Summary

A proposal to increase:

Gnosis

- EURe - Supply and Borrow Cap

- USDC - Supply and Borrow Cap

- wstETH - Supply Cap

Motivation

The recommendations below were made utilizing Chaos' supply and borrow cap methodologies and after analyzing user positions for each asset.

EURe

The supply cap for EURe on Gnosis V3 is currently at 89% utilization.

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Given current liquidity and as EURe is listed as a non-collateral asset, we recommend increasing the supply cap by 2X to 1,5M and the borrow cap to 1.4M.

USDC

The supply cap for USDC on Gnosis V3 is currently at 84% utilization.

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Considering the liquidity on Gnosis we recommend doubling the supply and borrow cap and setting them at 3M and 2.8M, respectively.

wstETH

The supply cap for wstETH on Gnosis V3 is currently at 82% utilization.

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wstETH is currently primarily used to borrow WETH, as can be seen in the borrow distribution chart on theChaos Risk Platform:

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Utilizing our methodology for LSTs and considering liquidity conditions and the borrow distribution on Aave, we recommend increasing the wstETH supply cap to 7.5K.

Specification

Chain	Asset	Current Supply Cap	Recommended Supply Cap	Current Borrow Cap	Recommended Borrow Cap
Gnosis	EURe	750,000	1,500,000	750,000	1,400,000
Gnosis	USDC	1,500,000	3,000,000	1,500,000	2,800,000
Gnosis	wstETH	5,000	7,500	400	N/A

Next Steps

Once we receive feedback from [@Gauntlet](#) on the above recommendations, we will move forward to implement these updates via the Risk Steward process.

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