

Risk Parameter Updates for Polygon Compound v3 USDC (5/9/23)

Updated as of block [19348507](#) at 3/2/2024, 10:54:35 AM ET

- ID: 161
- Proposer: [0x683a4F9915D6216f73d6Df50151725036bD26C02](#)
- Start Block: 17239609 (5/11/2023, 5:07:47 PM ET)
- End Block: 17259319 (5/14/2023, 12:36:35 PM ET)
- Targets: [0xfe5e5D361b2ad62c541bAb87C45a0B9B018389a2](#)

Forum Post

Forum post is present here: [Forum Post](#)

Table of contents

- [Proposal Text](#)
- [Checks](#)
 - [Checks Compound Proposal Details](#)  Passed

Proposal Text

Risk Parameter Updates for Polygon Compound v3 USDC (5/9/23)

Simple Summary

A proposal from Gauntlet to adjust 3 parameters (supply cap) for 3 Polygon Compound v3 USDC assets, and adjust one COMP rewards distribution.

Gauntlet recommend:

- *Increase daily USDC supply COMP rewards from 0 to 34.73 (\$1,268/day)*
- *Increase WBTC supply cap from 400 (\$12M) to 1,000 (\$30M)*
- *Increase WETH supply cap from 11k (\$22M) to 20k (\$40M)*
- *Increase MATIC supply cap from 10M (\$10M) to 20M (\$20M)*

For more details, see the full forum post [here](#).

Note that asset prices have since decreased, so the true USD values are slightly lower than previously stated.

Motivation

The high USDC utilization combined with the low TVL in the Polygon comet seems to be dissuading large borrowers from joining the protocol, despite the appealing positive Net Borrow APR. Allocating 34.73 daily supply COMP rewards would immediately incentivize USDC suppliers to join the protocol, thereby making more USDC available to be borrowed, and gaining greater momentum for growth in the comet.

[Full proposal and forum discussion](#)

Specification

This proposal implements the above changes using Compound V3 cross-chain governance.

By approving this proposal, you agree that any services provided by Gauntlet shall be governed by the terms of service available at gauntlet.network/tos.

Checks

Checks Compound Proposal Details  Passed

Info:

1- Bridge wrapped actions to Polygon

- a- Set supply cap for [WBTC](#) on [USDC](#) via [Configurator](#) from **1,500** to **1,000** (It's getting **decreased** by **500**)
- b- Set supply cap for [WETH](#) on [USDC](#) via [Configurator](#) from **20,000** to **20,000** (It remains the same)
- c- Set supply cap for [WMATIC](#) on [USDC](#) via [Configurator](#) from **20,000,000** to **20,000,000** (It remains the same)
- d- Set BaseTrackingSupplySpeed of [USDC Configurator](#) from 401,967,592,592 to 401,967,592,592 (It remains the same) . Hence changing Daily Supply rewards from 34.7299999999488 to 34.7299999999488 (It remains the same)
- e- Deploy and upgrade new implementation for [USDC](#) via [Configurator](#).