Summary

Per Gauntlet's supply and borrow cap [methodology](), we recommend increasing USDC borrow cap on Arbitrum v3 to 60,000,000.

Specifications

Market

Asset

Parameter

Current Value

Recommended Value

Arbitrum v3

USDC

Borrow Cap

41M

60M

Motivation

The borrow cap for Native USDC surpassed the 75% threshold to 75% usage on Arbitrum Aave V3.

USDC On-Chain Supply

[

image

2734×1036 139 KB

](https://europe1.discourse-cdn.com/business20/uploads/aave/original/2X/2/2c12aa9cf6bd20608cb0276a7cb1186af35b9912.png)

Since Mid-October, the Arbitrum ecosystem has experienced a sizeable gradual growth (72%) in native USDC.

Next Steps

Once we receive feedback from [@ChaosLabs]() on the above recommendations, we will move forward with Risk Steward actions.