

FUTURES ON DEFI



SHRUB.FINANCE

BACKSTORY

- ▶ Celcius 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 DeFi Celcius
- ▶ 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 Celcius 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

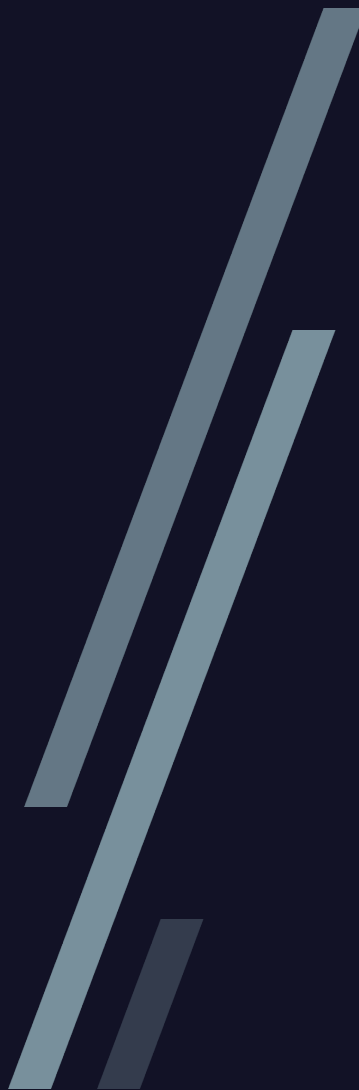
- ▶ Shrub has grown a community dedicated to decentralization
- ▶ Over 6000 twitter followers
- ▶ Over 7000 discord members



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

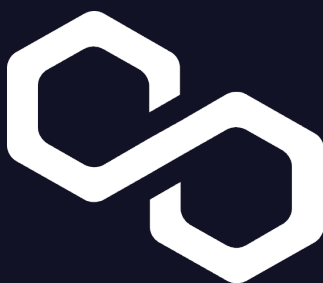
PARTNERSHIPS AND GRANTS

OWC



 NEAR

 *wyre*

 polygon

 polygon
studios

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, creator of community, brand and UX at Shrub

TIMELINE

- ▶ Feb-Jun 2023 - User research (underway) and platform building
- ▶ July 2023 - Shrub Testnet Launch
- ▶ October 2023 - Shrub Mainnet launch

OUR MOTIVATION

- ▶ Shrub was founded with one fundamental thought, "The only one who should be in control of your money is you"
- ▶ For far too long users have trusted centralized agencies with their money only to lose it all
- ▶ It is time to change that
- ▶ But in the words of MK Gandhi, "You must be the change you wish to see in the world."
- ▶ At Shrub, we envision a world where users are in control of their own money.
- ▶ We are on a mission to create products where trust resides in the code, transparency, and auditability is the standard and community has the ownership.



THANKS