Phoenix Labs proposes changes to the ETH and wstETH markets in SparkLend.

Proposed Changes

1. Increase wstETH market supply cap from 200k to 400k

The wstETH lending pool is currently maxed out, this will allow for the inflow of new deposits.

1. Decrease ETH market variableRateSlope1

from 3% to 2.8%

This effectively reduces the optimal borrow rate from 4% to 3.8%.

1. Increase ETH market optimal utilization from 80% to 90%

This allows for better rates to suppliers at the optimal utilization.

1. Increase ETH market variableRateSlope2

from 80% to 120%

This effectively increases the maximum borrow rate from 84% to 123.8%. This reduces the possibility of the lending pool being at 100% utilization rate by accelerating the rate increase.

Polls

Recommend two polls:

1. Increase wstETH market supply cap
2. ETH Market Changes

Thank you for your cooperation as we work towards enhancing the system.