Parallel

Parallel Finance

Earn double interests on **Polkadot**

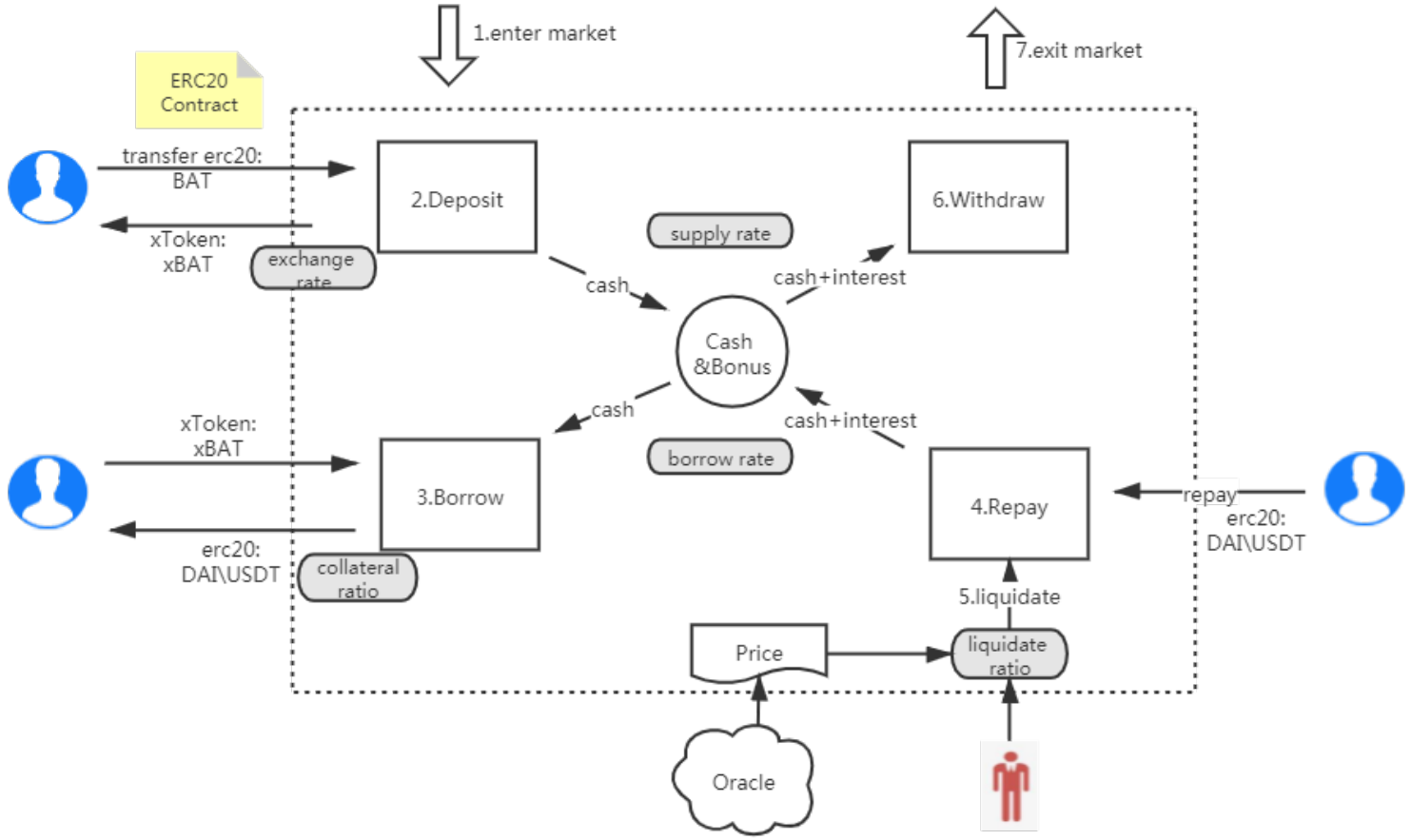
Parallel

1. Lending

2. Staking

3. Double Interests

4. Governance



Lending

- The lending protocol establishes the money markets, which are pools of tokens with algorithmically derived interest rates based on the supply and demand for the token. Suppliers and borrowers of an asset can interact directly with the protocol.

Interest Rate Model

1. Exchange Rate

exchangeRate = (totalCash + totalBorrows - totalReserve) / totalSupply

2. Utilization Rate

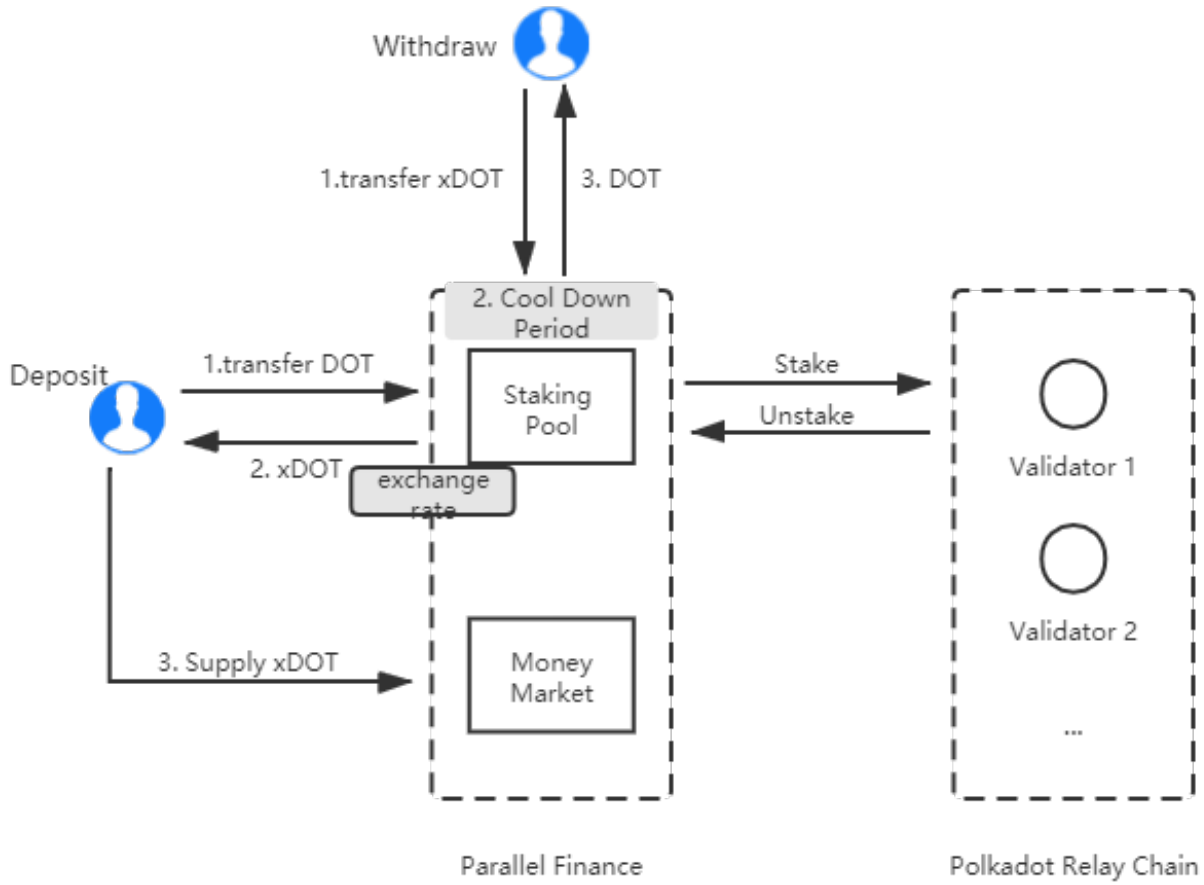
utilizationRatio = Borrows / (Cash + Borrows)

3. Reserves

totalReserve_t+1 = interestAccumulated * reserveFactor + totalReserve_t

4. Borrow Rate

Borrow Interest Rate = Base Rate + Multiplier $*$ Utilization Rate



Staking

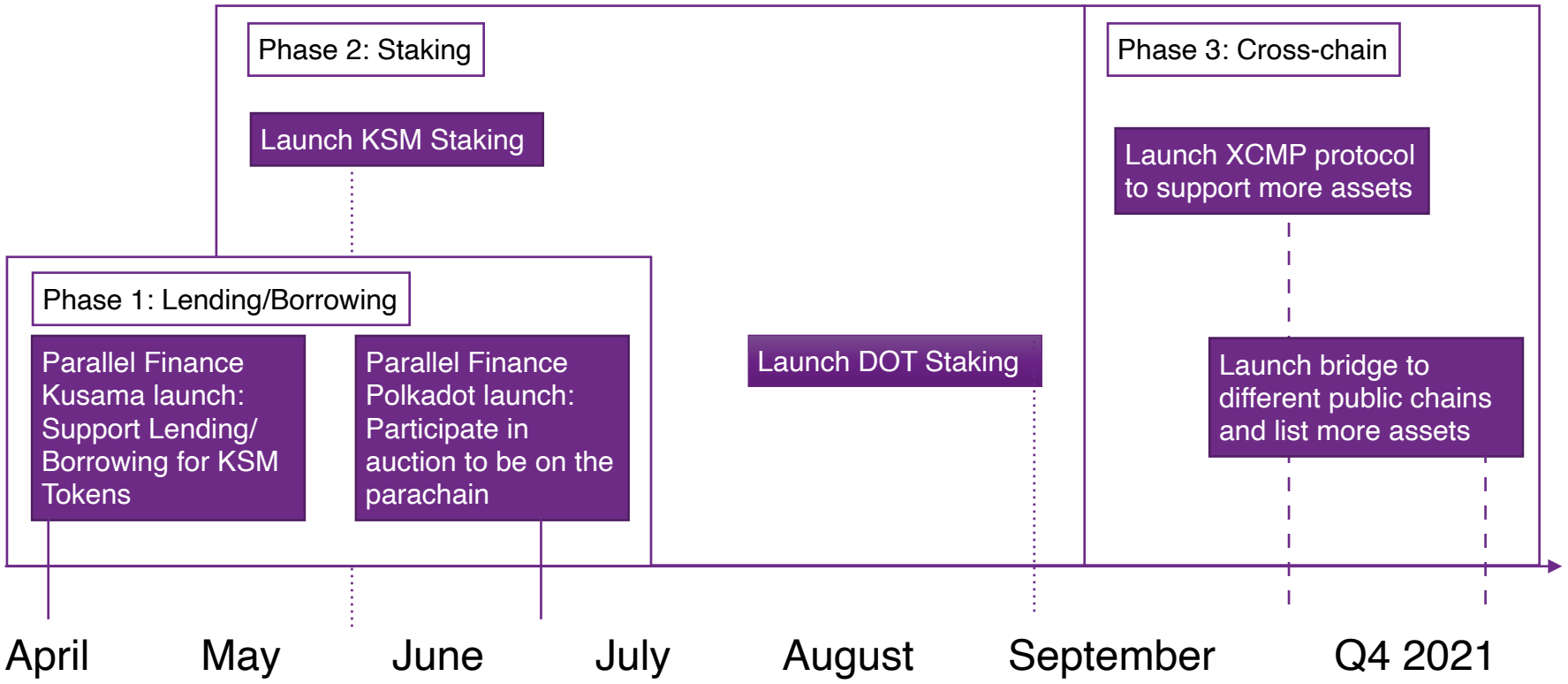
- When a user deposits DOT to the staking pool, he/she will receive xDOT based on the exchange rate in return. The staking pool compounds the reward automatically which incentivizes the user to stake early and longer.

Double Interests and Other Benefits

After a user receives xDOT from staking, he/she could use xDOT in the following scenario:

- Supply xDOT to lending market to earn additional interests (“**double interests**”)
- Use xDOT as collateral to borrow other assets
- Trade xDOT in open markets
- use xDOT as payment

Timeline


Phase 2: Staking
Launch KSM Staking
Phase 3: Cross-chain
Launch XCMP protocol to support more assets
Phase 1: Lending/Borrowing
Parallel Finance Kusama launch: Support Lending/ Borrowing for KSM Tokens
Parallel Finance Polkadot launch: Participate in auction to be on the parachain
Launch DOT Staking
Launch bridge to different public chains and list more assets
April
May
June
July
August
September
Q4 2021

Governance

- The Parallel governance system on Polkadot will have a decentralized and community based decision-making process via voting for the genesis rules, and future system parameter updates:
    - Initial validator set
    - Supported assets, supply caps, and collateral factors
    - CASH interest rates

Key Technology stack

- Substrate 3.0
- React
- Polkadot{.js}
- Styled-components
- Figma

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Thank you!