

1inch on Mooniswap

Overview

1INCH is the token of the decentralized exchange aggregator <https://1inch.exchange>. It can be farmed by providing liquidity on Mooniswap (DEX of 1inch).

Keep in mind that yield farming always bears some risk and this report tries to make due diligence but does not constitute investment advice.

Required Assets

1INCH can currently be farmed with the following pairs of assets:

- ETH-DAI
- ETH-USDC
- ETH-USDT
- ETH-wBTC
- ETH-1INCH

From now on we'll use ETH-DAI as an example.

Links

Pools: <https://1inch.exchange/#/dao/pools>

Farming: <https://1inch.exchange/#/dao/farming>

Strategy Description

A. Getting Mooniswap LP tokens

First you need to add tokens to the Mooniswap Liquidity pool. The same value of ETH and DAI must be used. To do so go on the [pool page](#).

1. Click on “+” near the chosen pool.
2. Click on “Max” to provide as much as liquidity as possible or set the value of the liquidity to mint.
3. Click on “Unlock”.
4. Click on “Unlock xxxx DAI” and validate the transaction.
5. Click on “Provide liquidity” and validate the transaction.

Liquidity Pools v1.1 v1.0

Filter

Enter Token Name...

+ Create Pool

Pool	Liquidity	My Liquidity	APY	Provide Liquidity
<div>0x6a11...6cca</div> <div> <div>ETH</div> <div>50%</div> <div>WBTC</div> <div>50%</div> <div>Farming</div> </div>	\$206,654,269.87	-	2.87%	<div>Provide Liquidity</div> <div>+ ⚙ ></div>
<div>0x7566...3d5a</div> <div> <div>ETH</div> <div>50%</div> <div>DAI</div> <div>50%</div> <div>Farming</div> </div>	\$98,826,836.66	-	9.97%	<div>⚙ ⚙ ></div>
<div>0xb4db...bd27</div> <div> <div>ETH</div> <div>50%</div> <div>USDC</div> <div>50%</div> <div>Farming</div> </div>	\$80,450,756.23	-	9.82%	<div>+ ⚙ ></div>
<div>0xbba1...43cb</div> <div> <div>ETH</div> <div>50%</div> <div>USDT</div> <div>50%</div> <div>Farming</div> </div>	\$66,704,187.30	-	10.73%	<div>+ ⚙ ></div>
<div>0x0ef1...f210</div> <div> <div>1INCH</div> <div>50%</div> <div>ETH</div> <div>50%</div> <div>Farming</div> </div>	\$43,527,323.58	-	12.25%	<div>+ ⚙ ></div>

Provide Liquidity

ETH

≈ \$500

0.402628357920505057

DAI

≈ \$493.51

497.228700217782141539

🔒

50%

50%

Enter LP token amount to mint

504.52939388635237497

Max: 3610

Value in USD

1000

Max: ≈ \$7,157.11

Set value in USD to calculate tokens amount automatically

ⓘ This pool already created. You can provide liquidity to it

🔒 Unlock

⚙

Provide Liquidity

ETH

≈ \$500

0.402628357920505057

Unlock

497.2287 DAI

⚙

Infinite Unlock

✕



50%


50%

Value in USD Max: ≈ \$1,199.45

Set value in USD to calculate tokens amount automatically

ⓘ This pool already created. You can provide liquidity to it

 Provide Liquidity 


 Lock

B. Staking the LP tokens

Then you need to stake the LP tokens you just received. Go on the [farming page](#).

1. Click on “Deposit”.
2. Click on “Balance” to stake all the tokens.
3. Click on “Unlock” and approve the transaction.
4. Click on “Deposit” and approve the transaction.


Total Staked
\$97,669,205.09



APY:
47%

Deposit ETH-DAI and earn 1INCH

Your stake	\$390,255.41
1INCH reward	\$625.15

Deposit 

Claim

Withdraw

Exit



Deposit

Amount

Balance: 0

Pool Token

≈ \$0.00

 ETH-DAI

0.0

You Staked

0

Daily Earnings ⓘ

0 1INCH

\$0.00

Monthly Earnings ⓘ

0 1INCH

\$0.00

Yearly Earnings ⓘ

0 1INCH

\$0.00

Deposit

C. Harvest



Click on claim and confirm the transaction.

Total Staked

\$97,148,991.12

APY:

48%



Deposit ETH-DAI and earn 1INCH

Your stake

\$388

1INCH reward

\$6

Deposit

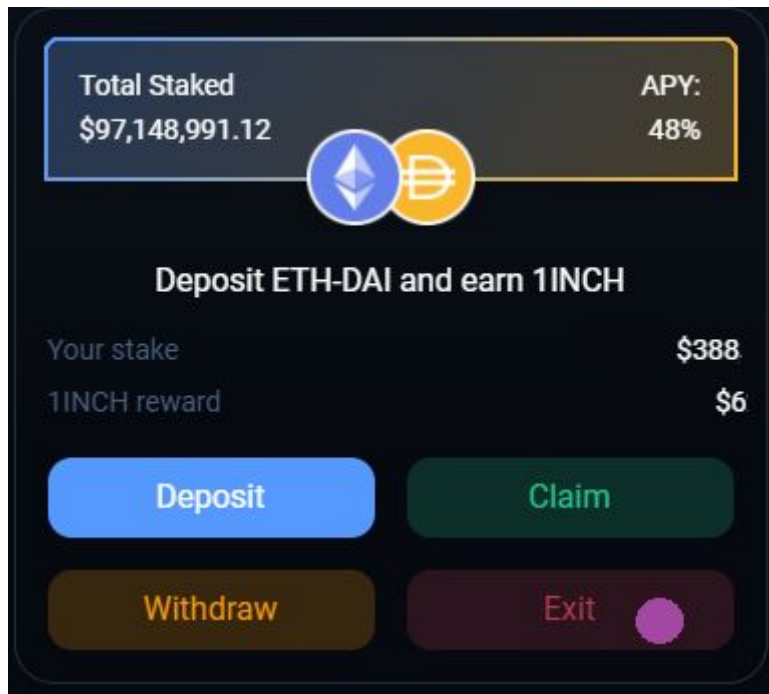
Claim

Withdraw

Exit

D. Withdraw

1. To withdraw click on “Exit” and confirm the transaction.
2. Go back to the pool page. Expand the DAI/ETH pool and click on “remove liquidity”, select the max amount review and confirm the transaction.



Yield

This strategy produces 2 kinds of yield:

- **Mooniswap yield:** Mooniswap uses the assets to provide liquidity. It quotes buy price and higher value than sell price. This leads to liquidity providers receiving the spread.
- **1inch:** 1INCH tokens are distributed to people staking the mooniswap LP tokens.

Risk Disclosure

There are the following risks:

- **Mooniswap smart contracts breaking:** Uniswap had 3 audits (by [peppersec](#), [dapp.org](#) and [Scott Biglow](#)), however there is always a smart contract risk.
- **Staking contract breaking:** The staking contract, while simpler also carries some risk.
- **Frontends:** The frontends could be hacked or changed by the team making them do different actions than those explained in this strategy including stealing user funds. Always verify that the transactions are approving and interacting with the right contracts.
- **Governance failure:** The governance system can modify various Mooniswap parameters which could have unexpected consequences.
- **Impermanent Loss:** Due to how automated market makers work, in case of price change between supplied assets, liquidity providers will end up with more of the token whose price decreased and less of the token whose price increased. This can result in a loss of funds compared to holding assets separately which may or may not be compensated by liquidity fees paid to liquidity providers.
This risk is particularly high when supplying volatile assets or assets owners could increase the minting rate.

Tipping Address

0x5e7B645d5Bf86750CB1913122ba8A8545e2A9FD1

If you liked this due diligence report, don't hesitate to tip.

