



# July 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 July's actual data, the annualized revenue of the Aave Pools is **\$39.5M**. 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  
**\$26.3M**

## Polygon Network



Annualized revenue  
**\$973.1K**

## Avalanche Network



Annualized revenue  
**\$788.9K**

## Harmony Network



Annualized revenue  
**\$7.0K**

## Fantom Network



Annualized revenue  
**\$6.0K**

## Arbitrum Network



Annualized revenue  
**\$11.3M**

## Optimism Network



Annualized revenue  
**\$173.5K**

## Total Annualized Revenue



Annualized revenue  
**\$39.5M**

# Aave Pools Overview

Total Deposits (All Pools)

**\$8.2B**

Stable rate loans (All Pools)

**\$26.2M**

Variable rate loans (All Pools)

**\$2.8B**

Total Borrowed (All Pools)

**\$2.8B**

## Aave Protocol Deposits, Loans & TVL

1m 3m YTD 1y all



| Chain     | Version  | Launch Date |
|-----------|----------|-------------|
| Ethereum  | aave_v3  | 2023-01-29  |
| Ethereum  | aave_rwa | 2021-12-10  |
| Ethereum  | aave_amm | 2021-03-08  |
| Ethereum  | aave_arc | 2021-10-17  |
| Ethereum  | aave_v2  | 2020-12-01  |
| 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  |

| Chain     | Total Deposits   | Total Loans      | Utilization Rate | TVL              | Variable Rate Loans | Stable Rate Loans |
|-----------|------------------|------------------|------------------|------------------|---------------------|-------------------|
| Ethereum  | 7,066,069,337.02 | 2,397,337,282.67 | 33.93%           | 4,668,732,054.34 | 2,380,960,239.8     | 16,377,042.88     |
| Polygon   | 431,427,270.31   | 133,252,978.24   | 30.89%           | 298,174,292.07   | 131,062,974.55      | 2,190,003.68      |
| Avalanche | 299,140,948.91   | 93,349,117.21    | 31.21%           | 205,791,831.7    | 92,126,316.1        | 1,222,801.12      |
| Arbitrum  | 264,648,475.7    | 108,981,079.71   | 41.18%           | 155,667,395.99   | 103,344,289.27      | 5,636,790.44      |
| Optimism  | 136,756,059.19   | 52,260,994.13    | 38.21%           | 84,495,065.06    | 51,511,147.45       | 749,846.69        |
| Harmony   | 2,146,849.17     | 1,034,874.48     | 48.2%            | 1,111,974.69     | 1,034,723.9         | 150.58            |
| Metis     | 1,114,758.9      | 251,213.88       | 22.54%           | 863,545.03       | 251,213.88          | 0.0               |
| Fantom    | 248,989.09       | 42,322.77        | 17.0%            | 206,666.32       | 41,255.55           | 1,067.21          |

## Aave Protocol TVL by Chain

1m 3m YTD 1y all



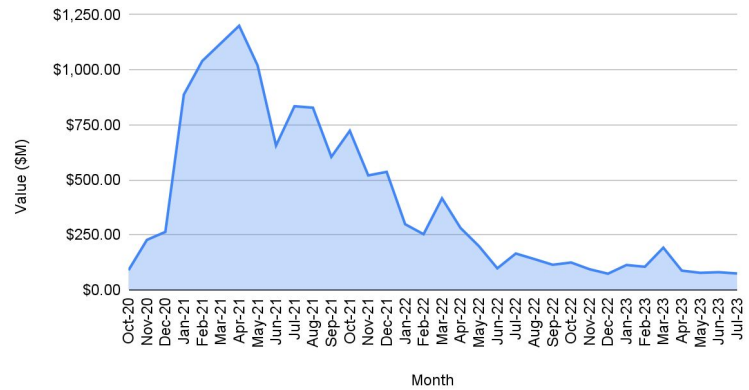
AAVE 

# Financial Accounts



# Ecosystem Reserve

Aave Ecosystem Reserve over time





# Treasury Balance and Contract Information

## Treasury Information

| Category                      | Value                                      |
|-------------------------------|--|
| <b>AAVE Contract address</b>  | 0x7fc66500c84a76ad7e9c93437bfc5ac33e2ddae9 |
| <b>Treasury Balance (USD)</b> | \$117.1M                                   |

## Aave Token information

| Category                   | Value      |
|----------------------------|------------|
| <b>Name</b>                | AAVE       |
| <b>Symbol</b>              | AAVE       |
| <b>Type</b>                | ERC-20     |
| <b> Holders</b>            | 468,502    |
| <b>Current Price (USD)</b> | 65.36      |
| <b>Transfers Count</b>     | 2,076,739  |
| <b>Senders</b>             | 345,764    |
| <b>Receivers</b>           | 468,201    |
| <b>Total supply</b>        | 16,000,000 |
| <b>First transfer</b>      | 2020-10-02 |
| <b>Latest transfer</b>     | 2023-07-31 |

Disclaimer - all information stated above was correct as of 2023-07-31 using information from Flipside Crypto

# Aave Treasury

A Detailed Holding Summary

| Symbol        | EOM Balance     | Holdings   |
|---------------|-----------------|------------|
| TOKENS        | \$              | %          |
| AAVE          | 77,961,125      | 66.56      |
| Other Assets  | 10,178,740      | 8.69       |
| DAI           | 9,657,956       | 8.25       |
| USDC          | 8,385,056       | 7.16       |
| USDT          | 7,692,299       | 6.57       |
| ETH           | 1,242,594       | 1.06       |
| WAVAX         | 598,991         | 0.51       |
| CRV           | 553,468         | 0.47       |
| WBTC          | 453,631         | 0.39       |
| WMATIC        | 226,641         | 0.19       |
| Other Stables | 183,090         | 0.16       |
| <b>Total</b>  | <b>\$117.1M</b> | <b>100</b> |



# Detailed Profit or (Loss) Across All Pools



# Income Statement ( January - July 2023 )



|                             | Q1          | April     | May         | June      | July      | YTD        |
|-----------------------------|-------------|-----------|-------------|-----------|-----------|------------|
| <b>Revenue</b>              | \$          | \$        | \$          | \$        | \$        | \$         |
| Metis - V3                  | 0           | 0         | 20          | 32        | 48        | 100        |
| Ethereum - V3               | 136,019     | 178,963   | 213,146     | 249,454   | 310,780   | 1,088,361  |
| Ethereum - V2               | 5,866,760   | 747,384   | 737,997     | 712,037   | 5,564,035 | 13,628,213 |
| Ethereum - V1               | 518,417     | 3         | 0           | 18,780    | (5,555)   | 531,644    |
| Ethereum - ARC              | 0           | 0         | 0           | 0         | 0         | 0          |
| Ethereum - RWA              | 2,401       | 1,171     | 775         | 44        | 1,485     | 5,876      |
| Ethereum - AMM              | 1,255       | 192       | 334         | 785       | 969       | 3,535      |
| Polygon - V3                | 74,390      | 38,024    | 42,477      | 63,717    | 51,586    | 270,195    |
| Polygon - V2                | 87,264      | 24,263    | 22,176      | 20,808    | 48,529    | 203,041    |
| Avalanche - V3              | 185,662     | 41,430    | 44,954      | 57,875    | 47,831    | 377,752    |
| Avalanche - V2              | 28,661      | 9,162     | 12,866      | 24,760    | 18,289    | 93,738     |
| Optimism - V3               | 77,862      | 9,249     | 12,740      | 14,562    | 18,918    | 133,332    |
| Arbitrum - V3               | 37,525      | 3,656,240 | 25,965      | 34,556    | 40,989    | 3,795,275  |
| Fantom - V3                 | 855         | 452       | 648         | 467       | 352       | 2,774      |
| Harmony - V3                | 930         | 156       | 87          | 1,637     | 467       | 3,278      |
| <b>Total Revenue</b>        | 7,018,001   | 4,706,689 | 1,114,187   | 1,199,514 | 6,098,724 | 20,137,115 |
| <b>Cost of Sales</b>        |             |           |             |           |           |            |
| Liquidity Incentives        | 0           | 0         | 0           | 0         | 0         | 0          |
| Staking rewards             | 0           | 0         | 0           | 0         | 0         | 0          |
| <b>Third party expenses</b> | 9,807,263   | 290,928   | 2,230,880   | 2,091,840 | 6,614,842 | 21,035,754 |
| <b>Total Cost of Sales</b>  | 9,807,263   | 290,928   | 2,230,880   | 2,091,840 | 6,614,842 | 21,035,754 |
| <b>Gross Profit/(Loss)</b>  | (2,789,262) | 4,415,761 | (1,116,693) | (892,326) | (516,118) | (898,639)  |



# Tokenflow Statement



## Tokenflow Statement



|                           | Q1          | April       | May         | June        | July        | YTD          |
|---------------------------|-------------|-------------|-------------|-------------|-------------|--------------|
| <b>Ecosystem Reserve</b>  | \$          | \$          | \$          | \$          | \$          | \$           |
| Inflows                   | 0           | 0           | 0           | 0           | 0           | 0            |
| Outflows                  | (8,931,065) | (1,397,379) | (2,940,173) | (2,411,315) | (3,447,432) | (19,127,364) |
| <b>Net Flows</b>          | (8,931,065) | (1,397,379) | (2,940,173) | (2,411,315) | (3,447,432) | (19,127,364) |
| <b>All Other Reserves</b> | \$          | \$          | \$          | \$          | \$          | \$           |
| Inflows                   | 6,848,214   | 11,798,328  | 5,468,982   | 1,584,677   | 6,192,375   | 31,892,575   |
| Outflows                  | (9,661,810) | (9,277,594) | (4,958,752) | (2,010,856) | (5,650,609) | (31,559,620) |
| <b>Net Flows</b>          | (2,813,596) | 2,520,734   | 510,230     | (426,179)   | 541,766     | 332,955      |

AAVE 

# Pool Analysis



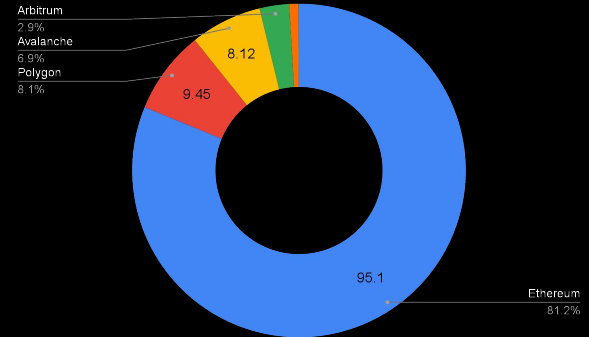
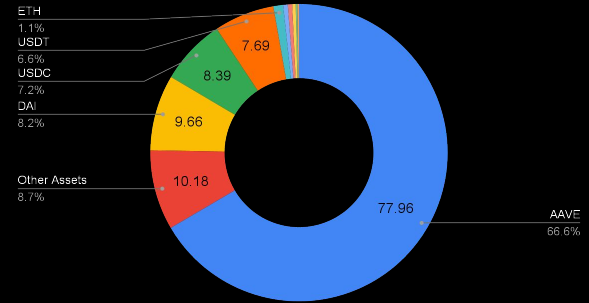
# Treasury Assets - All Networks USD (m)

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
- Metis

The treasury composition is largely Aave (**66.56 %**) and stablecoin assets (**22.13 %**).

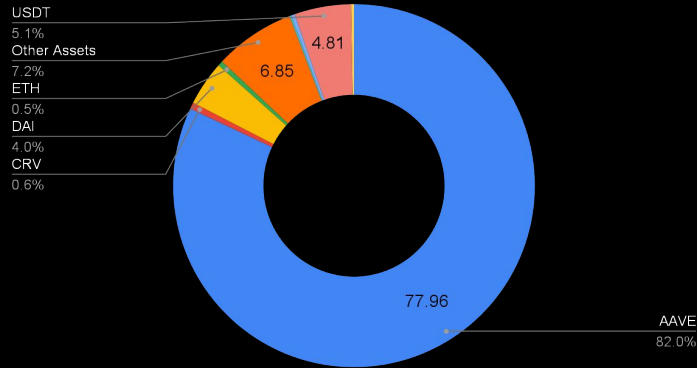
Aave Treasury Assets (\$)



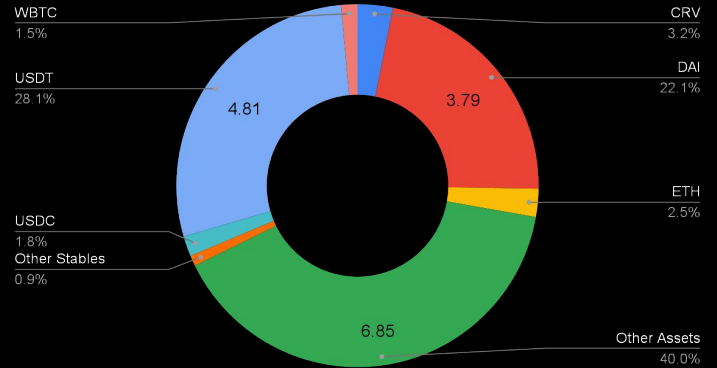


# Assets by Network - Ethereum (\$m)

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

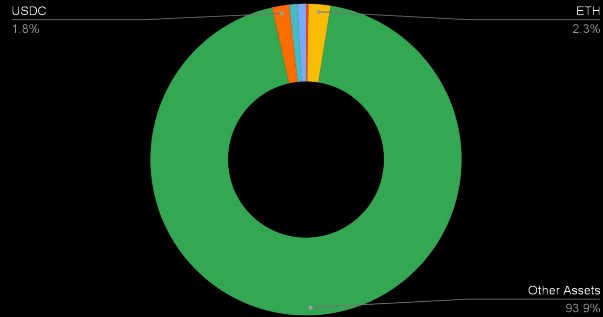


Reserve Factor Holdings % (\$)

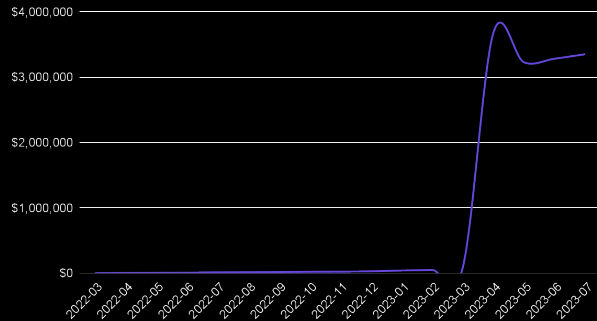


# Assets by Network - Arbitrum

Arbitrum Network Reserve % (\$)



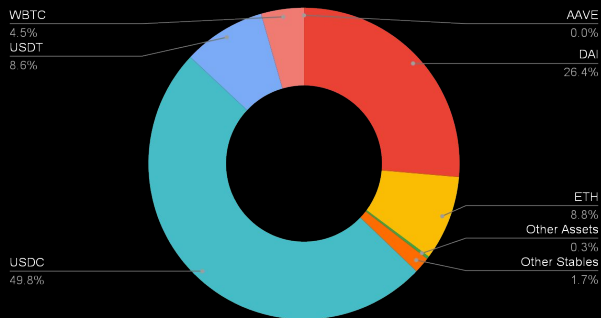
Arbitrum Reserve over time (EOM \$ Value)



| Symbol | EOM Balance | Increase/(Decrease) from June |
|--------|-------------|-------------------------------|
| TOKENS | \$          | %                             |
| ARB    | 3,149,793   | 0.99                          |
| ETH    | 76,554      | 22.97                         |
| USDC   | 60,281      | 33.61                         |
| WBTC   | 29,618      | 3.29                          |
| USDT   | 27,904      | 23.83                         |
| DAI    | 8,383       | 31.58                         |
| AAVE   | 115         | 0                             |
| TOTAL  | 3,352,648   |                               |

# Assets by Network - Optimism

Optimism Network Reserve % (\$)



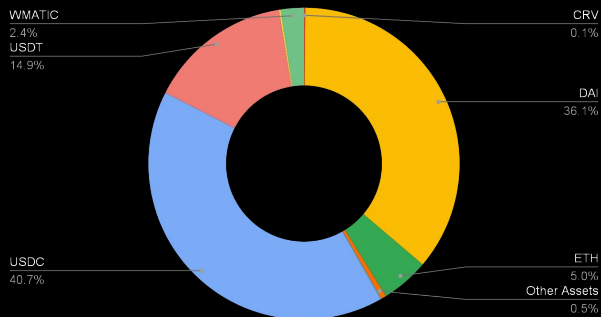
Optimism Reserve over time (EOM \$ Value)



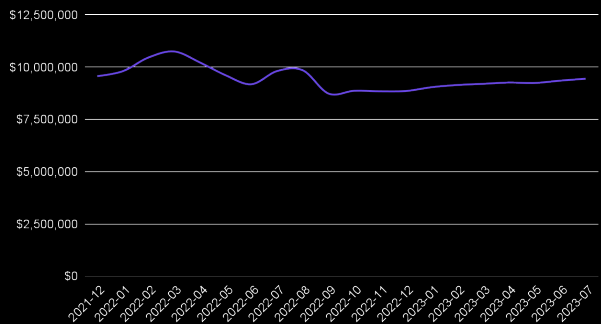
| Symbol        | EOM Balance | Increase/(Decrease) from June |
|---------------|-------------|-------------------------------|
| TOKENS        | \$          | %                             |
| USDC          | 515,599     | 1.21                          |
| DAI           | 272,970     | 0.48                          |
| ETH           | 91,144      | 6.32                          |
| USDT          | 88,850      | 2.31                          |
| WBTC          | 46,090      | (2.34)                        |
| Other Stables | 17,375      | 6.66                          |
| Other Assets  | 2,836       | 40.77                         |
| AAVE          | 32          | (3.85)                        |
| TOTAL         | 1,034,896   |                               |

# Assets by Network - Polygon

Polygon Network Reserve % (\$)



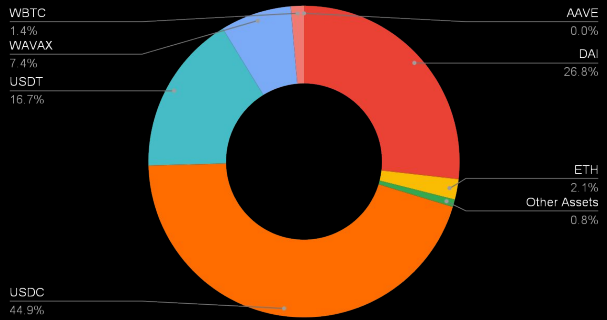
Polygon Reserve over time (EOM \$ Value)



| Symbol        | EOM Balance      | Increase/(Decrease) from June |
|---------------|------------------|-------------------------------|
| TOKENS        | \$               | %                             |
| USDC          | 3,845,730        | 0.7                           |
| DAI           | 3,408,932        | 0.67                          |
| USDT          | 1,407,854        | 1.4                           |
| ETH           | 470,361          | (1.47)                        |
| WMATIC        | 226,641          | 16.24                         |
| Other Assets  | 50,480           | 4.6                           |
| WBTC          | 19,182           | 1.37                          |
| CRV           | 11,744           | (13.92)                       |
| Other Stables | 7,629            | 6.07                          |
| AAVE          | 686              | (3.28)                        |
| <b>TOTAL</b>  | <b>9,449,239</b> |                               |

# Assets by Network - Avalanche

Avalanche Network Reserve % (\$)



Avalanche Reserve over time (EOM \$ Value)



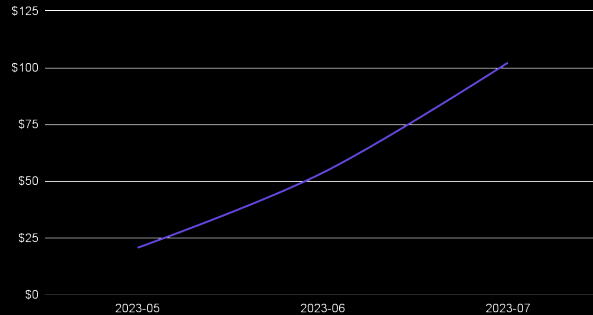
| Symbol       | EOM Balance | Increase/(Decrease) from June |
|--------------|-------------|-------------------------------|
| TOKENS       | \$          | %                             |
| USDC         | 3,646,584   | 0.79                          |
| DAI          | 2,177,362   | 0.17                          |
| USDT         | 1,353,157   | 0.58                          |
| WAVAX        | 598,991     | 3                             |
| ETH          | 172,182     | (1.62)                        |
| WBTC         | 111,495     | (2.99)                        |
| Other Assets | 62,768      | (2.21)                        |
| AAVE         | 44          | 17.54                         |
| TOTAL        | 8,122,583   |                               |

# Assets by Network - Metis

Metis Network Reserve % (\$)



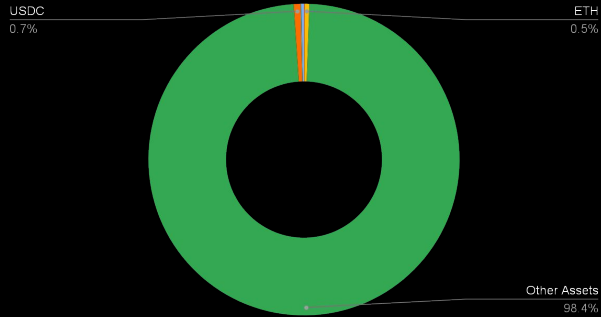
Metis Reserve over time (EOM \$ Value)



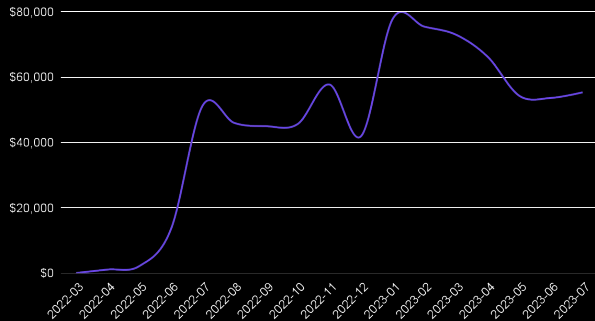
| Symbol       | EOM Balance | Increase/(Decrease) from June |
|--------------|-------------|-------------------------------|
| TOKENS       | \$          | %                             |
| Other Assets | 102         | 90.38                         |
| TOTAL        | 102         |                               |

# Assets by Network - Harmony

Harmony Network Reserve % (\$)



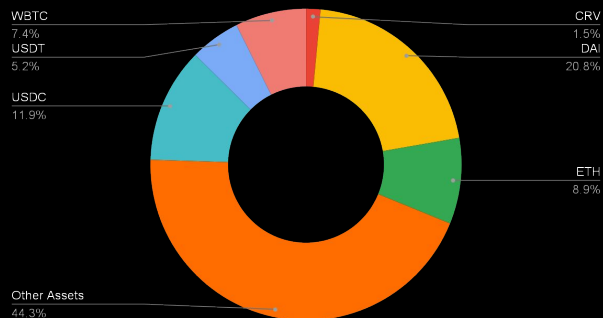
Harmony Reserve over time (EOM \$ Value)



| Symbol       | EOM Balance | Increase/(Decrease) from June |
|--------------|-------------|-------------------------------|
| TOKENS       | \$          | %                             |
| Other Assets | 54,495      | 3.16                          |
| USDC         | 394         | 11.12                         |
| ETH          | 276         | (1.88)                        |
| WBTC         | 149         | (3.09)                        |
| USDT         | 45          | (0.04)                        |
| DAI          | 29          | 243.42                        |
| AAVE         | 4           | 19,889,037,809,151.38         |
| TOTAL        | 55,392      |                               |

# Assets by Network - Fantom

Fantom Network Reserve % (\$)



Fantom Reserve over time (EOM \$ Value)



| Symbol       | EOM Balance | Increase/(Decrease) from June |
|--------------|-------------|-------------------------------|
| TOKENS       | \$          | %                             |
| Other Assets | 7,806       | (19.37)                       |
| DAI          | 3,655       | 12.63                         |
| USDC         | 2,098       | 0.52                          |
| ETH          | 1,569       | (3.35)                        |
| WBTC         | 1,299       | (3.08)                        |
| USDT         | 920         | 0.13                          |
| CRV          | 262         | (19.67)                       |
| AAVE         | 2           | (7.76)                        |
| TOTAL        | 17,611      |                               |



# 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 to Aave's treasury by Llama via automated `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 accounting is done on a cash basis. For example, 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.

# Appendix - Wallet addresses used


| Network   | Version                  | Address                                    |
|-----------|--------------------------|--|
| Arbitrum  | Aave V3                  | 0x053d55f9b5af8694c503eb288a1b7e552f590710 |
| Arbitrum  | Paraswap Fee Claimer     | 0x9abf798f5314bfd793a9e57a654bed35af4a1d60 |
| Avalanche | Aave V2                  | 0x467b92af281d14cb6809913ad016a607b5ba8a36 |
| Avalanche | Aave V2                  | 0x5ba7fd868c40c16f7adfae6cf87121e13fc2f7a0 |
| Avalanche | Aave V3                  | 0x5ba7fd868c40c16f7adfae6cf87121e13fc2f7a0 |
| Avalanche | Paraswap Fee Claimer     | 0x9abf798f5314bfd793a9e57a654bed35af4a1d60 |
| Ethereum  | Aave AMM                 | 0x464c71f6c2f760dda6093dcb91c24c39e5d6e18c |
| Ethereum  | Aave ARC                 | 0x464c71f6c2f760dda6093dcb91c24c39e5d6e18c |
| Ethereum  | Aave RWA                 | 0x464c71f6c2f760dda6093dcb91c24c39e5d6e18c |
| Ethereum  | Aave V1                  | 0xe3d9988f676457123c5fd01297605efdd0cba1ae |
| Ethereum  | Aave V1                  | 0x464c71f6c2f760dda6093dcb91c24c39e5d6e18c |
| Ethereum  | Aave V2                  | 0x464c71f6c2f760dda6093dcb91c24c39e5d6e18c |
| Ethereum  | Aave V3                  | 0x464c71f6c2f760dda6093dcb91c24c39e5d6e18c |
| Ethereum  | Ecosystem Reserve        | 0x25f2226b597e8f9514b3f68f00f494cf4f286491 |
| Ethereum  | Incentives Controller V2 | 0xd784927ff2f95ba542bfc824c8a8a98f3495f6b5 |
| Ethereum  | Paraswap Fee Claimer     | 0x9abf798f5314bfd793a9e57a654bed35af4a1d60 |
| Fantom    | Aave V3                  | 0xbe85413851d195fc6341619cd68bfdc26a25b928 |
| Fantom    | Paraswap Fee Claimer     | 0x9abf798f5314bfd793a9e57a654bed35af4a1d60 |
| Harmony   | Aave V3                  | 0x8a020d92d6b119978582be4d3edfdc9f7b28bf31 |
| Metis     | Aave V3                  | 0xb5b64c7e00374e766272f8b442cd261412d4b118 |
| Optimism  | Aave V3                  | 0xb2289e329d2f85f1ed31adbb30ea345278f21bcf |
| Optimism  | Paraswap Fee Claimer     | 0x9abf798f5314bfd793a9e57a654bed35af4a1d60 |
| Polygon   | Aave V2                  | 0x7734280a4337f37fbf4651073db7c28c80b339e9 |
| Polygon   | Aave V2                  | 0xe8599f3cc5d38a9ad6f3684cd5cea72f10dbc383 |
| Polygon   | Aave V3                  | 0xe8599f3cc5d38a9ad6f3684cd5cea72f10dbc383 |
| Polygon   | Paraswap Fee Claimer     | 0x9abf798f5314bfd793a9e57a654bed35af4a1d60 |



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