

Morpho Weekly Risk Report

Rolling 7-Day Summary — February 13 – February 20, 2026

\$2.8M
Liquidation Vol.

1,247
Positions

89
Markets

11
Chains

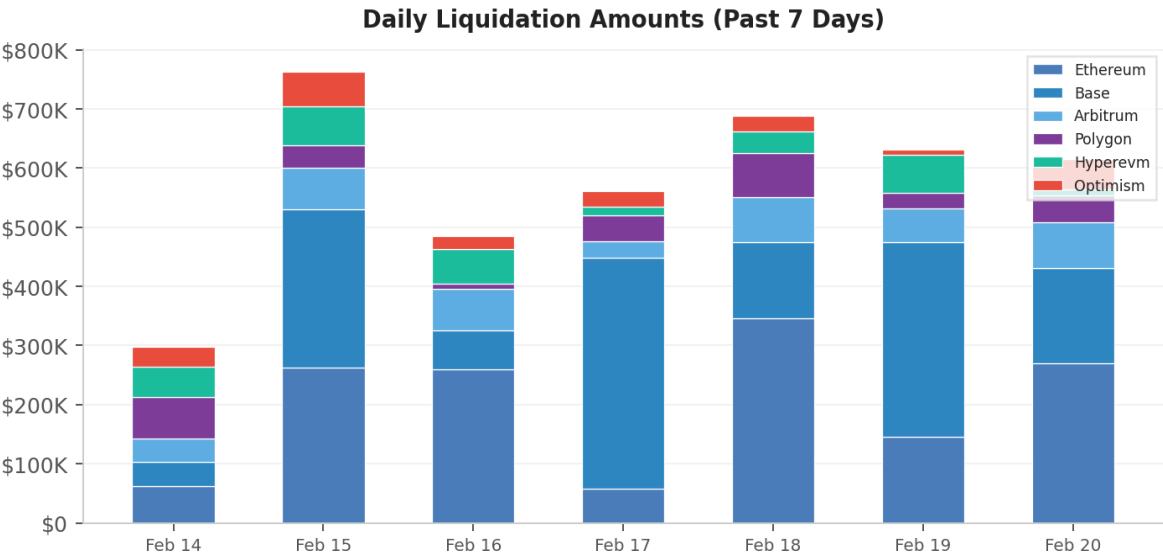
\$0
Bad Debt

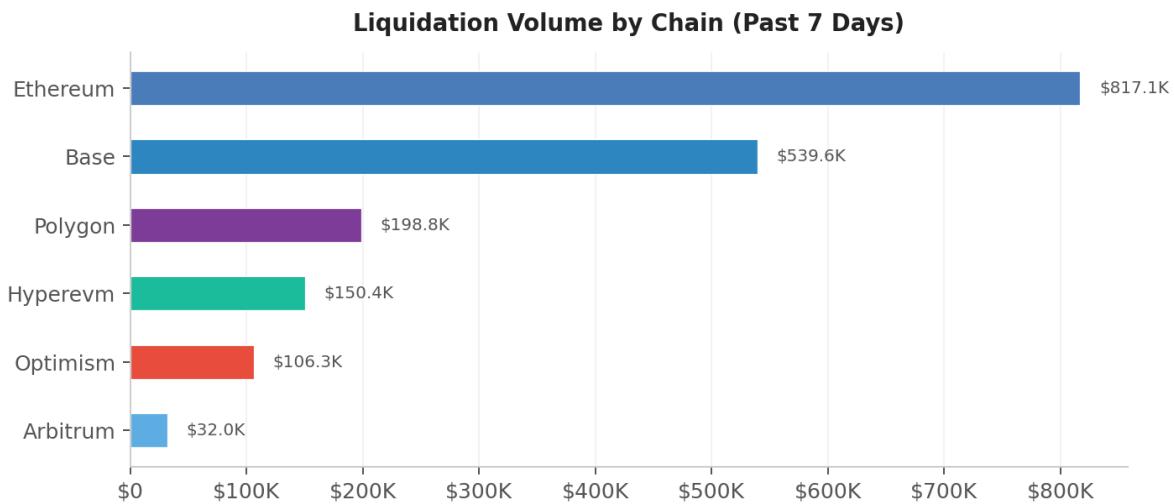
TLDR

Over the past 7 days, Morpho processed **\$2.8M** in liquidations across **1,247** positions and **89** markets on **11** networks—with **zero realized bad debt**.

1. Liquidations & Bad Debt

Morpho's infrastructure processed \$2.8M in liquidations over the past week. Liquidation activity spanned 11 chains and 89 distinct markets.





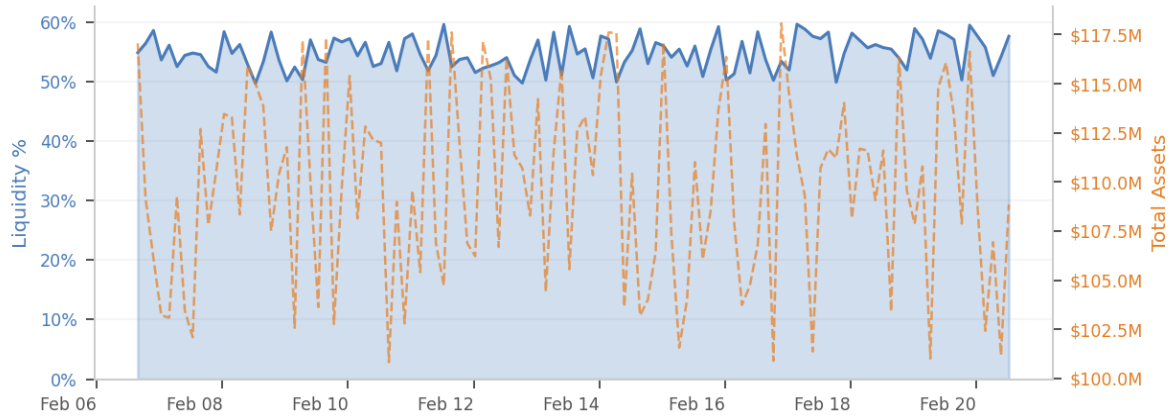
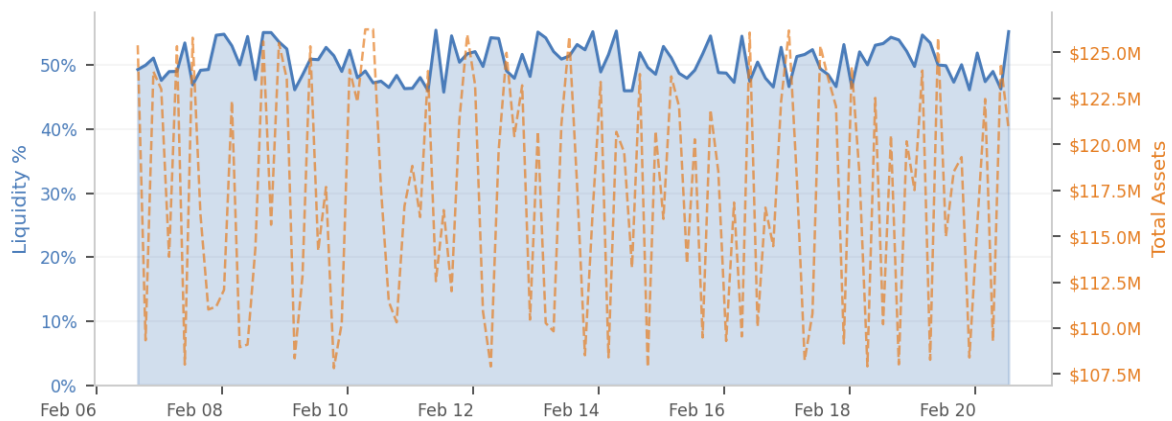
Liquidation Breakdown by Chain

Chain	Volume	Positions	Markets
Ethereum	\$817.1K	484	29
Base	\$539.6K	443	10
Polygon	\$198.8K	88	21
Hyperevm	\$150.4K	491	8
Optimism	\$106.3K	475	37
Arbitrum	\$32.0K	169	24

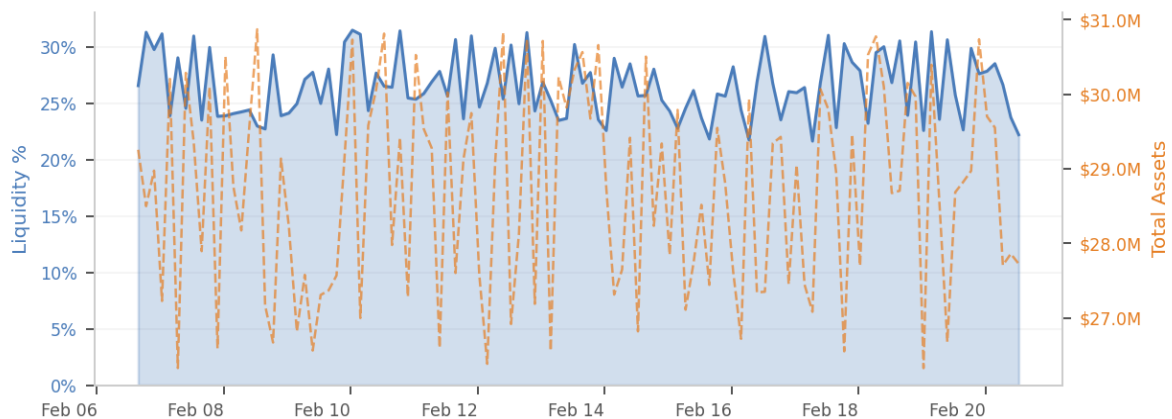
2. Vault Liquidity

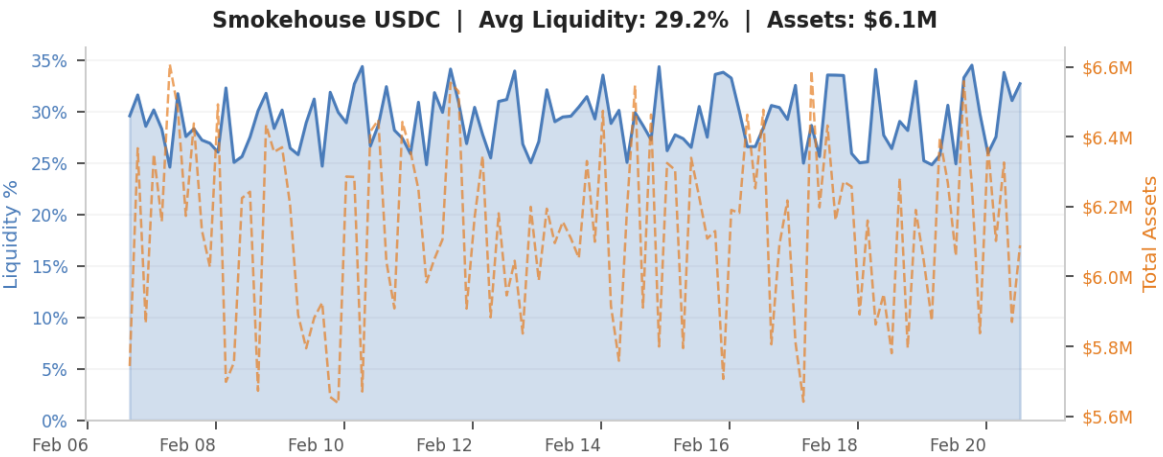
Vault liquidity measures the percentage of deposited assets that remain available for withdrawal. Higher liquidity indicates healthier vault conditions and sufficient buffer for lender withdrawals even during periods of market stress.

Bluechip Vaults — Conservative risk profile, high liquidity expected

Gauntlet USDC Prime | Avg Liquidity: 54.7% | Assets: \$108.8M**Steakhouse USDCV | Avg Liquidity: 50.5% | Assets: \$120.8M**

Long-Tail Vaults — Higher yield, relatively more risk exposure

Gauntlet USDC RWA | Avg Liquidity: 26.5% | Assets: \$27.7M



3. Bad Debt Overview

No realized bad debt events occurred during the past 7 days, confirming the effectiveness of Morpho’s liquidation mechanisms and the prudent risk parameters set by curators across the network.

Top Unrealized Bad Debt Positions

\$0

Realized Bad Debt
(Past 7 Days)

Market	Chain	Unrealized Debt
deUSD/USDC(86.0%)	ethereum	\$5.8K
UNKNOWN/iviUSD(91.5%)	ethereum	\$5.3K
wbCOIN/USDC(86.0%)	base	\$3.6K

4. Key Takeaways

- 1. **Infrastructure performed as designed.** Morpho processed \$2.8M in liquidations across 1,247 positions and 89 markets on 11 networks.
- 2. **Protocol resilience confirmed.** Liquidation mechanisms functioned smoothly across all chains, demonstrating the robustness of Morpho’s decentralized architecture.
- 3. **Curator risk management effective.** Market parameters set by curators ensured timely liquidations and prevented losses to lenders across the network.
- 4. **Vault liquidity remained healthy.** Both bluechip and long-tail vaults maintained sufficient available liquidity, demonstrating that Morpho Vaults can sustain large withdrawals even during volatile periods.

Data Sources

- Morpho Risk Dashboard (data.morpho.org/risk)
- Morpho Liquidation Dashboard (Dune Analytics)
- Report generated: 2026-02-20 14:35 UTC