

Summary

Phoenix Labs proposes the following changes to SparkLend grouped by individual polls:

1. [Ethereum] Modify D3M Parameters

Rational

[Ethereum] Modify D3M Parameters

Phoenix Labs recommends changes to the D3M parameters due to the recent changes in relative Stability Fees between Maker and Spark. Many of the original parameters were set during the launch, and the market has grown much larger since then.

There is also a shift to provide more burstable capacity by increasing the ttl and buffer. There are users who will quickly borrow lots of DAI and repay in short succession, and we do not want this activity to block other users.

Phoenix Labs is recommending the following parameters:

buffer = 50m (prev. 30m) gap = 40m (prev. 20m) line = 1.5b (prev 1.2b) ttl = 24 hrs (prev. 12 hrs)