PieDAO DeFi++

Date: Tuesday, 28 July 2020

Summary

Indexes for DeFi++ LargeCap, DeFi++ SmallCap and DeFi++.

Links:

DeFi++ Community Discussion: https://www.youtube.com/watch?v=P2kR5oaBwbY

DeFi++ Excel Model: https://docs.google.com/spreadsheets/d/1uTXf8CqCn9ej4qv_XeMoRua3bsxlGAM9tVOtNsooXq8/

Forum Discussion: https://forum.piedao.org/t/pip-10-piedao-defi-index/148

Motivation

The DeFi ecosystem is growing in maturity and awareness, the DEFI Pie allows people to get exposure to the ecosystem as a whole with a single token.

In order to cope with the current Balancer limit of 8 assets/pool, the suggested approach would include sub-indexes based on assets' current Market Capitalisation.

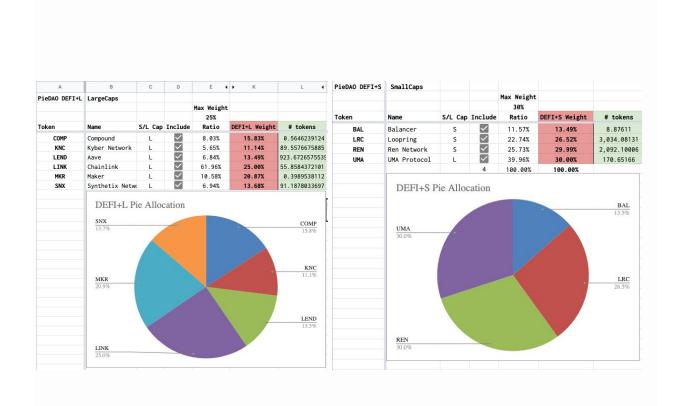
The proposed PieDAO DEFI++ Index at launch would include a 70%/30% allocation between DEFI+L (a.k.a Large Cap DEFI) and DEFI+S (a.k.a Small Cap DEFI).

Rationale

Which tokens were included in DEFI+L and DEFI+S were chosen through two rounds of community votes on Discord, this document notarized the choices of the community on-chain.

All indexes to be rolled out with SWAP disabled in order to avoid impermanent loss and maximize upside potential. Swap functionality can be enabled by the DAO at will to enable rebalancing.

Swap Fees start at 10% to allows a holding strategy with no rebalancing until a certain maximum deviation from the nominal % allocations is reached.



Specification: DEFI+L

Ticker	DEFI+L
Assets	COMP / KNC / LEND / LINK / MKR / SNX
Max weight per asset	25%
isPublicSwap	FALSE

Specification: DEFI+S

Ticker	DEFI+S
Assets	BAL / UMA / REN / LRC
Max weight per asset	30%
isPublicSwap	FALSE

Specification: DEFI++

Ticker	DEFI++
Assets	DEFI+S / DEFI+L
isPublicSwap	FALSE