LidoDAO Treasury Choices

We've launched three other treasury-related proposals aiming to obtain a clear signal from LDO token holders regarding basic principles for how the DAO should manage its treasury.

1. [Should LidoDAO stake treasury ETH?](#)

2. [Should LidoDAO sell treasury ETH?](#)

3. [Should LidoDAO diversify its stablecoin holdings?](#)

4. [Should LidoDAO sell protocol surplus stETH to finance operating expenses?](#)

[Should LidoDAO sell treasury ETH?](#)

13-Feb-2023

[Aragon](#)

	Deployed to service entities	Total USD Value at spot
ETH	20,304	-	~30.1m

ETH

20,304

-

~30.1m

DAI

17,522,386

2,621,354

~20.1m

stETH

6252

-

~9.2m

USDC

366

274

~0.0m

Total

~59.4m

Context

- Lido holds ~17.5m DAI in the Aragon treasury (entities have discretion over allocation of stablecoins depending on needs to meet supplier payments)

- 100% of these reserves are held in DAI*, for now we have made [smol proposals to increase](#) our use of its full possibilities (namely the Dai Savings Rate)

- As many of these stablecoin reserves will be required over the next few months, rather than immediately, ideally, these stablecoin reserves would actually be held in some sort of permissionless, on-chain, (non-US?), money-market vehicle or security (token holders allowing)

- Although there is significant progress towards bringing these on-chain, the technology is not fully ready yet

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- Until we can move our Aragon stablecoin reserves to this in a safe way, or Dai builds in sufficient DSR to compare with these rates, there is a question of what level of specific stablecoin exposure is desirable

- Given SteakFi's experience in stablecoins and present contributions to MakerDAO, we have views on each of these options (and our favorites) but would prefer to hear from token holders and the community without biasing the set

- The proposal needs specific options to be voted on, so we would appreciate token holder views on what suitable options could be.

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Final Snapshot options may vary to accommodate simplicity and execution.

Starting Options

1. Do not change (Stay 100% in Dai)

2. Migrate 100% to another stablecoin

3. Introduce balanced diversified exposure to a mix of stablecoins

For example, one set of options could well be:

1. Do not change (Stay 100% in Dai)

2. Migrate to 100% in another stablecoin

a. LUSD

b. USDC

c. USDT

1. Introduce balanced, diversified exposure to a mix of stablecoins

a. DAI/USDC/USDT (3pool)

b. LUSD/USDT (non-US)

c. LUSD/USDC/DAI (non-Tether)

d. LUSD/USDC/USDT/DAI (everyone is invited)

Other exotic options are also possible, such as changing the operating expense expectation to EUR, GBP, CHF vs USD altogether (likely at the cost of some liquidity, acceptance among suppliers and FX risk) or decentralized-native units of account such as RAI. We will only propose these if there appears to be strong demand in the forum period.

*a protocol where SteakFi members also contribute to as the Strategic Finance Core Unit