

# Aggregation Layer

[Return to Glossary](#)

**Aggregation\_layer**, in [Decentralized Finance \(DeFi\)](#), consists of aggregators who connect various applications from the previous layer to provide a service to investors. For example, they might enable the seamless transfer of money between different financial instruments to maximize returns. In a physical setup, such trading actions would entail considerable paperwork and coordination. But a technology-based framework should smoothen the investing rails, allowing traders to switch between different services quickly. Lending and borrowing is an example of a service that exists on the aggregation layer. Banking services and crypto wallets are other examples.<sup>1)</sup>

Source: <https://www.investopedia.com/decentralized-finance-defi-5113835>

<sup>1)</sup>

Rakesh Sharma, Investopedia, 24 March 2021, [Decentralized Finance \(DeFi\) Definition](#), Accessed 24 May 2021, <https://www.investopedia.com/decentralized-finance-defi-5113835>

From:  
<https://www.omgwiki.org/dido/> - **DIDO Wiki**

Permanent link:  
[https://www.omgwiki.org/dido/doku.php?id=dido:public:ra:xapend:xapend.a\\_glossary:a:aggregation\\_layer&rev=1622426629](https://www.omgwiki.org/dido/doku.php?id=dido:public:ra:xapend:xapend.a_glossary:a:aggregation_layer&rev=1622426629)

Last update: **2021/05/30 22:03**

