



MakerDAO Protocol Economics

June 2024

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Executive Summary

Market conditions lagged in June with BTC and ETH prices decreasing substantially.

In June 2024 we saw:

- Gross protocol revenue of 25.3M DAI, with 18.4M DAI of crypto vault revenue and 2.9M DAI of RWA revenue (6.8M DAI including PSM revenue)
- Total DAI was down 4% from last month, with a 11% decrease in PSM and 17% decrease in RWA offsetting the 10% increase in Crypto-vaults
- DAI locked in DSR decreased 6% from 1.96B DAI to 1.85B DAI
- Accrued (off-chain) RWA stability fees were 9.3M DAI for May, driven by 4.6M DAI from Clydesdale and Andromeda and 3.9M from Coinbase Custody*

**Note - Accrued RWA stability fees reflect a more accurate representation of the vault's current run-rate as on-chain RWA stability fees often combine multiple months of accrued fees.*

Key Financial Metrics

June 2024

- Net protocol operating profit of 5.5M DAI on net revenues of 13.3M DAI, inclusive of token compensation expenses, exclusive of off-chain RWA accruals
- DSR Expense of 12M DAI, down 21% month over month, driven by a lower DSR rate
- Crypto-vault balance of 2.69B DAI, up 10% from May while PSM balance decreased 11%
- DAI locked in the DSR decreased 6% month over month

in millions of DAI, unless otherwise stated

	Jun-24	May-24	MoM %	Mar-24	QoQ %	Jun-23	YoY %
Consolidated Statement of Earnings							
Gross Revenues							
Crypto-vaults	18.4	18.4	0%	22.5	-18%	2.3	699%
PSM	3.9	3.7	5%	1.2	225%	1.4	181%
RWA	2.9	4.6	-36%	3.0	-3%	0.6	349%
Total gross revenues	25.3	26.7	-5%	26.7	-6%	4.3	481%
DSR Expense	(12.0)	(15.2)	-21%	(13.3)	-10%	(0.2)	4852%
Total net revenues	13.3	11.5	16%	13.5	-1%	4.1	224%
Total operating expenses	(7.8)	(13.3)	-41%	(7.6)	2%	(2.1)	280%
Net Operating Earnings	5.5	(1.8)	NM	5.8	-6%	2.0	168%

Consolidated Balance Sheets

Assets							
Crypto-vaults	2,687.0	2,442.2	10%	2,328.4	15%	1,309.7	105%
PSM	422.8	473.6	-11%	497.7	-15%	1,452.9	-71%
RWA	1,950.2	2,353.6	-17%	2,074.6	-6%	1,367.8	43%
Total CDP	5,060.0	5,269.3	-4%	4,900.7	3%	4,130.4	23%
Treasury holdings	1.6	1.4	14%	1.3	24%	0.6	180%
Total Assets	5,061.6	5,270.7	-4%	4,902.0	3%	4,131.0	23%
Liabilities							
Dai Locked in DSR	1,847.7	1,958.0	-6%	1,602.9	15%	207.6	790%
Dai in Circulation	3,159.5	3,262.9	-3%	3,235.1	-2%	4,351.9	-27%
Total Liabilities	5,007.2	5,220.9	-4%	4,838.0	3%	4,559.5	10%
Equity							
Surplus buffer	52.8	48.5	9%	62.6	-16%	70.9	-26%
Treasury holdings	1.6	1.4	14%	1.3	24%	0.6	180%
Total Equity	54.4	49.9	9%	63.9	-15%	71.5	-24%

Consolidated P&L

June 2024

<i>in millions of DAI, unless otherwise stated</i>	LTM	Jun-24	May-24	Apr-24	Mar-24	Feb-24	Jan-24	Dec-23	Nov-23	Oct-23	Sep-23	Aug-23	Jul-23	Jun-23	vs YA
Consolidated Statement of Earnings															
Net trading fees	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	-100%
Net liquidation income	2.4	-	0.4	1.8	0.0	-	0.0	-	0.0	-	0.0	0.2	0.0	0.1	-100%
Total non-stability fee revenues	2.4	-	0.4	1.8	0.0	-	0.0	-	0.0	-	0.0	0.2	0.0	0.1	-100%
ETH	42.1	4.6	5.2	6.4	6.5	3.7	3.4	3.0	2.4	2.1	1.6	1.6	1.5	1.0	355%
STETH	28.3	1.4	1.7	2.4	3.9	1.9	2.6	2.7	2.5	2.5	2.5	2.5	1.6	0.9	66%
BTC	10.7	1.4	1.4	2.0	2.0	0.8	0.6	0.5	0.4	0.4	0.3	0.4	0.4	0.4	270%
Liquidity Pool	0.0	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	-100%
Money Market	58.8	11.0	9.7	13.8	10.1	4.6	3.6	2.4	1.6	0.8	0.8	0.4	-	0.0	290323%
PSM	25.0	3.9	3.7	2.1	1.2	1.4	0.3	0.3	3.4	5.5	2.1	1.1	-	1.4	181%
RWA	88.6	2.9	4.6	4.9	3.0	17.4	10.2	5.4	19.3	8.9	2.3	9.4	0.4	0.6	349%
Gross stability fee revenues	253.5	25.3	26.3	31.7	26.7	29.7	20.8	14.3	29.7	20.2	9.8	15.4	3.8	4.3	490%
DSR expenses	(99.9)	(12.0)	(15.2)	(16.8)	(13.3)	(4.6)	(5.9)	(6.5)	(6.4)	(7.0)	(6.0)	(5.5)	(0.8)	(0.2)	NM
Net stability fee income	153.7	13.3	11.1	14.9	13.5	25.1	14.8	7.8	23.3	13.2	3.7	9.9	3.1	4.0	229%
Total protocol revenues	156.1	13.3	11.5	16.7	13.5	25.1	14.8	7.8	23.3	13.2	3.7	10.1	3.1	4.1	224%
Total operating expenses	(76.5)	(7.8)	(13.3)	(3.3)	(7.6)	(3.3)	(10.8)	(4.9)	(4.7)	(6.3)	(2.5)	(6.4)	(5.5)	(2.1)	280%
Net Protocol Earnings	79.6	5.5	(1.8)	13.3	5.8	21.8	4.1	2.9	18.6	7.0	1.3	3.7	(2.5)	2.0	168%

Consolidated Balance Sheet and Protocol Capital

June 2024

<i>in millions of DAI, unless otherwise stated</i>	LTM	Jun-24	May-24	Apr-24	Mar-24	Feb-24	Jan-24	Dec-23	Nov-23	Oct-23	Sep-23	Aug-23	Jul-23	Jun-23	vs YA
Consolidated Balance Sheets															
Crypto Vaults	2,687.0	2,687	2,442	2,233	2,328	2,486	2,224	2,380	2,014	1,685	1,659	1,692	1,358	1,310	105%
PSM Vaults	422.8	423	474	700	498	289	448	260	527	522	670	1,117	740	1,453	-71%
RWA Vaults	1,950.2	1,950	2,354	2,291	2,075	2,221	2,213	2,580	2,802	3,139	3,205	2,464	2,482	1,868	4%
Treasury holdings	1.6	1.6	1.4	0.8	1.3	1.2	1.0	0.7	0.6	0.5	0.5	0.5	0.6	0.6	180%
Total Assets	5,061.6	5,062	5,271	5,225	4,902	4,997	4,886	5,222	5,344	5,346	5,535	5,273	4,580	4,631	9%
Dai Saving Rate (DSR)	1,847.7	1,848	1,958	1,990	1,603	1,299	1,155	1,466	1,619	1,547	1,657	1,318	344	208	790%
Dai in Circulation	3,159.5	3,159	3,263	3,184	3,235	3,630	3,677	3,703	3,666	3,749	3,828	3,902	4,172	4,352	-27%
Total Liabilities	5,007.2	5,007	5,221	5,174	4,838	4,930	4,832	5,169	5,286	5,296	5,484	5,219	4,516	4,560	10%
Total Equity	54.4	54.4	49.9	50.9	63.9	67.8	53.5	53.0	58.7	50.1	50.4	53.9	64.3	71.5	-24%

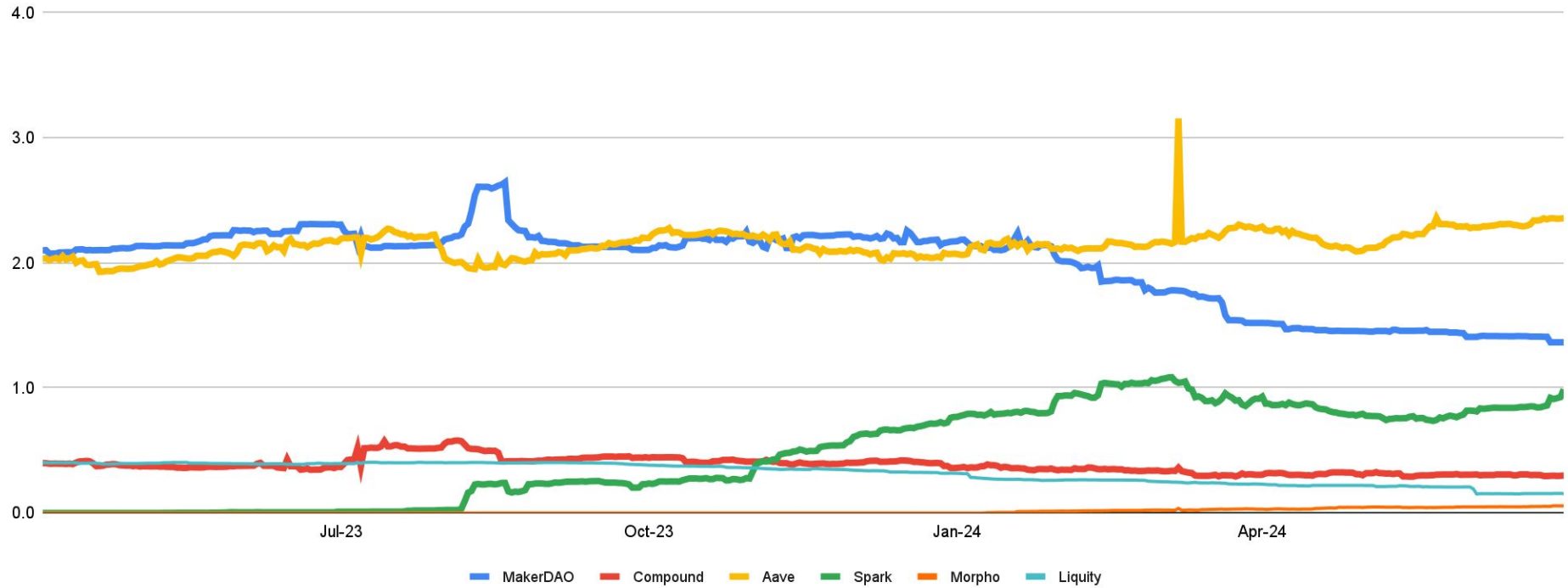
<i>in millions of DAI, unless otherwise stated</i>	LTM	Jun-24	May-24	Apr-24	Mar-24	Feb-24	Jan-24	Dec-23	Nov-23	Oct-23	Sep-23	Aug-23	Jul-23	Jun-23	vs YA
Changes in Protocol Capital															
Net Protocol Earnings	79.6	5.5	(1.8)	13.3	5.8	21.8	4.1	2.9	18.6	7.0	1.3	3.7	(2.5)	2.0	168%
Issuance for MKR token expenses	32.0	2.4	7.1	2.0	3.5	1.7	5.1	2.3	1.7	2.4	0.9	1.4	1.5	0.8	223%
MKR mints/(burns)	(129.7)	(3.6)	(6.9)	(27.9)	(13.3)	(9.5)	(9.0)	(10.9)	(11.7)	(9.7)	(5.7)	(15.4)	(6.3)	-	NM
Net Change in Surplus Buffer	(18.1)	4.3	(1.6)	(12.6)	(4.0)	14.1	0.2	(5.8)	8.6	(0.3)	(3.5)	(10.3)	(7.2)	2.8	54%
Treasury asset chg value	1.0	0.2	0.6	(0.4)	0.1	0.2	0.3	0.1	0.1	0.0	0.0	(0.1)	0.0	(0.0)	NM
Other changes in protocol capital	1.0	0.2	0.6	(0.4)	0.1	0.2	0.3	0.1	0.1	0.0	0.0	(0.1)	0.0	(0.0)	NM
Net Change in Protocol Capital	(17.1)	4.5	(1.0)	(13.0)	(3.9)	14.2	0.5	(5.7)	8.6	(0.3)	(3.5)	(10.4)	(7.2)	2.8	62%

ETH/stETH Locked in Mainnet Lending Protocols*

Maker protocol deposits down slightly

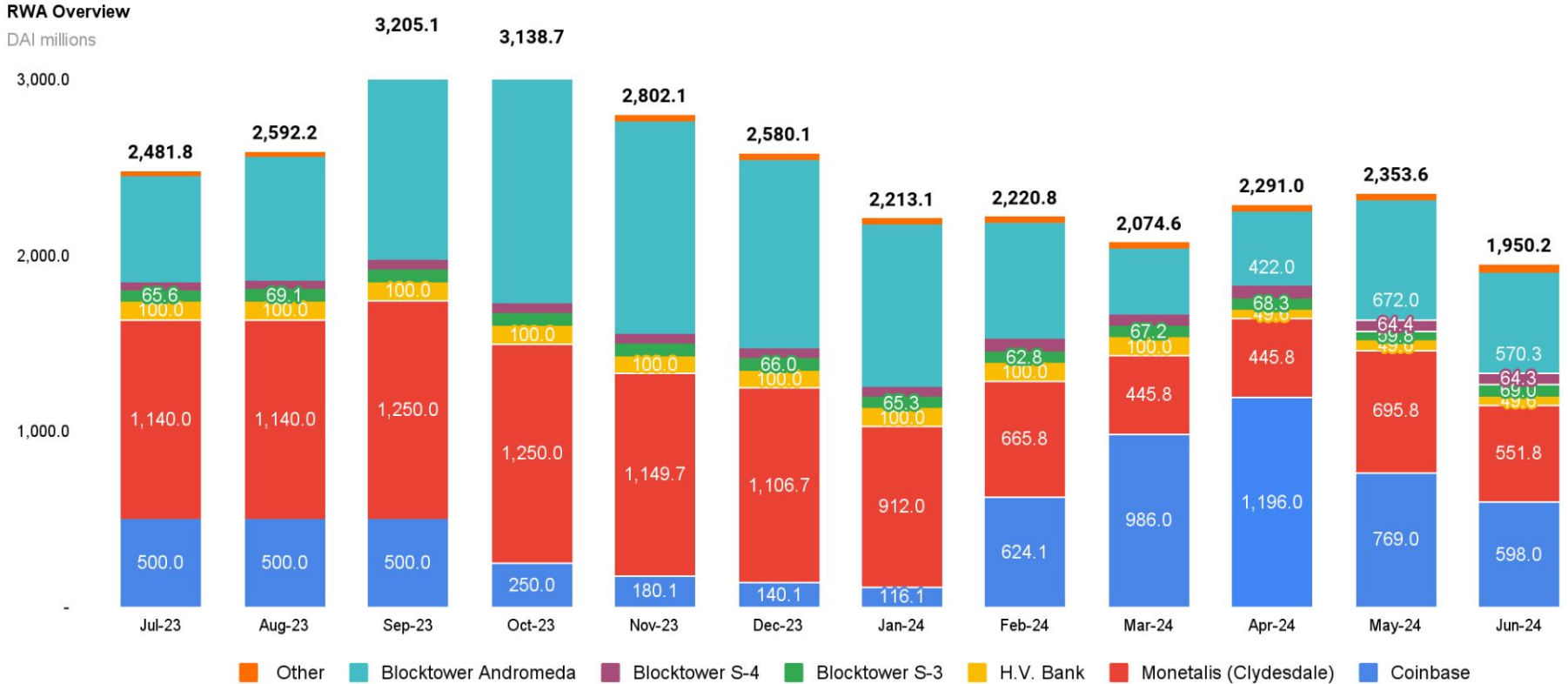
ETH Market Share

ETH, millions



RWA Balances Decreased from May

Decreases in RWA concentrated in Monetalis and Coinbase

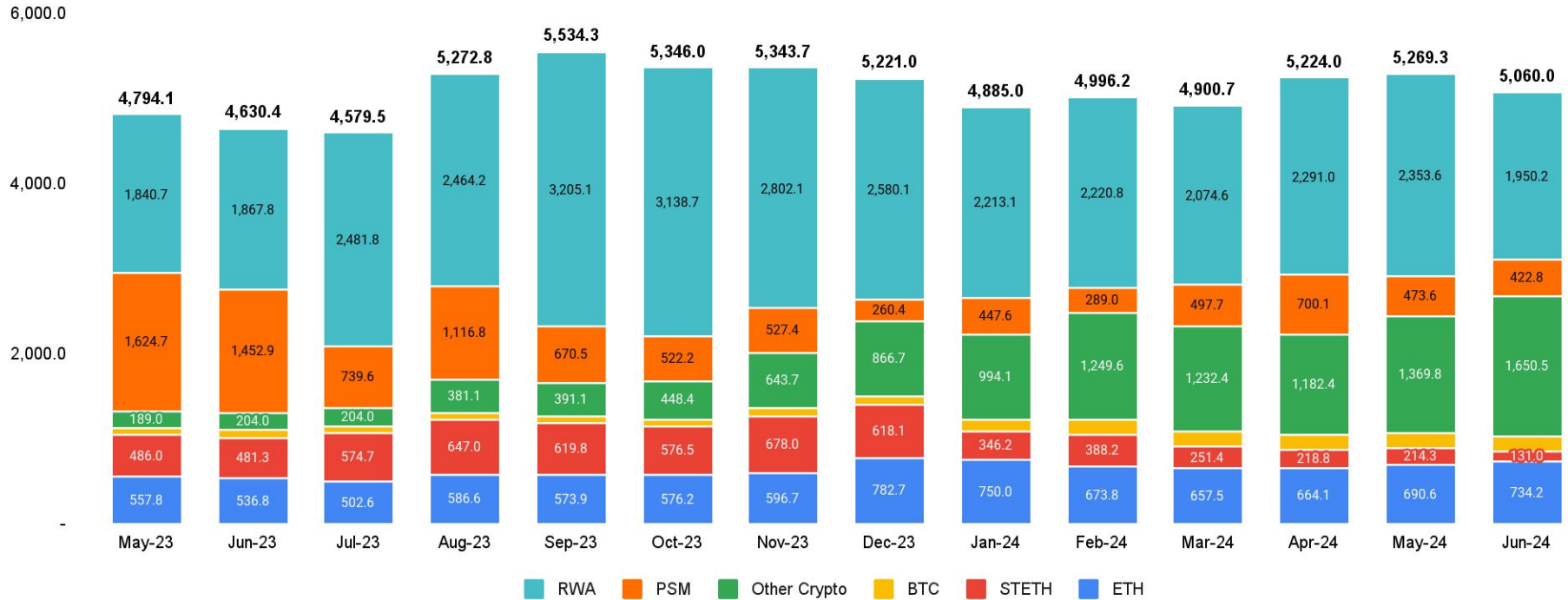


Total Crypto Collateral Decreases

RWAs inclusive of PSMs are 47% of balance sheet assets

Balance sheet assets by collateral type

DAI millions



Crypto Vault exposure up 10% vs May

Overall DAI demand decreased

<i>in millions of DAI</i>	Jun-24	May-24	MoM %	Mar-24	QoQ %	Jun-23	YoY %
Crypto Vaults							
ETH	734.2	690.6	6%	657.5	12%	536.8	37%
stETH	131.0	214.3	-39%	251.4	-48%	481.3	-73%
BTC	171.4	167.5	2%	187.0	-8%	87.7	96%
Other Crypto	1,650.5	1,369.8	20%	93.4	1667%	204.0	709%
Total Crypto	2,687.0	2,442.2	10%	1,189.4	126%	1,309.7	105%
RWA							
Public Credit (Incl. Coinbase)	1,720.1	2,136.9	-20%	1,803.9	-5%	1,642.4	5%
Private Credit	230.1	216.7	6%	270.8	-15%	225.4	2%
Total RWA	1,950.2	2,353.6	-17%	2,074.6	-6%	1,867.8	4%
PSM	422.8	473.6	-11%	497.7	-15%	1,452.9	-71%
Total Assets (excl. Treasury Holdings)	5,060.0	5,269.3	-4%	3,761.7	35%	4,630.4	9%

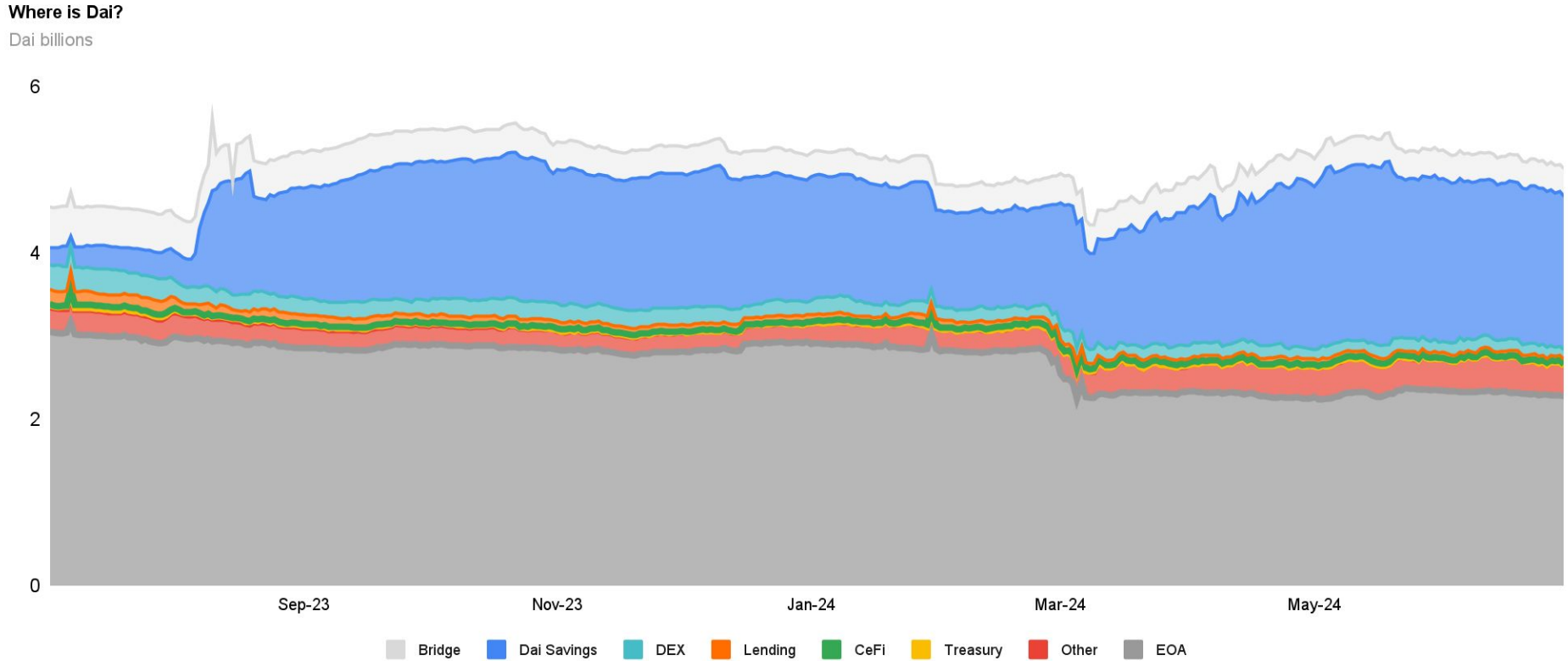
*Note - Coinbase RWA-014 vault has been reclassified from Private Credit to Public Credit

Real World Asset Updates and Asset Allocation Initiatives

- Clydesdale and Andromeda combined for 4.6M DAI of accrued stability fees in June
- Coinbase Custody generated 3.9M DAI of stability fees this month
- RWA loan balance now stands at 1.95B DAI
- RWAs continue to comprise a significant portion of Maker's stability fees, now totaling over \$46.8M YTD

Vault Code	Transaction Name	Dai Loan Balance	Dai Debt Ceiling	Covenants Passing	Stability Fees MTD	Stability Fees YTD	Stability Fees LTD	Stability Fees LTD (On-Chain)	Variance
RWA-001	6s Capital ¹	14,585,031	15,000,000	Yes	-79,933	71,149	335,068	178,007	157,061
RWA-002	New Silver	25,124,736	50,000,000	Yes	125,194	600,449	1,635,064	1,618,711	16,353
RWA-003	ConsolFreight ²	1,639,659	2,000,000	No	7,834	46,954	183,885	113,376	70,508
RWA-004	Harbor Trade Credit ²	1,596,295	7,000,000	No	8,852	52,955	272,374	144,265	128,109
RWA-005	Fortunafi ²	4,720,128	15,000,000	No	17,046	110,855	567,736	4,718,910	-4,151,174
RWA-007	Monetalis Clydesdale ³	551,833,375	3,000,000,000	N/A	2,077,012	13,863,571	50,914,625	46,910,093	4,004,532
RWA-008	Societe Generale	-	-	N/A	0	0	211	211	0
RWA-009	Huntingdon Valley Bank	49,615,061	100,000,000	Yes	274,133	2,351,271	7,562,575	58,202	7,504,373
RWA-012	BlockTower 3	64,281,275	80,000,000	Yes	208,772	1,281,245	2,517,493	2,503,088	14,405
RWA-013	BlockTower 4	69,002,026	70,000,000	Yes	211,027	1,291,522	3,759,241	3,743,867	15,374
RWA-014	Coinbase Custody	598,000,000	1,500,000,000	N/A	3,904,776	11,125,960	17,156,739.30	17,156,739.30	0
RWA-015	Andromeda	570,310,328	3,000,000,000	N/A	2,588,237	15,528,656	39,827,087	37,238,382	2,588,705
NA	GUSD PSM	600	110,000,000	N/A	0	0	7,799,187	7,799,187	0
NA	USDP PSM	1,226	120,000,000	N/A	1,159	540,620	4,089,969	4,089,969	0
Total		1,950,709,739	8,069,000,000	-	9,344,108	46,865,208	136,621,253	122,183,038	10,348,246

DAI supply slightly decreased throughout the month

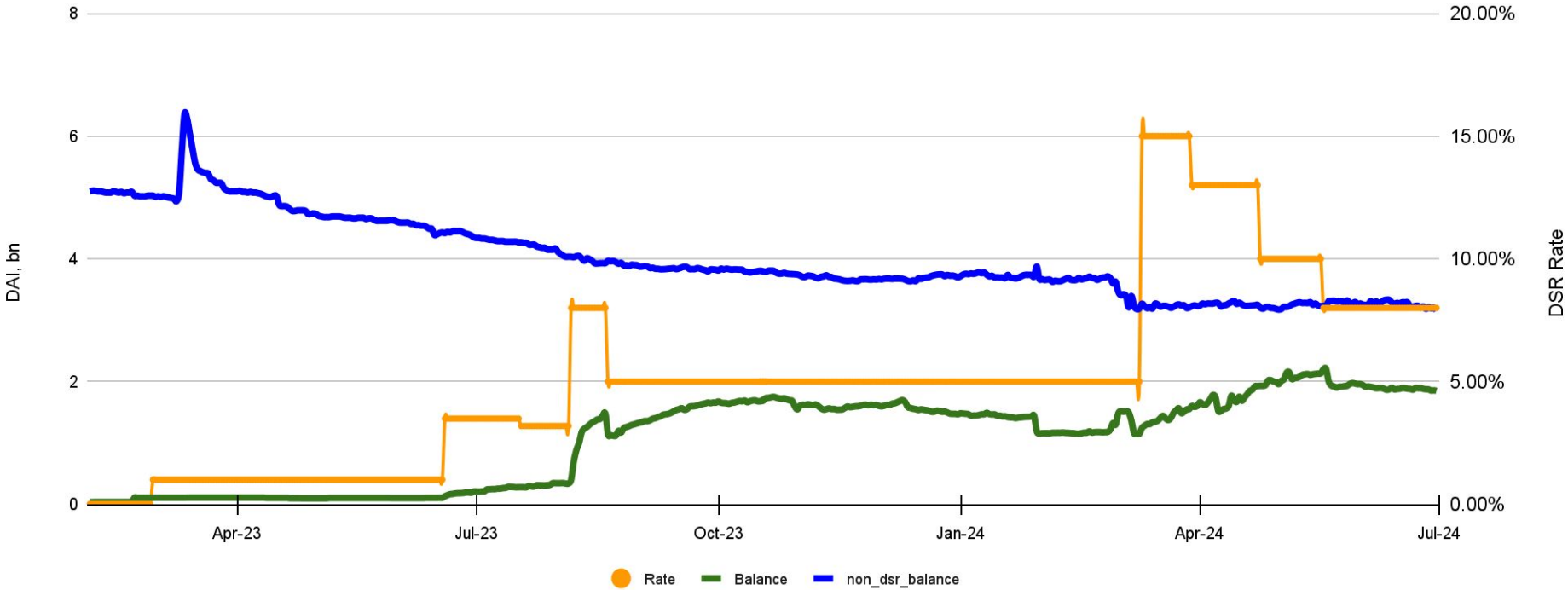


DAI demand down 4% from May, driven by 6% decrease in DAI in DSR

<i>in millions of DAI</i>	Jun-24	May-24	MoM %	Mar-24	QoQ %	Jun-23	YoY %
Dai Demand							
EOA	2,282.0	2,352.0	-3%	2,331.6	-2%	3,062.1	-25%
Dai Savings	1,847.7	1,958.0	-6%	1,602.9	15%	207.6	790%
Bridge	327.8	336.2	-2%	349.5	-6%	483.4	-32%
Dex	110.3	130.9	-16%	161.6	-32%	286.8	-62%
Lending	64.5	60.6	6%	57.5	12%	176.7	-63%
CeFI	22.7	17.4	30%	29.2	-22%	17.9	27%
Other	356.8	370.6	-4%	307.2	16%	323.6	10%
Total Dai	5,011.8	5,225.7	-4%	4,839.5	4%	4,558.1	10%

DSR Balance & Rate

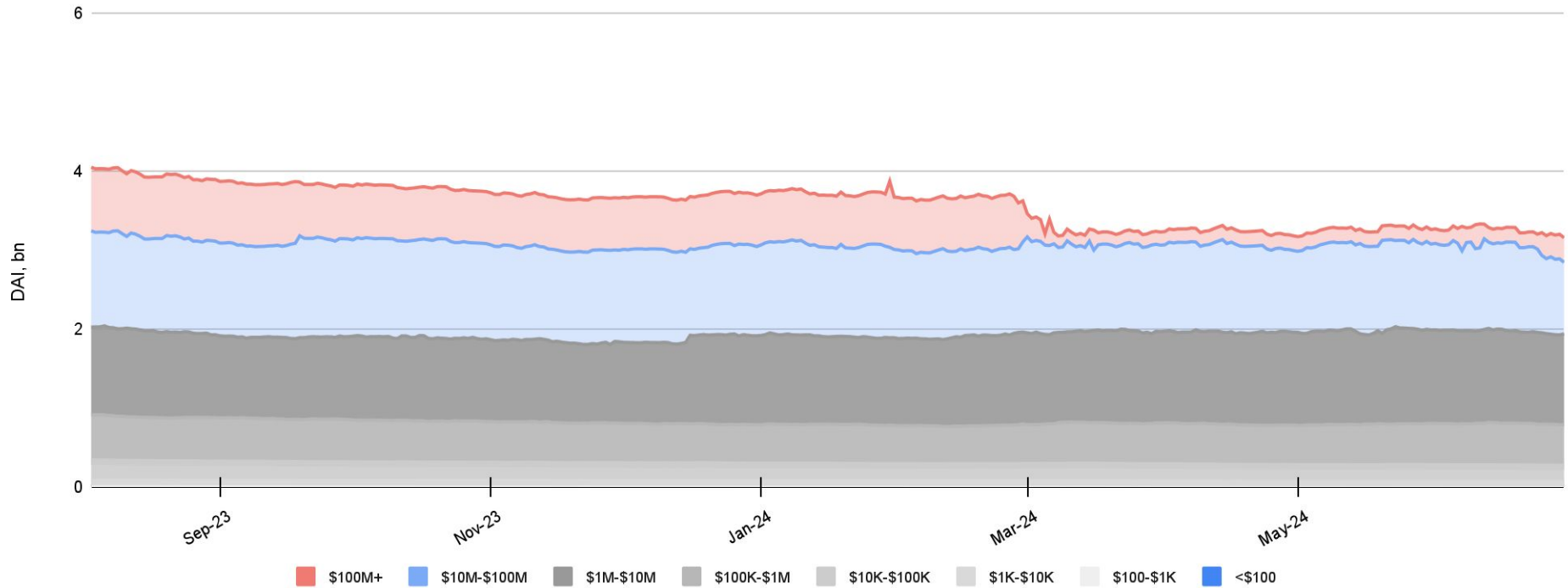
DSR Balance & Rate
Portion of DAI in DSR



DAI User Demographics*

Dai Wallet Distribution

DAI Holder Wealth Distribution



Source: Dune Analytics
*Does not include funds in the DSR

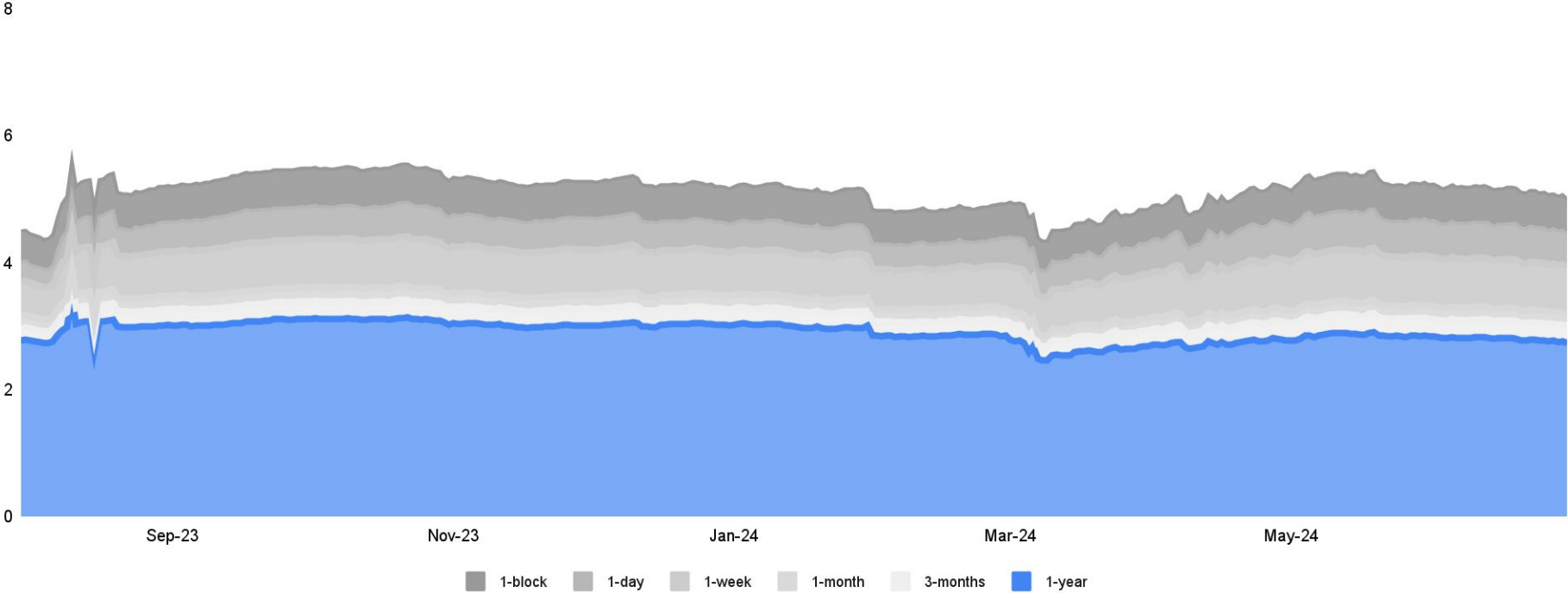
Appendix

DAI Maturity Profile

1-year+ duration DAI stable

Dai Maturity Profile

Dai bn

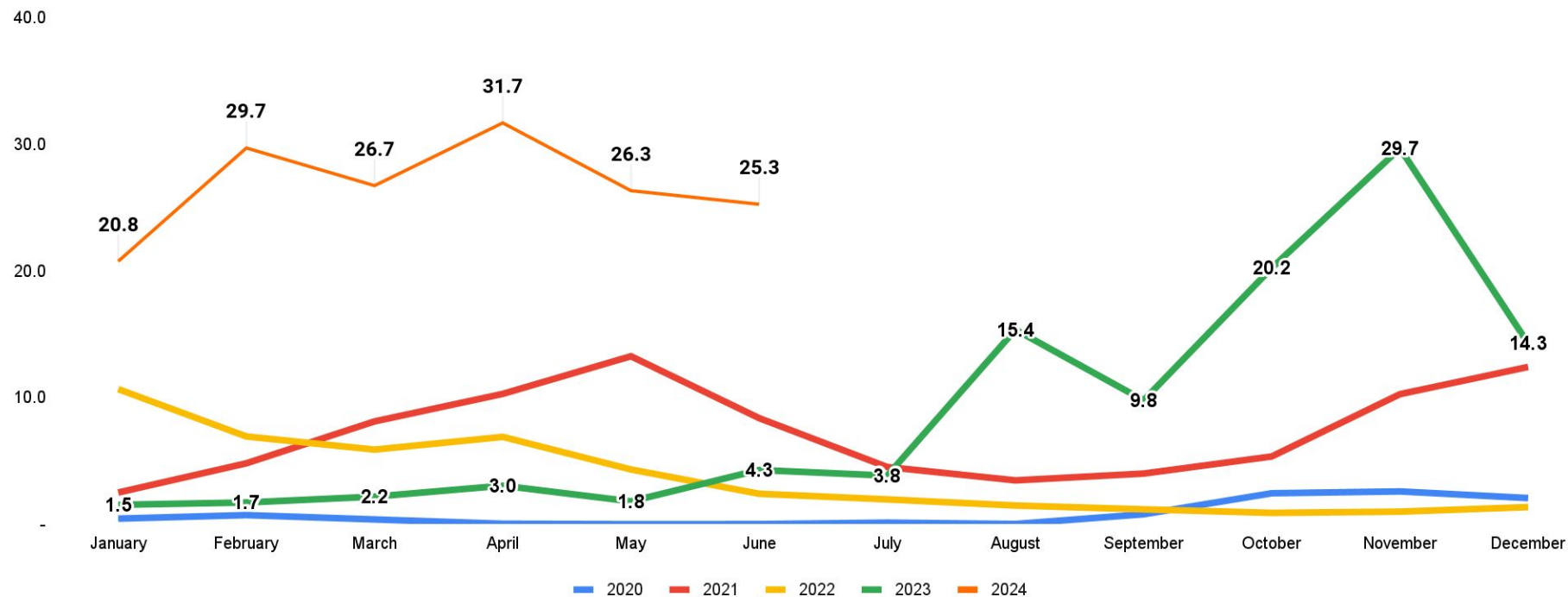


Monthly revenues remain high

Gross revenues slightly decreased with lower RWA and yielding assets

Monthly gross interest revenue (by year)

DAI millions



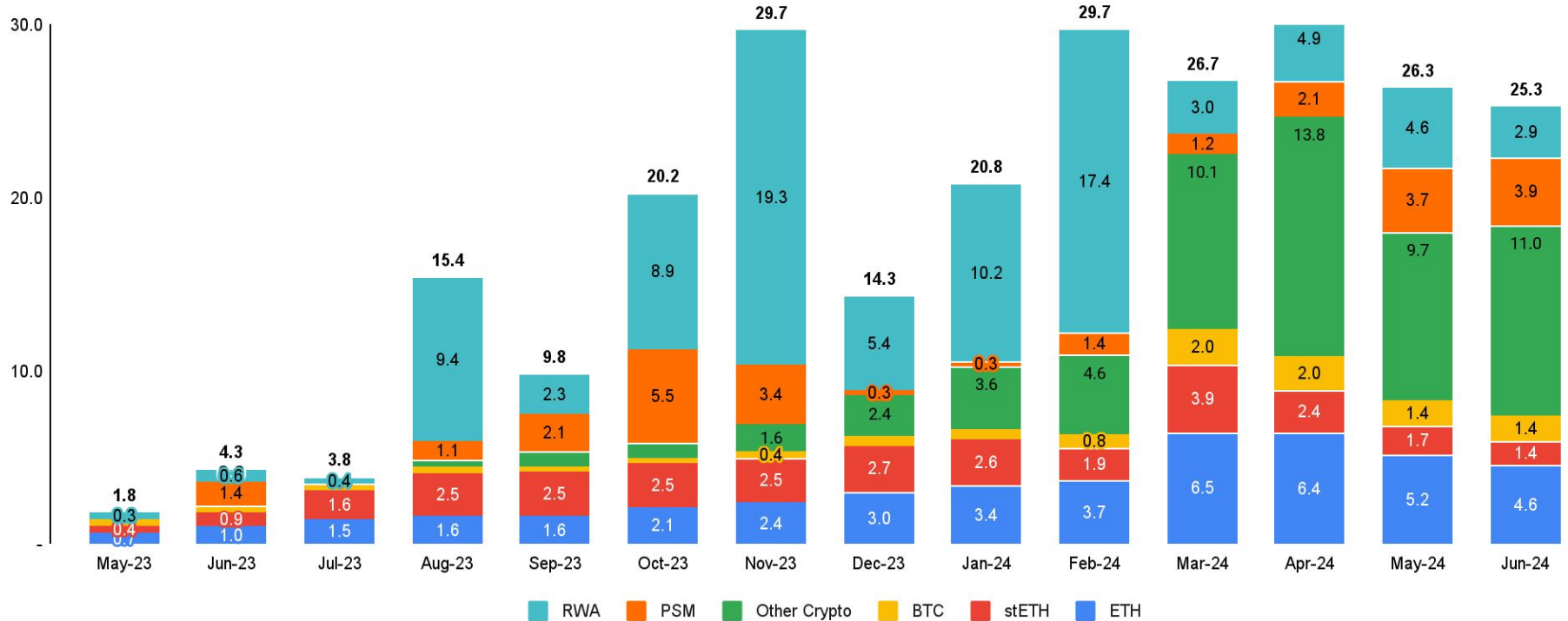
Revenue by asset type

Revenue increasing from Crypto Vaults

Crypto Vault revenues in June comprised a majority of revenue

Gross interest revenue by collateral type

DAI millions



Key Ratios

Overview of Key Balance Sheet and Valuation Ratios

June 2024

<i>in millions of DAI, unless otherwise stated</i>	LTM	Jun-24	May-24	Apr-24	Mar-24	Feb-24	Jan-24	Dec-23	Nov-23	Oct-23	Sep-23	Aug-23	Jul-23	Jun-23	vs YA
Ratios & per token metrics															
Value per token															
Average MKR tokens outstanding (000s)	897.1	897.1	898.2	901.2	902.8	900.9	900.9	898.3	901.7	904.1	904.3	908.0	913.2	911.4	-2%
Net operating income per token (DAI/token)	6.1	6.1	(2.1)	14.8	6.4	24.2	4.5	3.2	20.6	7.7	1.4	4.1	(2.7)	2.2	172%
Book value per token (DAI/token)	60.7	60.7	55.5	56.5	70.8	75.2	59.4	59.0	65.1	55.4	55.7	59.3	70.4	78.4	-23%
Average earning assets (DAI/token)	4,637	4,637	4,796	4,524	4,403	4,707	4,437	4,961	4,924	4,934	5,106	4,404	4,139	3,678	26%
Closing price (USD/token)	2,531	2,531	2,730	2,672	3,936	2,096	1,962	1,700	1,527	1,370	1,532	1,157	1,227	831	205%
Market capitalization (Total)	2,271	2,271	2,452	2,408	3,553	1,888	1,767	1,527	1,376	1,239	1,386	1,050	1,120	757	200%
Key Ratios															
Price to Book	41.7x	41.7x	49.1x	47.3x	55.6x	27.9x	33.0x	28.8x	23.4x	24.7x	27.5x	19.5x	17.4x	10.6x	31.1x
Price to Operating Income (annualized)	35x	35x	NM	15x	51x	7x	36x	45x	6x	15x	91x	23x	NM	31x	12%
Net Interest Margin (annualized)	3.4%	3.4%	2.8%	3.9%	3.7%	6.4%	4.0%	1.9%	5.7%	3.2%	0.9%	2.7%	0.9%	1.3%	2%
Net Interest Spread (annualized)	-1.2%	-1.2%	-2.7%	-1.7%	-2.7%	3.4%	-0.6%	-1.9%	2.5%	-0.5%	-2.1%	-0.8%	-1.5%	0.0%	-1%
Return on Assets (annualized)	1.3%	1.3%	-0.4%	3.1%	1.4%	5.2%	1.0%	0.7%	4.2%	1.6%	0.3%	0.9%	-0.6%	0.5%	1%
Return on Equity (annualized)	120.9%	120.9%	-44.3%	314.3%	109.0%	386.4%	90.9%	64.5%	380.0%	166.8%	30.2%	83.2%	-45.9%	34.4%	86%
Growth in Book Value per token	9.2%	9.2%	-1.7%	-20.2%	-5.9%	26.6%	0.6%	-9.3%	17.5%	-0.5%	-6.1%	-15.7%	-10.2%	11.4%	-2%



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