



EXCHANGE REVIEW

August 2020



About

CryptoCompare's Exchange Review aims to capture the key developments within the cryptocurrency exchange market. Our review focuses on analyses that relate to exchange volumes, which include those related to crypto derivatives trading, market segmentation by exchange fee models, and crypto to crypto vs fiat to crypto volumes. We also conduct an analysis of bitcoin trading into various fiats and stablecoins, an additional overview of top crypto exchange rankings by spot trading volume, as well as a focus on how volumes have developed historically for the top trans-fee mining and decentralized exchanges.

CryptoCompare's Exchange Review is conducted on a monthly basis and caters to both the crypto-enthusiast interested in a broad overview of the crypto exchange market, as well as investors, analysts and regulators interested in more specific analyses.

For questions related to our research or any potential requests, feel free to contact our research department at research@cryptocompare.com.

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The [Crypto.com Exchange](#) is a rapidly growing trading venue with a strong retail flow. Top institutions receive a credit line and highly competitive maker/taker fees. Our platform is robust, secure and compliant. Trade profitably on the Crypto.com Exchange - to get in touch with our institutional sales team visit bit.ly/cryptocomcompare now.

Explore the data on the CryptoCompare API

For those interested in accessing CryptoCompare's data for their own purposes, including cryptocurrency trade data, order book data, blockchain data, social data or historical data across thousands of cryptocurrencies and 200+ exchanges, please take a look at CryptoCompare's API here: <https://min-api.cryptocompare.com>

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Key Highlights

Crypto Spot Volumes Soar, with Top Tier Exchanges Dominating

In August, Top-Tier volumes increased 58.3% to \$529bn while Lower-Tier volumes increased 30.2% to \$291bn. Top-Tier exchanges now represent 64% of total volume (vs 60% in July).

Binance (Grade A) was the largest Top-Tier exchange by volume in August, trading \$124.9bn (up 83%). This was followed by Huobi Global (Grade BB) trading \$65.0bn (up 176%), and OKEx (Grade BB) trading \$64.7bn (up 47%).

Derivatives Volumes Surge by 54%

Derivatives volumes increased 53.6% in August to \$711.7bn. Meanwhile, total spot volumes have increased by 49.6% to \$944.9bn. Derivatives continue to represent just over 40% of total market share.

Derivatives exchanges saw significant increases in trading volume in August. Huobi (up 44.7%), OKEx (up 69.1%) and Binance (up 74.0%) led with \$208.5bn, \$190.8bn and \$184.6bn traded respectively. BitMEX traded \$72.5bn (up 43.6%) in August.

CME Derivatives Volumes Shoot Up

Monthly CME futures contract volumes have increased 36.3% since July to reach 203,867 contracts traded in August.

In terms of total trading volume in August, CME's crypto derivatives volumes have increased 55.7% in line with many unregulated derivatives competitors to reach \$12.02bn.



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Interbank Exchange Rates
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**5% off for plastic card (25\$ reward cap monthly), 10% off for metal cards (50\$ reward cap monthly)

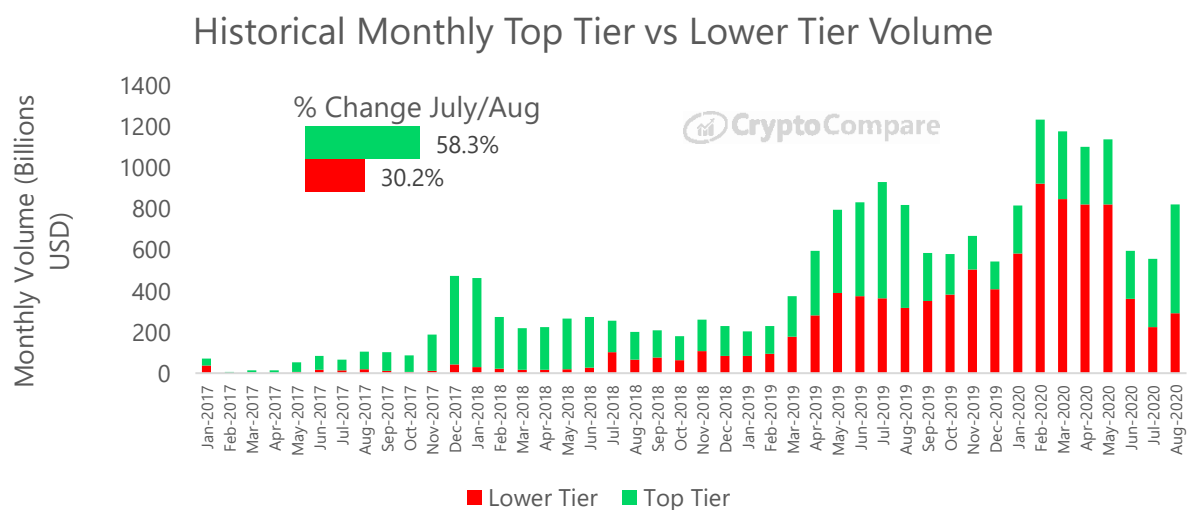
August Exchange News

COMPANY	STORY	DATE
Binance	<u>Strengthening the DeFi Space By Backing 1inch and More Startups</u>	August 11
Deribit	<u>Deribit Lowers Option Trading Fees to Make the Market More Accessible to Retail Traders</u>	August 12
Coinbase	<u>Borrow Cash Using Bitcoin on Coinbase</u>	August 13
Kraken	<u>Earn Up to 12% Returns Staking Polkadot and Cosmos Starting August 18</u>	August 17
Gemini	<u>Gemini Partners With Blockchange to Bring Digital Assets to Registered Investment Advisors</u>	August 18
FTX	<u>FTX Launches UNISWAP-PERP, a Future on the Top 100 Uniswap Pools</u>	August 24
Binance	<u>Binance Futures Launches DeFi Index Perpetual Contracts</u>	August 26
BitMEX	<u>Introducing a New Stop Order Feature for API Users: Last Within Mark</u>	August 26
Uniswap	<u>Introducing Token Lists</u>	August 26
OKEx	<u>OKEx Strengthens Commitment to DeFi, Listing 8 More Promising Tokens in One Day</u>	August 28

Exchange Benchmark Analysis

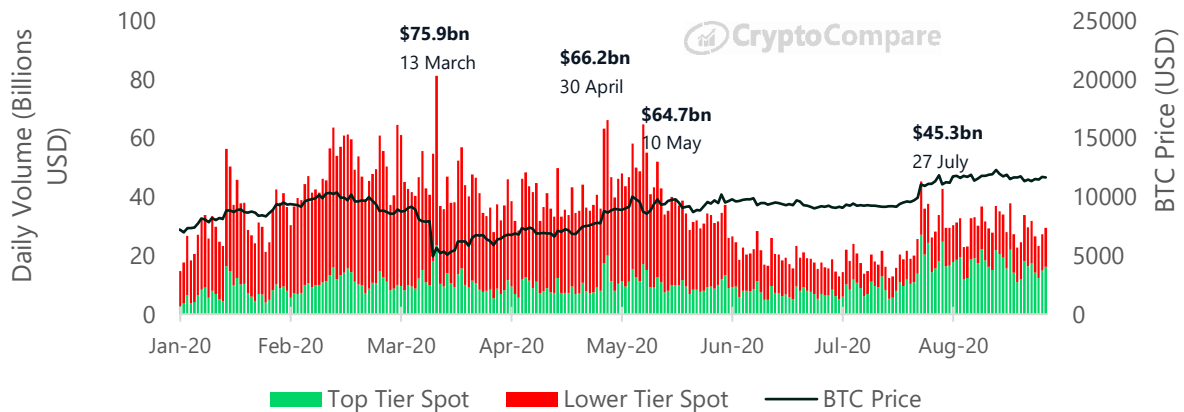
CryptoCompare's Exchange Benchmark aims to serve investors, regulators and crypto enthusiasts by scoring exchanges in terms of transparency, operational quality, regulatory standing, data provision, management team, and their ability to monitor trades and illicit activity effectively. Rather than drawing attention specifically to bad actors, we instead highlight those that behave in a manner that is conducive to maintaining an efficient and fair market, ensuring greater safety of investors. We have hence introduced the notion of "Top-Tier" vs "Lower-tier" volumes.

Explore the Exchange Benchmark [here](#)



In August, Top-Tier volumes increased 58.3% to \$529bn while Lower-Tier volumes increased 30.2% to \$291bn. Top-Tier exchanges now represent 64% of total volume (vs 60% in July).

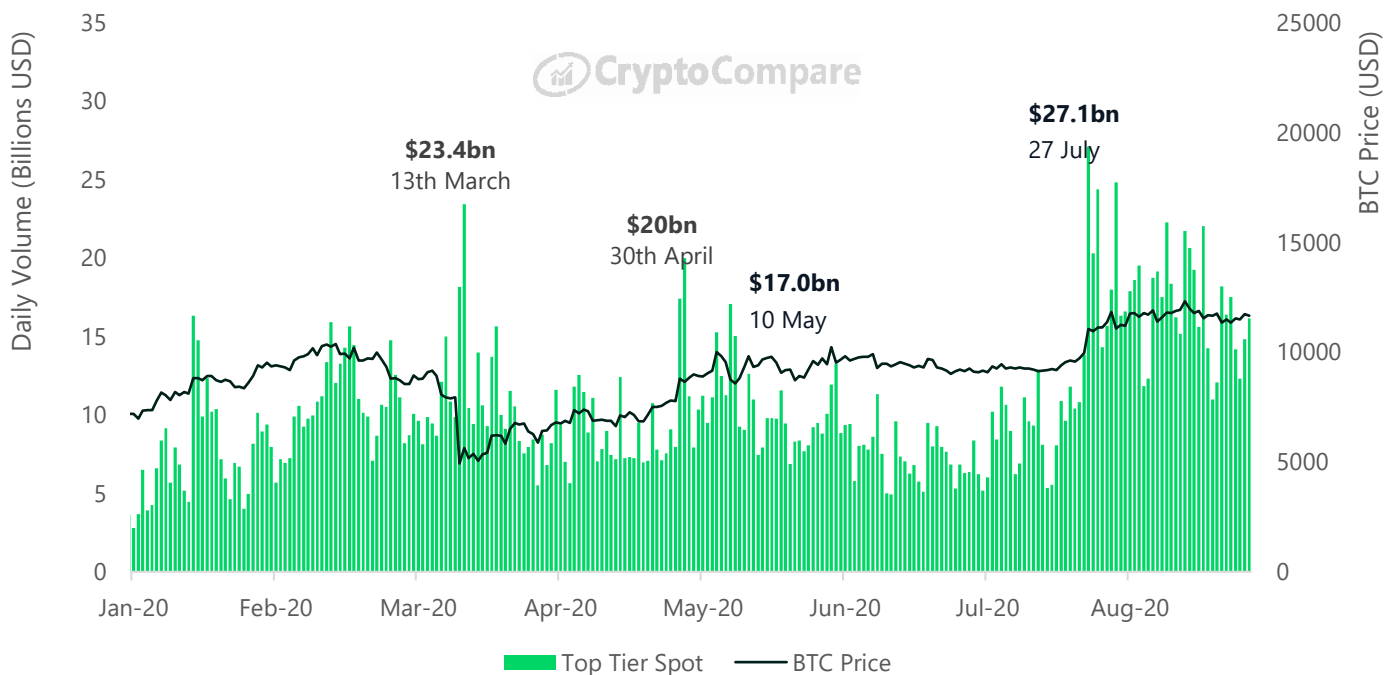
Total Spot Volume - Lower Tier vs Top Tier Exchanges



Trading activity across all spot markets throughout August was higher compared to July, as the price of BTC remained above the \$11k mark. Following the July update to CryptoCompare's Exchange Benchmark Ranking, the data shows that higher risk exchanges have generally lost market share, as users begin shifting to lower risk (Top-Tier) exchanges.

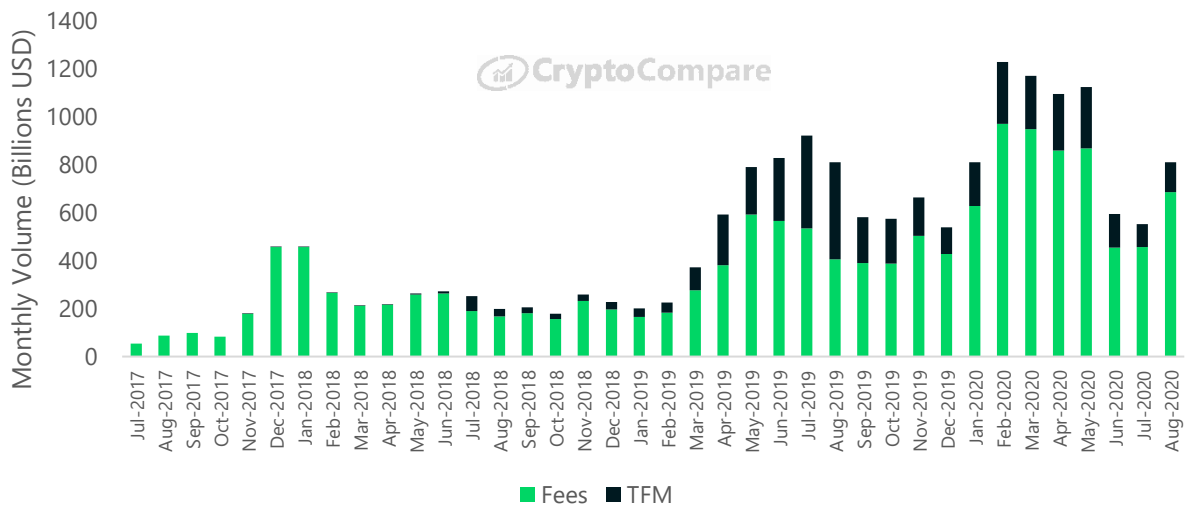
Top-Tier exchange volume, selected based on our rigorous [Exchange Benchmark methodology](#), has increased 58.3% overall in August from July.

Total Spot Volume - Top Tier Exchanges



Macro Analysis and Market Segmentation

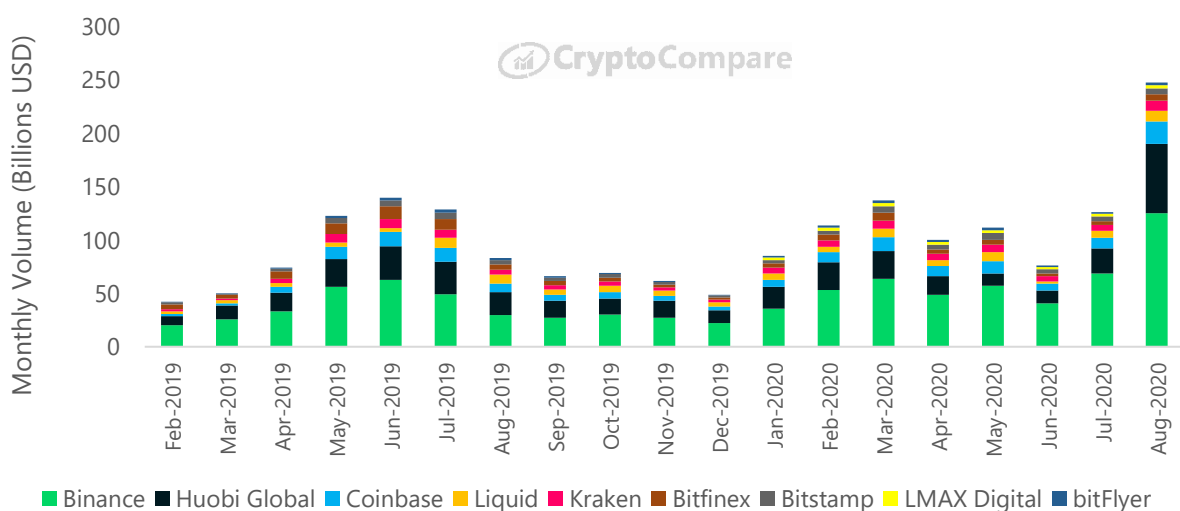
Historical Volume by Fee Model



Exchanges that charge traditional taker fees represented 84% of total exchange volume in August (vs 82% in July), while those that implement Trans-Fee Mining (TFM) represented less than 16%.

Fee-charging exchanges traded a total of \$685bn in August (up 50.13% since July), while those that implement TFM models traded \$125bn (up 53.94% since July).

Historical Monthly Top Tier Exchange Volume



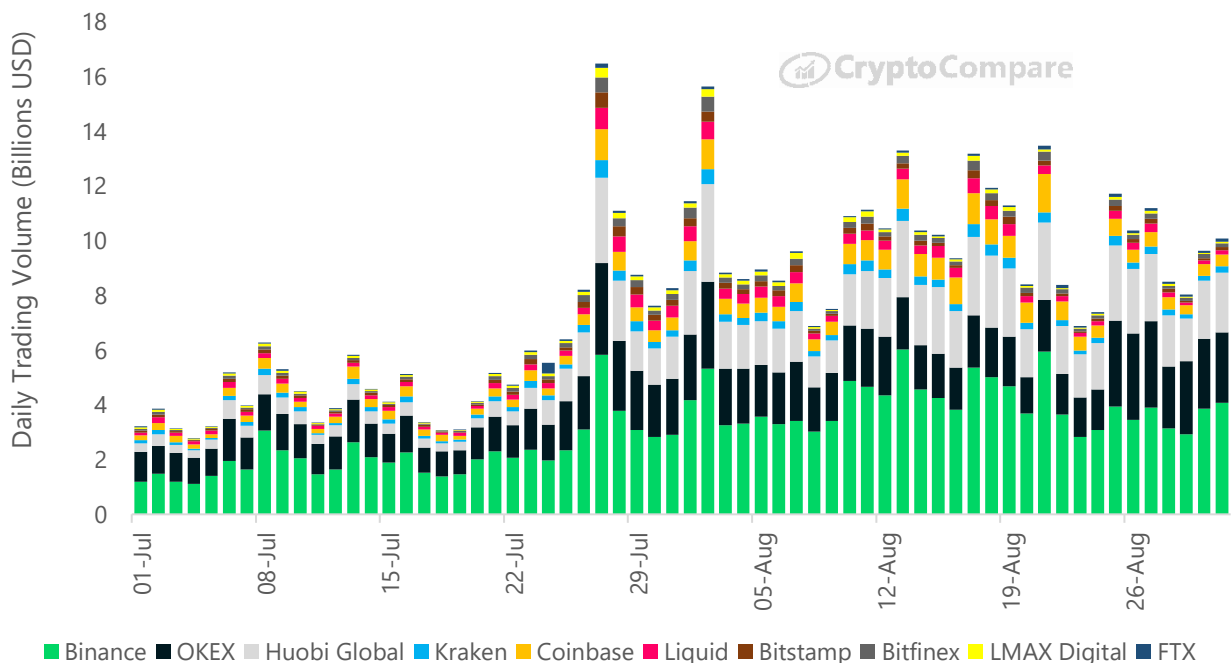
In August, volume from the 15 largest Top-Tier exchanges increased 58% on average (vs July).

Historical Monthly Top Tier Exchange Volume - Last 3 Months



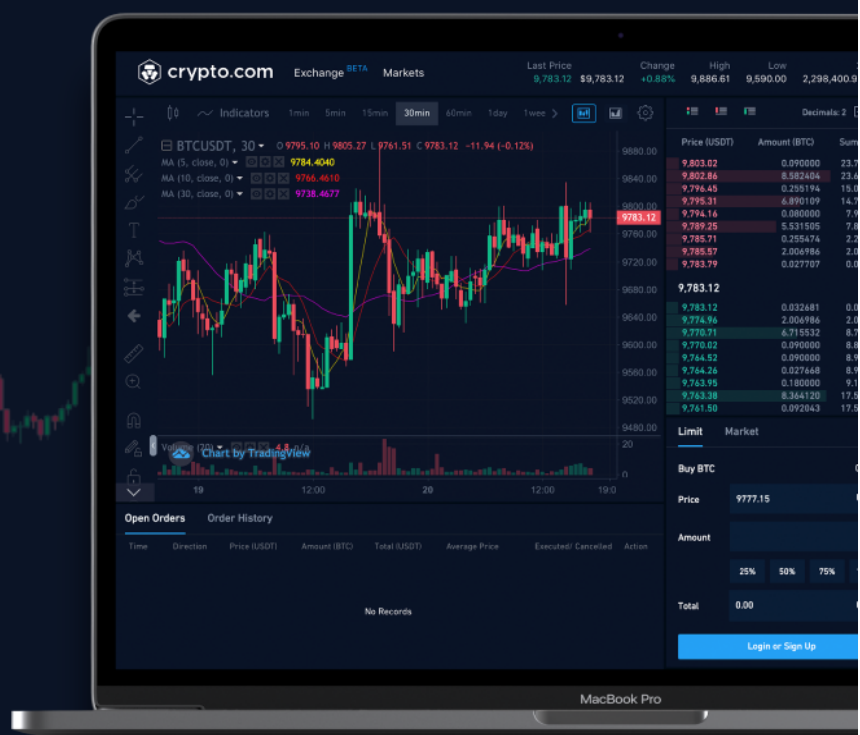
Binance (Grade A) was the largest Top-Tier exchange by volume in August, trading \$124.9bn (up 83%). This was followed by Huobi Global (Grade BB) trading \$65.0bn (up 176%), and OKEx (Grade BB) trading \$64.7bn (up 47%). Exchanges Coinbase (AA) and Liquid (A) followed with \$21.3bn (up 101%) and \$9.9bn (up 52%)

Daily Trading Volume Among Top Tier Exchanges



Binance (A), OKEx (BB) and Huobi Global (BB) remained the top players in terms of volume in August relative to other Top-Tier exchanges. Among the top 15 Top-Tier exchanges, they currently represent 74% of the volume in August (vs 63% in July).

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The Crypto.com Exchange is a rapidly growing trading venue with a **strong retail flow**. Top institutions receive a **credit line** and **highly competitive maker/taker fees**.

Secure: The first cryptocurrency company in the world to have ISO/IEC 27701:2019, CCSS Level 3, ISO27001:2013 and PCI:DSS 3.2.1, Level 1 compliance.

Robust: Its recent infrastructure upgrades, including a revamped Matching Engine, OMS (Order Management System), and unified REST and Websocket API, lead to a 10x increase in performance and throughput.

Trade profitably on the Crypto.com Exchange - get in touch with our institutional sales team.

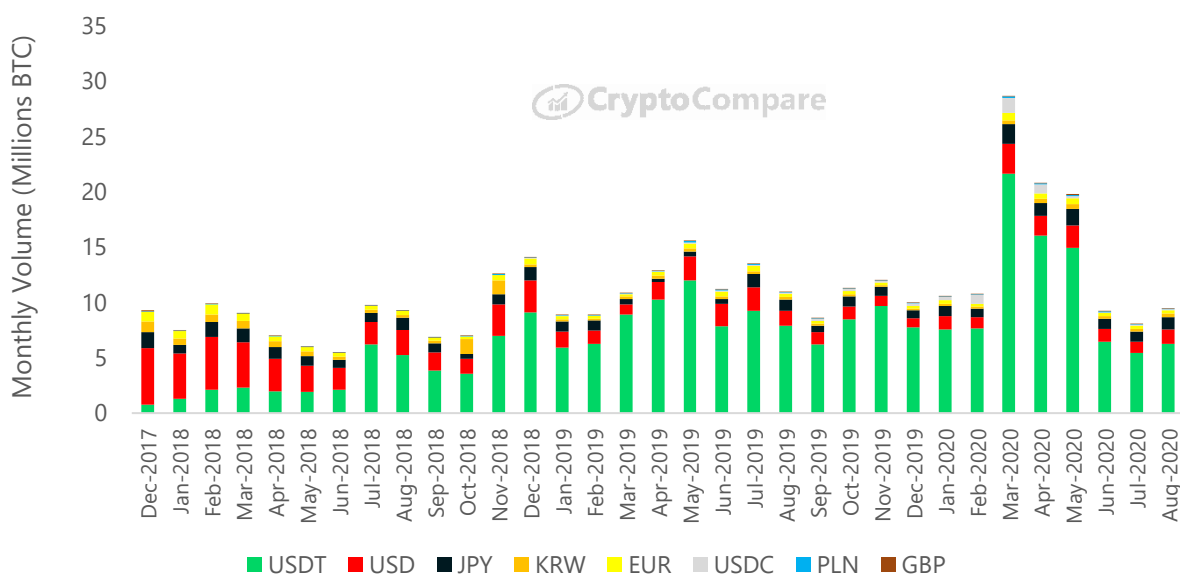
Institutional Account Registration



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Bitcoin to Fiat Volumes

Monthly Bitcoin Volume Traded into Fiat or Stablecoin

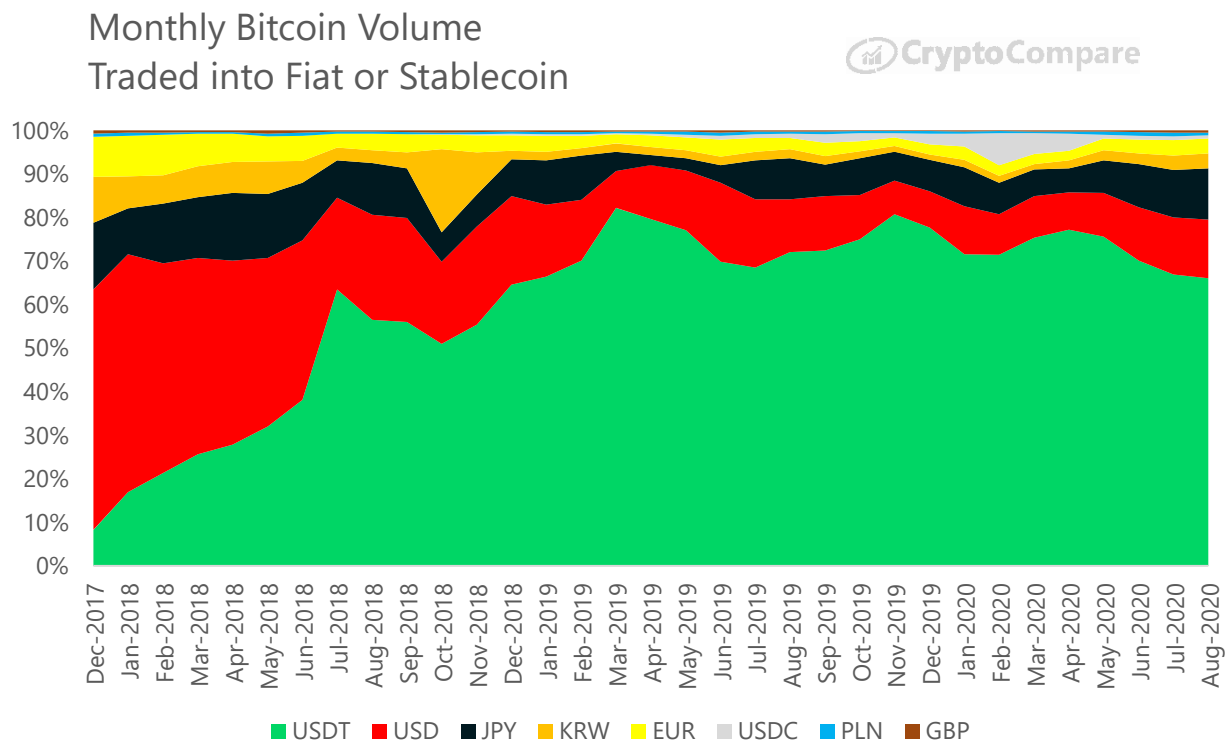


BTC trading into USDT increased 16% in August to 6.25mn BTC vs 5.41mn BTC in July. Trading into USD and JPY also increased to 1.28mn BTC (up 21%) and 1.12mn BTC (up 26%) respectively. EUR markets increased 10%, while BTC trading into KRW increased 23%.

Stablecoin markets BTC/USDC and BTC/PAX traded 72.0k BTC (up 8%) and 24.1k BTC (up 29%) respectively in August.

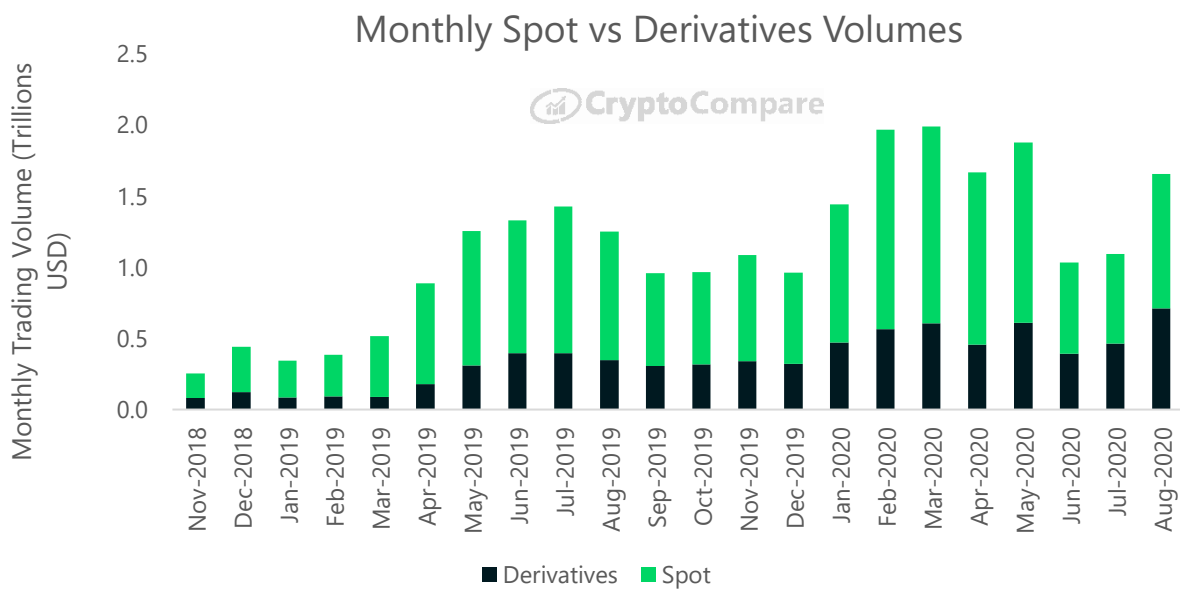
Monthly Bitcoin Volume Trading into Fiat or Stablecoin



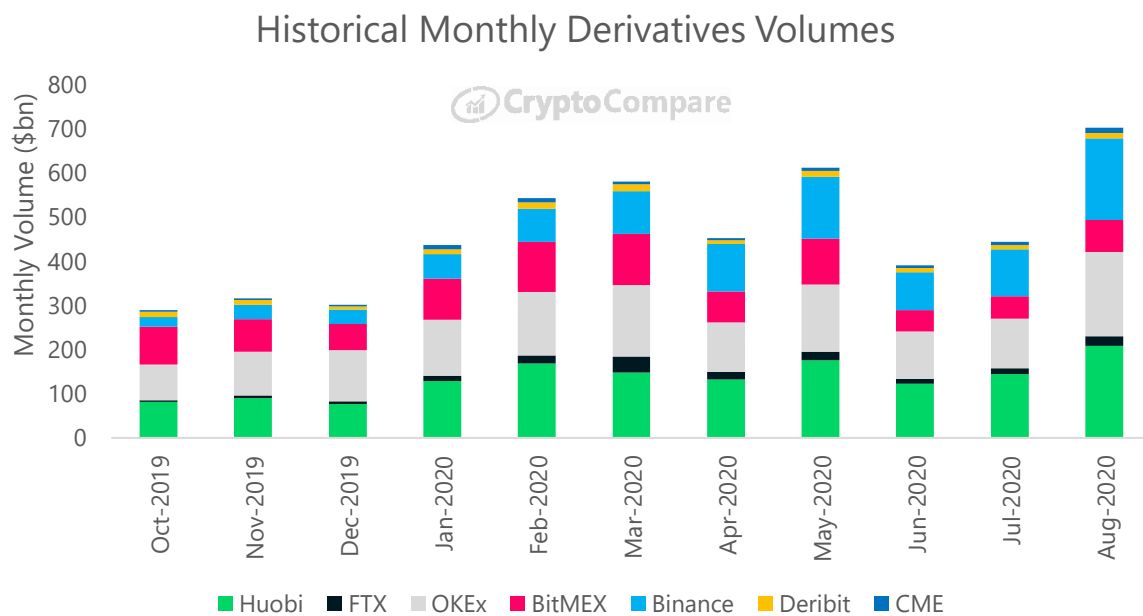


The BTC/USDT pair still represents the majority of BTC traded into fiat or stablecoin in August at 65%. Its proportion of total volume in July was 66%.

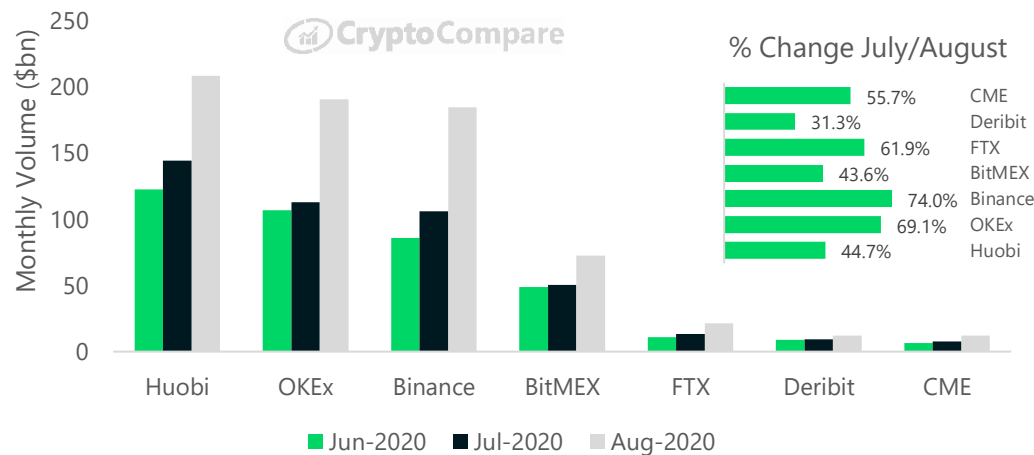
Derivatives



Derivatives volumes increased 53.6% in August to \$711.7bn. Meanwhile, total spot volumes have increased by 49.6% to \$944.9bn. Derivatives continue to represent just over 40% of total market share.

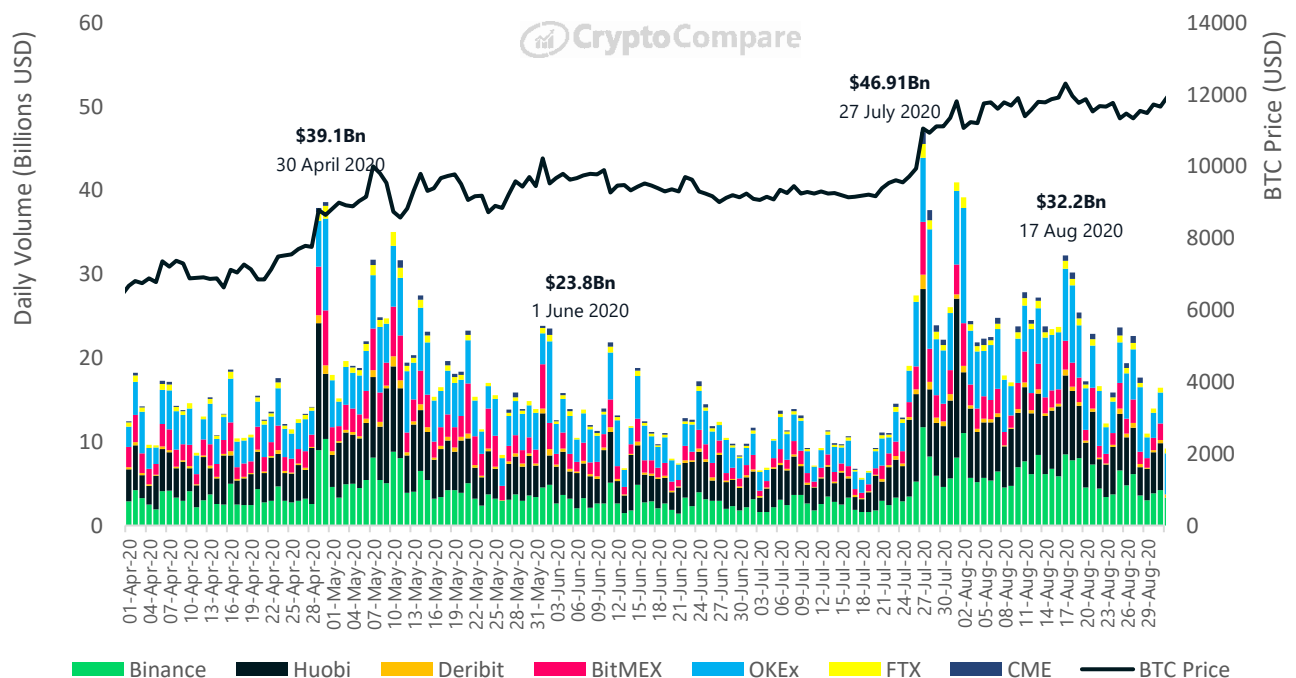


Historical Monthly Derivatives Volumes



Derivatives exchanges saw significant increases in trading volume in August. Huobi (up 44.7%), OKEx (up 69.1%) and Binance (up 74.0%) led with \$208.5bn, \$190.8bn and \$184.6bn traded respectively. BitMEX traded \$72.5bn (up 43.6%) in August.

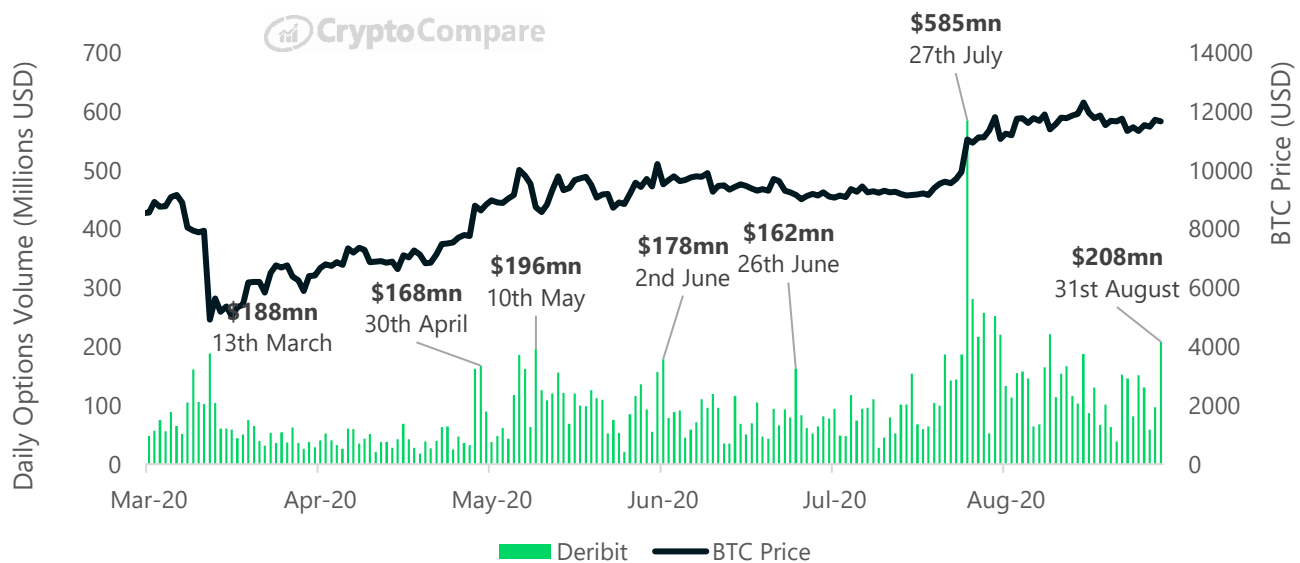
Daily Derivatives Volume - Last Five Months



Trading activity remained high in August compared to July. The top 4 exchanges Huobi, OKEx, Binance and BitMEX generally represented 90% of the volume traded throughout the month.

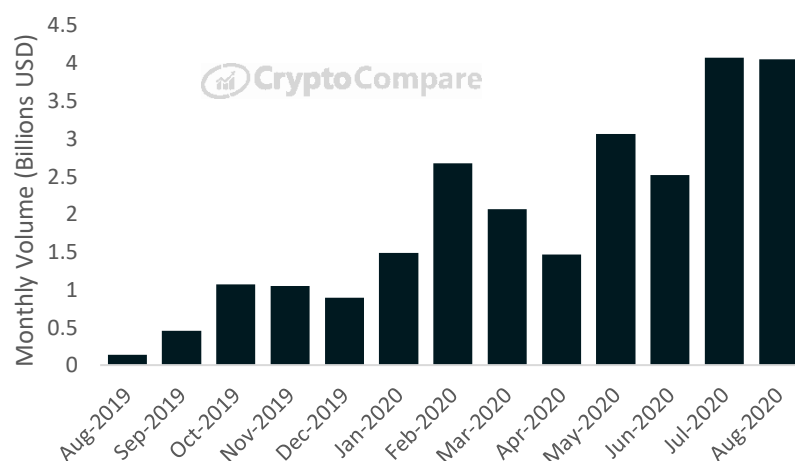
Options

Deribit Options Volumes

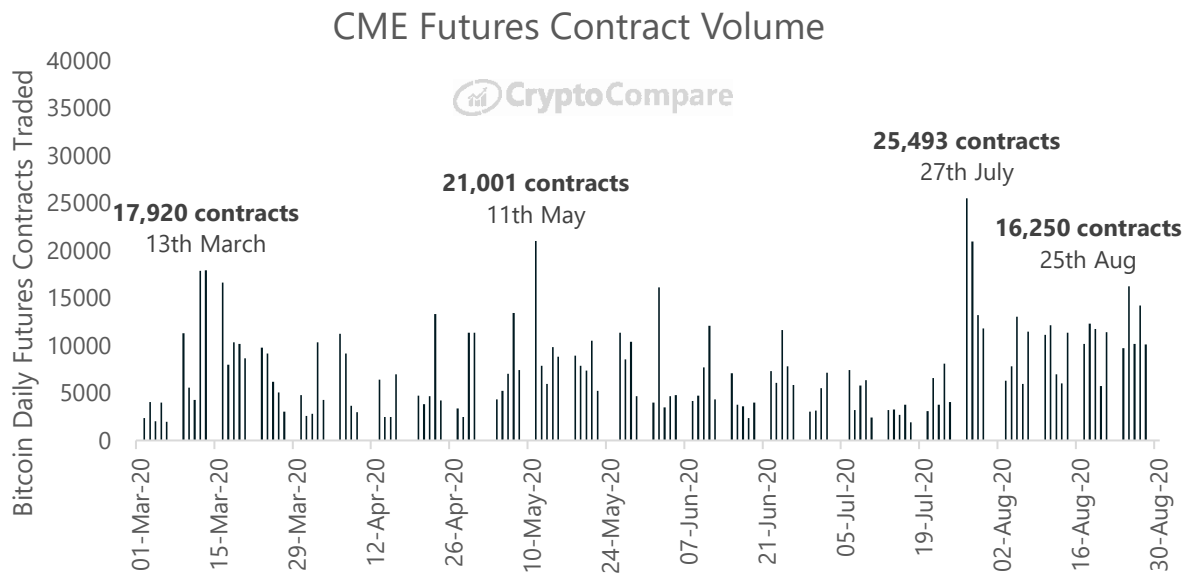


Deribit's options volumes remained steady compared to the previous month, with \$4.05bn traded throughout August (down 0.6% since July)

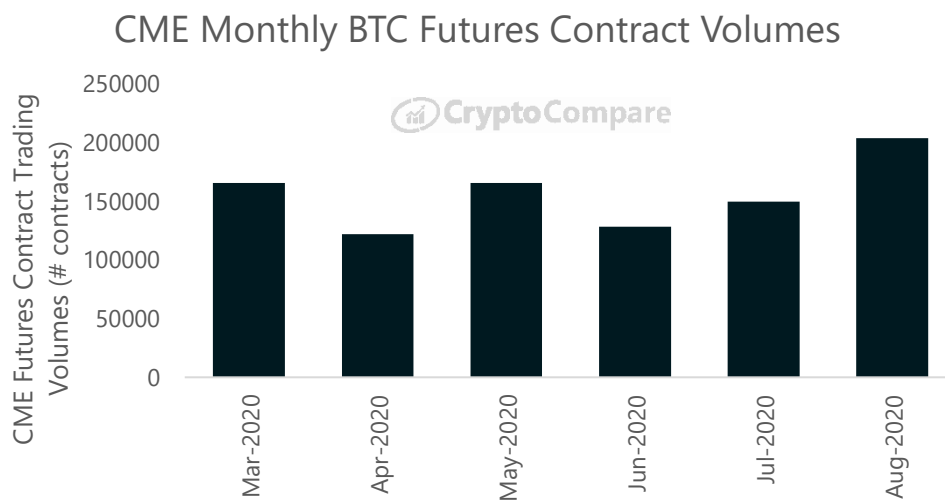
Monthly Options Volumes



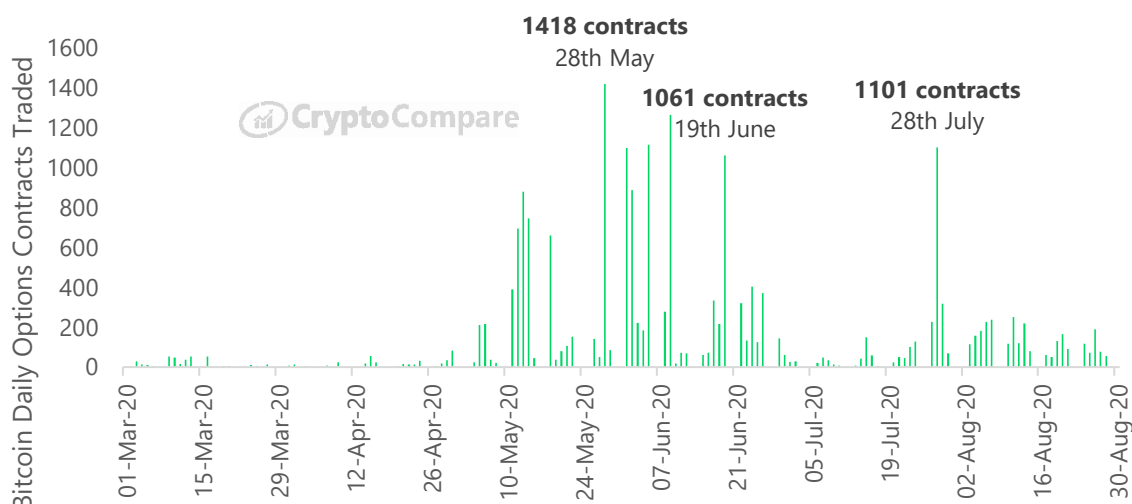
CME Institutional Volume



Monthly CME futures contract volumes have increased 36.3% since July to reach 203,867 contracts traded in August.

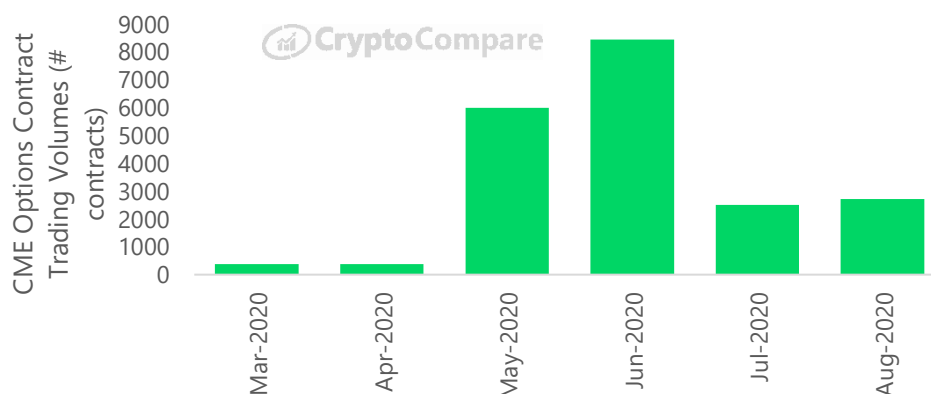


CME Options Contracts Volume



CME options contract volumes also increased 8.4% in August to 2,715 contracts traded. In July, this figure was 2,504 contracts.

CME Monthly BTC Options Contract Volumes



In terms of total trading volume in August, CME's crypto derivatives volumes have increased 55.7% in line with many unregulated derivatives competitors to reach \$12.02bn.

Monthly CME Volume

