

Hi everyone, we would like to share our monthly progress report and field any questions from the Aave community.

As a reminder, our areas of focus are:

- Protocol upgrades
- Treasury management
- Analytics
- Growth

Highlights

- Proposed and executed 2 on-chain proposals:
- [AIP-302: Swap assets to aUSDC](#)
- [AIP-282: Acquire more aUSDC on Aave Ethereum Collector](#)
- [AIP-302: Swap assets to aUSDC](#)
- [AIP-282: Acquire more aUSDC on Aave Ethereum Collector](#)
- Deployed v1 of Aave Swapper which is able to manage the DAO's veBAL holding. Shared an update regarding our plans for the Swapper on the [forum](#)
- Progressed development of Strategic Asset Manager.
- Published [July 2023 financials](#)
- Published [Shortfall Analysis dashboard](#)

You can find all this information and more at community.llama.xyz/aave.

Actions Taken This Month

Task

Actions Taken

Notes & Commentary

Treasury management

Deployed Aave Swapper. Shared an update on the [forum regarding the Swapper](#)

Swapper contract address: [0x3ea64b1C0194524b48F9118462C8E9cd61a243c7](#)

Treasury management

Progressed development of Strategic Asset Manager

The code supporting veBAL position is already implemented via the StrategicAssetManager contract and can be deployed pending community feedback. There is a discussion currently on v1AURA; if it makes sense technically and the community supports, we can add v1AURA to the StrategicAssetManager.

Treasury management

Progressed development of Polygon ERC20 bridge

Developed a contract to bridge ERC20 tokens from Polygon to Mainnet as another tool for managing treasury assets.

Currently, Polygon assets cannot be withdrawn from Polygon and thus, assets held on that network cannot be used as part of a treasury management strategy.

Treasury management

Proposed and executed [AIP-302: Swap assets to aUSDC](#)

This is a follow-up proposal to AIP 282.

Treasury management

Proposed and executed [AIP-282: Acquire more aUSDC on Aave Ethereum Collector](#)

Shortfall Analysis

Finalized [Shortfall Analysis dashboard](#)

This dashboard models the effect of a shortfall event on the Safety Module's backstop and AAVE token price.

Here, we analyze:

- AAVE token liquidity
- AAVE liquidity history
- Maximum Bad Debt
- Backstop Liquidity

Accounting Reports

[July 2023 Financial Report](#)

Key takeaways:

- Normalized revenue totaled \$1.3m in July
- July saw several large, offsetting inflows/outflows to the treasury, including:
- \$2m on the B-80BAL-20WETH purchase
- \$2.8m on the wsETH/rETH purchase
- \$6.1m - \$4.8m = \$1.3m normalized
- Additionally, there were some large claims from service provider streams on the expense side during the month:
- Certora claimed \$0.5m USDC and \$0.5m AAVE
- Chaos Labs claimed \$0.35m USDC and \$0.5m AAVE
- Total treasury holdings = \$117.1m (67% AAVE)
- Deposits = \$8.2b

Claim Revenue to Treasury for Aave V3

Continued weekly treasury claims for Aave V3 deployments.

We thank the Aave community for their support! Please feel free to share any questions or feedback on our work.