

Strategy (Compound)

Invest = 100 DAI (As collateral into compound protocol)

100 DAI

Compound

75 DAI

(Borrowed 75% of the collateral from compound)

o Strategy (advanced to maximize return)

- We invested 100 DAI as collateral into compound protocol and borrowed 75 DAI. Our strategy is to reinvest 75 DAI into compound protocol and borrow (75% of 75 DAI), again reinvest (75% of 75 DAI) into compound protocol and repeat the process 5 times in order to maximize return.

100 + 75 DAI

Compound

75 DAI

(Repeat the loop for 5 times)

STRATEGY

CALCULATION

INITIAL INVESTMENT	100 DAI
SIMPLE SUPPLY	100
TOTAL DAI EARNING COMP	100
Simple Supply + Borrow.	
Supply / borrow 1	100
	70
Total DAI earning COMP	170
Leveraged Supply + Borrow	
Supply / borrow 1	100
	70
Supply / borrow 2	70
	49
Supply / borrow 3	49
	34.3
Supply / borrow 4	34.3
	24.01
Supply / borrow 5	24.01
	16.807
Total DAI earning COMP	371.427