Llama Month 1 Update

Hi everyone, we would like to share our monthly progress report and field any questions from the Aave community.

After a successful on-chain vote, we began our 12-month engagement with Aave DAO on October 9, 2022.

As a reminder, our areas of focus are:

- Treasury management
- Analytics
- Growth

You can view our [full proposal here](#).

Highlights

- Proposed & executed 3 on-chain proposals: [aFEI Holding Update](#), [Whitelist Balancer's Liquidity Mining Claim](#), [FEI Reserve Factor Update](#)
- Published 3 ARCs: [Aave v3 Polygon wMATIC Interest Rate Update](#), [BAL Interest Rate Curve Upgrade](#), [ERC4626 Strategies as Productive Collateral](#)
- Began work on scoping, designing and setting up cloud infrastructure (Data Storage and ETL Jobs) for the Data Warehouse.

Actions Taken This Month

Task

Actions Taken

Notes & Commentary

Strategic Partnerships

Progressed 100k BAL acquisition bonding curve smart contract

Awaiting external review

Strategic Partnerships

[Whitelist Balancer's Liquidity Mining Claim](#)

Enables Balancer DAO to retrieve the stkAAVE Liquidity Mining incentives distributed to Linear Pools in the Balancer Boosted Aave Pool.

Grow Aave's Revenue

Published [ARC](#) to update interest rates for Aave v3 Polygon's wMATIC pool

Increases the capital efficiency of the wMATIC Reserve by increasing the utilization of the pool and reducing borrowing costs.

Grow Aave's Revenue

Published [ARC](#) to amend BAL's interest rate parameters and enable borrowing of BAL on the Aave Ethereum v2 Liquidity Pool

New Collateral Types

Published [ARC](#) for ERC-4626 collateral type

Safety Module Performance

Progressed work on Safety Module analytics dashboard

Data Warehouse

Began work on scoping, designing and setting up cloud infrastructure (Data Storage and ETL Jobs)

Asset Listings

We supported Badger in their [ARC](#) to add BADGER to Aave V3.

While independent risk assessments are part of our work scope with Aave, governance work and proposal payloads for those asset listings are not. We are compensated separately to help protocols with that process. Llama will dedicate additional resources for this work with Badger.

Other Proposals

[aFEI Holding Update](#)

Allows for unwinding Aave's aFEI holding for DAI and depositing the DAI into the Aave v2 Ethereum Pool DAI Reserve.

Other Proposals

[FEI Reserve Factor Update](#)

The previous configuration of FEI's Reserve Factor at 100% did not accrue variable borrow debt and did not redirect the Reserve Factor fees to the Collector smart contract.

We thank the Aave community for their support! Please feel free to share any questions or feedback on our work.

If you'd like to get these updates directly to your email, sign up for our email list [here](#).