

Stability Scope Parameter Changes #10

[WBTC-A & C DC-IAM Gap]

Due to recent market dynamics which correspond to increased demand for borrowing, BA Labs is recommending to increase WBTC collateralized debt expansion potential in Maker Core.

WBTC on-chain liquidity is sufficient and the redemptions can additionally absorb selling pressure in the instance of larger volume of liquidations. The positions in [WBTC-A](#) and [WBTC-C](#) are well collateralized, 350% debt weighted CR and 434% debt weighted CR respectively. Additionally, only a small share of borrowed debt in mentioned vault types are “high risk”, meaning that the majority of positions would likely manage to prevent liquidation even in the case of historically significant drawdowns.

BA Labs recommends the Stability Facilitator to perform the following parameter changes to the DC-IAM Gap parameter, which can go directly to the upcoming executive vote according to the [language of the Stability Scope](#):

- WBTC-A: Increase the DC-IAM Gap by 2M from 2M to 4M dai
- WBTC-C: Increase the DC-IAM Gap by 6M from 2M to 8M dai