Aave Document Hub

Aave is a decentralized non-custodial liquidity protocol where users can participate as depositors or borrowers. Depositors provide liquidity to the market to earn a passive income, while borrowers are able to borrow in an overcollateralized (perpetually) or undercollateralized (one-block liquidity) fashion.

This Portal links to the key resources on Aave to understand the fundamentals of the Protocol. Please join the discussion onAave community Discord server; our team and members of the community look forward to helping you build on top of Aave.

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FAQ

Check Frequently Asked Questions for an introduction to Aave and its key features.

Aavenomics

The Aavenomics introduce a formalized path to the decentralization and autonomy of the Aave Protocol.

Governance Forum

This forum is dedicated to Aave's governance discussion for matters such as Aave Improvement Proposals (AIPs), risk factors, and general governance discussions.

Risk Framework

The Risk Framework analyses the fundamental risks of the protocol and describes the processes in place to mitigate them.

Asset Risk

Asset Risk goes over the implications of adding a new asset. Aave's methodology quantifies the risks of each asset assessing its fit as well as the appropriate risk parameters.

Asset Risk Parameters

Liquidity Risk

Liquidity Risk presents the liquidity risk mitigation strategies in place validating them by an analysis of the historical utilization of the protocol and the liquidity of aTokens.

Interest Rate Model

Aave's borrow interest rate model is central in the management of liquidity risk. As utilization rises, so do the borrow rates as a consequence of the higher price of capital. The Interest Rate Model is described with the parameters of each currencies.

Interest Rate Simulation

Aave's interest rate simulation spreadsheet where you can check protocol metrics and assess a loan.

Aave's Market Risk Assessment by Gauntlet

Gauntlet Network uses Agent Based Simulation to stress Aave V1, V2 and the Safety Module under stressed market conditions both in terms of price and market congestion. The simulations shows the Protocol is able to face extreme market conditions while maintaining solvency.

Developers

A deep dive into Aave's smart contracts to understand how the protocol works under the hood.

Glossary

Last updated5 months ago

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