

FUTURES ON DEFI

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# SHRUB.FINANCE

## BACKSTORY

- ▶ Celsius and BlockFi were popular services to earn interest and take loans on crypto
- ▶ They had product market fit with over 1 million users
- ▶ In 2022, due to fiscal irresponsibility both went bankrupt
- ▶ User funds were frozen including ours

## SHRUB

- ▶ Shrub is fixed-rate lending on DeFi
- ▶ Users enjoy the simplicity and predictability of fixed-rate loans
- ▶ Full transparency and auditability ensure funds are safe

## WHY FIXED-RATE

- ▶ **Predictability allows planning**

For big loans people need to be able to plan cash flow

- ▶ **Eliminates stress**

No need to check interest rates on a daily basis

- ▶ **Fixed-rate is the future of DeFi lending**

## MECHANISM

- ▶ Fixed-rate interest powered by a new primitive - USDC futures
- ▶ They follow the ERC-20 standard and have a maturity date
- ▶ They are redeemable 1:1 for USDC upon maturity

## EARN

- ▶ Earner can lock in long-term interest rates by buying futures
- ▶ Because borrower pays a premium for fixed-rate, earner enjoys a yield higher than variable rate

## BORROW

- ▶ Long-term borrowers prefer fixed-rate loans
- ▶ With Shrub, final amount due is known at time of loan allowing borrowers to plan
- ▶ Loan can be repaid early based on market price of futures

## MARKET

- ▶ Lending is the 2nd largest category in DeFi
- ▶ Currently all major DeFi lending platforms use variable rate
- ▶ \$12B - \$15B tied up with Celsius and BlockFi at time of bankruptcy

Lending TVL

DeFi \$13.6B

CeFi > \$12.0B



COMPETITION

	Info	TVL
CeFi Lending	Simple UX Opaque use of funds, High profile bankruptcies	>\$12B
Aave	Variable-rate lending	\$14B
Notional.finance	Fixed-rate lending but complicated	\$43 million

### DIFFERENTIATOR

- ▶ Shrub is hyper focused on the futures product
- ▶ For all other aspects, battle tested standards and protocols are being used
  - ▶ ERC20, ERC 721, Uniswap
- ▶ This significantly reduces the risk surface of Shrub

## ECOSYSTEM

- ▶ **Borrowers** - provide collateral to mint futures
- ▶ **Liquidity Providers** - provide liquidity on Uniswap for USDC/Futures pair
- ▶ **Earners** - swap USDC for futures

## SUPPLY AND DEMAND

- ▶ For the platform to work optimally, there is an important balance between borrowers, earners and LPs
- ▶ Shrub will use token incentives as a way to manage this balance

## USER-GROWTH

- ▶ 7000 organic discord members  
(0 marketing \$\$, all word of mouth)
- ▶ 2000 minted NFTs (early adopters)
- ▶ 61 fully grown Shrub NFTs
  - ▶ Required 3 months of daily app interaction
  - ▶ These are the Shrub super fans (Shrub's 1%)
  - ▶ Special insights from regular personal communication with this group



<https://gardens.shrub.finance/>

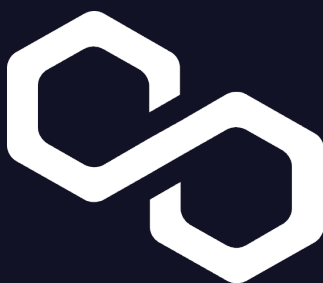
PARTNERSHIPS AND GRANTS

OWC



 NEAR

 *wyre*

 polygon

 polygon  
studios

### TIMELINE

- ▶ Feb-Jun 2023 - Platform building
- ▶ July 2023 - Shrub Testnet Launch
- ▶ October 2023 - Shrub Mainnet launch



## TEAM



John Guthrie

Builder in blockchain space since 2017, ran teams, managed platforms handling millions of dollars of daily volume at BitPay.

Saved NFT projects with contract audits, wrote the first on-chain dynamic NFT series, pioneered the innovative presale mechanism for NFT drops



Rachita Joshi

Builder in blockchain since 2017, part of architecture framework team VMware, shaped the UI/UX for the early crypto adopters at BitPay, Community, brand and UX at Shrub



## OUR MOTIVATION

- ▶ At Shrub, we envision a world where users are in control of their own money
- ▶ This is why we joined cryptocurrency space 5 years ago
- ▶ People shouldn't need to trust 3rd parties like Celsius and BlockFi in order to unlock the value of their crypto



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THANKS