

Summary

Rodeo Finance received approval for a 100,000 ARB grant from GMX, of which 36.5k ARB was claimed, to expand our leverage farms on top of GMX GM pools.

Before realizing our key objectives, we first completed integration of GMX GM pool integration and audits with both Paladin Sec and Top 2023 Code4rena warden Milo Truck. 16,500 ARB was utilized for this.

Key Objective:

With this integration completed, our focus was to incentivize users to deposit in our lending pool to provide liquidity for leverage farming, as well as incentivize deposits into our GM farms to grow users and TVL.

KPIs

Audits:

- 16,500 ARB
- Independent Audit of HM Farms Strategy and Oracle Implementation: \$7500 (code4rena top warden)
- Paladin Sec GM Farms Implementation and Liquidation Method Audit Finalization: \$9000

Lending Pool Incentives (to boost available liquidity for GM farms)

- 20,000 ARB

Milestone based Farm incentives (dynamically adjusted for time in vault)

- 30,000 ARB distributed to GM farms over 3 months
- 16,750 ARB when \$1m TVL reached in GM farms
- 16,750 ARB when \$2m TVL reached in GM farms

Results:

During this period (Dec to March 20)

Audits: Rodeo successfully completed integration and audits of our GM farm strategies

- [Farms | Rodeo](#)
- [Audits | Rodeo Finance](#)

Lending Pool TVL

- Rodeo struggled to attract lenders to our lending pool as competition for passive USDC.e was fierce across Arbitrum protocols offering STIP incentives, despite incentivizing with RDO and ARB. Prior to receiving the grant, Rodeo saw a ~\$3.5m outflow from our lending pool as we could not compete with passive USDC rates vs those who received STIP incentives.
- Rodeo finished with \$1,225,123 TVL in the lending pool and 148 unique users. An increase in approx 50% growth from \$661k.

Leverage Farms

- Rodeo implemented Leverage farms for BTC, ETH, ARB, SOL, LINK, and DOGE
- A total of \$472k has been deposited in the GM farms as of today with 235 unique users

Partners

- Rodeo partnered with D2 Finance to integrate the GM leverage farms into the managed strategies of D2 Finance
- Rodeo++ Vault performance (1 epoch): 1.00 → 1.11 (11% return in 1 epoch)

see ERC-20 vault token intrinsic value:

<https://dexscreener.com/arbitrum/0xe992252368098f644679c77fbb9c975a807721f2>

Metrics

Analytics: <http://api.rodeofinance.xyz/dashboard>

[

image

1047×647 21.5 KB

](https://global.discourse-cdn.com/standard17/uploads/arbitrum1/original/2X/1/135f46abc8d4e0c642a264a36cd5f0fd8614af6e.png)

Reflections

The grant led to a 2x increase in TVL for our lending pool and \$472k inflows to GMX-related vaults.

We did not achieve our desired targets of \$1-2m TVL in the GM farms, underscored by the challenges to attract lending liquidity to our USDC.e pool. The utilization of lending pool funds was at a constant 90% showing a strong demand, trending towards an increase in the GM farms TVL when available.

Additionally our partnership with D2 Finance to utilize Rodeo GM farms was a success in the first and only epoch, however the lack of lending liquidity forced us to put on hold until further growth can be achieved.

While not fully successful, we have 3 key takeaways from this program:

1. Rodeo has updated our lending rate model to better balance and align the ecosystem participants
2. Rodeo has pivoted towards a direct B2B and B2D model for attracting lending liquidity, offering whiteglove service and other benefits for depositing. We will implement these changes starting March 25.
3. Rodeo needs to get better exposure to Arbitrum user base through marketing, campaigns, and product development. We have collected data based on this program and will implement changes alongside our Alamo update coming soon.

Rodeo Finance looks forward to continue building and integrating further with GMX in the future as part of core leverage farms and future automated strategies. Thank you to the GMX team and Arbitrum Foundation for your support and working with us for this opportunity.