



Investment Thesis

BNB Chain

BNB

Token type	Cryptocurrency
Price	\$243.16
Sector	Smart Contract Platform (Layer 1)
Market Cap	\$39.27B

Key Figures

52-Week Range	\$183 - \$669
Market Rank	#5
Market Capitalization	\$39.27 billion
Total Value Locked (TVL)	\$6.36 billion
Circulating Supply	163,276,974
Volume (24h)	\$889,229,794
Volume / Market Cap	0.0037
ATH	\$689.92
ATH Date	May 10, 2021
Down from ATH	-64.76%

Overview

BNB Chain is the second-largest Smart Contract Platform in terms of market capitalization and Total Value Locked (TVL) across decentralized finance (DeFi) applications. It is comprised of two blockchains: **BNB Smart Chain** (BSC, previously Binance Smart Chain), which is compatible with the Ethereum Virtual Machine (EVM), and **BNB Beacon Chain** (previously Binance Chain), which is optimized for trading. BNB Chain is very popular in Asia and has a vibrant ecosystem, with prominent DeFi applications like Pancake Swap and Venus. Because BSC is **EVM-compatible**, developers can easily port their projects from Ethereum, while users can enjoy popular Ethereum-based applications such as Metamask. BNB Chain is also launching "**BNB ZkRollup**," a scaling solution that will significantly increase the throughput of BSC. The blockchain's native token – BNB – which stands for "**Build and Build**," is used to secure the network via staking and pay for transaction fees. In addition, users of BNB receive a discount on the Binance Exchange, providing an incentive to buy the token.

- In 2017, **Changpeng Zhao**, commonly known as "CZ", founded crypto exchange Binance, and BNB (the token) was born.
- In 2019, **Binance Chain** was introduced, based on the Cosmos SDK development framework and "optimized for ultra-fast trading".
- In 2020, **Binance Smart Chain** (BSC) was launched, an EVM-compatible blockchain designed for high-performance decentralized applications.
- In 2022, **BNB Chain launched by merging Binance Chain and BSC** in an effort to lay the foundation for large-scale applications.

Key takeaways

- BNB Chain is a smart contract platform comprised of the previously separate blockchains Binance Chain and Binance Smart Chain.
- It is the **second-largest Smart Contract Platform after Ethereum** in terms of market capitalization and TVL.
- The **Binance exchange is the world's largest crypto exchange**, providing a significant source of transaction flow to BNB, increasing its resilience and prospects.

Risk factors

- **Regulatory uncertainty.** The Binance exchange is frequently the target of regulators and has been banned in certain jurisdictions. Though separate from BNB Chain, this could negatively affect the network.
- **Adoption risk.** Capital can rotate quickly out of ecosystems if they do not generate organic growth, as evidenced by other smart contract platforms such as EOS and Tron.

Figure 1:
Price Performance (5-years)

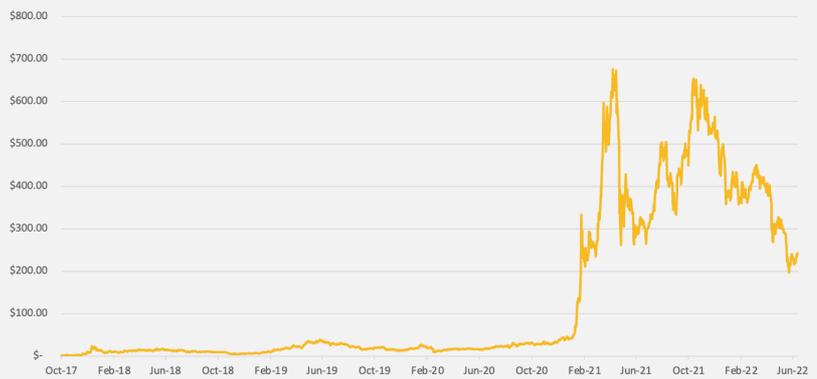
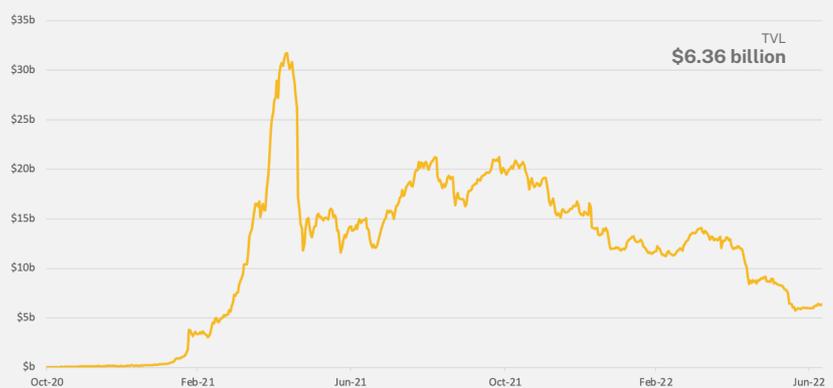


Figure 2:
Total Value Locked (TVL)



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