

title: [ARFC] Treasury Management - Add to rETH Holding

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## Summary

This publication proposes acquiring rETH with ETH held in the DAO's Ethereum Treasury.

## Abstract

This publication proposes converting a portion of the wETH, awETH and wEthWETH held in the Treasury to rETH.

A balance of 100 aEthWETH will remain in the Treasury to facilitate on going DAO expenses such as the [Quarterly Gas Rebate](#) and any other future expense that arise.

## Motivation

At the time of writing the Aave DAO has the following assets in the Ethereum Treasury:

Asset

Qty

Value (\$)

wETH

14.56

22,543.32

awETH

530.39

820,829.60

aEthWETH

510.45

789,962.05

The following assets are available to be claimed from the Paraswap Legacy Fees and Fee Claimer contract:

Asset

Qty

Value (\$)

wETH

4.53

7,011.99

wETH

10.8

16,717.32

This publication proposes converting all wETH, awETH and all but 100 aEthWETH to rETH. The 100 aEthWETH is to remain to support on going DAO funding.

The table below shows the yield differential between the various assets:

Asset

Yield (%)

wETH

0.00

awETH

1.26

aEthWETH

1.97

rETH

3.07

Based upon current market conditions, the additional yield generated by converting the assets as outlined to rETH is \$23,266.50.

Upon implementation of this [AREC](#), the additional yield generated is ~\$654.42, for the conservative and ~\$2,782.86, for the aggressive approach due to the reduction in deposit rates of approximately 10.3 bps and 33.5bps respectively. This does not take into consideration how the market will then adjust after the ETH v3 interest rate parameters are changed.

## Specification

The following is to be performed:

- Deposit all wETH into aEthWETH (Aave V3 wETH)
- Withdraw all awETH (Aave V2 wETH) into ETH
- Withdraw all but 100 aEthWETH (Aave V3 wETH) into ETH
- Deposit ETH into RocketPool's rETH
- Transfer rETH into collector

## Disclaimer

TokenLogic receives no compensation beyond Aave protocol for the creation of this proposal. TokenLogic is a delegate within the Aave ecosystem.

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