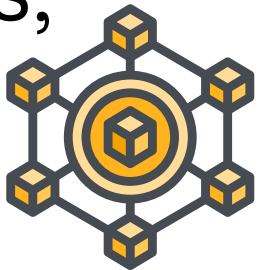


ERC20 Token Standard

Build Your Own Cryptocurrency



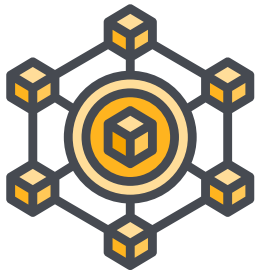
- ERC20 is a technical standard used to create fungible tokens on the Ethereum blockchain.
- “Fungible” means each token has equal value (like currency notes).
- ERC20 defines a set of rules & functions that every token must follow.
- These rules ensure compatibility across wallets, exchanges, and dApps.



Why ERC20 Was Introduced



- Before ERC20, every token behaved differently → chaos for wallets & exchanges.
- ERC20 created a common language for tokens.
- Once a token follows ERC20:
 - Wallets can store it
 - Exchanges can list it
 - dApps can use it without custom code



Key Characteristics of ERC20 Tokens



- Tokens are fungible (1 token = 1 token).
- Tokens live inside a smart contract, not as separate coins.
- Balances are tracked using mappings inside the contract.
- Tokens can be transferred, approved, and spent by others.



Where ERC20 Tokens Are Used



- Cryptocurrencies (USDT, USDC, DAI)
- ICOs & Token Sales
- Governance Tokens (DAO voting)
- DeFi apps (staking, lending, farming)
- In-game tokens & reward systems

