2023-12-24: Ethereum v3 USDC, Polygon v3 USDC.e - Interest Rate Curves

Updated as of block [19319857](#) at 2/27/2024, 10:42:47 AM ET

- ID: 211
- Proposer: `0x7B3c54e17d618CC94daDFe7671c1e2F50C4Ecc33`
- Start Block: 18939040 (1/5/2024, 12:36:35 AM ET)
- End Block: 18958750 (1/7/2024, 7:26:23 PM ET)
- Targets: `0x316f9708bB98af7dA9c68C1C3b5e79039cD336E3` ;
  `0x316f9708bB98af7dA9c68C1C3b5e79039cD336E3` ;
  `0x316f9708bB98af7dA9c68C1C3b5e79039cD336E3` ;
  `0x316f9708bB98af7dA9c68C1C3b5e79039cD336E3` ;
  `0x316f9708bB98af7dA9c68C1C3b5e79039cD336E3` ;
  `0x1EC63B5883C3481134FD50D5DAebc83Ecd2E8779` ;
  `0xfe5e5D361b2ad62c541bAb87C45a0B9B018389a2`

Forum Post

No forum post is present.

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Proposal Text

> ## 2023-12-24: Ethereum v3 USDC, Polygon v3 USDC.e - Interest Rate Curves
>
> *[Gauntlet] 2023-12-24: Ethereum v3 USDC, Polygon v3 USDC.e - Interest Rate Curve Recommendations Simple Summary A proposal from Gauntlet to adjust five Interest Rate (IR) Curve parameters in the Ethereum v3 USDC comet and four IR Curve parameters in the Polygon v3 USDC.e comet.*
>
> *Gauntlet recommends the following IR Curve updates in the Ethereum v3 USDC comet:*
>
> - *Raise **Annual Borrow Interest Rate Base** from 0.01 to **0.015***
> - *Raise **Annual Borrow Interest Rate Slope Low** from 0.0333 to **0.0484***
> - *Raise **Annual Borrow Interest Rate Slope High** from 1.5 to **3.9***
> - *Raise **Annual Supply Interest Rate Slope Low** from 0.034 to **0.048***
> - *Raise **Annual Supply Interest Rate Slope High** from 1.5 to **3.4***
>
> *Gauntlet recommends the following IR Curve updates in the Polygon v3 USDC.e comet:*
>
> - *Raise **Annual Borrow Interest Rate Slope Low** from 0.04 to **0.053***
> - *Raise **Annual Borrow Interest Rate Slope High** from 0.7 to **1.8***
> - *Raise **Annual Supply Interest Rate Slope Low** from 0.04 to **0.048***

- *Raise **Annual Supply Interest Rate Slope High** from 0.65 to **1.6***

For more details, see the full forum post here.

Motivation

Gauntlet recommends adjusting the Ethereum v3 USDC and Polygon v3 USDC.e Interest Rate Curves to ensure that Borrow APR at the kink in all USDC comets is 6% and max Borrow APR in all USDC comets is > 30%.

Full proposal and forum discussion

Specification

The proposal updates the IR curve parameters by using the respective methods in the Configurator.

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- Set BorrowPerYearInterestRateBase of USDC from 1.4999999976144 to 1.5 (It's getting increased by **0.0000000023856**)

2- Set BorrowPerYearInterestRateSlopeLow of USDC from 4.8399999999552 to 4.84 (It's getting increased by **0.0000000000448**)

3- Set BorrowPerYearInterestRateSlopeHigh of USDC from 389.9999999978496 to 390 (It's getting increased by **0.0000000021504**)

4- Set SupplyPerYearInterestRateSlopeLow of USDC from 4.799999999304 to 4.8 (It's getting increased by **0.000000000696**)

5- Set SupplyPerYearInterestRateSlopeHigh of USDC from 339.9999999974784 to 340 (It's getting increased by **0.0000000025216**)

6- Deploy and upgrade new implementation for USDC via Configurator.

7- Bridge wrapped actions to Polygon

   a- Set BorrowPerYearInterestRateSlopeLow of USDC from 5.29999999956 to 5.3 (It's getting increased by **0.00000000044**)

   b- Set BorrowPerYearInterestRateSlopeHigh of USDC from 179.999999997552 to 180 (It's getting increased by **0.000000002448**)

   c- Set SupplyPerYearInterestRateSlopeLow of USDC from 4.799999999304 to 4.8 (It's getting increased by **0.000000000696**)

   d- Set SupplyPerYearInterestRateSlopeHigh of USDC from 159.9999999999264 to 160 (It's getting increased by **0.0000000000736**)

   e- Deploy and upgrade new implementation for USDC via Configurator.