Supply Borrow Caps

Supply/Borrow Caps

Aave Governance can appointRISK_ADMIN andPOOL_ADMIN who have the ability to configure Borrow and Supply Caps of the individual reserves.

Viewsupply and borrow cap parameters onlive dashboard.

Borrow Caps

Allow modulation of how much of each asset can be borrowed, which reduces insolvency risk.

By default borrow cap of an asset is 0, which signifies no cap. Anyone who has been grantedRISK_ADMIN orPOOL_ADMIN role via the ACLManager can callsetBorrowCap method in PoolConfigurator to update the max total borrow (stable + variable) for the given reserve.

In case *Borrow Cap* of the reserve is set lower than the current*totalDebt* the existing borrowers are not effected but no more borrows (stable or variable) can be initiated for that reserve.

Supply Caps

Allow limiting how much of a certain asset is supplied to the Aave protocol. This helps reducing exposure to a certain asset and mitigate attacks like infinite minting or price oracle manipulation.

By default supply cap of an asset is 0, which signifies no cap. Anyone who has been grantedRISK_ADMIN orPOOL_ADMIN role via the ACLManager can callsetSupplyCap method in PoolConfigurator to update the liquidity supply for the given reserve.

In caseSupply Cap of the reserve is set lower than the current liquidity of the reserve, the existing suppliers are not effected but no more liquidity can be supplied to that reserve.

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