

# Liquid Staking $\neq$ Liquifying Steaks

by @eliasimos

# Who this guy?



# What's liquid staking?



>>>>>>>>>>



Just kidding-let's backtrack a bit

# DeFi is pretty cool, right?



It's also turning out to be a very large market

# What's cool about DeFi?

- \* Transmute volatile digital assets into stable value
- \* Permissionless access to financial services
- \* Permissionless deployment of financial services
- \* Wrap assets and obligations and represent them as instruments
- \* Composability



# 2 core principles on DeFi

DeFi collapses the opportunity cost of money

DeFi lives off collateral\*; more collateral >> more growth

# Isn't this pres about Liquid Staking?

Collapsing the OC of money

Latent collateral



Liquid staking

Liquid staking is the nearest new batch of latent collateral

Over **\$30B** of digital assets staked atmo



# Liquid staking is apex collateral



Margins improve over time

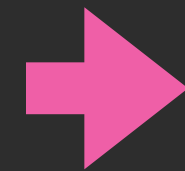
# Refresher: how Proof of Stake works



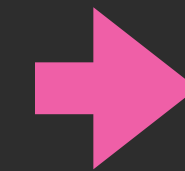
# How liquid staking works



Stake token monies in a pool



Get tokenized proof of deposit



Deposit that in a DeFi protocol



MAKE MOAR MONIES





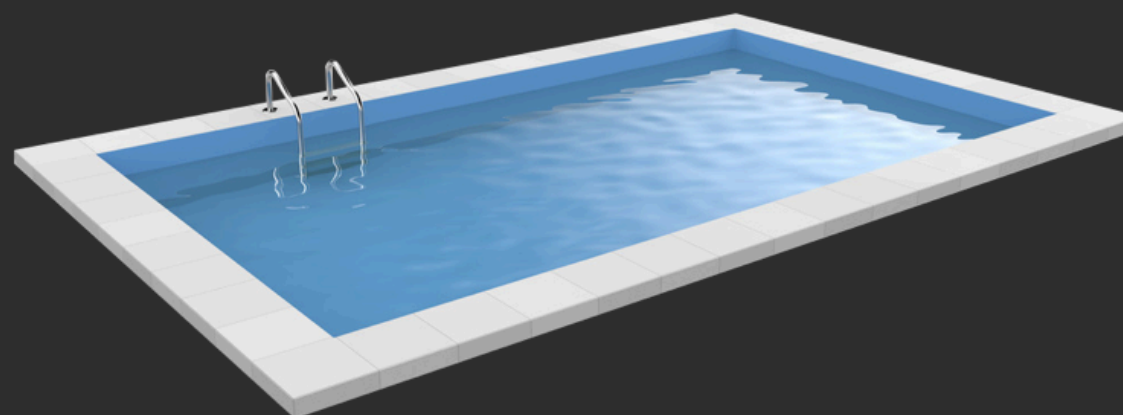
# But if stake is liquid, what's at stake? Part 1

1000 ETH



>>>>>

1000 ETH



>>>>>

1000 stETH



t0

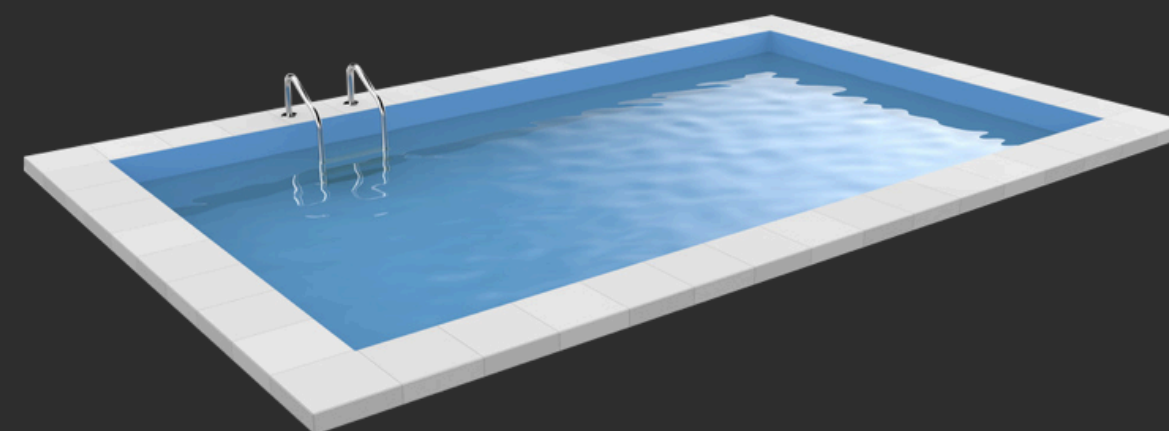
# But if stake is liquid, what's at stake? Part 2

100 ETH



>>>>>

1100 ETH



>>>>>

1100 stETH



t1



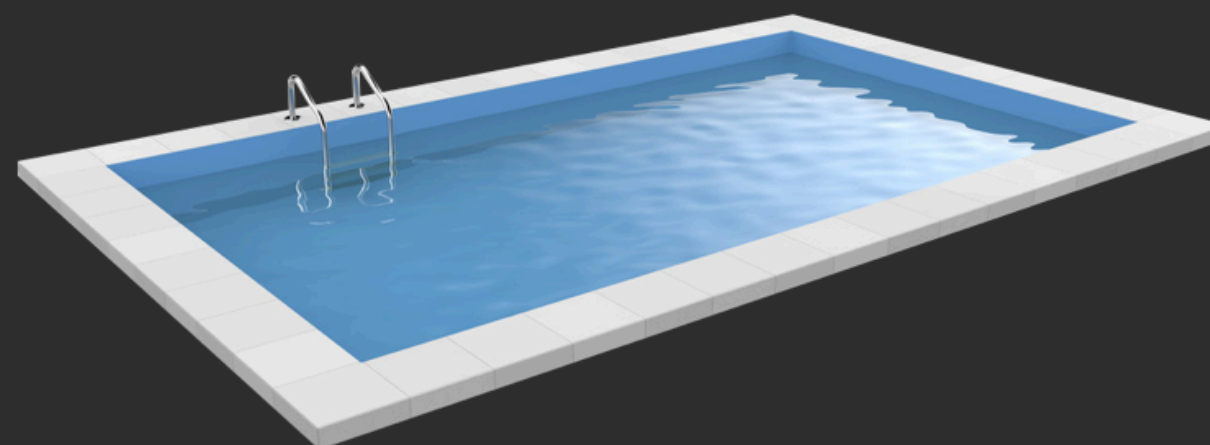
# But if stake is liquid, what's at stake? Part 3



-10 ETH

>>>>>

1100	ETH
- 10	ETH
-----	
1000	ETH



>>>>>

-10 stETH



1000 stETH

t2

**The stake is still at stake!**

# How it's going

Eth2 liquid staking–ETH in pools

Ξ 516,910  
Locked in eth2 pools

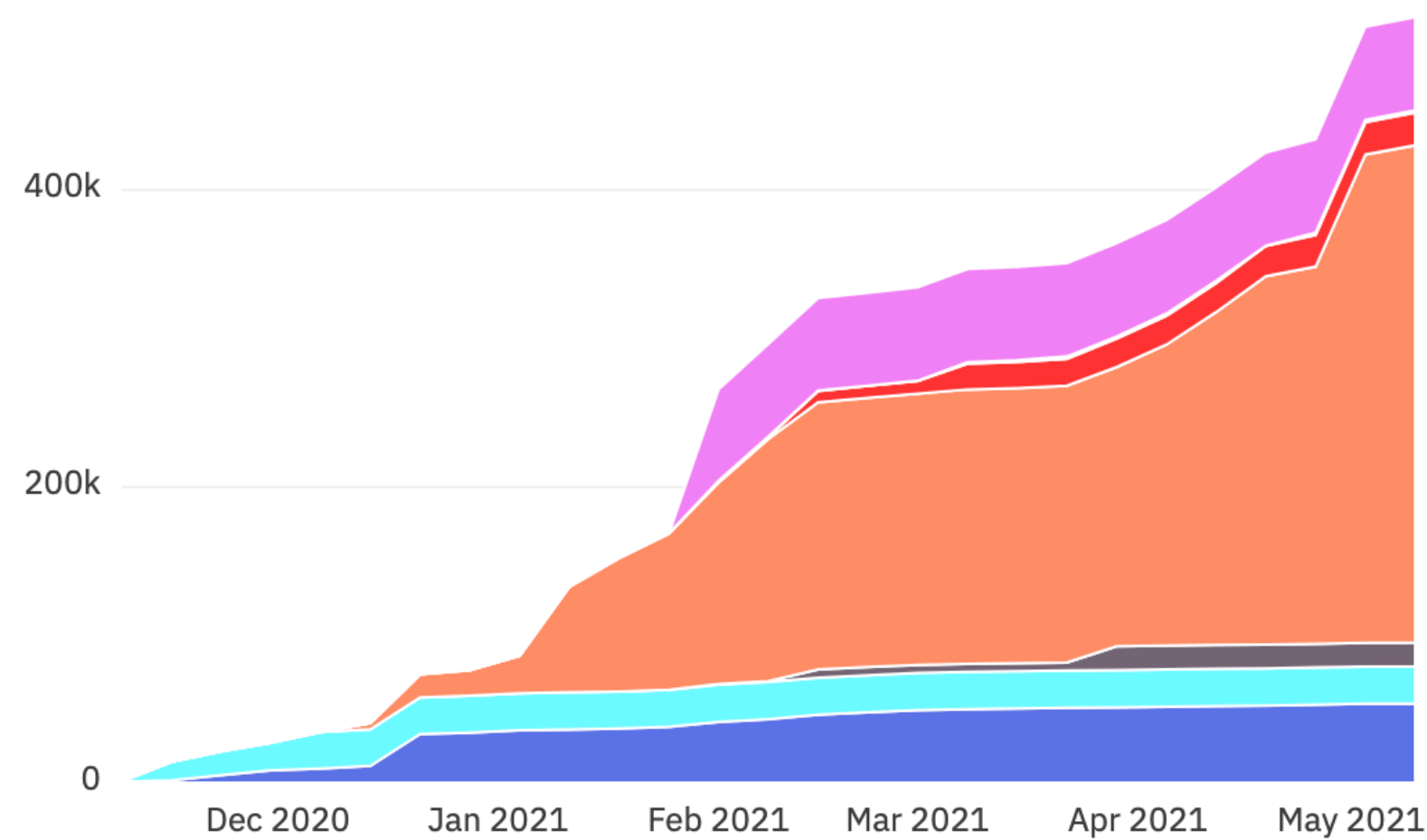
Eth2 liquid staking–ETH in pools

\$ 2.06B  
Locked in eth2 pools

ETH staked in Pools Eth2 liquid staking–ETH % in pools

11.12%  
ETH staked in Pools

Eth2 liquid staking balances (time series)



Eth2 liquid staking balances (list)

pool	eth_staked	market_share	usd_tv1	depositors	avg_eth_deposit
Lido	335,637	64.9%	\$1,347,330,646	4,434	76
Stakehound	63,009	12.2%	\$252,934,153	187	337
Stkr	53,507	10.4%	\$214,790,593	2,693	20
CREAM	25,127	4.9%	\$100,866,562	643	39
Stakewise	22,124	4.3%	\$88,809,627	1,738	13
SharedStake	16,000	3.1%	\$64,228,000	1,092	15
StaFi	1,479	0.3%	\$5,937,805	104	14
Total	516,883	100.0%	\$2,074,897,387	10,891	73

8 rows

@duneanalytics



# Multichain baby!



# But isn't pooling a concern?

KYC?

RUGS?

CUSTODY?



# A spectrum of decentralization

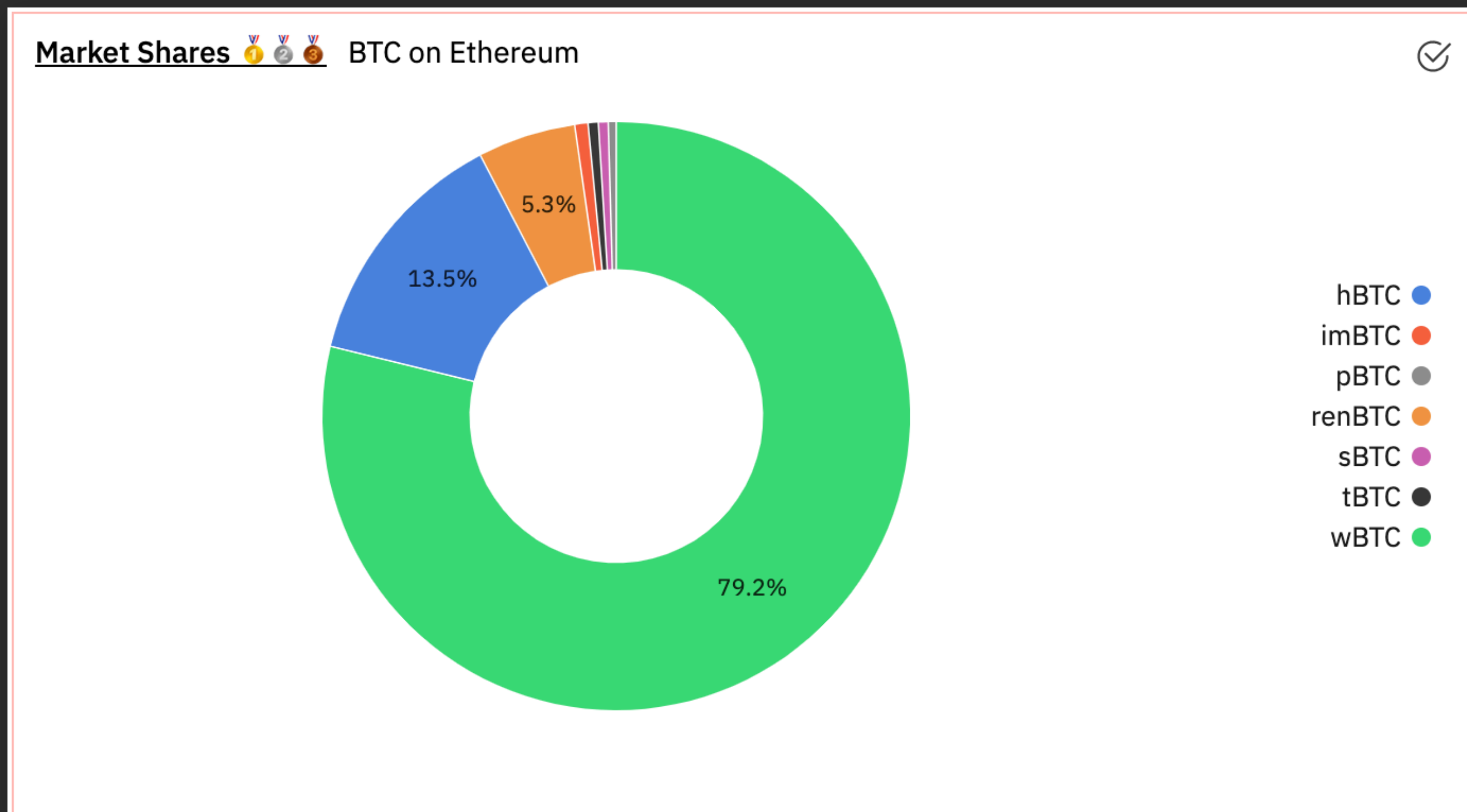
Decentralized (tBTC)

Centralized (hBTC)



Consortium DAO (wBTC)

# Reputation at stake



## BTC on Ethereum stats

- \* WBTC: 175k
- \* renBTC: 11k
- \* tbtc: 1k (welp!)

Conclusion: Simplicity and capital efficiency matter!



# Standards matter

stETH 

aETH 

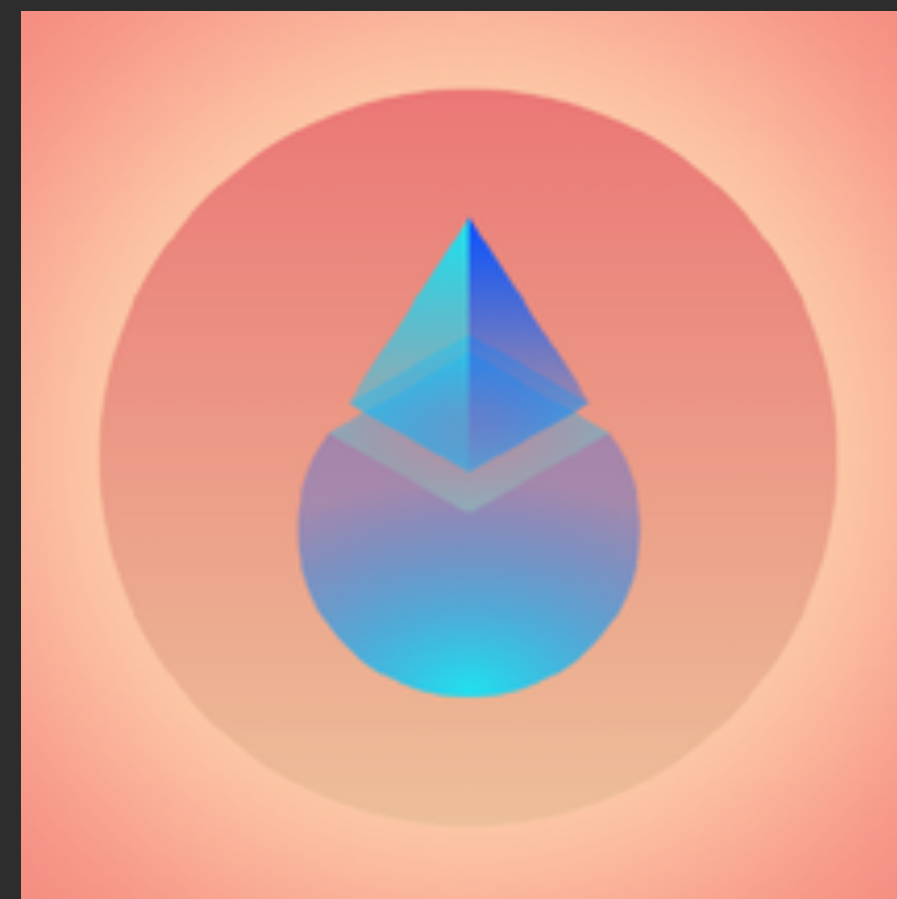


If a tree falls in the woods and no-one  
hears it...

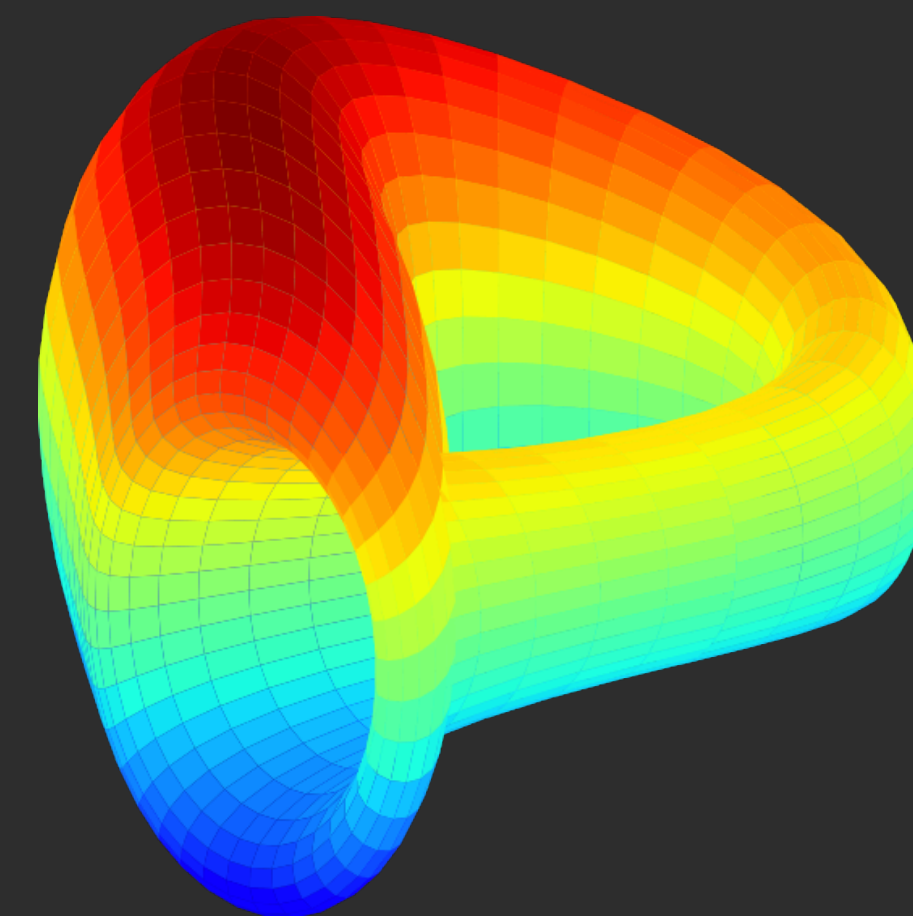
# Hungry for more?



[duneanalytics.com/eliasimos/Eth2-Liquid-Staking](https://duneanalytics.com/eliasimos/Eth2-Liquid-Staking)



[lido.fi](https://lido.fi)



[curve.fi](https://curve.fi)

ευχαριστώ sers/m'ams!



@eliasimos