
Rating Report

SKY - Sky

Q2 2025

Free report

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Issued by

c4r

The purpose of this report is to gather all the important characteristics of the cryptocurrency or token. The report is performed in the following order:

1. Basic information
2. Analysis
3. Conclusion

Note that the result of this report should be interpreted as an independent analysis, not as a signal to buy or sell an asset. Please, always DYOR.

1. Basic information

Sky is a next-generation decentralized finance (DeFi) ecosystem that evolved from MakerDAO, one of the oldest and most successful DeFi protocols.

At the core of Sky are two upgraded tokens: USDS, a stablecoin, and SKY, the governance token. USDS serves as the upgraded version of Dai, offering users the option to convert Dai or USDC into USDS at a 1:1 ratio. Its primary purposes are:

- **Staking and Rewards.** Holders of USDS can earn SKY Token Rewards directly within the Sky Protocol, eliminating exposure to external risks. Alternatively, users can opt for the traditional Savings Rate, a proven yield mechanism.
- **Governance.** SKY, the governance token, replaces MKR, with MKR holders able to upgrade at a rate of 24,000 SKY per MKR. SKY introduces new governance incentives, including Sealed Activation, where users lock their tokens behind an exit fee to earn rewards, and Regular Activation, a more flexible option for earning rewards without long-term commitments.

With its focus on usability, rewards, and scalability, Sky aims to accelerate DeFi adoption, offering a seamless gateway for users to engage with decentralized finance.

2. Analysis

In the following tables we will show the different areas researched, such as tech, strategy and economy.

SKY							
Tech	Type	Cryptocurrency		Token		Others	
	Layer	0	1	2	3	Others	
	Blockchain	Ethereum	Cosmos	Solana	BNB Chain	Others	
	Category	Utility	Security	Stable	Meme	Others	
	Consensus	PoW	PoS	PoA	PoB	Others	
	ISO	Yes			No		
	Bug Bounty	Yes			No		
	Audits	Yes			No		
	Auto Audit ⁽¹⁾	0	1	2	3	4	5

*(1) The auto audit score is performed by 6 different digital audits: Certik Skynet, Quick Intel, Go Plus, Honeybot, Token Sniffer and StaySAFU through the DEXTools app

On the one hand, the tech block shows that SKY is a layer 2 token built on Ethereum, leveraging Proof of Stake (PoS) for efficient and scalable governance. While it benefits from Ethereum's security and low fees, the absence of an ISO certification limits its compliance score.

However, it compensates with strong security measures, including audits by ChainSecurity and a bug bounty program hosted on Immunefi, ensuring robust protocol integrity.

SKY							
Strategy	Governance	Centralized		Decentralized		Others	
	Open Source	Yes			No		
	Roadmap	Yes			No		
	Partnerships	Yes			No		
	Public Team	Yes			No		
	Social media	Abandoned		Active		Others	
	CAPED ⁽²⁾	0	1	2	3	4	5

⁽²⁾ The CAPED score is an analysis of capitalization, trader's activity, price performance, development and engagement. This analysis was deployed initially by the Alpha Intelligence team of Hacken

On the strategy side, SKY operates under decentralized governance, with a clear roadmap published in its Atlas forum. Key partnerships with Gemini and Gnosis highlight its integration into the broader DeFi ecosystem. Though it lacks a public team - prioritizing decentralization - its active social media presence and transparent development process reinforce its credibility.

SKY							
Economy	Supply	Limited			Infinite		
	Burn	Yes			No		
	Collateral	Yes			No		
	Buybacks	Yes			No		
	Tokenomics ⁽³⁾	0	1	2	3	4	5

⁽³⁾ The tokenomics score is performed by COIN4RATING considering factors as supply, burn mechanism, distribution, vesting and possibility of staking/liquidity pools

Finally, the token economy combines an infinite supply with deflationary mechanics. The Smart Burn Engine and Sealed Activation Exit Fee systematically reduce supply, while collateralization via Sealed Activation ties SKY to protocol stability. These mechanisms - paired with governance rewards and USDS backing - create a balanced system, earning SKY a tokenomics score of 3.

While the lack of buybacks and uncapped supply prevent a higher rating, its innovative burn and collateral strategies align with Sky's vision for sustainable DeFi growth.

Overall, the analysis has been carried out satisfactorily.

3. Conclusion

The report provides a comprehensive yet concise analysis of the project's key characteristics. After thorough investigation, we confidently assess the project's performance as achieving the following rating:



(*) Note: Rating is from AAA+ to C- scoring.

QR verification:

