



Investment Thesis

Chainlink

LINK

Basic Information

Token type	Utility Token
Price	\$12.08
GCCS Classification	Oracles, AI & Data Solutions, Big Data
Sector	AI & Data Solutions

Source: CoinGecko, Data as of April 10, 2025

Key Metrics

Price Range (1Y)	\$9.49 - \$29.05
All-Time High	\$51.85
All-Time High Date	May 10, 2021
Down From All-Time High	76.5%
Market Capitalization	\$8.07B
Volume (24h)	\$495.63M
Circulating Supply	638.1M LINK
Max Supply	1B LINK
Annualized Protocol Revenue	\$545.6K

Source: CoinGecko, DeFiLlama, TokenTerminal, 21.co on Dune Analytics. Data as of April 10, 2025

Overview

Chainlink is a decentralized oracle network that seamlessly bridges blockchain systems with real-world data, enabling smart contracts to access off-chain information such as asset prices, IoT data, and weather forecasts.

This innovation expands the scope of Decentralized Oracle Networks (DONs) by offering key services like Proof-of-Reserve (PoR) for asset verification, Verifiable Random Function (VRF) for fair randomness, Fair Sequencing Service (FSS) to mitigate frontrunning, Keepers for automated task execution, and the Cross-Chain Interoperability Protocol (CCIP) for secure cross-chain communication. These capabilities have made Chainlink the backbone of hybrid smart contracts across multiple blockchains. **Chainlink's adoption extends beyond the crypto ecosystem, with collaborations from major traditional finance institutions** like UBS, SWIFT, and Fidelity, which are leveraging Chainlink's technology for Net Asset Value (NAV) tracking and tokenization initiatives.

- **May 2019:** Chainlink's mainnet launched, founded by Sergey Nazarov.
- **June 2019:** Eric Schmidt joined as a technical advisor; Ari Juels appointed Chief Scientist at Chainlink Labs.
- **December 2019:** Expanded to 22 networks, processing over 11 billion on-chain data points.
- **January 2024:** Partnered with DTCC to streamline Smart-NAV data for tokenization, advancing institutional blockchain adoption.
- **April 2025:** PayPal and Venmo add Chainlink trading and custody.

Key takeaways

- **Chainlink bridges the gap between blockchains and real-world systems**, enabling smart contracts to securely interact with external data, Internet of Things devices, and APIs.
- **Powers key DeFi functionalities with price feeds**, Verifiable Random Function (VRF), Fair Sequencing Service (FSS), and Keepers for task automation, while Cross-Chain Interoperability Protocol (CCIP) facilitates secure interactions across multiple blockchains.
- **Chainlink's Proof-of-Reserve (PoR) and NAV solutions** have drawn collaborations with firms like SWIFT, DTCC, UBS, and Fidelity, bridging DeFi with traditional financial ecosystems.
- The LINK token is used to compensate node operators and secure the network, underpinning Chainlink's decentralized and incentive-driven architecture.

Risk factors

- **Technological Risk:** Implementations like CCIP and advanced oracle services may expose the network to unforeseen vulnerabilities or smart contract bugs, potentially affecting its reliability.
- **Regulatory Risk:** Increased scrutiny on DeFi could impact the adoption of oracles, Chainlink's primary use case, particularly in regions with stricter financial regulations.
- **Competitive Risk:** While Chainlink dominates the oracle market, emerging oracle solutions may challenge its position, particularly in specialized sectors like private data feeds or cross-chain interactions.
- **Adoption Risk:** Bridging traditional finance and blockchain requires overcoming barriers such as institutional trust, integration complexity, and scalability concerns.

Chainlink (LINK) 1-Year Performance



Source: CoinGecko. Data from April 11, 2024 - April 10, 2025

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