# Demystifying Crypto: Fundamental Analysis

### Unveiling a Token's Core Value

Fundamental analysis goes beyond the price chart to understand a token's true potential. It involves meticulously studying key aspects that determine its long-term value.

#### **Asset Types**

- Utility Token: Designed for use within a specific project's ecosystem, offering access to features or services (e.g., Filecoin for decentralized storage).
- Security Token: Represents
  ownership in a real-world asset or
  project, similar to a stock (e.g.,
  security tokens backed by real
  estate).
- Governance Token: Grants voting rights within a project or platform, allowing holders to influence decision-making (e.g., DAO governance tokens).

#### Demand & Supply

- Token Scarcity: A limited supply of tokens can drive up value if demand is high. Analyze the total supply and distribution model.
- Market Demand: Research the project's adoption rate, real-world use cases, and overall market interest in the token.

## The Team & Development

- Team Expertise: Evaluate the experience and credibility of the developers and advisors behind the project.
- Development Roadmap: Analyze the project's roadmap to see their vision, planned features, and longterm goals.

#### Real-World Uses

- Practical Applications: Does the token have tangible use cases beyond just trading? Real-world utility can increase its value over time.
- Long-Term Vision: Understand how the token fits into the project's ecosystem and its potential impact on the industry.

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