

# DeFi Yield Decomposition: Where Does 20% Actually Come From?

Total Advertised DeFi Yield

20% APY

Sustainable

8%

40%  
sustainable

60%  
unsustainable

Unsustainable

12%

Trading  
Fees

3%

Lending  
Interest

3%

Staking  
Rewards

2%

Token  
Inflation

5%

Liquidity  
Mining

4%

Ponzi  
Mechanics

3%

*Illustrative decomposition of typical DeFi yield pool*