



## Investment Thesis

# Ondo Finance

# ONDO

### Overview

**Ondo Finance** launched in 2022, pioneering the tokenization of real-world assets (RWAs) like U.S. Treasuries and money market funds. Ondo bridges traditional finance and blockchain, with **\$2.2B** in tokenized assets, offering transparency, efficiency, and accessibility to institutional-grade securities.

Ondo manages approximately **\$600M** in tokenized assets, with two tokenized products, USDY (U.S. Dollar Yield Token) and OUSG (U.S. Short-Term Government Bond Fund), Ondo has rapidly grown from **\$125M** at the start of 2024, reflecting strong demand for its solutions. Ondo's tokenized securities bring significant benefits, including instant settlement, eliminating delays and higher costs with flexible yield options by offering investors the choice between rebasing or accumulating returns. These assets are increasingly integrated into the DeFi ecosystem, available across 11 blockchains and providing liquidity on over 47 platforms, allowing users to earn passive income or utilizing them as collateral. These advantages uniquely position Ondo to sustain its growth even as global interest rates decline, offering an efficient and accessible solution for yield generation through blockchain-powered RWAs.

### Basic Information

Token type	Governance Token
Price	\$0.81
GCCS Classification	Decentralized Finance, Tokenization, Governance Token
Sector	Decentralized Finance

Source: CoinGecko, Data as of April 10, 2025

### Key Metrics

Price Range (1Y)	\$0.57 - \$2.03
All-Time High	\$2.14
All-Time High Date	16 December 2024
Down From All-Time High	-58.5%
Market Capitalization	\$2.68B
Volume (24H)	\$329.64M
Circulating Supply	3.16B ONDO
Max Supply	10B ONDO
Total Value Locked (TVL)	\$998.73M
Number of Integrations	15Chains

Source: CoinGecko, DeFiLlama, Artemis  
Data as of April 10, 2025

- **April 2022:** Ondo Finance raised **\$20M** in Series A funding, led by Founders Fund and Pantera Capital.
- **May 2022:** ONDO token launched via CoinList.
- **August 2022:** Ondo launched Flux Finance, enabling borrowing and lending with tokenized RWAs.
- **2023:** USDY debuted on Solana with integrations into major dApps like Raydium, Orca, and deBridge.
- **2024:** Ondo Finance transferred **\$100M** into BUIDL; Paypal stablecoin, PYUSD enabled for conversion in and out of OUSG.
- **November 2024:** USDY integrated into Solana's Drift protocol, enabling yield-bearing collateral for prediction markets.
- **February 2025:** Ondo Finance brings tokenized US Treasuries to XRP Ledger

### Key Takeaways

- Ondo Finance is pioneering the tokenization of RWAs, capturing a **30%** market share with over **\$650M** in TVL.
- By leveraging blockchain, Ondo offers instant settlement, flexible yield options, and collateral usability, significantly reducing transaction costs.
- Ondo's ONDO token facilitates community governance, enabling token holders to shape the protocol's direction while driving innovation and adoption.

### Risk Factors

- **Interest Rate Dependency:** A prolonged period of falling or low U.S. Treasury yields could reduce the attractiveness of Ondo's products, impacting demand.
- **Competitive Risk:** Ondo faces increasing competition from other RWA tokenization platforms such as Securitize and Circle, which could challenge its market dominance.
- **Limited Token Utility:** The ONDO token currently lacks complex functionality or technical applications, which may limit its value proposition and price performance over time.

## Ondo Finance (ONDO) 1-Year Performance



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

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