

# Summary

This publication presents the community an opportunity to expand USDE and sUSDE integration on the AAVE platform by adding USDE and sUSDE collateral options to Base.

sUSDE is an innovative stable-coin derivative producing real yield through perpetual arbitrage and ETH backing yield. USDE is a unique stable-coin product which has already reached market acceptance with a market capitalization of \$5.87 billion.

## Motivation

-Expanding USDE and sUSDE integration into Base would allow any size L2 participant to access sUSDE yields while avoiding the expensive gas fees incurred from ETH main-net.

-Adding sUSDE to Base V3 market would allow Base sUSDE to be used productively through lending. This would facilitate the same 'Borrow USDC/USDT/USDE then stake/swap for sUSDE' arbitrage which happens within the ETH V3 main market, but on Base.

Ethena lacks strong foundations on Base L2 for their native tokens USDE and sUSDE. The addition of USDE and sUSDE to Base V3 AAVE market would facilitate this expansion to the untapped L2 market for Ethena.

Base has seen expansion in its TVL now surpassing Arbitrum by ~15%. Base chain is a small but significant part of total Defi TVL (all chains) of 3%.

Source: <https://defillama.com/chains>

Updated price feeds for USDE and sUSDE could mean one or both will not have to be added to Base V3 in an isolated market.

## Specification

Ticker: USDE and sUSDE

USDE L2 Contract Address: [0x5d3a1Ff2b6BAb83b63cd9AD0787074081a52ef34]

(<https://basescan.org/address/0x5d3a1Ff2b6BAb83b63cd9AD0787074081a52ef34>)

sUSDE L2 Contract Address: [0x211Cc4DD073734dA055fbF44a2b4667d5E5fE5d2]

(<https://basescan.org/address/0x211Cc4DD073734dA055fbF44a2b4667d5E5fE5d2>)

Proposed risk parameters will be the same as USDE and sUSDE on ETH mainnet V3 market.

## Reference

Project: <https://ethena.fi/>

Docs: [Key Addresses](#) | [Ethena](#)