

MetaMorpho

Introduction

MetaMorpho is an open-source (GPL) protocol for permissionless risk curation on top of Morpho Blue. The MetaMorpho Factory is a contract deploying [ERC4626](#)-compliant MetaMorpho vaults. Each vault has one loan asset and can allocate deposits to multiple Morpho Blue markets. MetaMorpho vaults are noncustodial and immutable instances. MetaMorpho vaults offer users a way to provide liquidity and earn interest passively. Vaults have a system to automate risk management so that users are not required to make these decisions. Instead, the vault actively curates a risk exposure for all deposited assets. The vaults operate in a noncustodial way and users maintain full control over their assets. Users can look at the state of the vault at any time and withdraw their liquidity at their discretion.

Motivation

Morpho Blue is a trustless primitive prioritizing efficiency and flexibility over end-user experience. Lending to Morpho Blue markets is more complex than on Aave and Compound. On Morpho Blue, suppliers must consider multiple factors, including collateral assets, liquidation LTV, oracles, and caps. Compared with Aave where all the decisions are made by governance on the suppliers' behalf. As such, interacting with Morpho Blue directly is more suited to sophisticated lenders than passive lenders. A Metamorpho vault facilitates the supply of liquidity to Morpho Blue markets. Users can delegate risk management to a vault which can automate and decentralize these decisions, similar to platforms like Aave or Compound, making for a more passive experience.

Permissionless Risk Management

Anyone can use the MetaMorpho Factory to create a MetaMorpho Vault. There is no restriction on who can create a vault. Risk experts, DAO, protocols, etc. can all leverage the open infrastructure to provide passive users with a simple lending experience.

[Previous FAQ](#) [Next Core Concepts](#)