



Defi Collective Times



"AS ANTS, WE BUILD THE COLONY"

Treasury Report

FEBRUARY 2024

Welcome to February's monthly report for the Collective. It marks the first-ever edition where our unstoppable revenues up-only trend is not sustained, but there is a context to it: the outlook remains highly positive, so stick around to understand why!

For more information on the Collective activities, where the revenues come from, and the accounting logic, please refer to the Reporting Policy.

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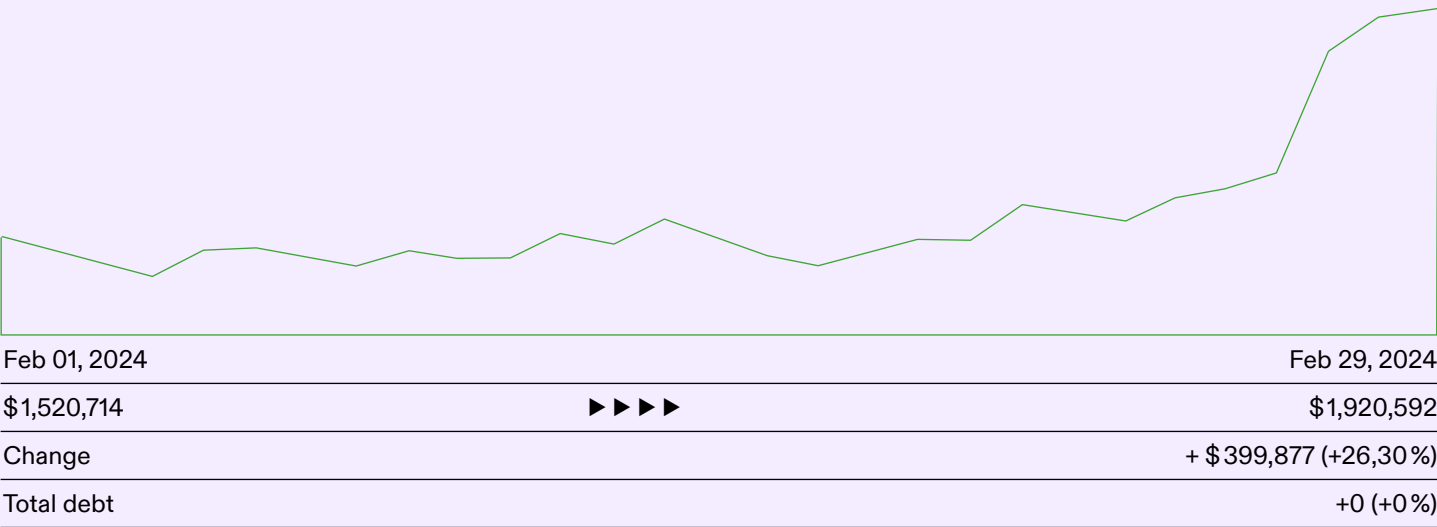
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Impact Report

The face value of assets controlled by the Collective (excluding grants) grew by 26.3% in February, jumping from \$1,520,714 (Feb 01) to \$1,920,592 (Feb 29). The bulk of the asset value growth stems from the dynamic price action observed in the period, particularly over ETH, VELO & especially AERO, which saw its price roughly quadruple during the month.

Net Worth change



No new chains were launched in February, but operations were initiated on two new exchanges: Blueprint on Mainnet and Stratum on Mantle. Outside of liquidity-driving tokens, ETH, LQTY, and stablecoins remain the three top liquid exposures of the Collective, including over 300K LUSD, enough to cover several years of expenses.

Expenses are up in February compared to the previous month due to several factors: the launch of Blueprint accelerated the activity on the mainnet and required executing several gas-intensive operations (such as creating liquidity pools).

A 1000 LUSD donation to the chads of Smoldapp, who produce MultiSafe, a tool enabling the Collective to streamline its cross-chain operations. Increased recurring expenses, such as an IRL accounting advisory service.

Expenses recap	Feb 01 → Feb 29	
Types of expenses		
Gas costs	\$ 3,148.35	
Contributors	\$ 5,500	
Donations	\$ 1000	
Recurring	\$ 1,456.61	
Other	\$ 0	
Total	\$ 11,104.96	
February Gas costs	ETH	Value (dollar)
Ethereum	0.929781	\$ 2,987.92
Arbitrum	0.009937	\$ 33.35
Optimism	0.008502	\$ 45.24
Base	0.003578	\$ 14.12
Polygon POS	1.363858 (MATIC)	\$ 1.57
Mantle	9.76155 (MNT)	\$ 9.59
Polygon ZkEVM	0	\$ 0
Linea	0.0146534951	\$ 56.56
All chains		\$ 3,148.35

Revenues are down 23.68% compared to the previous month, settling at \$37,541.54. With increased expenses and reduced revenues, earnings are also taking a hit, ending at \$26,436.58, down 38.44% monthly.

Layer 2: Revenues

Week	Feb 01 → Feb 07	Feb 08 → Feb 14	Feb 15 → Feb 21	Feb 22 → Feb 28
Collected				
● Fees	\$2,173.04	\$2,207.57	\$3,356.89	\$3,213.28
● Bribes	\$3,338.67	\$3,311.93	\$2,896.99	\$5,060.33
● LP Yield	\$1,980.88	\$3,526.64	\$2,333.73	\$2,810.97
Posted				
● Bribes	- \$910.14	- \$537.46	- \$754.08	- \$894.08
Revenues				
● Net Revenues	\$6,582.45	\$8,508.68	\$7,833.53	\$10,190.50

There are several elements of context to understand why, despite this trend reversal, the ants are not worried for a minute.

Accounting logic shenanigans:

- January had five weekly harvests, while only four were in February.
- Delayed harvesting: per RP.3, yields are only accounted for when harvested. With the increase in gas costs on mainnet, several positions were not harvested this month, leading to a much lower L1 revenue (\$4,426.38 in February, vs \$10,442.87 in January)
- Increased expenses: The collective expenses have almost doubled in February compared to January, which impacts the earnings figure sizably.

Month	February 24
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Positions

L1 Lock Value	\$ 0.00
L1 Liquid Position Value	\$ 311,856.52
L2 Lock Value	\$ 900,317.74
L2 Liquid Position Value	\$ 489,231.88

Revenues

L1 Revenues	\$ 4,426.38
L2 Revenues	\$ 33,115.16

Expenses

Gas costs	\$ 3,148.35
Contributors	\$ 5,500.00
Donations	\$ 1,000.00
Recurring	\$ 1,456.61
Other	\$ 0.00
Total	\$ 11,104.96

Earnings

Total Revenues	\$ 37,541.54
Net earnings	\$ 26,436.58

● Mainnet

With the launch of the much-anticipated Blueprint on the mainnet, ants have been busy there. Two pools were deployed—LUSD/DYAD and bLUSD/LUSD—and seeded with \$73k and \$67k, respectively.

The pools grew rapidly, supported by the Collective's massive initial 1M veBLUE position and LQTY bribes. LUSD/DYAD quickly became the top liquidity source for DYAD, with over \$400k supplied by the end of February. With its support for DYAD, the Collective was entrusted to manage the veBLUE position initially envisioned for DYAD, raising its starting allocation to 1.25M veBLUE.

Ants often come with friends, and it was no exception on Blueprint. Gravita and Paladin joined the party, with LUSD/GRAI & LUSD/PAL pools also supported. Talks with other projects looking to build liquidity against LUSD on the mainnet are ongoing.

● Optimism

On Optimism, the strategy remains consistent with the previous months, with major LUSD pools supported with vote and vote incentives—LUSD/wETH, LUSD/USDC.E, LUSD/USDT—and smaller pools also benefiting from the ants' love, such as POOL/ETH and LUSD/GRAI. With the positive traction observed on Velodrome, all the pools supported by the Collective grew this month.

The Collective also seeded initial LUSD liquidity on VMEX, enabling it to grow its LUSD-leverage market providing additional options for LUSD liquidity providers.

● Mantle

Ants keep developing their presence on Mantle gently, with sustained support for Cleopatra's LUSD/USDC pool and the beginning of operations on Stratum, where both a LUSD/USDC and a LUSD/USDT pool are supported.

● Base

February was the month of the awakening for AERO, with its price almost quadrupling and widespread recognition. It left, of course, its marks on the TVL of the main pool supported by the Collective there, LUSD/USDC, which almost doubled in TVL, from \$430k at the start of the month to \$829k by its end.

● Arbitrum

On Ramses, where the ants control a veRAM position over 8M strong, the strategy evolved to divert some voting power away from the LQTY/ETH pool, which failed to attract sizable TVL despite generous incentives. A majority of the voting power is now allocated to high-performing bluechip pools, such as ETH/ARB, ARB/USDC & ETH/USDC, creating an additional revenue stream for the Collective while supporting the sustained growth of Ramses on a path to capture a growing share of the trading volume on Arbitrum.


● Polygon POS

On Retro, the strategy remains consistent with the previous months, with the veRETRO voting power allocated to support Bluechip pools like wMATIC/wETH, wBTC/wETH, or wMATIC/USDC.

● Linea

Finally, on Linea, like on Mantle, ants are positioning themselves for sustained growth with the development of the LUSD/USDC pool on Nile.

Another month with positive cash flow and impact for DeFi; all hail the ants! Our focus for March is on the Mission-Critical Protocol Guidelines, the first version of which is stated for the end of Q1. The first version of the Treasury Management Policy will be released by then: the Collective is progressively taking shape.

Thanks to its growing and sturdy treasury, the Collective is now ready to onboard more contributors to speed up its growth, with two connected roles now opened to improve its presence and reach: a Community Manager and a Content Strategist. Check out the joint job descriptions, and reach out if that could be you. 

TokenBrice, on behalf of the treasury and liquidity management team of the DeFi Collective: Abmis, Luude, and myself.