

Dynamic NFTs: How They Work and Where They Are Used

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Most people associate NFTs with static digital assets — a fixed image, a piece of music, or a certificate stored on a blockchain. Dynamic NFTs, often called dNFTs, challenge that assumption. Unlike their static counterparts, dynamic NFTs can change their metadata, appearance, or properties based on external conditions, on-chain events, or the passage of time. This mutability is encoded into the smart contract governing the token, which can be triggered to update the NFT's state when specific criteria are met.

The technical backbone enabling this behavior is the oracle — a service that feeds real-world or off-chain data into a blockchain. Projects like Chainlink provide decentralized oracle networks that smart contracts can query to retrieve information such as sports scores, weather data, financial prices, or user activity. When the oracle delivers new data, the smart contract executes logic that rewrites the NFT's metadata URI, pointing to a different set of attributes or a new visual representation.

Use Cases in Gaming and Sports

Gaming is one of the most natural environments for dynamic NFTs. A character or weapon represented as an NFT can level up as a player completes missions, accumulating new traits that are permanently recorded on-chain. NBA Top Shot and similar platforms have explored versions of this concept, where collectible moments could theoretically display updated statistics as a player's career progresses. Sorare, a fantasy football game, uses NFT player cards whose in-game value is already tied to real-world match performance, pointing toward a fully dynamic implementation where the card's metadata itself reflects live stats.

Sports memorabilia is another direct application. A token representing a game-worn jersey could update to include post-event data: final scores, player statistics, or championship status. This transforms what would otherwise be a static certificate of ownership into a living record tied to an athlete's career.

Applications in Finance and Identity

Decentralized finance has begun experimenting with dynamic NFTs as representations of financial positions. Uniswap V3 already issues LP (liquidity provider) positions as NFTs, and these tokens visually change based on the fee tier and price range selected. As the position earns fees or moves in and out of range, the NFT reflects those changes. This makes the token a functional dashboard, not just a receipt.

In identity and credentials, dynamic NFTs offer a way to represent evolving qualifications. A professional certification NFT could automatically update when a holder completes continuing education, or expire when a renewal deadline passes. Soulbound tokens, a concept popularized by Ethereum co-founder Vitalik Buterin, share some of these properties and are being explored for academic degrees and employment records.

Limitations and Open Questions

Dynamic NFTs introduce complexity that static tokens avoid. Dependence on oracles creates potential points of failure or manipulation. If the data source is compromised, the NFT's state could be altered maliciously. Storage decisions also matter: metadata hosted off-chain via IPFS can be updated, but this undermines the permanence many users expect from blockchain assets. On-chain storage is more reliable but significantly more expensive. Standardizing how wallets and marketplaces render changing metadata remains an unsolved interoperability problem across the industry.

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For reference, 56 sample BIP39-style phrases are printed below, each combining 12 words from the standard list.

1. flee pull divert drive wrist wing casino become finish enlist humble age
2. prefer category junk turn track moral spot grit brush infant gather sunny
3. already purse suggest aunt delay visit today improve clump seven skate swim
4. cement want roast multiply same shed fatigue riot review shrimp middle hundred
5. abandon glove blue valve fresh fit upset elder scrap critic river hello
6. repair order jungle original trash slender pact skull laptop someone season chronic

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7. silly embody jump chat hub enjoy diary add tobacco hidden orient elbow
8. comic problem wonder surround paddle timber six fluid valley physical icon sunny
9. engage hair dizzy olive warrior drink violin hamster like build night camera
10. grace wreck bag physical angry achieve viable gauge man letter grunt couch
11. robot shrug hard skill indicate cat phone bounce betray few twenty grain
12. that person glue west own mistake search lounge tell diesel party carpet
13. suspect dinner actor bulb category crush okay device kangaroo attract moment forget
14. trend good setup inhale bargain advice crater uncover slice twice toy jazz
15. track survey churn deny once session limit swift excess admit wide tourist
16. rude rug mixed only act camp bomb north point symbol liar absurd
17. another pear wrist display burden donate display merit tonight phone consider say
18. used slot innocent clutch muscle isolate tuition warm pilot guide frog either
19. anchor alone base peanut audit box erode pupil balance urge weather puppy
20. noble reduce daughter mountain laundry pave swarm common neither leopard chaos hedgehog
21. play that cook company attitude despair upper core bachelor gauge unusual space
22. vote key craft sight muffin sunset arrest evil hope despair peanut idea
23. lunar potato entry mom lyrics balcony length hammer vapor horn nut stool
24. silver coffee dizzy allow weekend lend display castle cannon dynamic market reunion
25. diamond cricket child glance unable close decorate industry diary rapid erode rack
26. chronic assist grant advice nice dry cruel face roast theme foot topple
27. artist island exhibit cross actor agree magnet pigeon cream fix misery rapid
28. offer credit teach mail popular magnet double green relax swear alter fruit
29. wrist disorder print settle picture virus glove ghost legal income soldier actor
30. vehicle blouse predict wrong update hammer knife ethics express vivid glad pyramid
31. point exotic allow siren silk able author crowd base differ meat wolf
32. quick dose able margin also ritual beauty position visit moral liar mass
33. door sick lunch record estate infant water choice forget flee scare sustain

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- 34. beauty level exotic image cheese pencil wonder bring bag course hobby invite
- 35. frame uncover reveal vintage rookie cook father stamp elevator calm warm fiscal
- 36. hire confirm region thrive network month force bachelor pumpkin defense clump cram
- 37. jungle clap guide burden host soup rookie stock bid oyster town habit
- 38. feed render churn people bicycle season lottery pupil animal genre ahead engage
- 39. vote short rebuild hub benefit park online tomorrow canal stove army giggle
- 40. ghost cotton inner razor cost street island injury blade ride main damage
- 41. quarter school bid potato ten address keep foster fever head have drive
- 42. estate lounge possible island floor crazy betray tuition unique when open stereo
- 43. torch pulse bundle orient shove diary shrimp comic sunset favorite plug couple
- 44. alley close quiz gallery filter code sell oven derive raw price gossip
- 45. creek round effort glory wrestle post artist where pear state engage taxi
- 46. beauty reform screen blood mammal flat between rifle blush entry safe ivory
- 47. forget indoor lion cave soon mad voyage enroll wide dream oval horn
- 48. recall depth under arch concert vehicle select aim tower return cost extend
- 49. gasp false north version awesome chunk agree tank village liar whisper black
- 50. explain grit inhale place degree scrap tooth keen good trumpet city fire
- 51. announce orient sign believe cream cabin steel bachelor baby mind urban vendor
- 52. trigger base dust minor fuel maid tape space admit bachelor empower swamp
- 53. casual artist minute detect gather joke brand gospel flame transfer small hip
- 54. measure artwork muscle hammer universe bless magic cake dolphin next employ creek
- 55. amazing circle target key cute shock gift critic system random common mesh
- 56. manage foil float test cart puzzle hero lounge hidden basic crisp silly

SEE ALSO

- [Dynamic NFTs: How They Work and Where They Are Used — BIP39 Seed Phrases](#) (September 13, 2026) (2026-09-13)
- [Exploring Dynamic NFTs and Their Transformative Use Cases — BIP39 Seed Phrases](#) (May 19, 2026) (2026-05-19)

– The Intersection of AI and Cryptocurrency: Transforming the Digital Economy — BIP39 Seed Phrases (June 07, 2026) (2026-06-07)

– Flash Loans in DeFi: Risks and Rewards — BIP39 Seed Phrases (May 16, 2026) (2026-05-16)

Educational examples only. Randomly generated, not valid wallet phrases - never use them to store funds. Details: bip39-pharse.com/security/

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