

Summary

A proposal to increase:

Gnosis

- wstETH - Supply Cap
- sDAI - Supply Cap
- WXDAI - Supply and Borrow Cap
- USDC - Supply and Borrow Cap
- EURE - Supply and Borrow Cap

Motivation

Following the launch of the GnosisChain market, we have observed high demand with several supply and borrow caps reaching high utilization.

While we continue to integrate the new Gnosis deployment into our simulation platform, the recommendations below were made utilizing Chaos' supply and borrow cap framework for new assets and deployments, where we propose setting the Supply Cap at 2x the liquidity available under the Liquidation Penalty price impact. Given the observed liquidity of the suggested assets, we recommend:

- WXDAI, sDAI, USDC, EURE - doubling the supply cap and setting the borrow cap at 0.9*supply cap
- wstETH - increase supply cap to 5,000

Specification

Chain

Asset

Current Supply Cap

Recommended Supply Cap

Current Borrow Cap

Recommended Borrow Cap

Gnosis

wstETH

4,000

5,000

400

No Change

Gnosis

WXDAI

1,500,000

3,000,000

1,500,000

2,700,000

Gnosis

sDAI
1,500,000
3,000,000
N/A
N/A
Gnosis
USDC
1,000,000
2,000,000
1,000,000
1,800,000
Gnosis
EUR
500,000
1,000,000
500,000
900,000

Next Steps

Once we receive feedback from [@Gauntlet](#) on the above recommendations, we will move forward to implement these updates via the Risk Steward process.