
Rating Report

AVAX - Avalanche

Q4 2024

Free report

Disclaimer. This report is not financial advice and it is made voluntary by our team.
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Issued by

C4r

The purpose of this report is to gather all the important characteristics of the cryptocurrency or token. The report is performed in the following order:

1. Basic information
2. Analysis
3. Conclusion

Note that the result of this report should be interpreted as an independent analysis, not as a signal to buy or sell an asset. Please, always DYOR.

1. Basic information

AVAX (Avalanche) is a cryptocurrency created by Ava Labs, focusing on building a highly scalable blockchain platform. Its primary purposes are:

- **Transaction fees.** Used to pay for all transactions and operations within the Avalanche network, similar to how ETH works on Ethereum.
- **Network Security.** AVAX is used in staking to secure the network, where validators must stake a minimum amount of AVAX tokens to participate in consensus.
- **Subnet Creation.** Required for creating custom blockchains (called Subnets) on Avalanche, where operators must stake AVAX to validate subnet transactions.

The token has established itself as a fundamental component of the Avalanche ecosystem, powering everything from DeFi applications to enterprise blockchain solutions.

2. Analysis

In the following tables we will show the different areas researched, such as tech, strategy and economy.

AVAX							
Tech	Type	Cryptocurrency		Token		Others	
	Layer	0	1	2	3	Others	
	Blockchain	Ethereum	Cosmos	Solana	BNB Chain	Others	
	Category	Utility	Security	Stable	Meme	Others	
	Consensus	PoW	PoS	PoA	PoB	Others	
	ISO	Yes			No		
	Bug Bounty	Yes			No		
	Audits	Yes			No		
	Auto Audit ⁽¹⁾	0	1	2	3	4	5

*(1) The auto audit score is performed by 6 different digital audits: Certik Skynet, Quick Intel, Go Plus, HoneyPot, Token Sniffer and StaySAFU through the DEXTools app

On the one hand, the tech block shows that AVAX is a layer 0 cryptocurrency with a Proof of Stake consensus protocol. This makes it independent, innovative, and scalable, thanks to its unique architecture built on its own blockchain, offering high throughput and quick finality. The project demonstrates strong technical credibility as a utility token with audits from reputable firms like Halborn and CertiK.

Additionally, AVAX has a bug bounty program, encouraging security researchers to identify and report vulnerabilities, further strengthening its security posture. However, like many blockchain projects, it lacks ISO certifications, which prevents it from achieving a perfect score in this technical block.

AVAX							
Strategy	Governance	Centralized		Decentralized		Others	
	Open Source	Yes			No		
	Roadmap	Yes			No		
	Partnerships	Yes			No		
	Public Team	Yes			No		
	Social media	Abandoned		Active		Others	
	CAPED ⁽²⁾	0	1	2	3	4	5

⁽²⁾ The CAPED score is an analysis of capitalization, trader's activity, price performance, development and engagement. This analysis was deployed initially by the Alpha Intelligence team of Hacken

On the other hand, regarding the strategy block, AVAX shows remarkable strength. With a clear public roadmap, transparent team structure, and impressive partnerships with industry giants like Deloitte, AWS, and Mastercard, it demonstrates serious institutional adoption potential.

The project also features decentralized governance, allowing token holders to participate in key decision-making processes, ensuring a more community-driven development path. Moreover, AVAX is partly open source, balancing transparency with strategic control over certain components of its technology. The project maintains a highly active social media presence, showing strong community engagement and continuous development.

AVAX							
Economy	Supply	Limited			Infinite		
	Burn	Yes			No		
	Collateral	Yes			No		
	Buybacks	Yes			No		
	Tokenomics ⁽³⁾	0	1	2	3	4	5

⁽³⁾ The tokenomics score is performed by COIN4RATING considering factors as supply, burn mechanism, distribution, vesting and possibility of staking/liquidity pools

Finally, examining the token economy, AVAX presents a robust tokenomics model. With a limited supply and implemented burn mechanism, it maintains a deflationary characteristic.

While it doesn't have collateral backing or a buyback program at this time, its strong tokenomics score of 4/5 reflects well-designed economic incentives that align with network security and utility through staking mechanisms.

Overall, the analysis has been carried out satisfactorily.

3. Conclusion

The report provides a comprehensive yet concise analysis of the project's key characteristics. After thorough investigation, we confidently assess the project's performance as achieving the following rating:



(*) Note: Rating is from AAA+ to C- scoring.

QR verification:

