Summary

Gauntlet recommends supply cap changes for one asset on Polygon Aave V3.

Per Gauntlet's supply and borrow cap methodology, we recommend increasing WMATIC supply cap to 120,000,000.

Motivation

The supply cap for WMATIC surpassed the 75% threshold to 76% usage on Polygon Aave V3. Based on the asset's market ADV and liquidity depth, our Methodology supports increasing the cap to 120M (\$85M).

Specifications

Polygon Aave V3

Parameter

Current Value

Recommended Value

WMATIC Supply Cap

105,000,000

120,000,000

Next Steps

Once we receive feedback from <u>@ChaosLabs</u> on the above recommendations, we will move forward with Risk Steward actions.