

It is important to drive demand for stETH to grow and scale the protocol and potentially (if voted upon) return cashflow or rewards to LDO holders.

I believe it is key to integrate stETH with DeFi lending platforms similar to or with Anchor (stable savings rate on Terra). This could potentially drive massive demand for stETH and help scale the Lido project.

Anchor works by using Luna staking rewards to pay out consistent high yields on stable coin deposits. Luna's current staking APR is around 13.55%, you can take Luna and convert it into bLuna which is a liquid staking token, this allows you to deposit the bLuna on to Anchor Protocol and take out a loan up to 50% of its value, the loans interest is then paid for by the staking rewards. The key part of this is that bLuna can be liquidated at any time to ensure the stable coin deposited has little to no risk. Currently by depositing UST (a stable coin pegged to the USD) you can earn 20% on these overcollateralized loans.

This is an ingenious design by the Terra team and there have been talks about integrating other PoS assets onto Anchor to be used as collateral. I think stETH is perfect for a role like this or on another similarly designed platform. The stETH APR is 7.5% and could support some pretty attractive stable rates if we overcollateralized it and put it on a lending platform like Anchor.

This would drive further demand for stETH improving its utility and value.

I think we should push to get stETH integrated into a platform like anchor or ones of its design.