Happy New Year and welcome to the February budget for the reWARDS committee.

The past month saw a massive increase in coverage of the Solana ecosystem as well as Lido's first bribe in the Curve wars.

There were a number of operational and launch delays that heavily skewed the budget from January estimations as well as a few surprise integrations.

This month we will be launching stMATIC and stKSM so we will be needing to plan for some flexibility in the budget as those expansions come online.

This post is broken into a few sections detailed below and will be open for community feedback for 3 days (72 hours). After which, if there is no contention, will be acted upon. Updates for each month will be provided in the corresponding monthly threads with analysis for the proceeding month to follow.

The sections are as follows:

- Budget and breakdown

- Reasoning

- New experiments

- Operational Goals

Budget and Breakdown

The January budget calls for 5,500,000LDO.

5,145,000LDO distributed across the following pools and networks with the remaining held for unaccounted needs during the month.

The key reasons for significantly less LDO being deployed was due to the following:

- Only 1 round of bribes instead of 2 on Votium (Curve)

- Delay more exotic pairs against stSOL (BTC, ETH)

- Delay Olympus bonds for now

- Delay a number of additional Solana launches (Atrix, Port, Apricot, Tulip, Francium)

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Reasoning and Analysis

Solana

The past month has dramatically increased the availability of stSOL across the Solana ecosystem. The net impact has been an increase of over 500,000 SOL being staked with Lido. This was an increase of over 50% in January alone.

Solana Dashboard for all Pools - Huge thank you on the heroic lift from the analytics team!

Notable changes

- Decreasing rewards for stSOL-wstETH on Orca. It has continued to perform poorly compared to ETH pools. In general ETH volume is below SOL and stable pairs on most DEXs.

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- Jet protocol launch has been delayed. Expected this month.

- Larix was an unexpected launch and has captured 8.8M TVL

- Port and Apricot are expected to launch this month

- Zetamarkets is a covered call and options tooling protocol and is helping to bring a few new projects onto Solana. We expect this to capture additional stSOL. With timing fluid, we don't have a clear estimate in the budget and earmarked 10,000LDO for now.

With the increase in coverage, February will monitor data across our pools and begin to optimize spend and liquidity accordingly.

Ethereum

Ethereum pools have held mostly steady the past month. We are still experimenting with bribes and meta governance while ensuring the peg is maintained.

Notable changes

- The first round of Votium

bribes for Curve

was completed. We had originally planned to have 2 rounds but were only able to enter into one due to operational complexity. This month we expect to test on 2 full rounds.

- Outcomes show promise but arguably it is still too early to tell. There was a spike in steCRV gauge weight as well as a bump in CRV emissions. We will continue to monitor closely.

[Curve dashboard](#)

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- Idle Finance

https://idle.finance/

The launch was delayed until early next week so we will monitor and provide updates in the next budget post.

Idle Finance is a risk tranching protocol that can act as indirect insurance for stETH holders. The goal of this experiment is to help bootstrap new liquidity for Idle around stETH Senior and Junior pools. If successful this should be a short term deployment of incentives.

A successful outcome would see measurable growth in TVL to Idle Finance.

The potential benefits to Lido:

- Offer an alternative to insurance for user's that want it

- Becomes a self balancing pool if one tranche becomes over subscribed

- Short term spend, possible long term benefit

Terra

- Astroport pools were heavily delayed and expected to launched today!

New Experiments

Polygon (MATIC)

We are getting ready to launch liquid staking on Polygon. For the first phase of February there will be no incentives as there will be a hard cap to monitor everything. We expect to begin active incentives in the next rewards period.

Kusama (KSM)

stKSM will also be launched this month. We will be incentivizing the initial stable pool of stKSM/KSM for February and monitor. As this is a new launch we will be focusing on the single pool for now. Pending on launch timing.

Goals

The primary goal for February is streamlining operations of the reWARDS committee and beginning to optimize coverage and spend for existing protocols. We will be continuing to build out our analytics capacity as well as improving operational process.

January was more complicated than expected from an operational standpoint. This month we aim to decrease the amount of work involved with tracking and topping up the pools across ecosystems.