
Rating Report

XLM - Stellar

Q1 2025

Free report

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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

XLM (Stellar Lumens) is the native cryptocurrency of the Stellar network, created by the Stellar Development Foundation, a non-profit organization. Its primary purposes are:

- **Fast Cross-Border Payments.** Enables quick, low-cost international money transfers and remittances, typically settling in 3-5 seconds.
- **Financial Inclusion.** Designed to connect financial institutions, payment systems, and people, particularly focusing on providing financial services to unbanked populations.
- **Network Operation.** Serves as the native asset for the Stellar blockchain, used to pay transaction fees and maintain network accounts.

The token has become a bridge currency for financial institutions, supporting various financial products and services, including asset tokenization and decentralized exchange capabilities on the Stellar network.

2. Analysis

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

XLM							
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, Honeybot, Token Sniffer and StaySAFU through the DEXTools app

On the one hand, the tech block shows that the project is a layer 1 cryptocurrency with its own unique Stellar Consensus Protocol (SCP). This makes it independent, innovative, and highly efficient, thanks to the extremely low fees and being hosted on its own blockchain, the Stellar Network. The SCP provides fast finality and high security without the energy consumption of traditional consensus mechanisms. Additionally, the project maintains a bug bounty program, encouraging security researchers to identify and report vulnerabilities, further enhancing the network's robustness.

However, although it is a digital asset categorized as 'utility' with its respective audits executed by major firms like Certora and Coinspect, it has not been subject to ISO certifications, so this aspect prevents it from achieving a higher score in this tech block.

XLM							
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, with regard to the strategy block, the project demonstrates strong institutional credibility. Having a clear public roadmap, transparent team structure, and partnerships with global giants like IBM, MoneyGram, and VISA significantly strengthens its position. The project also embraces decentralized governance, allowing stakeholders to participate in key decisions, which promotes transparency and community involvement.

Moreover, the platform is partly open source, enabling developers to contribute and verify the underlying code, fostering trust and collaboration. The active social media presence and continuous community engagement further validate its strategic execution.

XLM							
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, let's look at the token economy. XLM currently has a limited supply model with a burn mechanism. While there isn't a hard cap like Bitcoin's 21 million, the supply of XLM is now managed more akin to a fixed supply model but with the potential for changes through governance decisions or burning mechanisms. Let's remember that in the past, XLM didn't have a fixed supply or a burn mechanism. It's also worth noting that there is currently no buyback program in place, which could influence token demand dynamics.

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:

