

Summary

A proposal to increase the weETH supply cap on Aave V3's Ethereum deployment.

Motivation

WeETH reached its supply cap minutes after being onboarded to Aave V3 Ethereum. This is due to a single [wallet](#) who deposited 8K weETH and borrowed 7.7K WETH against his collateral in E-mode.

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Recommendations

Utilizing our supply cap methodology and considering current borrow distribution against weETH, we recommend doubling the supply cap to 16K weETH

Specification

Chain

Asset

Current Supply Cap

Recommended Supply Cap

Current Borrow Cap

Recommended Borrow Cap

Ethereum

weETH

8,000

16,000

800

No Change

Next Steps

We will move forward and implement these updates via the Risk Steward process.

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