

Mars Updates

ApolloDAO explores building on Mars

MARCH 10, 2022



Apollo DAO is a yield management platform for DeFi. It launched several months ago and has since amassed more than \$40M in TVL. Contributors there are currently exploring how they might leverage Mars to extend their own functionality.

In this case, Mars' Red Bank would be lending not to individuals but to Apollo DAO's smart contracts. We call this type of lending contract-to-contract (C2C) lending, and you can learn more about it [here](#).

We had a chance to ask Apollo contributors about what they're working on and their thoughts on Mars and the broader Terra ecosystem. Here's a paraphrased selection of what they had to say:

How do you envision using Mars?

We are very excited to utilize Mars' C2C lending to provide leveraged yield farming to our users, as this will bring lots of benefits to both our farmers and Apollo itself. We are also excited to combine this with the benefits Astroport brings to make interesting strategies such as leveraged yield farming with boosted vaults.

In the near future, we will also be introducing vault tokens for Apollo vaults and would love to use them as collateral on Mars (if possible) to enable our users to borrow against these tokens. This will improve capital efficiency, as it will be earning yield while acting as collateral.

We are also looking to accumulate Mars and xMars tokens in order to be a part of the Mars governance.

What attracted you to building on it?

As we saw from early DeFi on Ethereum, credit protocols such as Compound and Aave are an integral part of the industry and will be a huge boost to the TeFi ecosystem. This is because they improve capital efficiency through under- and over-collateralised lending. Mars could also open up some interesting ways to hedge farming positions and although not something we have looked into too much yet, it is something we are keen to explore.

Beyond integrating with Mars, what else are you focused on?

In terms of additional things we are working on, our focus is on releasing:

- APOLLO staking
- Single-asset vaults (starting with nLuna and nEth)
- Additional Astroport vaults that we have not yet added
- Apollo vault tokens
- More farming through the Farmers' Market
- Improvements and additional functionality for Apollo Safe
- A Convex-Finance-style model on Terra, initially focused on Astroport but also looking at other projects that launch similar Curve-style tokenomics.

Where do you see Terra heading in the next 1–5 years?

I think we will all be surprised how fast the Terra ecosystem grows over the next few years, both in terms of new projects launching as well as the adoption of UST. As we saw with Ethereum, the more projects that launch, the more opportunities there are to build on thereby increasing the composability of the Terra ecosystem. It should also become increasingly easier and faster to develop on Terra as projects continue to lay the groundwork for their work to be open-sourced. This will in turn attract more developers to the ecosystem.

We are already seeing a number of DeFi primitives that are available on Ethereum being created and launched on Terra. But there are also some novel projects that would be difficult on other chains, which we think will be enhanced by the fact Terra is not EVM, meaning it is a fresh slate for new ideas and concepts.

We also think there will be an increase in the ease of connection between Terra and other IBC chains, massively growing the available market and opportunities available to projects. We will also likely see UST and other Terra stablecoins becoming the de facto stable on many of these IBC chains, as well as across the wider cryptosphere.

With the release of a number of easy-to-use on/off ramps coming natively to Terra and the attractive Anchor earn rates, it is likely we will see increasing real-world adoption of UST. This potentially makes bank accounts near obsolete for Terra users. We also think there will be a lot of development and new ideas that people are yet to conceive of.

Learn more about Apollo DAO at [apollo.farm](#) and [articles.apollo.farm](#).

Closing thoughts

C2C lending could ultimately turn Mars into a "liquidity function" or Liquidity-as-a-Service protocol that other protocols can programmatically tap into.

In [A vision for the 'Fields of Mars' and contract-to-contract \(C2C\) lending](#), we outlined the process for applying for a virtual 'credit line' with the Red Bank. Protocols can begin the [formal application process](#) here.

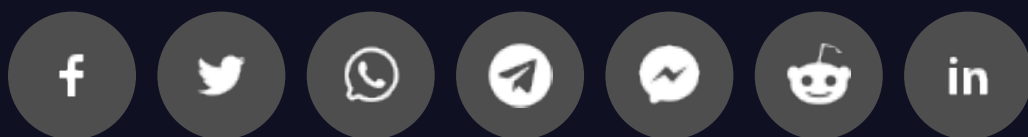
We look forward to public discussions and votes on whether to grant ApolloDAO virtual 'credit lines' and how much credit they might receive.

If you're a developer who would like to build an application on top of Mars, check out the [Mars docs](#), share your ideas on the [Mars Forum](#) for feedback or visit the [Mars Discord](#) to get in touch with active Mars contributors.

Follow [Mars on Twitter](#) for the latest updates from Mission Control.

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