

Summary

Reduce stablecoin LTs and LTVs across all markets.

Motivation

Following a successful implementation of [Phase I](#) of our plan to reduce stablecoin LTs and LTVs, we would like to propose the next phase. Additionally, we have updated our recommended final state for all associated stablecoins, with LTVs and LTs harmonized across all chains at 75% and 78%, respectively.

Please note that given the [proposal](#) to adjust DAI and sDAI risk parameters, it has been excluded from this proposal.

Step Two Recommendations

Ethereum

Asset

Current LTV

Recommended LTV

Current LT

Recommended LT

New Liquidations

Complete after Step 2?

USDC

76%

75%

79%

78%

\$2,600

Yes

USDT

76%

75%

79%

78%

\$0

Yes

sDAI

63%

75%

77%

78%

\$0

Yes

Gnosis

Asset

Current LTV

Recommended LTV

Current LT

Recommended LT

New Liquidations

Complete after Step 2?

USDC

76%

75%

79%

78%

\$0

Yes

sDAI

63%

75%

77%

78%

\$0

Yes

Base

Asset

Current LTV

Recommended LTV

Current LT

Recommended LT

New Liquidations

Complete after Step 2?

USDC

76%

75%

79%

78%

\$3.80

Yes

USDbC

76%

75%

79%

78%

\$0.40

Yes

Scroll

Asset

Current LTV

Recommended LTV

Current LT

Recommended LT

New Liquidations

Complete after Step 2?

USDC

76%

75%

79%

78%

\$103

Yes

Polygon

Asset

Current LTV

Recommended LTV

Current LT

Recommended LT

New Liquidations

Complete after Step 2?

USDC

76%

75%

79%

78%

\$0

Yes

USDT

76%

75%

79%

78%

\$833

Yes

USDC.e

76%

75%

79%

78%

\$4,700

Yes

Arbitrum

Asset

Current LTV

Recommended LTV

Current LT

Recommended LT

New Liquidations

Complete after Step 2?

USDC

76%

75%

79%

78%

\$0

Yes

USDT

76%

75%

79%

78%

\$5.30

Yes

USDC.e

76%

75%

79%

78%

\$1,000

Yes

Optimism

Asset

Current LTV

Recommended LTV

Current LT

Recommended LT

New Liquidations

Complete after Step 2?

USDC

76%

75%

79%

78%

\$3,700

Yes

USDT

76%

75%

79%

78%

\$63

Yes

USDC.e

78%

75%

84%

80%

\$5,800

No

BNB

Asset
Current LTV
Recommended LTV
Current LT
Recommended LT
New Liquidations
Complete after Step 2?
USDC
76%
75%
79%
78%
\$3,700
Yes
USDT
76%
75%
79%
78%
\$0
Yes

Avalanche

Asset
Current LTV
Recommended LTV
Current LT
Recommended LT
New Liquidations
Complete after Step 2?
USDC
80%
75%
85%
81%
\$23,700
No

Next Steps

Following community feedback, submit an Aave Improvement Proposal (AIP) to implement the proposed updates.

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