

BNB proposes the GMX community to support a deployment on the BNB Chain after the launch of GMX Synths. The assets to be included in the initial GLP pool can be discussed in the forum.

BNB Chain is fully supporting the GMX contributors and community's current plan and understands that deployment in our chain will be relevant once GMX's current roadmap will be cleared.

About BNB Chain

BNB Chain is a decentralized Layer 1 EVM compatible that uses Proof of Staked Authority (PoSA) as the consensus mechanism. At the time of writing, it has 26 active validators, we are looking forward to increasing (to 41 active validators) this number in the near future. In Q3 its Nakamoto coefficient has increased to 8, a figure that falls within the industry median. BNB Chain is composed of the BNB Beacon Chain (previously Binance Chain) and BNB Smart Chain (previously Binance Smart Chain). BNB Chain is known for its short block time – the average block time is 3 seconds – and low fees.

BNB Chain has a wide and active DeFi Ecosystem with the second largest TVL after Ethereum. The biggest project – in terms of volume and TVL – is PancakeSwap, the DEX with the third highest TVL (~\$2.2B) across chains and also has one of the highest daily volumes granting a high degree of liquidity to many supported assets. Other dexes such as BiSwap, DODO, and iZumi also play an important role in the ecosystem, enhancing the liquidity available on the chain. Venus is the most important BNB lending project with about \$700M in TVL (4th biggest lending protocol). Since September, Liquid Staking has been gaining more and more traction, by delivering new use cases to the holders of BNB. Wombat is the largest stableswap protocol on BNBChain. With a TVL of more than \$110M, it has been able to handle volumes of more than \$400M on peak days. These are only a handful of the hundreds of Defi projects that exist on BNBChain, which is the second most active DeFi protocol after Ethereum. The trading volume of BNB DeFi dapps is also among the highest across chains.

The greatest strength of BNB Chain is its community and user base. BNBChain is the chain with the most daily active users, the most transactions, and also the chain with the most unique active wallets. We believe that the chain's greatest asset is this community.

Data insights

- BNB Chain had 1M DAU and an average of 2.5M to 3M transactions per day during October. During Q2 of 2022, BNBChain had 427,134 unique active wallets, which accounts for 20.26% of all UAWs
- In Q3 of 2022, BNBChain was the second biggest DeFi chain with a TVL of \$7.6 billion, experiencing a 28.67% increase from Q2 2022
- At the time of writing BNBChain TVL is ~\$6.7 billion; the chain has not experienced significant outflows and the decrease in value locked can be mainly attributed to the sharp decline of crypto asset prices after the market events of the second week of November
- BNBChain's TVL market share has been steadily growing since January. On May 15, the BNBChain TVL market share was 6.7%. Today it holds over 9%
- The main assets by volume are BNB, BTC, ETH, CAKE, BUSD, USDC, and USDT, which could be considered for the first batch of assets composing the initial GLP pool on BNBChain. Nevertheless, we remain open to suggestions
- BNBChain also supports a large set of wrapped or pegged tokens that could be relevant for GMX (ETH, BTC, ... are within this list)

Technical framework

Chainlink, Pyth (through Wormhole), Binance Oracle, and The Graph fully support BNBChain. Nodereal, Ankr, InfStones, Quicknode, and Chainstack are the public RPCs and BSC Scan is the reference token tracker of the network.

BNBChain actively audits the network and its smart contracts with a robust set of security providers. Some of the audits have been performed by PeckShield, VeriChain, CertiK, and Quantstamp, and their results are publicly available. BNBChain runs several initiatives focused on security such as Avenger DAO, a community-run security infrastructure project designed to protect users on BNBChain from possible exploits, scams, and malicious actors.

Rationale

GMX is the natural evolution of Gambit, first deployed in the old BSC. GMX and BNBChain have both evolved and grown tremendously since those times. BNBChain has become the second-largest chain in any relevant metric and GMX has established itself as the most important DDEX and one of the spearheads of decentralized perpetual. It seems also natural for GMX to return to BNBChain.

We believe that the deployment on BNBChain can greatly benefit the GMX community. The chain hosts the largest active user community and the second-highest TVL. GMX would get exposure to the largest retail user pool in the space and to multiple leading DeFi protocols that can work and build with GMX. . We think that the whole GMX offering would find high demand, which would have a positive impact on the accrued fees by \$GMX, backed by the deep liquidity of BNBChain and the largest user base in the market. We also believe that in these uncertain times, the resilience shown by BNBChain can be

beneficial for the GMX community, not only because of the trust that users have shown by organically growing the BNBChain TVL market share in recent months, but also to diversify any type of dependency risk. The strength of the DeFi ecosystem can serve to guarantee deep liquidity to the GLP pool, which can attract more and more users. Additionally, the BNB on-chain assets and their large volumes can be very interesting for GMX. BNBChain not only offers BNB, whose strength and demand are evident but also a wide range of wrapped assets from other chains. Lastly, the user composition of BNBChain is different from the one from Arbitrum or Avalanche, which would let the protocol access a different segment of users, not just geographically, but also conceptually.

For BNBChain and its community, the deal is clear. The community could first benefit from the low slippage of the GLP and Synth pools. We at BNBChain believe that decentralized derivatives will be the next area of great growth in DeFi and we want our chain to play an important role there. GMX is one of the most attractive projects in this domain and we believe that its deployment would bring us closer to reaching this milestone. The GMX tokenomics would also have a positive impact on the community of BNB holders who are seeking real yields. GMX has proven to be one of the protocols with the greatest capacity to generate fees and distribute them in all of DeFi.

GMX has not only grown enormously in recent months, but it has also become the reference DDEX on which a new ecosystem of its own has begun to flourish. Many of these projects built on top of GMX could be very interesting for BNBChain, so the possible synergies or areas of collaboration are quite wide.

Scope of the deployment

We understand that the GMX contributors are immersed in the development of very important features and updates that are crucial for the development, future positioning, and strength of the protocol, such as the synthetics upgrade.

By aligning with the development efforts of GMX, BNBChain expects that the on-chain deployment of the protocol will not only be limited to the OG perps market and GLP pool, but also to these new functionalities. Especially the synthetics market which we think will generate a lot of demand.

Collaboration

To ensure the success of GMX on BNBChain, BNBChain could carry out a series of initiatives and promotions. These initiatives range from joint promotion (if the minimum requirements for security and other parameters are met), AMA, and joint-twitter spaces to putting the GMX contributors in contact with ecosystem partners. Any initiative that the GMX community believes can strengthen the position of the protocol in BNB is more than welcome to be discussed in the forum.

Conclusion

We believe that a GMX deployment would be beneficial for both parties. BNB and GMX developers are “old acquaintances”, from the days when GMX was Gambit and BNB was BSC. Ever since GMX has become one of the most relevant DDEX, offering a great product to perps traders, zero slippage to users who decide to swap their GLP pool, and revolutionizing real yield distribution with its tokenomics. At the same time, BNB Chain has become the second most important chain by TVL and the first in DAU, community, and unique wallets. We hope that with this proposal we can resume this relationship.

We believe that right now the conditions are perfect for a hypothetical deployment. Decentralized perps have been in the shadow of their centralized counterparts, but in recent months that distance seems to be narrowing little by little. GMX is one of the causes of that distance being reduced, more volume of perpetual being executed purely on-chain and we believe that the next phase of great growth for decentralized derivatives is just about to kick off. In recent months, BNB has established itself as one of the most trusted, used chains with the greatest capacity not only to maintain but also to generate new TVL, in turbulent market conditions. We now find ourselves comfortably in a position to assert that we can offer the necessary basis for GMX to achieve that goal.

Documentation and relevant links

[Website](#)

[Github](#)