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AVAX Token

Learn about the native token of Avalanche Primary Network.

AVAX is the native utility token of Avalanche. It's a hard-capped, scarce asset that is used to pay for fees, secure the platform through staking, and provide a basic unit of account between the multiple Avalanche L1s created on Avalanche.

Note

1 nAVAX is equal to 0.000000001 AVAX. Use the [AVAX Unit Converter](#) to convert between different AVAX denominations.

Utility

AVAX is a capped-supply (up to 720M) resource in the Avalanche ecosystem that's used to power the network. AVAX is used to secure the ecosystem through staking and for day-to-day operations like issuing transactions.

AVAX represents the weight that each node has in network decisions. No single actor owns the Avalanche Network, so each validator in the network is given a proportional weight in the network's decisions corresponding to the proportion of total stake that they own through proof of stake (PoS).

Any entity trying to execute a transaction on Avalanche Primary Network pays a corresponding fee (commonly known as "gas") to run it on the network. The fees used to execute a transaction on Avalanche is burned, or permanently removed from circulating supply.



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them AVAX rewards at the end of their staking period. The minting process offsets the AVAX burned by transactions fees. While AVAX is still far away from its supply cap, it will almost always remain an inflationary asset.

Avalanche does not take away any portion of a validator's already staked tokens (commonly known as "slashing") for negligent/malicious staking periods, however this behavior is disincentivized as validators who attempt to do harm to the network would expend their node's computing resources for no reward.

AVAX is minted according to the following formula, where R_j is the total number of tokens at year j , with $R_1 = 360M$, and R_l representing the last year that the values of $\gamma, \lambda \in \mathbb{R}$ were changed; c_j is the yet un-minted supply of coins to reach $720M$ at year j such that $c_j \leq 360M$; u represents a staker, with $u.s_{amount}$ representing the total amount of stake that u possesses, and $u.s_{time}$ the length of staking for u .

AVAX is minted according to the following formula, where R_j is the total number of tokens at:

$$R_j = R_l + \sum_{\forall u} \rho(u.s_{amount}, u.s_{time}) \times \frac{c_j}{L} \times \left(\sum_{i=0}^j \frac{1}{\left(\gamma + \frac{1}{1+i^\lambda}\right)^i} \right)$$

where,

$$L = \left(\sum_{i=0}^{\infty} \frac{1}{\left(\gamma + \frac{1}{1+i^\lambda}\right)^i} \right)$$

At genesis, $c_1 = 360M$. The values of γ and λ are governable, and if changed, the function is recomputed with the new value of c_* . We have that $\sum_* \rho(*) \leq 1$. $\rho(*)$ is a linear function that can be computed as follows ($u.s_{time}$ is measured in weeks, and $u.s_{amount}$ is measured in AVAX tokens):

$$\rho(u.s_{amount}, u.s_{time}) = (0.002 \times u.s_{time} + 0.896) \times \frac{u.s_{amount}}{R_j}$$



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minted, incentivizing stakers to stake for longer periods.

Due to the capped-supply, the above function guarantees that AVAX will never exceed a total of $720M$ tokens, or limit $D(i) = 720M$.

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