

---

# Rating Report

ARB - Arbitrum

Q1 2025

---

---

## Free report

Disclaimer. This report is not financial advice and it is made voluntary by our team.  
COIN4RATING is not responsible for any error included in this report.

---

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

ARB (Arbitrum) is a cryptocurrency created by Offchain Labs, associated with Arbitrum, a leading Layer 2 scaling solution for Ethereum. Its primary purposes are:

- **Governance and Support.** ARB is the governance token for the Arbitrum DAO, allowing holders to vote on proposals that influence features, protocol upgrades, fund allocation, and the election of the Security Council. On the other hand, ARB supports Arbitrum's use of optimistic rollups. This technology enables faster and cheaper transactions.
- **Ecosystem Utility.** ARB is used within the Arbitrum ecosystem, which includes Arbitrum One (the mainnet) and Arbitrum Nova (designed for high-volume applications like gaming and social). While fees on Arbitrum are typically paid in ETH or other ERC-20 tokens, ARB incentivizes participation and development within the ecosystem.

Initially launched via an airdrop in March 2023 to reward early users and DAOs members, ARB has evolved from a governance-focused token to a cornerstone of Arbitrum's thriving ecosystem. The integration with major DeFi protocols like Uniswap, Curve Finance, and GMX, ARB plays a critical role in advancing scalable, cost-efficient solutions for Ethereum-based applications in the Web3 finance ecosystem.

## 2. Analysis

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

ARB							
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 <sup>(1)</sup>	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 ARB is a Layer 2 token with a consensus mechanism based on optimistic rollups, inheriting Ethereum's Proof of Stake (PoS) protocol. This makes it highly scalable, cost-efficient, and innovative, thanks to its low transaction fees and reliance on Ethereum's robust security.

Additionally, the project maintains a bug bounty program, encouraging security researchers to identify and report vulnerabilities, further strengthening its security posture. However, although it is a digital asset categorized as 'utility' with audits conducted by reputable firms like Trail of Bits and OpenZeppelin, it has not been subject to ISO certifications, which limits its score in this block.

ARB							
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 <sup>(2)</sup>	0	1	2	3	4	5

<sup>(2)</sup> 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, being a relatively new but rapidly growing project, ARB benefits from a public roadmap and strong community engagement through governance. The project employs decentralized governance, allowing token holders to propose and vote on key decisions, ensuring a transparent and community-driven development process.

Furthermore, the project is partly or fully open source, enabling developers to contribute and verify the codebase, fostering trust and collaboration. Projects like this, with a public team, active social media presence, and excellent partnerships with major DeFi platforms like Uniswap, Curve Finance, and GMX, stand out in this block. However, its CAPED score may be moderate due to its early-stage development compared to more established projects.

ARB							
Economy	Supply	Limited			Infinite		
	Burn	Yes			No		
	Collateral	Yes			No		
	Buybacks	Yes			No		
	Tokenomics <sup>(3)</sup>	0	1	2	3	4	5

<sup>(3)</sup> 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. Knowing that ARB has a limited supply, it follows a deflationary model, though it lacks a burn mechanism or collateral.

Currently, the project has implemented a buyback program, which helps support the token's value by reducing circulating supply. Given these factors, our tokenomics score reflects an average value, with room for growth as the ecosystem matures.

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:

