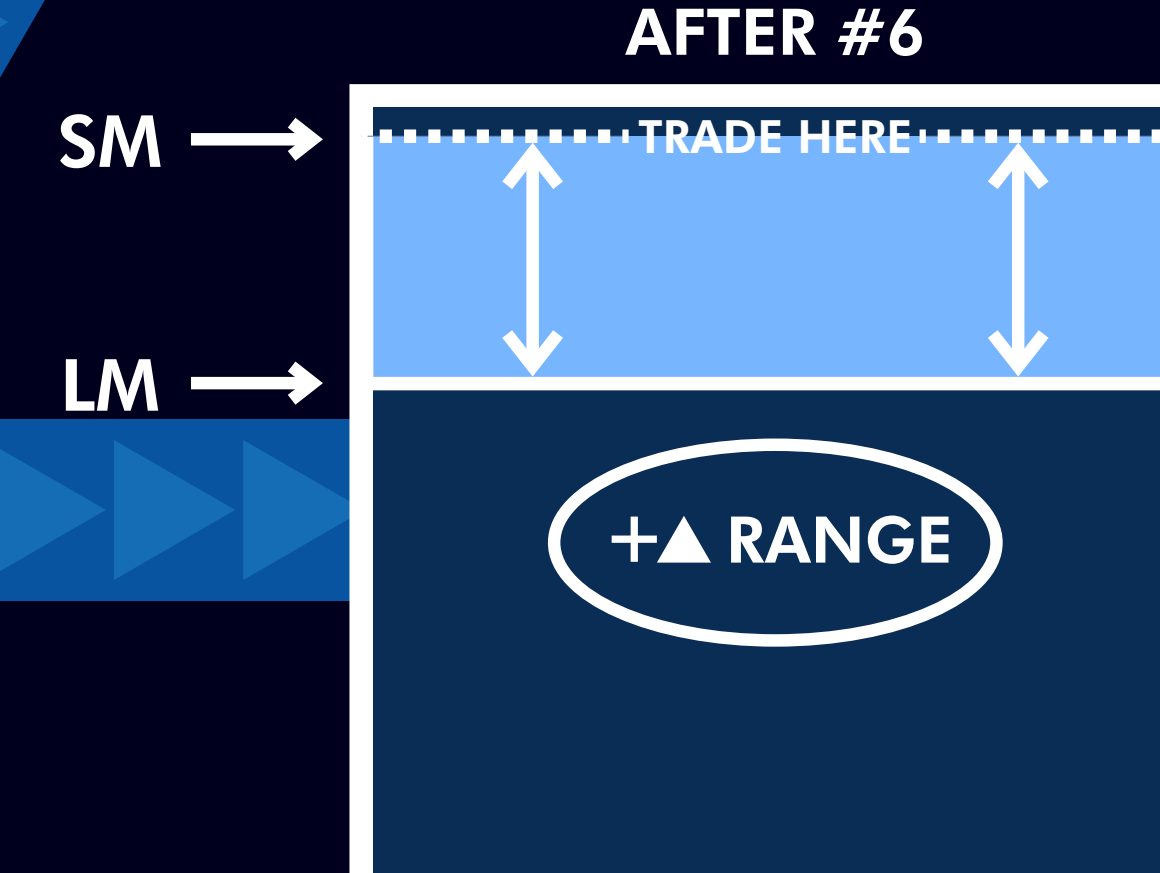
AFTER #5



Example 5:
Trading well above the long momentum
In this example a transfer/trade is made well above the LM. It's important to note here that the SM flips above the LM, however the range is reduced even though there is a flip. There will always be a transfer/trading space where the momentum values flip but the range between them decreases.

- Trading well above the long momentum flips the momentum values and reduces the range here.

AFTER #6



Example 6:
Trading far above the long momentum
In this example a transfer/trade is made far above the LM. Similar to the previous example a flip occurs, however this time the range increases and the destabilization fee is triggered. Again, the size of this fee is based on how much the range is increased by the transaction.

Wrapping Up:

In summary, the fee/burn amount will be dictated by the change in range. Decrease in range will burn the minimum whereas increase in range will burn an additional amount based on the amount the range value is increased. Hopefully this serves as a good introduction as to how the Momentum smart contract works. This guide for educational purposes and is not investment advice.



MOMENTUM

<https://www.xmmtoken.com/>