Frax, based on the past performance of the GLP pool, seems to be extremely underutilized, being well under 1% for the majority of the month of January 2023. Attached below (Couldn't upload the spreadsheet or 2 screenshots due to new user limits so see the first 2 comments

) is the calculation of borrowing rates and an excel based calculation of the 60, 30 and 7 day average borrowing rates for the 4 different types of stablecoins in the GLP pool (USDC, USDT, FRAX, and DAI).

[

Screenshot 2023-02-03 140039

1775×512 41.2 KB

](https://global.discourse-cdn.com/business7/uploads/gmx/original/1X/ea98fd6c39bc3eb5e1bf92aa793cf20818909332.png)

In addition to being underutilized, Frax is majority backed by USDC, which means that it is essentially a USDC wrapper. Why not simply replace that with 100% USDC or any other stablecoin which will generate much more interest and return for both GMX and GLP holders? If the $9,015,599 in FRAX (As of the time of writing this proposal) was replaced with Dai, it would make $921,574 more over a period of the year, $1,855,771 more if it was USDC, and finally $2,186,643 more if it was USDC.

Seeing that FRAX has nearly no viable benefit from being in GLP (as its not really decentralized nor lucrative to hold), I would strongly advocate for replacing it with other stable coins in a proportional matter, moving to allocate the $9,015,599 of FRAX within the GLP proportionally (35% eth, 39% USDC, 15% WBTC, etc.), or 100% to more “decentralized” options such as DAI, if decentralization is the final goal. Thanks for reading, open to hearing counterarguments and answering any questions.