

Proposal to add sAVAX to Aave v3 market on Avalanche.

sAVAX or the liquid staking token created by the Benqi team who is well respected in the Avalanche ecosystem, has already amassed almost \$150m in TVL in a few weeks being live. Recently Chainlink has provided feeds for this asset, enabling it for listing on Aave v3.

<https://docs.chain.link/docs/avalanche-price-feeds/>

[SnowTrace: Avalanche C-Chain Blockchain Explorer](#)

[EACAggregatorProxy | Address 0x2854Ca10a54800e15A2a25cFa52567166434Ff0a |...](#)

The Contract Address 0x2854Ca10a54800e15A2a25cFa52567166434Ff0a page allows users to view the source code, transactions, balances, and analytics for the contract address. Users can also interact and make transactions to the contract directly on...

BENQI Liquid Staking is a non-custodial liquid staking solution that allows users to stake AVAX and receive sAVAX, an on-chain representation of delegation positions with Avalanche validators.

Traditional Staking on Avalanche locks up user's AVAX on the P-Chain, preventing users from accessing the asset until the staking period ends. BENQI's Liquid Staking provides users the opportunity to unlock these "staked" assets through liquid staked sAVAX.

By supplying AVAX into the BENQI Liquid Staking protocol, users receive sAVAX which earns rewards from staking on Avalanche network. The price of sAVAX relative to AVAX goes up each epoch with rewards being accrued to the underlying staked AVAX. sAVAX can be used within DeFi applications on the C-Chain including AMMs (Trader Joe, Pangolin) and lending protocols (BENQI, Anchor, Aave) where users will now be able to access their yield-bearing sAVAX as liquidity to participate in DeFi and earn additional rewards.

In addition to the listing of sAVAX, we are proposing raising the LTV of AVAX to 60% and suggesting 60% for sAVAX as well. A detailed analysis of raising LTV on AVAX to 60% makes sense is presented in the link below.

[ARC: Avalanche Market - AVAX Risk Parameters Update](#) [General

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aip: TBA title: ARC: Avalanche Market - AVAX Risk Parameters Update status: WIP author: [@MatthewGraham](#) from Index Coop and [@ChrisG](#) from Defi Pulse created: 28-01-2022

Simple Summary We propose adjusting two (2) AVAX risk parameters on the Aave Avalanche Market: LTV and Liquidation Threshold.

Abstract This proposal updates two AVAX risk parameters on the Aave Avalanche Market to align with the [Moderate risk level](#) chosen by the Aave community. Index Coop has compiled the following analys...