Interest Rate Curve Updates for Ethereum Compound v3 USDC

Updated as of block [19348570](#) at 3/2/2024, 11:07:11 AM ET

- ID: 162
- Proposer: [0x7B3c54e17d618CC94daDFe7671c1e2F50C4Ecc33](#)
- Start Block: 17331905 (5/24/2023, 6:07:23 PM ET)
- End Block: 17351615 (5/27/2023, 12:35:11 PM ET)
- Targets: [0x316f9708bB98af7dA9c68C1C3b5e79039cD336E3](#) ;
  [0x316f9708bB98af7dA9c68C1C3b5e79039cD336E3](#) ;
  [0x316f9708bB98af7dA9c68C1C3b5e79039cD336E3](#) ;
  [0x316f9708bB98af7dA9c68C1C3b5e79039cD336E3](#) ;
  [0x316f9708bB98af7dA9c68C1C3b5e79039cD336E3](#) ;
  [0x316f9708bB98af7dA9c68C1C3b5e79039cD336E3](#) ;
  [0x316f9708bB98af7dA9c68C1C3b5e79039cD336E3](#) ;
  [0x1EC63B5883C3481134FD50D5DAebc83Ecd2E8779](#)

Forum Post

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

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Proposal Text

> ### Interest Rate Curve Updates for Ethereum Compound v3 USDC
>
> #### Simple Summary
>
> *A proposal from Gauntlet to adjust 7 IR Curve parameters.*
>
> *Gauntlet recommends the following changes to the Ethereum v3 USDC IR curve:*
>
> - *Increase Annual Supply Interest Rate Slope Low from 0.0325 to 0.034*
> - *Increase Supply Kink from 80% to 95%*
> - *Increase Annual Supply Interest Rate Slope High from 0.4 to 0.76*
> - *Decrease Annual Borrow Interest Rate Base from 0.015 to 0.01*
> - *Decrease Annual Borrow Interest Rate Slope Low from 0.035 to 0.0333*
> - *Increase Borrow Kink from 80% to 90%*
> - *Decrease Annual Borrow Interest Rate Slope High from 0.25 to 0*
>
> *For more details, see the full forum post [here](#).*

Motivation

The proposed IR curve attempts to drive growth and migration as follows:

- *Flatline Borrow APR past the borrow kink*
- *Adjust borrow/supply kinks & slopes to incentivize efficient and appealing equilibrium APRs*

Full proposal and forum discussion

Specification

The proposal implements the above changes on the cUSDCv3 Ethereum Comet using 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 BorrowKink of USDC via Configurator from 93% to 90% (It's getting **decreased** by **3%**)

2- Set BorrowPerYearInterestRateBase of USDC from 1.4999999976144 to 1 (It's getting **decreased** by **0.4999999976144**)

3- Set BorrowPerYearInterestRateSlopeLow of USDC from 4.8399999999552 to 3.33 (It's getting **decreased** by **1.5099999999552**)

4- Set BorrowPerYearInterestRateSlopeHigh of USDC from 389.9999999978496 to 0 (It's getting **decreased** by **389.9999999978496**)

5- Set SupplyKink of USDC via Configurator from 93% to 95% (It's getting **increased** by **2%**)

6- Set SupplyPerYearInterestRateSlopeLow of USDC from 4.799999999304 to 3.4 (It's getting **decreased** by **1.399999999304**)

7- Set SupplyPerYearInterestRateSlopeHigh of USDC from 339.9999999974784 to 76 (It's getting **decreased** by **263.9999999974784**)

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