

# Summary

A proposal to increase the GHO minting cap to 40M.

## Motivation

The recent surge in GHO use cases and liquidity, notably exemplified by the introduction of the [GHOTHENA](#) liquidity pool on Curve, which currently holds 18.5% of the total GHO in circulation, has significantly heightened demand and rendered speculative GHO yields increasingly attractive.

Moreover, the [doubling of stkGHO emissions](#), alongside a potential adjustment of [GHO interest rates](#) to better reflect market-priced rates, establishes clear parameters for cautiously raising the GHO minting cap. This measured approach is warranted given the evolving landscape of GHO utilization and market dynamics, ensuring alignment with demand while maintaining stability within the ecosystem.

## Specification

## Next Steps

We will move forward and implement these updates via the Risk Steward process. If the current momentum and market conditions remain, we aim to gradually raise the GHO minting cap to 50 million over the next weeks by implementing incremental borrow cap increases of 5M every five days, per the risk steward limitation. We will closely monitor market behavior and evaluate this decision with every increase.

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