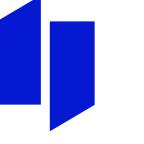




Mandate 4 **October to December 2022**

# Performance report

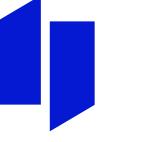
Idle DAO



# Performance Report

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# Important Information

- **Disclaimer:** This presentation and the information contained herein are provided solely for information purposes, and are not to be construed as a solicitation of an offer to buy or sell any securities or other financial instruments in any jurisdiction. No investment decision relating to financial instruments of or relating to Idle Finance should be made on the basis of this document. No representation or warranty is made or implied concerning, and Idle Finance assumes no responsibility for, the accuracy, completeness, reliability or comparability of the information contained herein relating to third parties, which is based solely on publicly available information. Idle Finance undertakes no obligation to update the information contained herein.
- **Available information:** Idle Finance's Performance Reports and other financial information are available at [docs.idle.finance/governance/idle-dao/treasury/reports](https://docs.idle.finance/governance/idle-dao/treasury/reports). Numbers presented in US dollars unless otherwise indicated. Currency translation of monthly income statement items of operations with a functional currency other than the US dollar (ETH, IDLE) are translated with year-to-date rates into US dollar. Main YTD tokens prices used in this report are: ETH \$1,996, MATIC \$1.08, IDLE \$0.71. Stablecoin prices are assumed equal to \$1.
- **Rounding:** Numbers presented throughout this report may not add up precisely to the totals provided in the tables and text. Percentages and percent changes disclosed in text and tables are calculated on the basis of unrounded figures. Zero values generally indicate that the respective figure is zero on an actual or rounded basis. Values which are zero on a rounded basis can be either negative or positive on an actual basis.



# DAO Financials



# Key Financial Metrics

\$78m

Average M4 TVL

+0%

TVL change wrt M3

\$102k

M4 Strategies Fees

+50%

Fees change wrt M3



# Total Value Locked

Idle Finance showed a constant TVL during M4 of 2022 (\$78,037,293 on M3 and \$78,192,033 on M4). The funds deposited into the Best Yield strategies decreased by 10%. On the contrary, the liquidity sitting in the Perpetual Yield Tranches increased by 8%. The Clearpool USDC PYTs increased its TVL by 500% following the up-trend shown at the end of M3-2022.

+0.20%

TVL change wrt M3-2022





# Fees

Total fees increased by 50% with respect to M3-2022, primarily driven by net new fee-generating strategies, i.e. Perpetual Yield Tranches, over the past three months. The majority of the fees were generated by the Lido stETH, Lido stMATIC and Clearpool USDC Tranches.

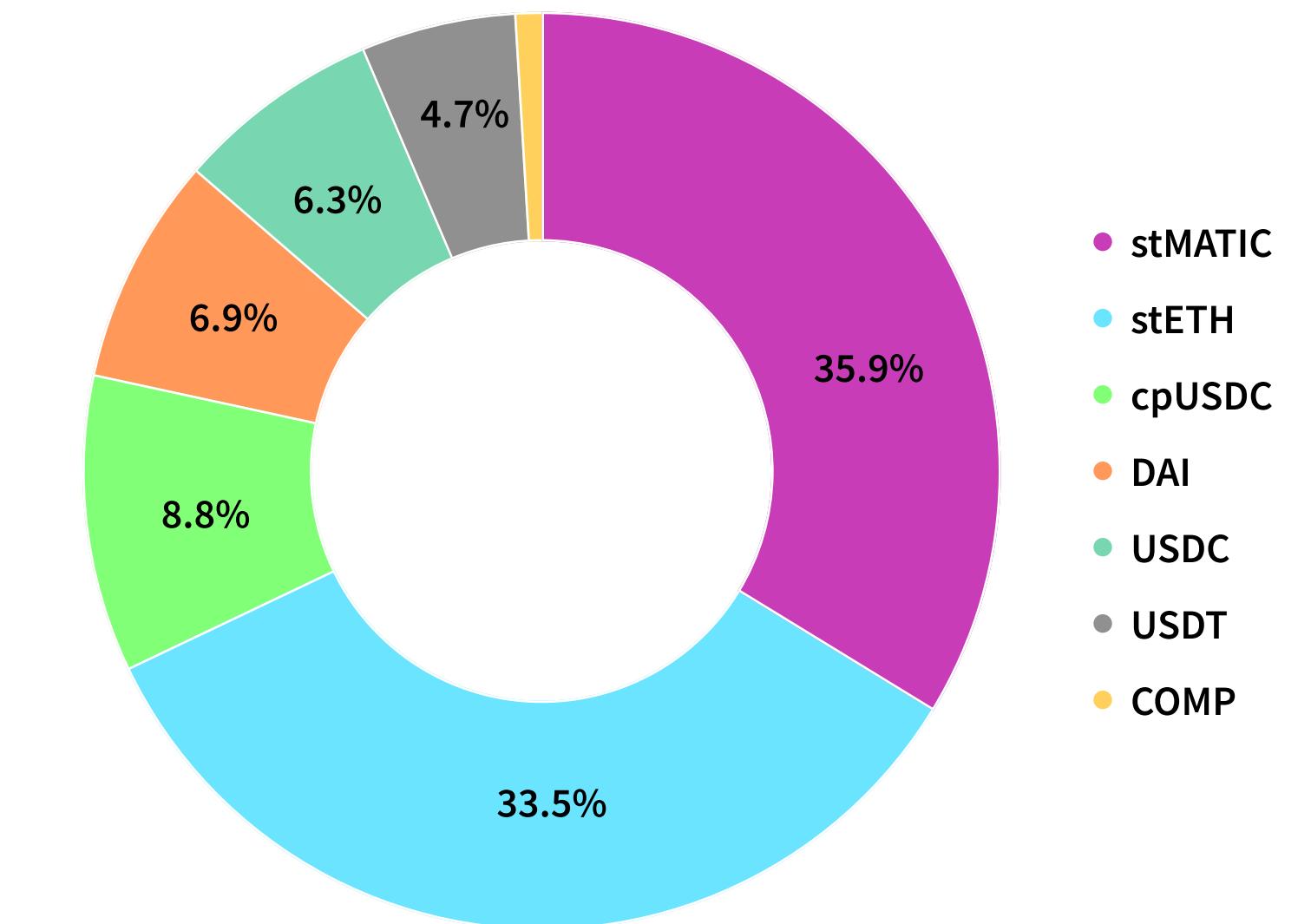
\$102k

Ξ 51

The Best Yield strategies generated ~20% of the total fees. The stablecoin pools (i.e. USDC, DAI and USDT) were still the dominant BY pools by TVL and fees.

Perpetual Yield Tranches' fees accounted for ~80% of the M4 inflow.

**Total fees (% per token)**



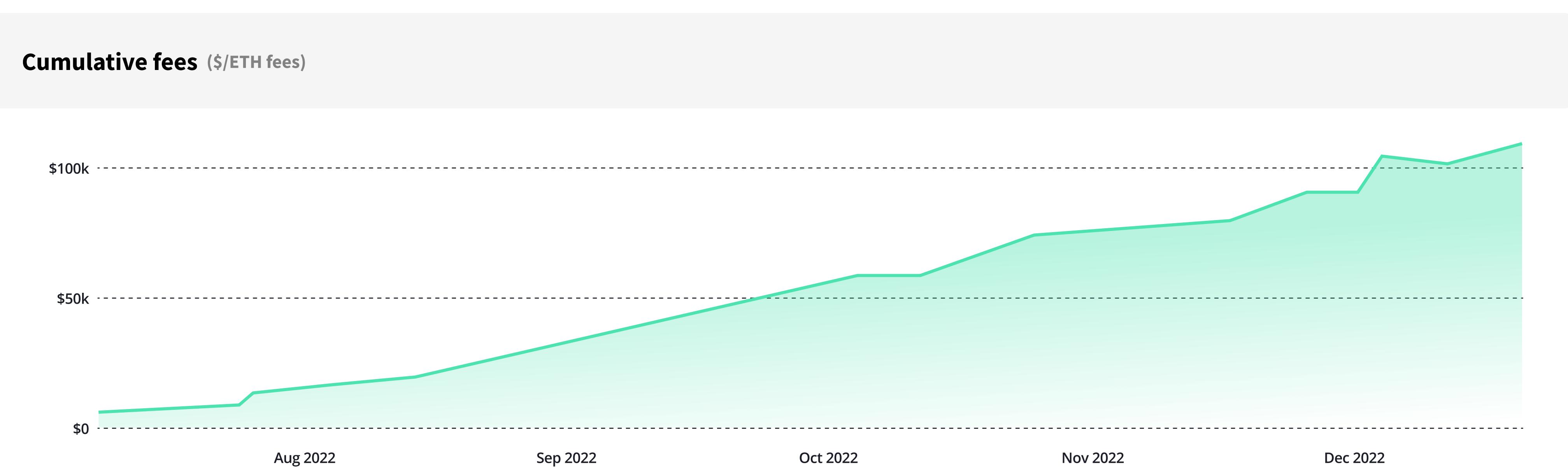


# Fees

Idle DAO fees showed a steady increase since July 2022, mainly driven by the performance fees on the Lido stETH, stMATIC and Clearpool USDC Perpetual Yield Tranches' markets.

+50%

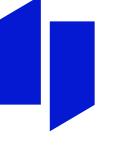
Fees change wrt M3-2022





# Income Statement

\$	M3-2022	OCTOBER 2022	NOVEMBER 2022	DECEMBER 2022	M4-2022
<b>Revenues</b>	\$ <b>68,125</b>	\$ <b>26,835</b>	\$ <b>38,750</b>	\$ <b>36,385</b>	\$ <b>101,970</b>
BY fees	\$ 6,834	\$ 5,375	\$ 8,233	\$ 6,638	\$ 20,246
PYTs fees	\$ 61,291	\$ 21,460	\$ 30,517	\$ 29,748	\$ 81,725
<b>Operating expense</b>	\$ <b>(75,264)</b>	\$ <b>(21,089)</b>	\$ <b>(19,996)</b>	\$ <b>(22,164)</b>	\$ <b>(63,250)</b>
Leagues rewards	\$ (63,601)	\$ (19,325)	\$ (17,054)	\$ (19,927)	\$ (56,306)
Grant rewards	\$ (7,846)	\$ (854)	\$ (1,708)	\$ (2,038)	\$ -
Gas fees	\$ (925)	\$ (173)	\$ (185)	\$ (199)	\$ (557)
Travel and events	\$ (392)	\$ (600)	\$ (1049)	\$ -	\$ (1649)
Communication expenses	\$ (100)	\$ (138)	\$ -	\$ -	\$ (138)
Oracle expenses	\$ (2,400)	\$ -	\$ (2,400)	\$ -	\$ -
<b>Net Profit/(Loss)</b>	\$ <b>(7,138)</b>	\$ <b>5,746</b>	\$ <b>18,754</b>	\$ <b>14,221</b>	\$ <b>38,721</b>
Stakers reward	\$ -	\$ (2,688)	\$ (4,116)	\$ (3,319)	\$ (10,123)
Retained earnings	\$ -	\$ 3,058	\$ 10,902	\$ 10,902	\$ 28,598



# Income Statement

The fourth mandate of 2022 showed a generalized improvement of the performances with respect to the last mandate. The macro economics trends kept on being adverse, but DAO Leagues were able to release new Tranches that performed better with respect to incumbent ones.

Idle Finance saw a steady TVL and an increase in fees generated. The major expenses of the mandate were related to Leagues contributors rewards. The expenses restructure started in M2-2022 lead to a ~15% decrease (vs M3-2022) on DAO contributors rewards.

Despite the adverse market conditions, Idle DAO kept on building and closed new partnerships with the goal to make the protocol more resilient against future market shocks. The last mandate of 2022 ended with a net profit of \$29k.

[Governance post](#)



# Balance Sheet

ASSETS	\$	
Current assets		
Cash and cash equivalents	\$ 169,477	
Investments	\$ 405,312	
Total current assets	\$ 574,789	
Long-term assets		
DAO reserves	\$ 3,079,652	
Total long-term assets	\$ 3,079,652	
Total assets	\$ 3,654,441	
LIABILITY & EQUITY	\$	
Current liabilities		
Borrowings	\$ -	
Total liabilities	\$ -	
Other		
Total tokenholders reserves	\$ 3,615,721	
Net profit/(loss)	\$ 38,721	
Total liabilities and tokenholders reserves	\$ 3,654,441	



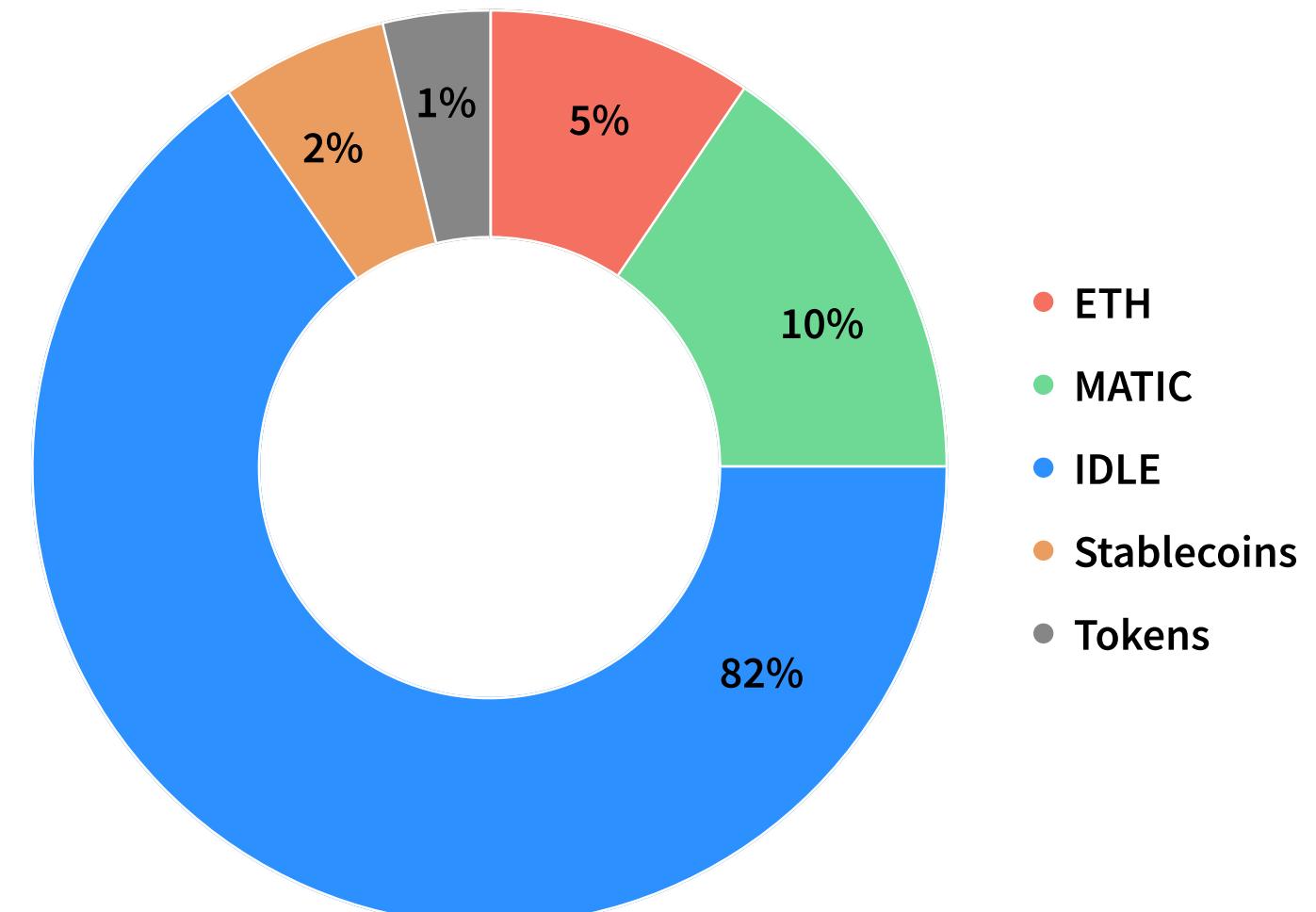
# Balance Sheet

In M4-2022 the Idle DAO's total assets shrank to \$3,654,441 mainly due to the price impact on DAO's treasury balances. Cash and cash equivalent increased by ~59% with respect to the last mandate holdings.

No new borrowing positions have been opened during the mandate.

DAO's reserves (mainly in IDLE) summed up to \$3,079,652 showing a 17% decrease with respect to M3-2022. This was mainly caused by the high correlation of IDLE and ETH and the down trend affecting both tokens and the ecosystem as a whole.

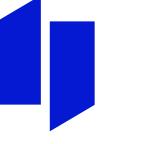
**Treasury (% per token)**





# Budget vs Actual

BUDGET VS ACTUAL	M4 BUDGET	ACTUAL	USAGE (%)	M4 DIFFERENCE
Leagues rewards	\$ (38,250)	\$ (41,778)	109%	\$ (3,528)
CL Operations	\$ -	\$ (138)	-%	\$ (138)
DL Operations	\$ (5,000)	\$ (182)	4%	\$ 4,818
TL Operations	\$ (4,500)	\$ (2,023)	45%	\$ 2,476
	\$ <b>(47,750)</b>	\$ <b>(44,122)</b>		\$ <b>3,628</b>



# Budget vs Actual

The budget of M4-2022 summed up to \$48k continuing the process of reducing the expenses for the DAO (~27% decrease with respect to M3-2022 budget). Majority of the budget was again devoted to cover the Leagues rewards and only a minor part of it was used for the Operation expenses.

Out of \$38k budgeted for Leagues rewards, \$42k were used (~109% usage). This excess can be partially related to a new full-time contributor joining the DAO Leagues.

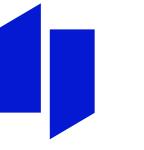
The only significant Leagues operations costs of the mandate were the ones incurred by the Treasury League, which spent ~\$2k.

Overall the M4 budget followed the expectations, with a \$4k excess capital.

[\*\*Governance post\*\*](#)



# Product Suite



# Best Yield

ETHEREUM

Deprecated strategies

	DAI
Fees	\$6,898
Costs	\$141
Profit	\$6,756
Profit margin	98%

	USDC
Fees	\$6,695
Costs	\$2,832
Profit	\$3,863
Profit margin	58%

	USDT
Fees	\$6,653
Costs	\$722
Profit	\$5,930
Profit margin	89%

	TUSD
Fees	\$0
Costs	\$0
Profit	\$0
Profit margin	-%

	SUSD
Fees	\$20
Costs	\$0
Profit	\$20
Profit margin	100%

	WBTC
Fees	\$2
Costs	\$0
Profit	\$2
Profit margin	100%

	WETH
Fees	\$300
Costs	\$0
Profit	\$300
Profit margin	100%

	RAI
Fees	\$48
Costs	\$0
Profit	\$48
Profit margin	100%



# Perpetual Yield Tranches

ETHEREUM

stETH		stMATIC		FRAX-3Crv		ste-Crv		alUSD-3Crv		3EUR		pBTC-Crv	
Protocol	Lido	Protocol	Lido	Protocol	Convex	Protocol	Convex	Protocol	Convex	Protocol	Convex	Protocol	Convex
Fees	\$34,190	Fees	\$36,610	Fees	\$100	Fees	\$163	Fees	\$189	Fees	\$126	Fees	\$1,185
Costs	\$225	Costs	\$762	Costs	\$127	Costs	\$147	Costs	\$418	Costs	\$110	Costs	\$558
Profit	\$33,965	Profit	\$35,848	Profit	-\$26	Profit	\$16	Profit	-\$229	Profit	\$16	Profit	\$627
Profit margin	99%	Profit margin	98%	Profit margin	0%	Profit margin	10%	Profit margin	0%	Profit margin	10%	Profit margin	53%
USDC		DAI		USDT		agEUR		USDC					
Protocol	Euler	Protocol	Euler	Protocol	Euler	Protocol	Euler	Protocol	Clearpool				
Fees	\$1	Fees	\$35	Fees	\$3	Fees	\$78	Fees	\$8,940				
Costs	\$0	Costs	\$30	Costs	\$0	Costs	\$19	Costs	\$2,006				
Profit	\$1	Profit	\$6	Profit	\$3	Profit	\$60	Profit	\$6,934				
Profit margin	100%	Profit margin	16%	Profit margin	100%	Profit margin	76%	Profit margin	78%				



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# Financial Statements



# Income Statement

\$	M3-2022	OCTOBER 2022	NOVEMBER 2022	DECEMBER 2022	M4-2022
<b>Revenues</b>	<b>\$ 68,125</b>	<b>\$ 26,835</b>	<b>\$ 38,750</b>	<b>\$ 36,385</b>	<b>\$ 101,970</b>
BY fees	\$ 6,834	\$ 5,375	\$ 8,233	\$ 6,638	\$ 20,246
Rebalancer fund (30%)	\$ 4,101	\$ 1,613	\$ 2,470	\$ 1,991	\$ 6,074
Fee treasury (20%)	\$ 2,734	\$ 1,075	\$ 1,647	\$ 1,328	\$ 4,049
Stakers' rewards (50%)	\$ (6,834)	\$ 2,688	\$ 4,116	\$ 3,319	\$ 10,123
PYTs fees	\$ 61,291	\$ 21,460	\$ 30,517	\$ 29,748	\$ 81,725
FRAX-3Crv (FRAX)	\$ -	\$ 40	\$ 1,097	\$ -	\$ 1,137
MIM-3Crv (MIM)	\$ 6,177	\$ -	\$ 720	\$ 128	\$ 848
stETH (ETH)	\$ 56,305	\$ 15,330	\$ 13,520	\$ 5,340	\$ 34,190
cUSDC (USDC)	\$ 1,973	\$ 1,480	\$ 5,520	\$ 1,940	\$ 8,940
stMATIC (MATIC)	\$ -	\$ 4,610	\$ 9,660	\$ 22,340	\$ 36,610
<b>Operating expense</b>	<b>\$ (75,264)</b>	<b>\$ (21,089)</b>	<b>\$ (19,996)</b>	<b>\$ (22,164)</b>	<b>\$ (63,250)</b>
Leagues rewards (previous month)	\$ (63,601)	\$ (19,325)	\$ (17,054)	\$ (19,927)	\$ (56,306)
Stablecoins (USDC)	\$ (34,075)	\$ (13,365)	\$ (12,439)	\$ (14,713)	\$ (40,517)
IDLE (IDLE)	\$ (29,526)	\$ (5,960)	\$ (4,615)	\$ (5,214)	\$ (15,789)
Grant rewards	\$ (7,846)	\$ (854)	\$ (1,708)	\$ (2,038)	\$ (4,600)
RFP-21 (IDLE)	\$ (3,846)	\$ -	\$ -	\$ -	\$ -
Immunefy Bug Bounty (USDC)	\$ -	\$ -	\$ -	\$ (330)	\$ (330)
Governance Mining (IDLE)	\$ (4,000)	\$ (854)	\$ (1,708)	\$ (1,708)	\$ (4,270)
Gas fees	\$ (925)	\$ (173)	\$ (185)	\$ (199)	\$ (557)
Gas fees (ETH)	\$ (417)	\$ (173)	\$ (116)	\$ (86)	\$ (374)
Finance wallet funding (WETH)	\$ -	\$ -	\$ -	\$ -	\$ -
Developers refunds (WETH)	\$ (508)	\$ -	\$ (69)	\$ (113)	\$ (182)
Rebalancer top up (ETH)	\$ -	\$ -	\$ -	\$ -	\$ -
Travel and events	\$ (392)	\$ (600)	\$ (1,049)	\$ -	\$ (1,649)
Conferences refunds (USDC)	\$ (392)	\$ (600)	\$ (1,049)	\$ -	\$ (1,649)
Communication expenses	\$ (100)	\$ -	\$ -	\$ (138)	\$ (138)
Stickers for conferences (USDC)	\$ (100)	\$ -	\$ -	\$ (138)	\$ (138)
Oracle expenses	\$ (2,400)	\$ -	\$ -	\$ -	\$ -
Chainlink invoice (LINK)	\$ (2,400)	\$ -	\$ -	\$ -	\$ -
<b>Net Profit/(Loss)</b>	<b>\$ (7,138)</b>	<b>\$ 5,746</b>	<b>\$ 18,754</b>	<b>\$ 14,221</b>	<b>\$ 38,721</b>
Stakers reward	\$ -	\$ (2,688)	\$ (4,116)	\$ (3,319)	\$ (10,123)
Retained earnings	\$ -	\$ 3,058	\$ 14,637	\$ 10,902	\$ 28,598



# Balance Sheet

ASSETS	\$
<b>Current assets</b>	
Cash and cash equivalents	
Ether	\$ 3,458
Wrapped Ether	\$ 20,118
Matic	\$ 1,552
Wrapped Matic	\$ 16
USD Coin	\$ 16,073
Dai Stablecoin	\$ 866
Tether USD	\$ 85
Qi DAO	\$ 486
Compound	\$ 883
Lido DAO token	\$ 15,522
ChainLink token	\$ 436
Sushiswap	\$ 395
Safe token	\$ -
Aave token	\$ 11,215
Alchemix token	\$ 10,448
IdleCDO stETH	\$ 85,473
IdleCDO 3EUR	\$ 152
IdleCDO alUSD	\$ 1,032
IdleCDO FRAX	\$ 65
IdleCDO pBTC	\$ 1,078
IdleCDO STE	\$ 124
Investments	\$ 405,312
Wrapped Matic on Idle	\$ 305,090
IDLE on Uniswap	\$ 49,854
Wrapped Ether on Uniswap	\$ 32,538
IDLE on Sushiswap	\$ 10,297
Wrapped Ether on Sushiswap	\$ 7,533
Total current assets	\$ 574,789
<b>Long-term assets</b>	
DAO's reserves	\$ 3,079,652
Ecosystem fund	\$ 820,907
Long term rewards	\$ 1,850,246
Fee treasury	\$ 4,094
Treasury League multisig	\$ 77,190
Liquidity mining incentives	\$ 327,215
<b>Total assets</b>	<b>\$ 3,654,441</b>

LIABILITY AND EQUITY	\$
<b>Current liabilities</b>	
Borrowings	
<b>Total liabilities</b>	<b>\$ -</b>
<b>Other</b>	
Total tokenholders reserves	\$ 3,615,721
Net profit/(loss)	\$ 38,721
<b>Total liabilities and tokenholders reserves</b>	<b>\$ 3,654,441</b>