

# Ω Olympus



## Olympus Q3, 2023 Report

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# Introduction

In the third quarter, the DAO showcased an ability to adapt and a capacity for iterative processes when confronted with drastic changes. It efficiently devised a comprehensive strategy to align with the evolving landscape, advancing Cooler Loans' development and integration. All existing and developing projects were adjusted accordingly to align with evolving requirements. The DAO continued building and enhancing innovative mechanisms throughout this period, keeping longevity in mind.

OlympusDAO remains steadfast in its commitment to transparency and open communication with the community, particularly during these phases of rapid iteration. This report offers an overview of Q3 2023 activities, accomplishments, and developments across multiple working groups.

The Olympus Council

**Please note:**

Content in this report reflects Olympus DAO's current expectations of future performance. These forward-looking statements relate to and depend upon, among other things, future external events not controlled by Olympus DAO. While Olympus DAO may elect to update this roadmap at some point in the future, it specifically disclaims any obligation to update or revise any forward-looking statements contained herein whether as a result of new information or future events, except as may be required by applicable law. Nothing contained herein constitutes or will be deemed to constitute a forecast, projection or estimate of the future financial performance or expected results of Olympus DAO. The Council issuing this report was duly elected by Olympus DAO. As part of the Council's mandate, it is issuing this report to update the community about the current and future development of the Olympus ecosystem.

# Treasury Update

The third quarter of FY23 represented a dramatic pivot in strategy, largely tied to the introduction of Cooler Loans. To support this initiative, the DAO was tasked with consolidating all liquid assets down to DAI, which would then produce a fixed LTV for all backed gOHM in circulation. All DAI would then be placed into DSR where it would become interest bearing and able to be used by RBS and Cooler Loans.

The time table was incredibly tight. By the end of Q3 the DAO successfully consolidated 88% of its liquid assets to DAI in the DSR, which is made available to Cooler Loans via weekly capacity limits. The remaining 12% is either full range Protocol Owned Liquidity or remaining assets that are still to be liquidated and will be considered in a future Cooler clearing house.

Over the next six months, the DAO will be focused on increased automation and minimization of human involvement on day to day protocol operations. Ultimately, the goal is to create a simplified, closed loop system that can self manage and be governed on-chain vs. by optimistic multisig.

Key Notes / Significant Q3 2023 processes:

- Aggressive consolidation of treasury to align with Cooler Loans pivot.
- Deposit of 167m DAI into contracts with exposure to the DSR Interest Rate.
- At time of writing, this is grossing ~22.2k DAI a day
- Simplification from 24 discrete smart contracts to 5

## Treasury Valuation

<b>Date</b>	<b>Amount</b>
July 1, 2023	\$208,251,365
September 29, 2023	\$196,150,402
Q3 Variance	(\$12,100,963)
	(\$8,150,000) in OHM removed from supply as reduction in POL

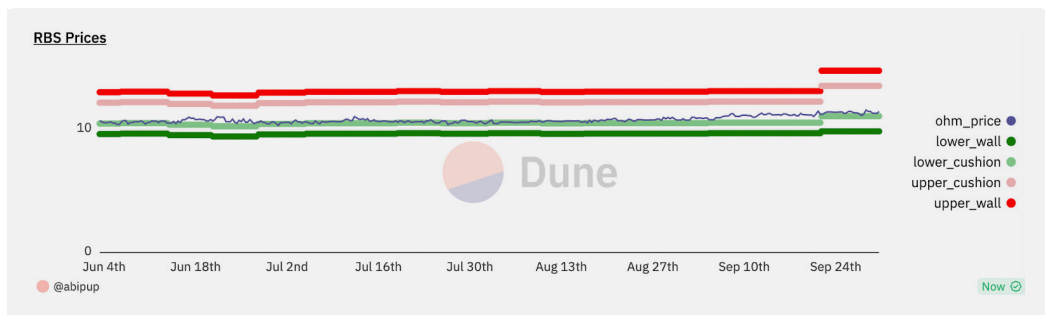
# Policy Update

## Hyper-Focused on Managing Volatility and Increasing OHM’s Attractiveness as Trusted Backing

During Q3 2023, Policy’s main focus was on continued support of the RBS module, starting On Chain Governance discussions, and assisting the launch of Cooler Loans.

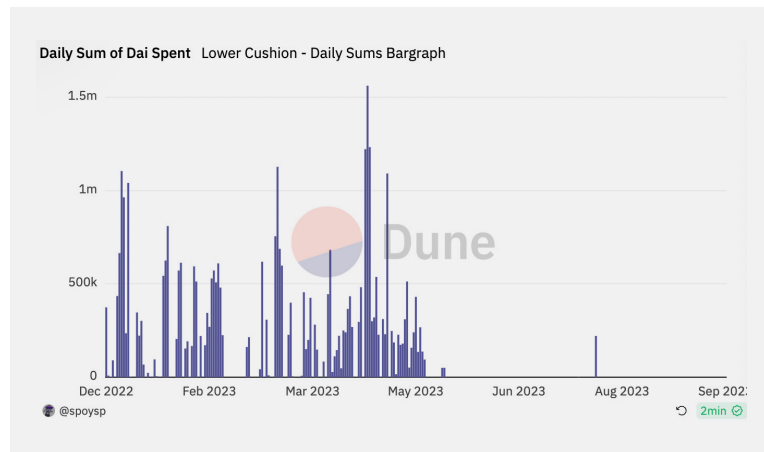
### RBS Activities

During Q3 2023, Olympus utilized \$221k of stablecoin reserves to buy back a total of 21,000 OHM at an average price of \$10.53 / OHM. These purchases took place only in August. This is the protocol’s lowest quarter of RBS spending yet, and is a 98% decrease in spending versus Q2 2023.



This graph shows during July and August, price hovering around the lower cushion, with more substantial upticks towards the price target in late August. This can be attributed to market anticipation towards the launch of Cooler Loans. The jump in both spread and target price in September is a result of the community vote to place the lower cushion between Cooler Loan Value and the Treasury Backing Value. More details can be seen on the forum post [here](#).

The chart overleaf shows the outflows over time have remained low or at zero in the past quarters. The trend strengthens our hypothesis that the RBS module has been effective at deterring excess volatility and keeping OHM within its ranges.



This graph shows a one-day spike in August, with no spending at all otherwise. This trend continues into September even as the RBS price target has increased.

Changes were made to the RBS module as it pertains to Cooler Loans, which is discussed in the next section.

\*See Rusowsky's [dune dashboard](#) for more charts of the RBS module's performance over time.

### Launch of Cooler Loans

Policy helped lead the final push in the third quarter to launch Cooler Loans. The TAP-28 vote passed after long discussions in the community, which ratified the Loan-to-Backing at 95% and annualized interest rate at 0.5%. OIP-149 further solidified the Cooler Loans configuration by ratifying the RBS tuning, and committing 2892 DAI / gOHM (10.77 DAI / OHM) as the Cooler Loan Value.

Cooler Loans officially launched on 21 September, 2023; the weekly capacity was used up in less than 5 minutes. The next week's capacity on 28 September was used up in less than 10 minutes. It's clear that there is significant demand for this product!

In order to preserve backing for Cooler, and as part of the overall protocol automation push, Policy has proposed to reduce the staking rate to 0 and eliminate inflation to circulating supply.

# Partnerships Update

## Building Partnerships That Improve OHM Liquidity Across Chains and Attractiveness As a Collateral Asset

Key Notes Significant Q3 2023 activities and accomplishments include the following:

- The team has been dedicated to evolving partner relations. As Olympus introduces significant changes with the launch of Cooler Loans, Partnerships has adeptly navigated the communication with partners, ensuring all are well-informed and comfortable with the transition. The team has shown exceptional grace in offboarding partners when necessary, preserving integrity in relationships.
- The team has been proactive in discussing Cooler integrations and has established beneficial partnerships, during a shift in core offerings.

# Council Update

Throughout the third quarter, the Council remained engaged with the community and DAO, actively steering collective efforts towards achieving shared objectives.

Council members were committed to the ongoing efforts surrounding the launch of Cooler Loans and played a pivotal role in the meticulous consolidation of assets. They showed unwavering dedication as they navigated the complexities surrounding the actions needed to make the launch of cooler loans a success, as well as the continued efforts to automate the protocol.

Council worked closely with the DAO to conduct strategic meeting sessions that strengthened understanding and alignment. The outcome of these discussions were consolidated into the Automation OIP, of which Council members played a key part crafting, and subsequently revising.

Regarding internal structure, Council members actively discussed necessary upcoming adjustments to further streamline operations. These changes are in line with the overall goal of decentralizing and automating protocol functions.

The Council initiated discussions regarding On-Chain Governance, both within the DAO and with the broader community, exploring the various implications of different models on the overarching strategy. There is continued assessment of vulnerabilities and attack vectors of various suggestions, as well as the usability of the system design. These interactions exemplify our commitment to open communication, active community participation, and leveraging the collective strength of our community.

# Conclusion

Q3 was filled with active governance discussions, product developments, and efforts made to ready the protocol for Cooler Loans. The successful integration of Cooler loans serves as a catalyst for continued refinement and adoption, not only for the protocol itself, but for the broader Olympus ecosystem. Q4 2023 into Q1 2024 will realize the transformation outlined in the six-month plan, a much anticipated culmination of many years of hard work.

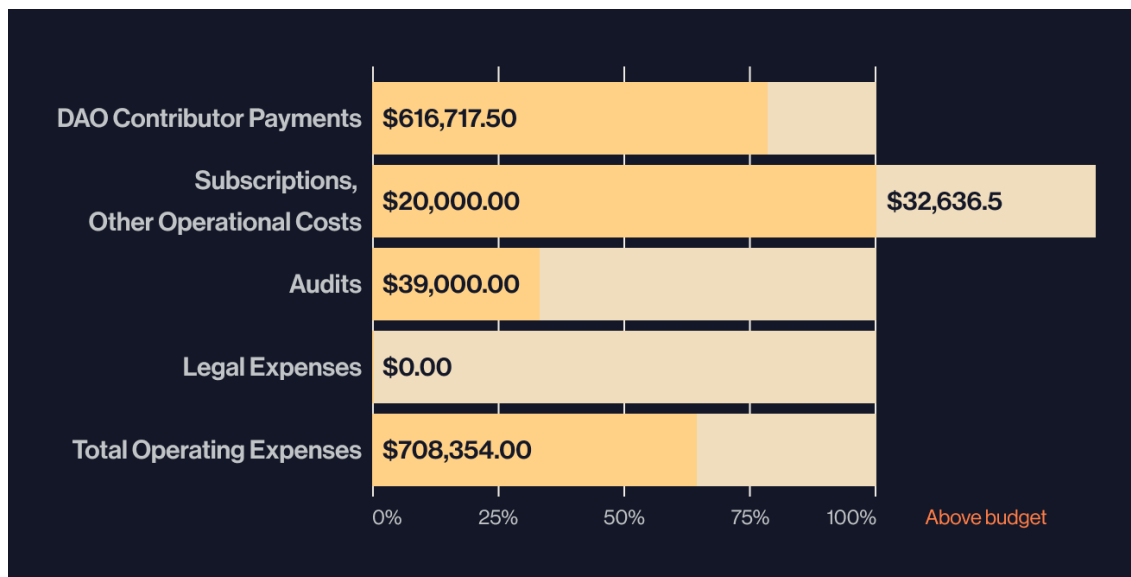
Community members are invited to stay informed and to take an active role in ongoing discussions. Join in the chat on Discord and participate in the conversations on the forum. Don't forget to mark your calendars for the bi-weekly community calls, and stay tuned to Discord announcements. These platforms provide excellent opportunities to engage directly with contributors as they work diligently on various projects. Together, we'll pave the way for a transparent and autonomous future.



# Appendix: Q3 2023 Outflows and Governance

## DAO Outflows

Q3 2023 Expenses vs Budget



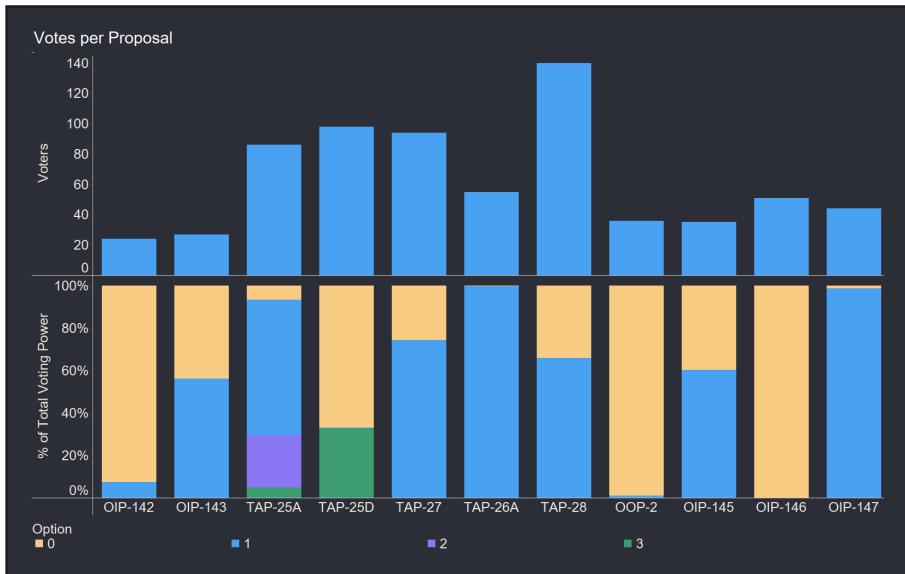
Q3 2023 Expenses and Disbursements <sup>USD</sup>	Actual \$	Budgeted \$
DAO Contributor Payments	616,717.50	840,000.00
Subscriptions, Other Operational Costs	52,636.50	20,000.00
Audits	39,000.00	125,000.00
Legal Expenses**	0.00	50,000.00
<b>Total Operating Expenses</b>	<b>708,354.00</b>	<b>1,035,000.00</b>
Services	30,755.00	*

\*Budgeted 2023 does not include projected service costs

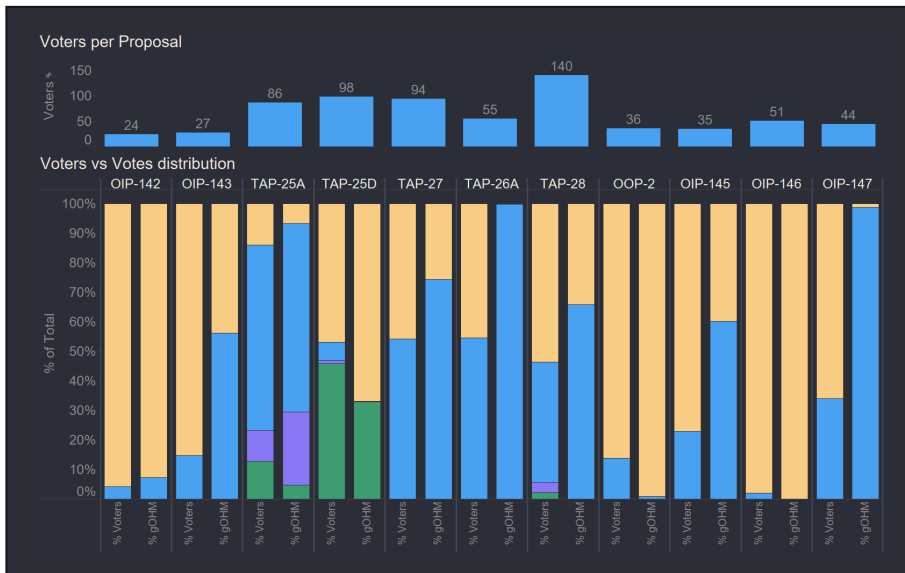
\*\*Legal expenses reflect outflows. There are retainer balances that function like credits, totalling \$98,328.

## Governance Activity

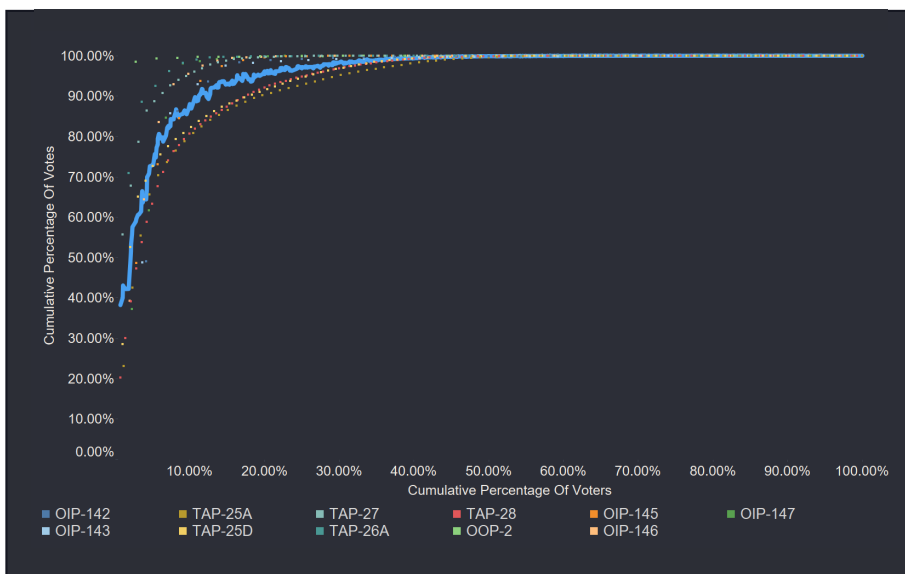
During Q3 2023, Olympus focused on Cooler loans implementation and ongoing iterations. There were several key proposals. Below is the breakdown of votes per proposal along with the voters vs votes per proposal, followed by the governance power curve.



Q3 2023 OIP Governance Data



Q3 2023 OIP Governance Data



Q3 2023 Governance Power Curve