

I've been approximate with the timing in the title as block times may vary, but I'd expect the current rewards to expire around November 17th Midnight UTC.

Ideally, we need to incentivise tokens which make Uniswap even more competitive with other DeFi and more importantly CeFi programs moving forward.

First of all, this liquidity mining has been very successful, increasing liquidity from \$900M the day before this came into almost \$3B today. However, just over 75% of this is in the currently incentivised pools.

Secondly, I realise that not continuing the ETH rewards in some capacity could lead to a mini flash crash (Due to mass selling of ETH). A sudden drop in the price of ETH would be bad for the whole ecosystem, if we wanted the end these programs eventually, it may be best to ease off the rewards gradually, to prevent large market movements.

Perhaps and this is just an idea, we keep the ETH/DAI reward where it is (As it currently has the least liquidity, and is the most decentralised stable coin) but reduce the ETH/USDT and ETH/USDC reward by around 40% (To 350,000 Uni/week). ETH/WBTC I'm not too sure on, perhaps leave that where it is (As it's the only BTC Pair).

The reduction in Uni distribution would free up about 20% of the rewards (366,666 $\frac{2}{3}$ Uni/Week), splitting 2% each towards ten smaller tokens (36,666 $\frac{2}{3}$ Uni/Week), so as not to artificially pump the price too much. Again, not too sure on what exactly, but here are ten ideas.

I've picked these tokens as they are listed on other exchanges (There's no need to waste Uni tokens incentivising liquidity if there only hosted on Uniswap, that wouldn't accomplish much other than artificially boosting the price)

1. Aave, this is a clear one to list, as Uniswap has competition against CeFi (Such as Binance which currently has more 2% depth than Uniswap), and DeFi (From competing Uniswap clones)
2. LINK [Chainlink], Heavy competition from CeFi here, and Uniswap would probably need to supply more than than 2% split here to generate sufficient liquidity to rival centralised exchanges.
3. COMP [Compound], Similar reasons as Aave, however, there is much more pressure from Uniswap clones as one such does twice the daily volume as Uniswap.
4. MKR [Maker], Maker has a surprisingly low amount of liquidity across the board, given its market cap of \$500M. Still, other DeFi protocols are currently ahead in terms of liquidity, and some CeFi is now beating Uniswap in terms of the trading volume. To fix this, a relatively small incentive would be sufficient. As Uniswap could easily be No 1. for this token, another reason to keep the rewards low is to prevent too many token holders not voting on the MKR platform.
5. SNX [Synthetix Network Token], Again, vampire mining has taken it's toll on Uniswap here as well as CeFi products with both more daily volume and liquidity.
6. UMA [Universal Market Access], My knowledge of this token is relatively limited, so I would welcome any pointers in terms of incentivising the liquidity of this token. Looks at the statistics we again seem to be behind competing projects here for the time being.
7. YFI [Yearn.finance], Uniswap is quite far behind here across the board, so a liquidity bonus would help bring trading volume back to Uniswap.
8. ZRX [0x], Uniswap seems to be very far behind in terms of liquidity for this token against CeFi however is in a great position to turn this through the use of a liquidity mining scheme.
9. REN [Ren], Ren is under heavy competition from CeFi as well as vampire mining, though in this case, it has been unable to steal more than half of the Uniswap's pool.
10. NMX [Nexus Mutual], Nexus Mutual seems to have less liquidity than the tokens above. Therefore, a smaller distribution would probably be sufficient; you could also argue not needing to incentivise this pool at all as despite the lack of an incentive the 2% depth of Uniswap appears to be the highest in terms of trading volume at the time of writing.
11. Uni, I've listed this here to explain why we should probably hold off on this for the time being. While I realise getting Uni tokens off other platforms like exchanges is a good idea (To prevent a CeFi project maliciously influencing a vote for example). The Quorum required is still 40M, so there is no imminent risk of this. Discussions regarding voting from inside the pool will need to be concluded before incentivisation is considered, as tokens in the liquidity pool cannot vote.

I'm open to other strategies to increase and broaden the liquidity of Uniswap, therefore increasing the trading volume and the number of users.

Full disclosure: I hold between \$100-\$500 of the following tokens: Aave, LINK, MKR, Ren, SNX, ZRX.

I have no intention to artificially boosting the value of my holdings, just thought it would be best if I mentioned any potential conflicts of interest on this post for transparency.

I hold far more Uni so pumping that would be much more beneficial to me, but being as I care about the long term ecosystem of Uniswap, I have no interest in doing that to any token I own. I, therefore, have come to this conclusion by analysing the top 10 tokens on Ethereum by market capitalisation.