Rating Report

FIL - Filecoin

Q1 2025

Free 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

FIL is a cryptocurrency developed by Protocol Labs, underpinning the Filecoin network, which is one of the leading decentralized storage solutions. Here are its primary purposes:

- **Incentive for Network and Payments**: FIL is used as the currency within the Filecoin network to pay for storing and retrieving data. It serves as well as an incentive for storage miners who provide storage capacity and retrieval miners who serve data.
- **Governance and Utility in the Ecosystem**: Token holders can vote on network changes, and in applications built on or integrated with Filecoin like decentralized applications (dApps) that require storage.
- **Support for Filecoin Virtual Machine (FVM)**: With the introduction of FVM, FIL has expanded its utility. FVM allows for smart contracts on Filecoin, enabling new use cases like liquid staking, perpetual storage solutions, and decentralized computing, enhancing FIL's role in the web3 ecosystem.

The coin has transitioned from being solely a currency for a storage marketplace to a versatile token with significant roles in decentralized finance (DeFi), storage solutions, and blockchain interoperability within the Web3 landscape.

2. Analysis

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

FIL						
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 technical side, FIL stands out as a layer 1 cryptocurrency employing a unique consensus mechanism with Proof-of-Replication (PoRep) and Proof-of-Spacetime (PoSt), making it both independent and innovative. This setup allows for efficient decentralized storage solutions with its own blockchain, distinct from others like Bitcoin or Ethereum.

Additionally, FIL has a bug bounty program, encouraging security researchers to identify and report vulnerabilities, further strengthening its network resilience. However, while FIL is categorized as a utility token with audits performed by reputable firms like Trail of Bits or Least Authority, among others, it lacks ISO certifications, which slightly diminishes its score in this category.

FIL					
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

Regarding strategy, FIL, being a well-established project, naturally has a lower CAPED score, and the absence of a detailed roadmap isn't surprising for projects at this stage. The project embraces decentralized governance, allowing token holders to participate in key decision-making processes through proposals and voting. This ensures that the network evolves in a community-driven manner.

Furthermore, FIL is partly open source, providing transparency in its development while keeping certain components proprietary. With a public team, significant partnerships including Storj, IPFS, and Chainlink, and active social media engagement, FIL shines in this block, demonstrating its maturity and community involvement.

FIL					
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

Lastly, examining the token economy, FIL has a limited supply, which alongside its burn mechanism, contributes to a deflationary strategy. On the other hand, FIL is used as collateral by storage miners to ensure they fulfill their storage agreements reliably. If they fail to meet their obligations, they risk losing their collateral. The presence of this collateral system further strengthens its tokenomics and utility.

While FIL does not currently have a buyback program in place, its economic model remains robust. Summarizing, given these aspects, FIL's tokenomics score is notably high, reflecting a well-thought-out economic model within the cryptocurrency landscape.

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: