



February 2023 Financials

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What is Aave?

"Aave is an open source and non-custodial liquidity protocol for earning interest on deposits and borrowing assets"



Monthly Insights



Annualized Revenue

On February's actual data, the annualized revenue of the Aave Pools is **\$15.7M**. This includes all v1, v2 and v3 deployments.

These number do not include the revenue generating potential of GHO.

Revenue has been forecast using the average revenue generated per network over the last 4 months and extrapolated to cover a full 12 month period going forward.

Do note, these numbers serve as a guide and reflect only the methodology applied.

Ethereum Network



Annualized revenue
\$13.8M

Polygon Network



Annualized revenue
\$513.0K

Avalanche Network



Annualized revenue
\$980.6K

Harmony Network



Annualized revenue
\$74.0K

Fantom Network



Annualized revenue
\$3.0K

Arbitrum Network



Annualized revenue
\$72.5K

Optimism Network



Annualized revenue
\$276.2K

Total Annualised Revenue



Annualized revenue
\$15.7M

Aave Pools Overview

Total Deposits (All Pools)

\$6.8B

Stable rate loans (All Pools)

\$26.9M

Variable rate loans (All Pools)

\$2.1B

Total Borrowed (All Pools)

\$2.2B

Chain	Version	Launch Date
Ethereum	aave_rwa	2021-12-10
Ethereum	aave_amm	2021-03-08
Ethereum	aave_v2	2020-12-01
Ethereum	aave_v3	2023-01-29
Ethereum	aave_arc	2021-10-17
Fantom	aave_v3	2022-03-11
Polygon	aave_v3	2022-03-11
Avalanche	aave_v3	2022-03-11
Harmony	aave_v3	2022-03-11
Arbitrum	aave_v3	2022-03-11
Optimism	aave_v3	2022-03-11
Avalanche	aave_v2	2021-09-20
Ethereum	aave_v1	2020-01-08
Ethereum	aave_v3	2023-01-27

Aave Protocol Deposits, Loans & TVL



Chain	Total Deposits	Total Loans	Utilization Rate	TVL	Variable Rate Loans	Stable Rate Loans
Ethereum	5,681,618,939.55	1,784,229,209.67	31.4%	3,897,389,729.88	1,765,220,981.8	19,008,227.87
Avalanche	560,399,174.52	208,390,242.08	37.19%	352,008,932.44	203,718,841.04	4,671,401.04
Polygon	406,948,318.2	110,586,730.82	27.17%	296,361,587.38	109,205,434.85	1,381,295.97
Optimism	106,876,680.85	21,409,880.64	20.03%	85,466,800.22	20,591,688.67	818,191.97
Arbitrum	79,965,398.88	24,528,814.26	30.67%	55,436,584.62	23,541,767.44	987,046.82
Fantom	1,357,012.48	129,792.62	9.56%	1,227,219.86	128,678.3	1,114.32
Harmony	2,609,344.12	1,480,042.62	56.72%	1,129,301.5	1,479,918.6	124.02

Aave Protocol TVL by Chain



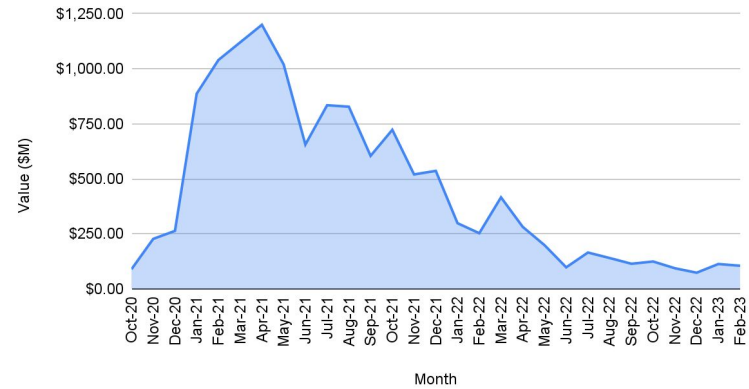
AAVE 

Financial Accounts



Ecosystem Reserve

Aave Ecosystem Reserve over time



Price action across the crypto market has caused a decline in the Ecosystem Reserve since the beginning of 2022. This is a result of a concentrated AAVE holding within the treasury, reduced balance, and market pricing.

Coupled with this there were payments made in Aave from the ecosystem reserve to third parties service providers contributing to the decline in holdings.

Treasury Balance and Contract Information

Treasury Information

Category	Value
AAVE Contract address	0x7fc66500c84a76ad7e9c93437bfc5ac33e2ddae9
Treasury Balance (USD)	\$144.1M

Aave Token information

Category	Value
Name	AAVE
Symbol	AAVE
Type	ERC-20
Holders	439,717
Current Price (USD)	77.87
Transfers Count	1,924,496
Senders	316,461
Receivers	439,655
Total supply	16,000,000
First transfer	2020-10-02
Latest transfer	2023-02-28

Disclaimer - all information stated above was correct as of 2023-02-28 using information from Flipside Crypto

Aave Treasury

A Detailed Holding Summary

Symbol	EOM Balance	Holdings
TOKENS	\$	%
AAVE	109,507,209	75.98
USDC	10,444,906	7.25
DAI	10,084,065	7.0
USDT	6,943,325	4.82
Other Assets	2,786,292	1.93
ETH	2,519,022	1.75
CRV	646,787	0.45
WAVAX	645,284	0.45
WBTC	261,206	0.18
WMATIC	220,792	0.15
Other Stables	75,798	0.05
Total	\$144.1M	100



Detailed Profit or (Loss) Across All Pools



Income Statement (January - February 2023)



	January	February	YTD
Revenue	\$	\$	\$
Ethereum - V3	417	24,902	25,319
Ethereum - V2	1,364,667	610,798	1,975,465
Ethereum - V1	204,402	297,057	501,459
Ethereum - RWA	34	2,079	2,113
Ethereum - ARC	0	0	0
Ethereum - AMM	424	351	775
Polygon - V3	16,248	20,685	36,933
Polygon - V2	20,259	31,300	51,559
Avalanche - V3	60,315	60,675	120,990
Avalanche - V2	8,099	8,059	16,158
Optimism - V3	60,192	4,420	64,612
Arbitrum - V3	5,734	8,156	13,890
Fantom - V3	175	171	346
Harmony - V3	706	126	832
Total Revenue	1,741,672	1,068,780	2,810,452
Cost of Sales			
Liquidity Incentives	72,924	82,300	155,224
Staking rewards	2,279,026	2,426,047	4,705,073
Third party expenses	4,310,808	394,616	4,705,424
Total Cost of Sales	6,662,758	2,902,963	9,565,721
Gross Profit/(Loss)	(4,921,086)	(1,834,183)	(6,755,269)



Tokenflow Statement



Tokenflow Statement



	January	February	YTD
Economic Reserve	\$	\$	\$
Inflows	0	0	0
Outflows	(2,711,359)	(2,534,224)	(5,245,583)
Net Flows	(2,711,359)	(2,534,224)	(5,245,583)
All Other Reserves	\$	\$	\$
Inflows	1,714,178	1,025,879	2,740,057
Outflows	(4,667,462)	(822,995)	(5,490,457)
Net Flows	(2,953,284)	202,884	(2,750,400)

AAVE 

Pool Analysis



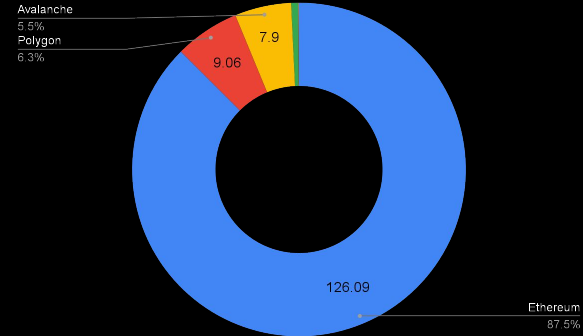
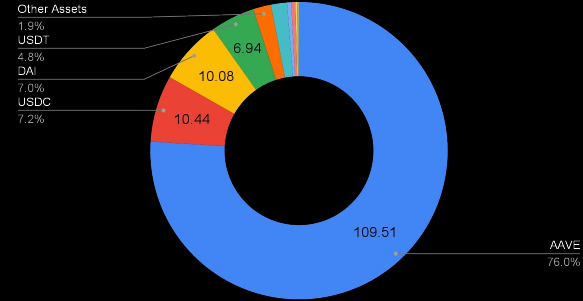
Treasury Assets - All Networks USD (m)

Treasury assets across all networks have been included within the analysis and breakdown. We have split the treasury by asset and also by chain. This includes the following;

- Aave Ecosystem Reserve
- Arbitrum
- Avalanche
- Fantom
- Harmony
- Optimism
- Polygon

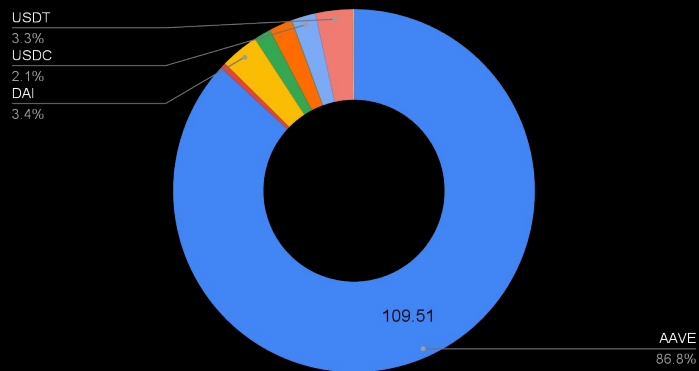
The treasury composition is largely Aave (**75.97 %**) and stablecoin assets (**19.11 %**).

Aave Treasury Assets (\$)

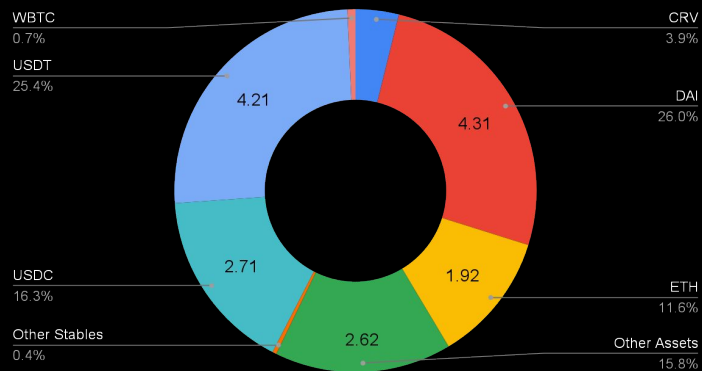


Assets by Network - Ethereum (\$m)

Ethereum Network Reserve incl. Ecosystem Reserve % (\$)

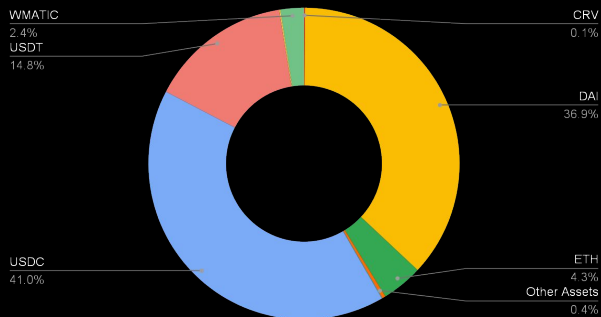


Reserve Factor Holdings % (\$)



Assets by Network - Polygon

Polygon Network Reserve % (\$)



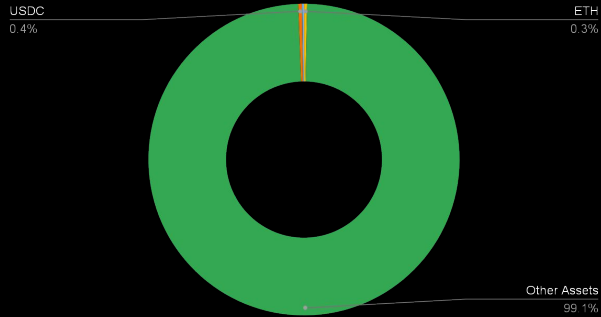
Polygon Reserve over time (EOM \$ Value)



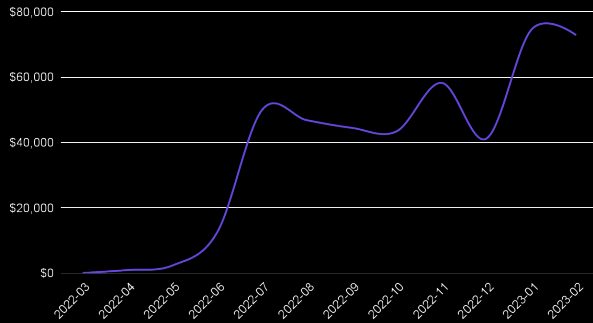
Symbol	EOM Balance	Increase/(Decrease) from January
TOKENS	\$	%
USDC	3,712,050	0.37
DAI	3,339,937	(0.21)
USDT	1,341,809	0.13
ETH	386,177	1.35
WMATIC	220,792	15.64
Other Assets	32,705	23.02
WBTC	11,089	1.82
CRV	9,396	60.29
Other Stables	5,150	16.42
AAVE	659	(5.96)
TOTAL	9,059,764	

Assets by Network - Harmony

Harmony Network Reserve % (\$)



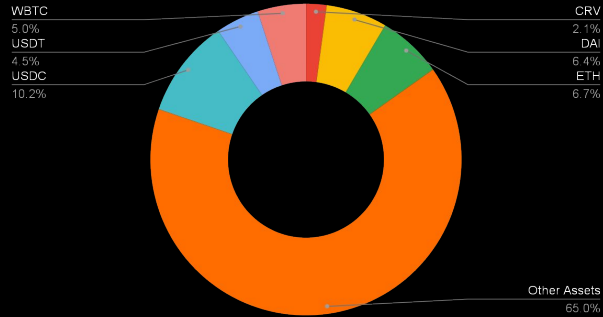
Harmony Reserve over time (EOM \$ Value)



Symbol	EOM Balance	Increase/(Decrease) from January
TOKENS	\$	%
Other Assets	72,206	(2.27)
USDC	271	6.91
ETH	223	1.27
WBTC	116	0.12
USDT	44	0
DAI	9	0.03
AAVE	0	(nan)
TOTAL	72,869	

Assets by Network - Fantom

Fantom Network Reserve % (\$)



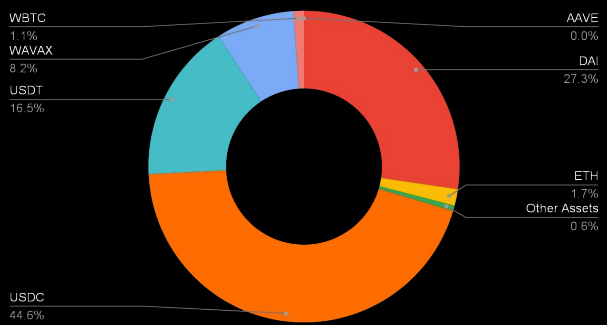
Fantom Reserve over time (EOM \$ Value)



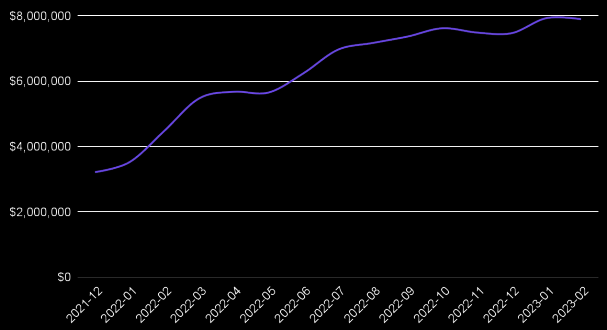
Symbol	EOM Balance	Increase/(Decrease) from January
TOKENS	\$	%
Other Assets	13,061	(20.12)
USDC	2,050	0.62
ETH	1,345	1.18
DAI	1,280	11.61
WBTC	1,011	0.67
USDT	907	0.15
CRV	425	(2.42)
AAVE	2	(6.17)
TOTAL	20,081	

Assets by Network - Avalanche

Avalanche Network Reserve % (\$)



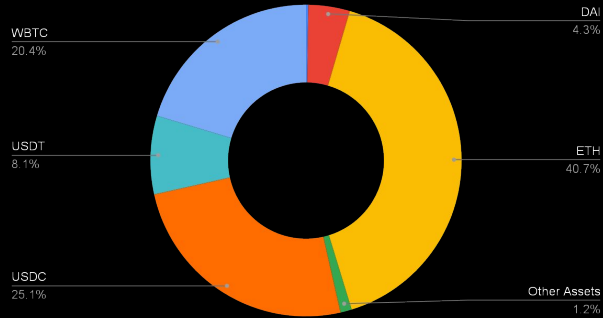
Avalanche Reserve over time (EOM \$ Value)



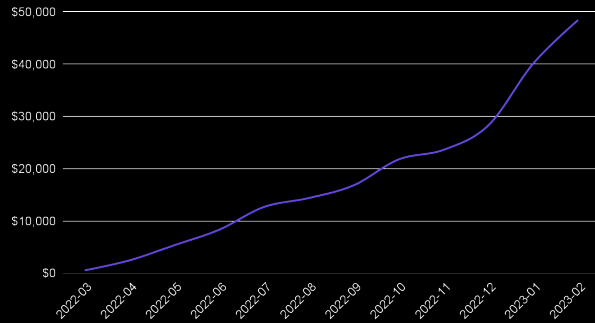
Symbol	EOM Balance	Increase/(Decrease) from January
TOKENS	\$	%
USDC	3,523,351	0.7
DAI	2,157,961	0.14
USDT	1,306,449	1.51
WAVAX	645,284	(11.91)
ETH	136,269	2.16
WBTC	85,209	2.61
Other Assets	44,624	4.49
AAVE	25	(6.56)
TOTAL	7,899,172	

Assets by Network - Arbitrum

Arbitrum Network Reserve % (\$)



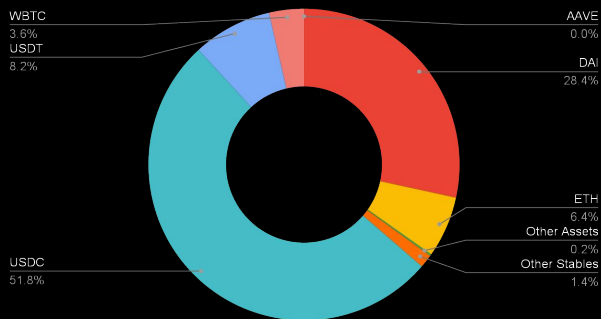
Arbitrum Reserve over time (EOM \$ Value)



Symbol	EOM Balance	Increase/(Decrease) from January
TOKENS	\$	%
ETH	19,781	13.18
USDC	12,179	25.32
WBTC	9,893	28.75
USDT	3,949	26.59
DAI	2,091	29.69
Other Assets	567	8.63
AAVE	116	(6.45)
TOTAL	48,576	

Assets by Network - Optimism

Optimism Network Reserve % (\$)



Optimism Reserve over time (EOM \$ Value)



Symbol	EOM Balance	Increase/(Decrease) from January
TOKENS	\$	%
USDC	489,745	0.36
DAI	268,452	0.14
USDT	77,752	1.72
ETH	60,163	2.32
WBTC	34,248	0.23
Other Stables	13,046	1.33
Other Assets	1,601	3.49
AAVE	18	(6.1)
TOTAL	945,025	

Notes to Financial Statements

Income

Income includes:

- Protocol fees received - Reserve Factor income for V1, V2, AMM, ARC & RWA, Liquidations income from V3
- Protocol fees accrued - Reserve Factor income for V3 - these are accrued in the V3 contracts rather than an explicit token transfer as per earlier versions. These fees are harvested by Aave manually via `MintToTreasury()` calls. V3 fees are only shown as accrued fees in the income statement, and become tokenflows when a `MintToTreasury()` is called (see `May tokens_in` on Avalanche V3)
- aToken interest accrued - aTokens held by treasury contracts attract interest the same as a normal user deposit in Aave

Expenses

Expenses include:

- LM rewards paid in AAVE tokens from the V2 Incentives Controller contract on deposits & borrows in Aave V2
- Staking rewards paid in AAVE tokens to `stkAAVE` holders, paid from the Ecosystem Reserve
- Staking rewards paid in AAVE tokens to stakers of the Balancer Pool tokens in the Safety Module, paid from the Ecosystem Reserve
- Direct payments from the Treasury contracts to third parties (BGD, Aave Grants DAO etc), paid in aTokens or other denominations (USDC etc). These are tagged as 'Aave V2' below as they normally come from the Aave V2 Treasury contract.
- Direct payments from the Ecosystem Reserve to third parties (BGD, Aave Grants DAO etc), paid in AAVE tokens

Expenses do not include LM rewards on other chains (`wMATIC` on Polygon, `wAAVE` on Avax, `wCFG` on RWA etc) as these are funded by third parties to drive liquidity onto their platforms.

Please note that staking and LM rewards reported are only those which are *claimed* in that period, and do not include future liabilities that are accrued and not yet claimed. This may be incorporated in later reporting cycles if there is demand.

Appendix - Wallet addresses used

Network	Version	Address
Arbitrum	Aave V3	0x053D55f9B5AF8694c503EB288a1B7E552f590710
Avalanche	Aave V2	0x467b92aF281d14cB6809913AD016a607b5ba8A36
Avalanche	Aave V3	0x5ba7fd868c40c16f7aDfAe6CF87121E13FC2F7a0
Ethereum	Aave AMM	0x464C71f6c2F760DdA6093dCB91C24c39e5d6e18c
Ethereum	Aave ARC	0x464C71f6c2F760DdA6093dCB91C24c39e5d6e18c
Ethereum	Aave RWA	0x464C71f6c2F760DdA6093dCB91C24c39e5d6e18c
Ethereum	Aave V1	0x464C71f6c2F760DdA6093dCB91C24c39e5d6e18c
Ethereum	Aave V1	0xE3d9988F676457123C5fD01297605efdD0Cba1ae
Ethereum	Aave V2	0x464C71f6c2F760DdA6093dCB91C24c39e5d6e18c
Ethereum	Aave V3	0x464C71f6c2F760DdA6093dCB91C24c39e5d6e18c
Ethereum	Ecosystem Reserve	0x25F2226B597E8F9514B3F68F00f494cF4f286491
Ethereum	V2 Incentives Controller	0xd784927Ff2f95ba542BfC824c8a8a98F3495f6b5
Fantom	Aave V3	0xBe85413851D195fC6341619cD68BfDc26a25b928
Harmony	Aave V3	0x8A020d92D6B119978582BE4d3EdFdC9F7b28BF31
Optimism	Aave V3	0xB2289E329D2F85F1eD31Adbb30eA345278F21bcf
Polygon	Aave V2	0x7734280A4337F37Fbf4651073Db7c28C80B339e9
Polygon	Aave V3	0xe8599F3cc5D38a9aD6F3684cd5CEa72f10Dbc383

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