



# EXCHANGE REVIEW

October 2020



## About

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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](mailto:research@cryptocompare.com).

## 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 Market Insights

### **OKEx derivatives lead in open interest while open interest from CME grows 28.6% in October**

At the end of October, OKEx had the highest open interest across all derivatives products at \$1.56bn. This was followed by Binance (\$1.49bn), Huobi (\$1.07bn) and BitMEX (\$0.83bn). Institutional open interest remains high, with \$0.82bn of open interest on CME. CME's average open interest figures have increased 28.6% to \$593bn in October.

### **Large decreases in monthly spot trading volumes seen for many top-tier exchanges**

Binance (Grade A) was the largest Top-Tier exchange by volume in October, trading \$75.7bn (down 33.1%). This was followed by Huobi Global (Grade BB) trading \$41.7bn (down 31.4%), and OKEx (Grade BB) trading \$32.1bn (down 42.0%).

Exchanges Coinbase (AA) and Kraken (A), and Liquid (A) followed with \$11.3bn (down 17.5%), \$6.5bn (down 13.0%) and \$6.1bn (down 4.3%).

### **Monthly derivatives volumes remain relatively stable in October while spot volumes decrease more significantly**

Derivatives volumes decreased 2.4% in October to \$619.9bn. Meanwhile, total spot volumes have decreased by 17.6% to \$557.7bn.

### **Binance leads in terms of monthly derivatives volume in October, followed by Huobi, OKEx and BitMEX**

Binance was the largest derivatives exchange in October by monthly trading volume with \$164.8bn (up 0.02% since September). Huobi (down 5%), OKEx (down 19.16%) and BitMEX (up 3.41%) followed with \$148.4bn, \$125.8bn and \$58.3bn traded respectively.

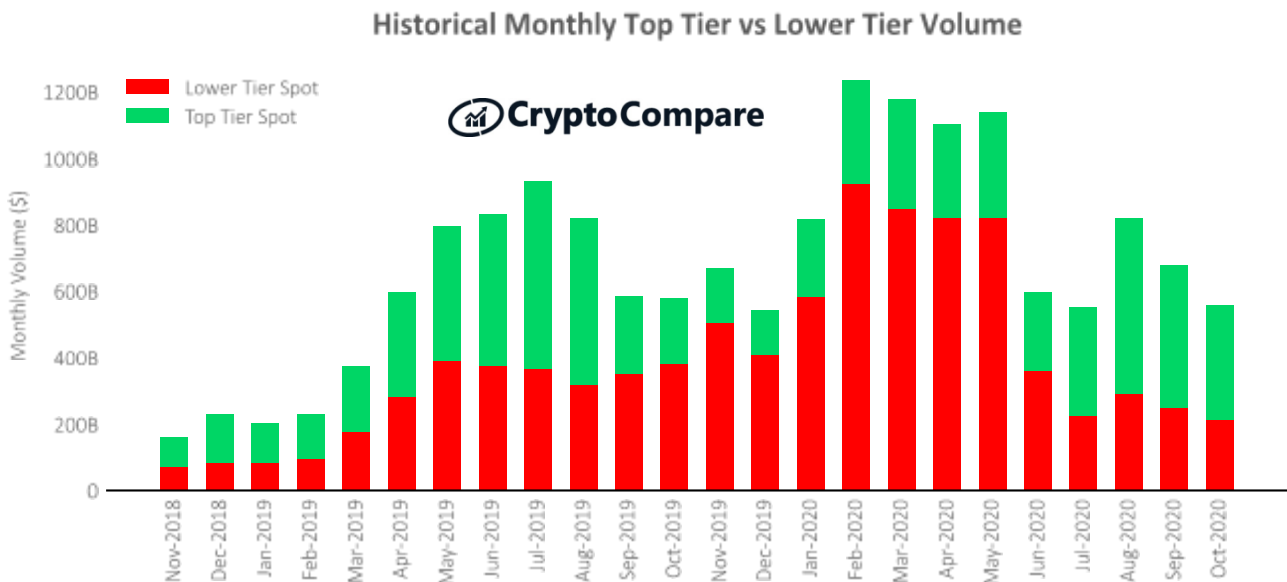
## October Exchange News

COMPANY	STORY	DATE
BitMEX	<a href="#">United States CFTC &amp; DOJ Filing</a>	October 1
Kraken	<a href="#">Kraken Adds Domestic and International USD Funding Options Through Silvergate Bank</a>	October 1
BitMEX	<a href="#">Leadership Changes at 100x Group</a>	October 8
Coinbase	<a href="#">A Follow Up to Coinbase Being a Mission Focused Company</a>	October 8
Coinbase	<a href="#">Introducing Crypto Purchases Inside Coinbase Wallet</a>	October 12
Bitstamp	<a href="#">Introducing Crime Insurance at Bitstamp</a>	October 15
Binance	<a href="#">13th BNB Burn</a>	October 17
Bitstamp	<a href="#">Introducing Bitstamp's New CEO - Julian Sawyer</a>	October 22
Kraken	<a href="#">Kraken Launches Account Funding and Trading in Japan</a>	October 22
Coinbase	<a href="#">Coinbase Card Launches in the US</a>	October 28
Gemini	<a href="#">EUR Deposits and Trading Now Available on the Gemini Platform</a>	October 28
Deribit	<a href="#">Mercury Digital Assets Launches Connectivity to Deribit</a>	October 29

## Exchange Benchmark Analysis

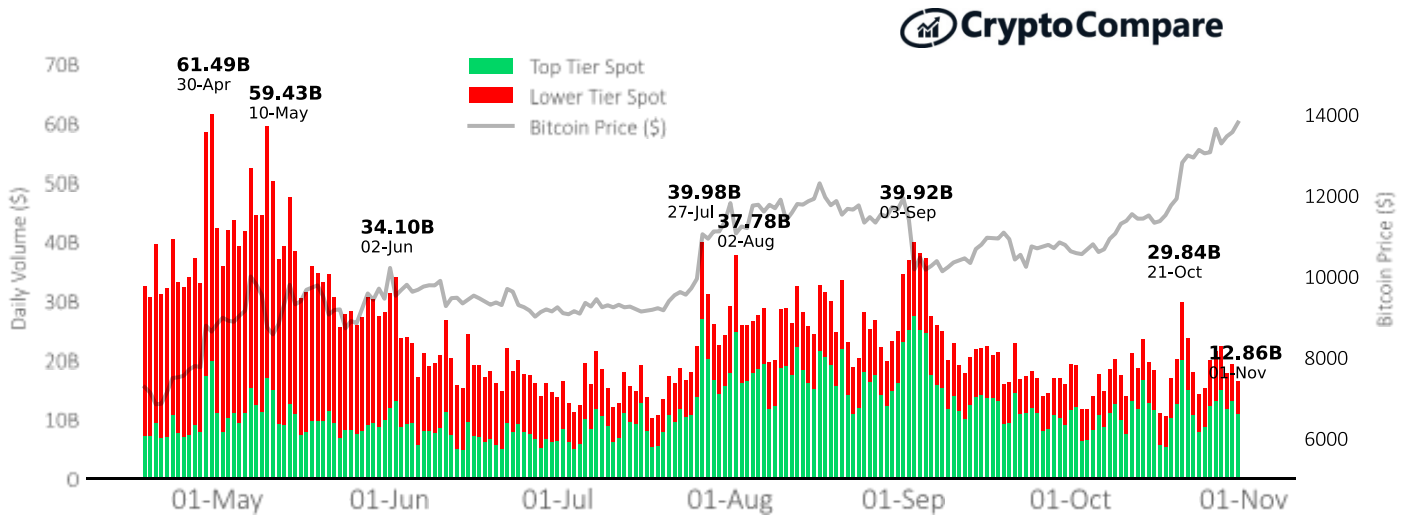
CryptoCompare’s Exchange Benchmark aims to serve investors, regulators and crypto enthusiasts by scoring exchanges in terms of transparency, operational quality, regulatory standing, data provision, management team, and their ability to monitor trades and illicit activity effectively. Rather than drawing 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 October, Top-Tier volumes decreased 19.3% to \$346.0Bn while Lower-Tier volumes decreased 14.7% to \$211.7Bn. Top-Tier exchanges now represent 62% of total volume (vs 63% in September).**

Daily Top Tier vs Lower Tier Spot Volumes

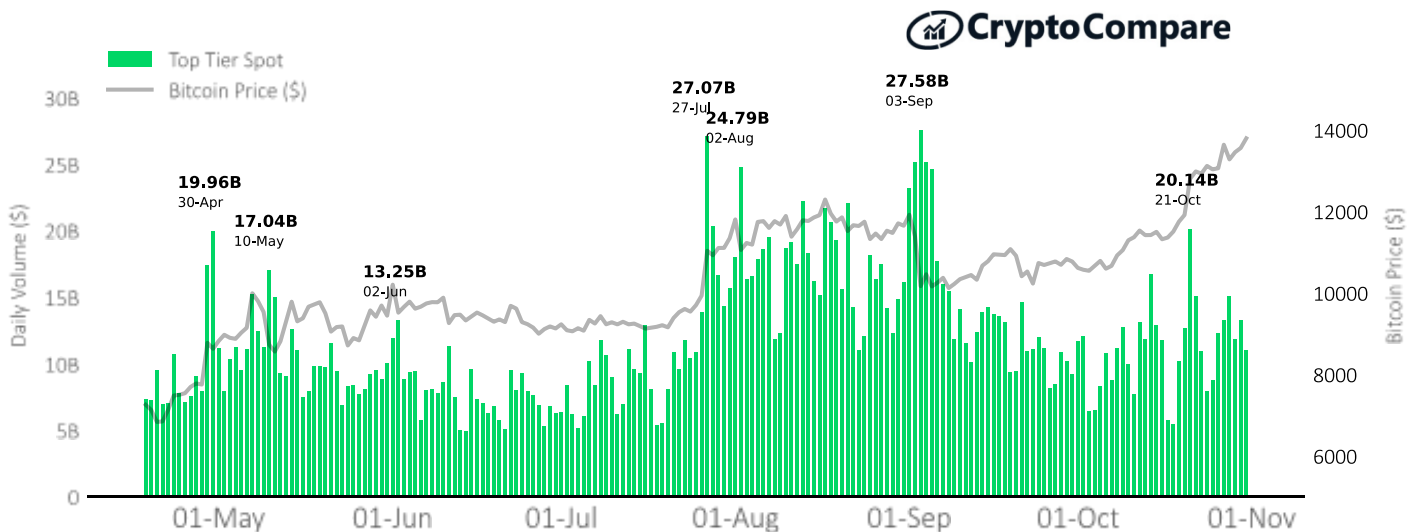


Trading activity across all spot markets throughout October has continued to decrease compared to September, despite Bitcoin’s move above the \$13k mark towards the end of the month.

A daily maximum of \$29.84bn was traded on the 21<sup>st</sup> of October, compared to a maximum of \$39.92bn traded on the 3<sup>rd</sup> of September.

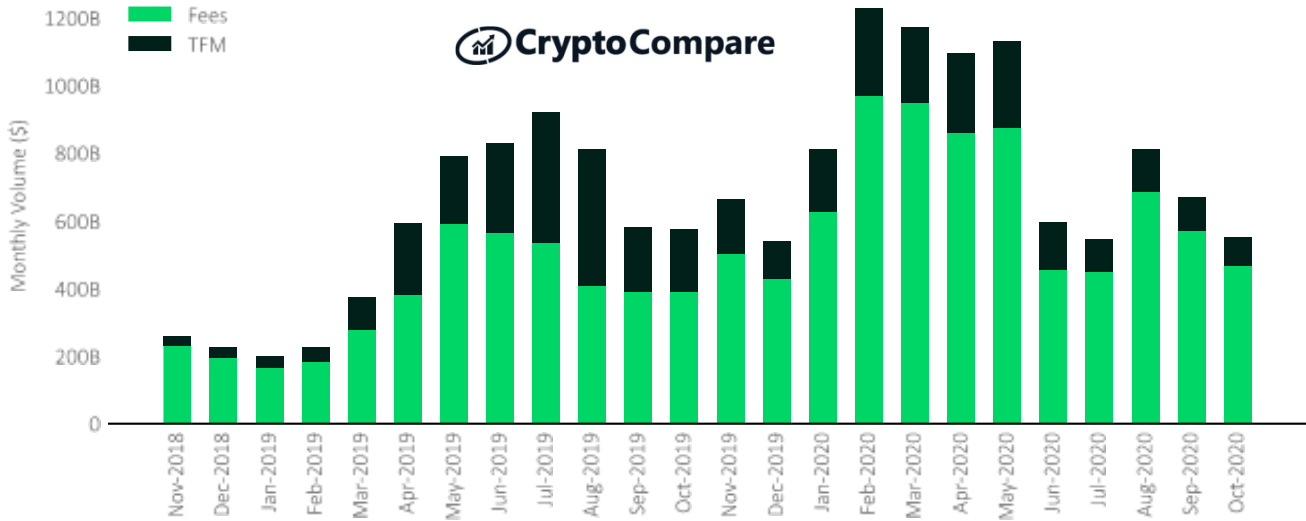
In October, Top Tier exchanges traded a daily maximum of \$20.14bn on the 21<sup>st</sup> of October compared to \$27.6bn in the previous month (3<sup>rd</sup> September). Top tier exchanges are selected based on our rigorous [Exchange Benchmark Methodology](#).

Daily Top Tier Spot Volumes



## Macro Analysis and Market Segmentation

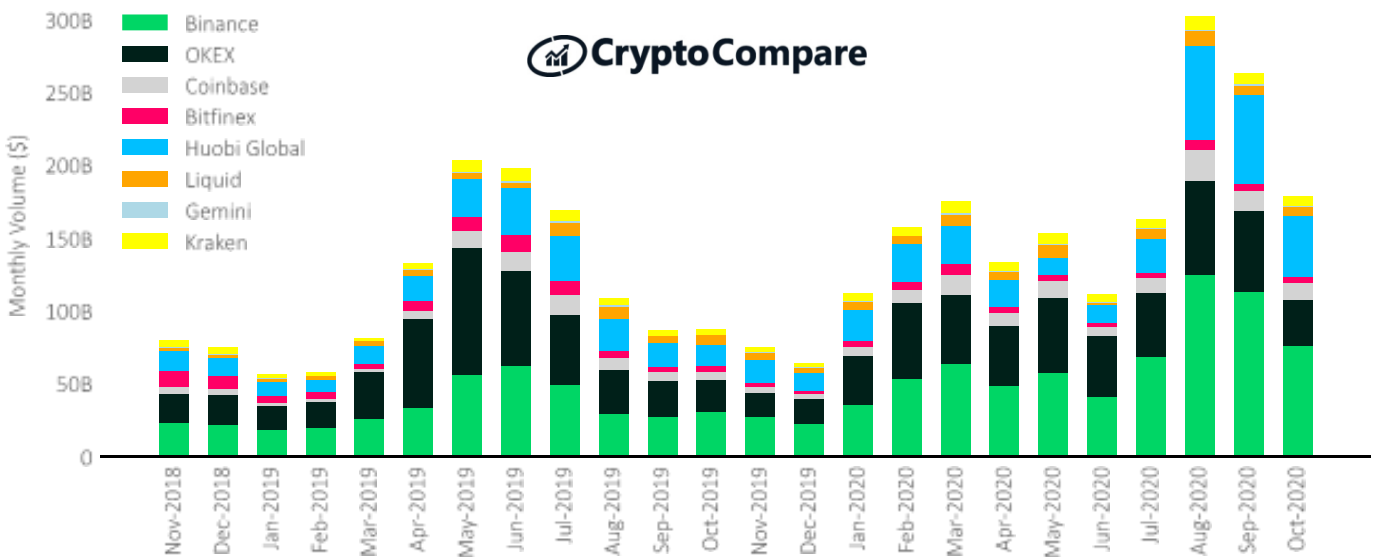
Historical Volume by Fee Model



Exchanges that charge traditional taker fees represented 83.8% of total exchange volume in October (vs 84.4% in September), while those that implement Trans-Fee Mining (TFM) represented less than 15%.

Fee-charging exchanges traded a total of \$467.2 in October (down 18.2% since September), while those that implement TFM models traded \$84.2bn (down 34.5% since September).

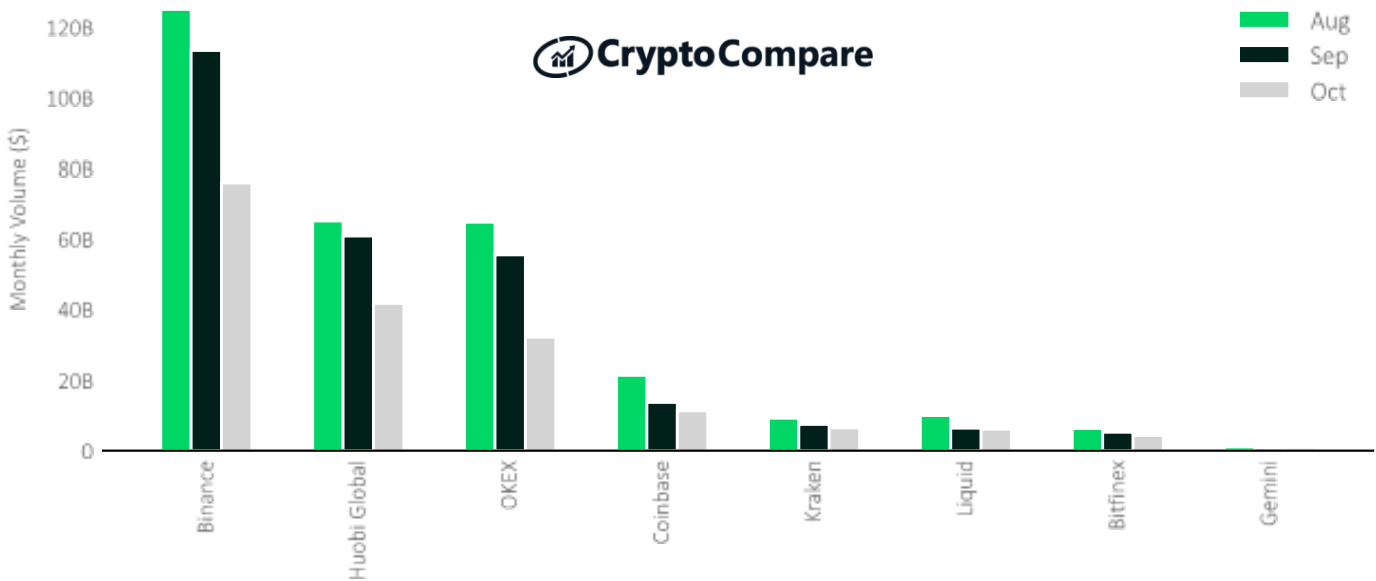
Monthly Top Tier Spot Volume



In October, volume from the 15 largest Top-Tier exchanges decreased 13.6% on average (vs September).



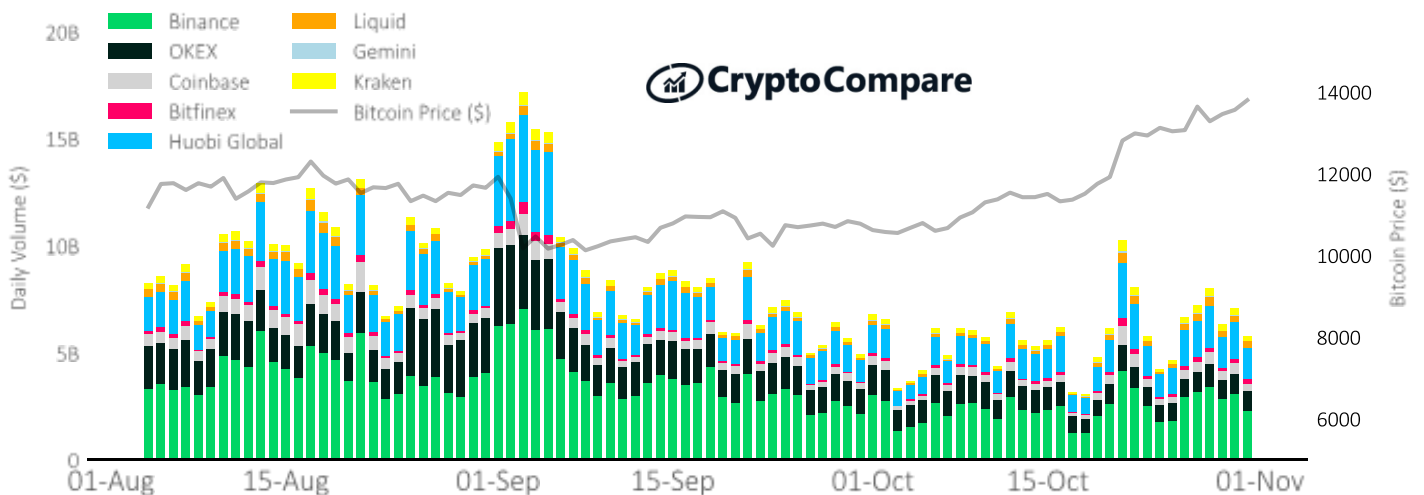
### Historical Monthly Top Tier Spot Volume - 3 Months



**Binance (Grade A) was the largest Top-Tier exchange by volume in October, trading \$75.7bn (down 33.1%). This was followed by Huobi Global (Grade BB) trading \$41.7bn (down 31.4%), and OKEx (Grade BB) trading \$32.1bn (down 42.0%).**

Exchanges Coinbase (AA) and Kraken (A), and Liquid (A) followed with \$11.3bn (down 17.5%), \$6.5bn (down 13.0%) and \$6.1bn (down 4.3%).

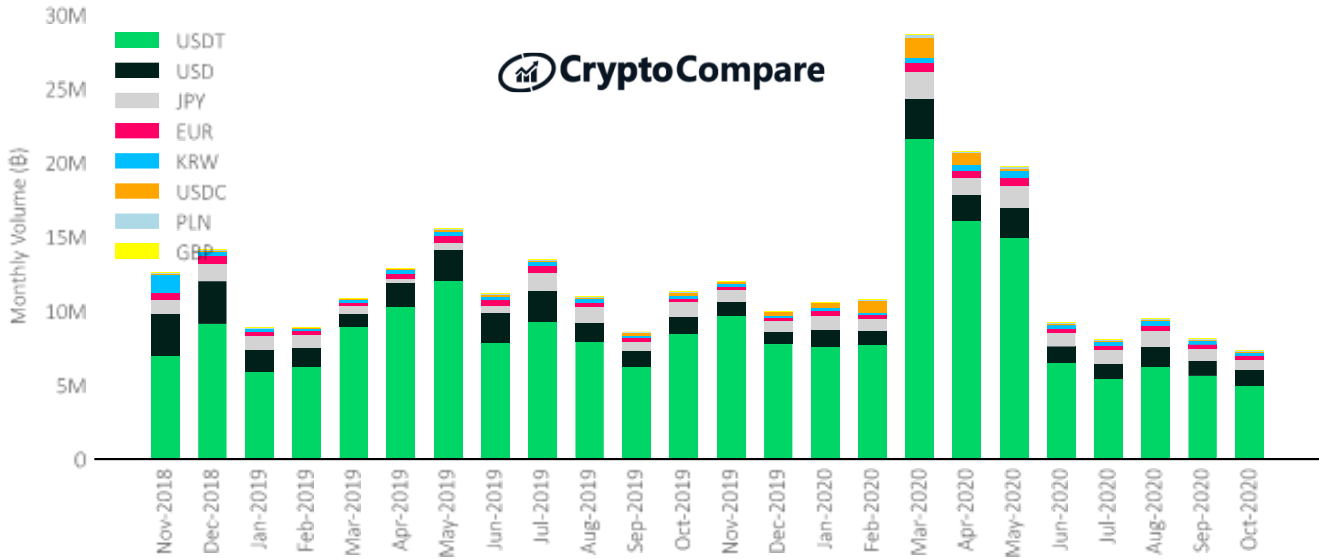
### Daily Top Tier Spot Exchange Volumes



**Binance (A), OKEx (BB) and Huobi Global (BB) remained the top players in terms of volume in October relative to other Top-Tier exchanges. Among the top 15 Top-Tier exchanges, they represented 77% of the volume in October (vs 82% in September).**

## Bitcoin to Fiat Volumes

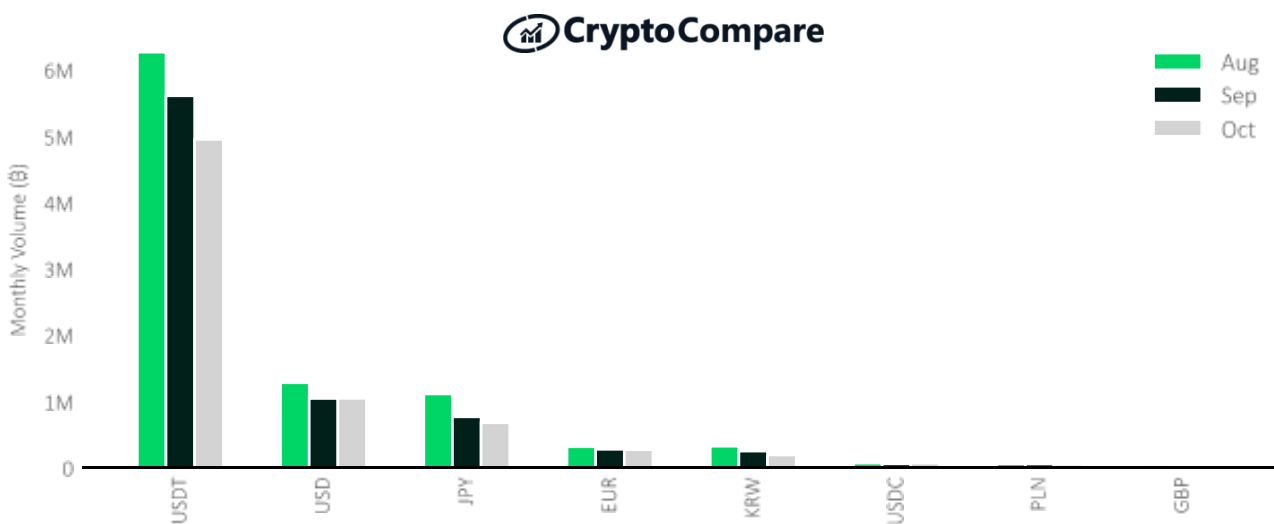
Monthly Bitcoin Volume Traded into Fiat or Stablecoin

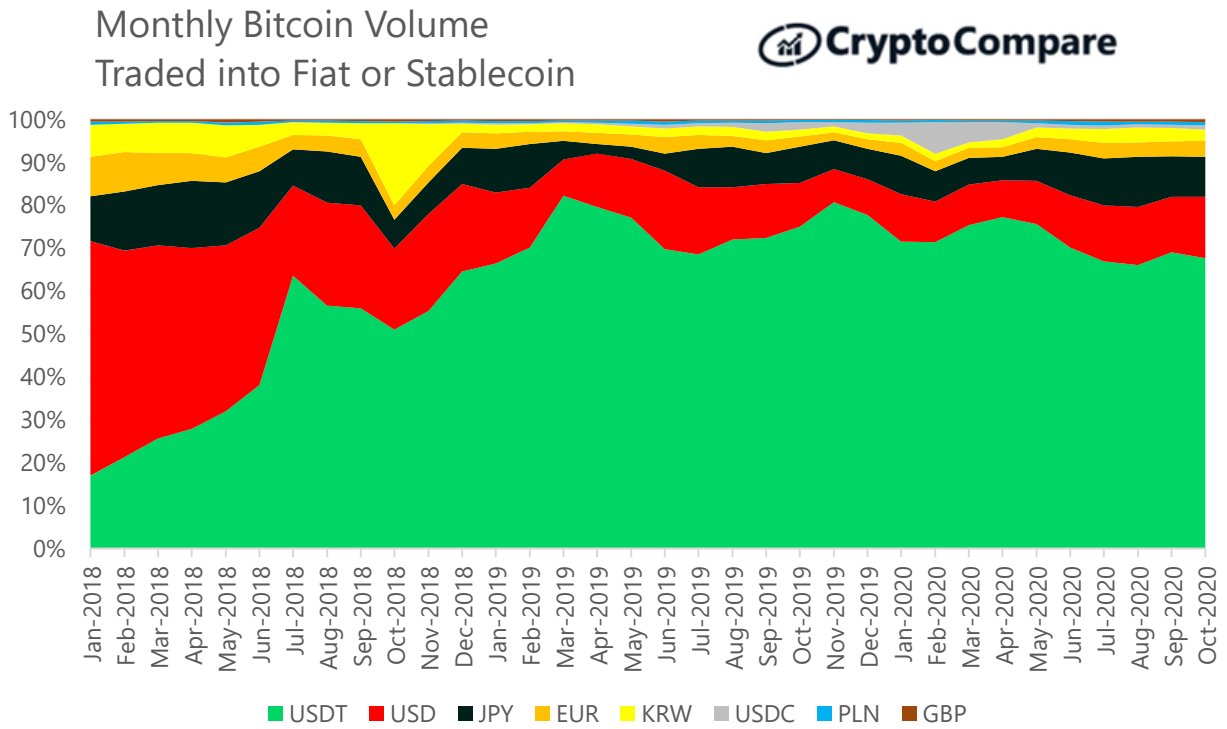


**BTC trading into USDT decreased 11.71% in October to 4.96mn BTC vs 5.61mn BTC in September. Trading into USD increased to 1.05mn BTC (up 0.25%) while trading into JPY decreased to 0.68mn BTC (down 11.61%). EUR markets decreased 2.12%, while BTC trading into KRW decreased 23.15%.**

Stablecoin markets BTC/USDC and BTC/PAX traded 72.95k BTC (up 19.70%) and 16.68k BTC (down 10.51%) respectively in October.

Monthly Bitcoin Volume Traded into Fiat or Stablecoin - 3 Months

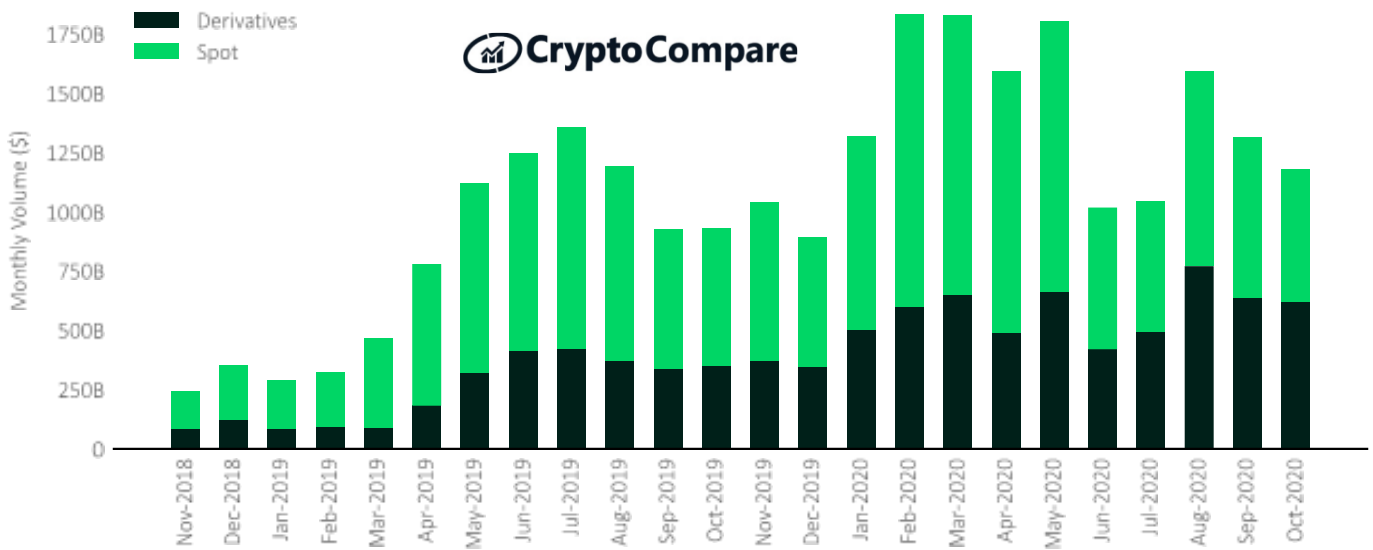




**The BTC/USDT pair still represents the majority of BTC traded into fiat or stablecoin in October at 66.5%. Its proportion of total volume in September was 68.1%.**

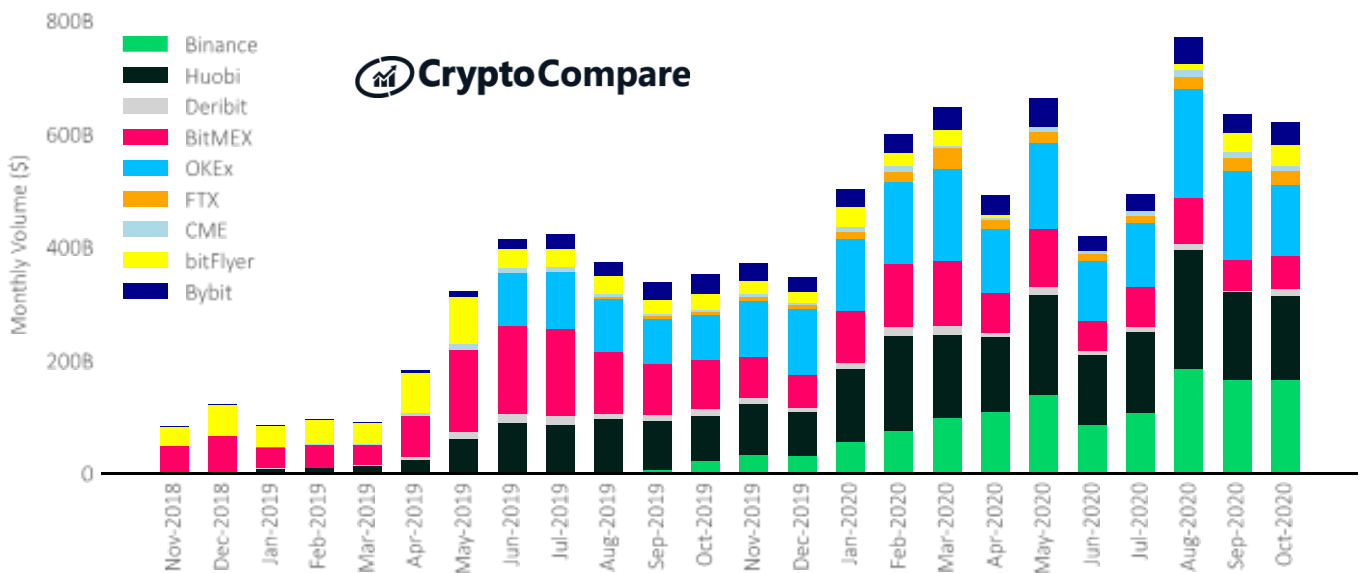
## Derivatives

Monthly Spot vs Derivatives Volume

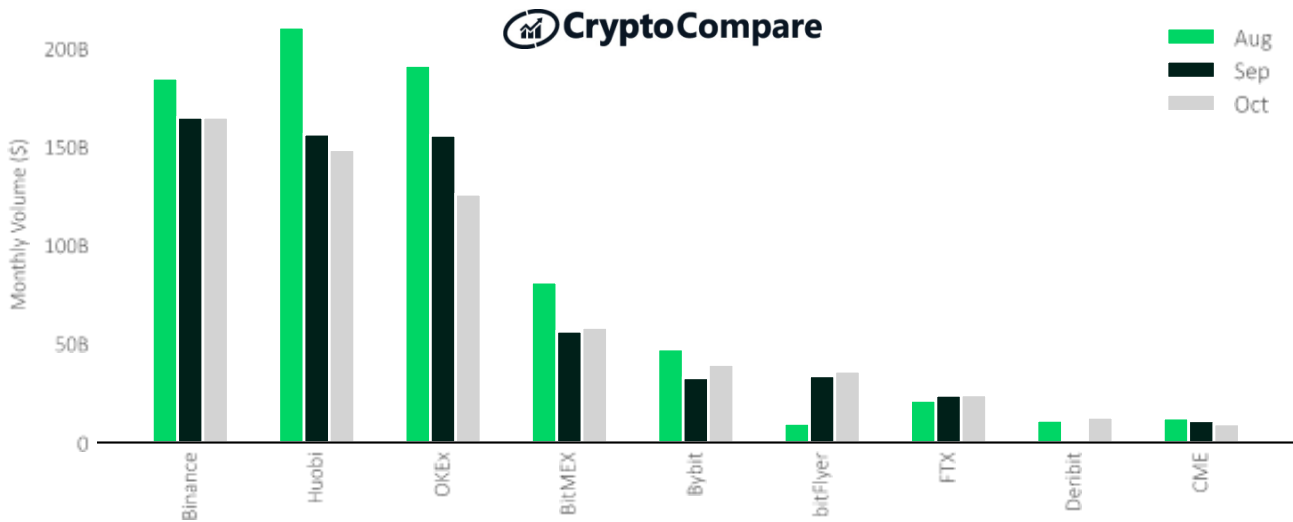


Derivatives volumes decreased 2.4% in October to \$619.9bn. Meanwhile, total spot volumes have decreased by 17.6% to \$557.7bn.

Historical Monthly Derivatives Volume



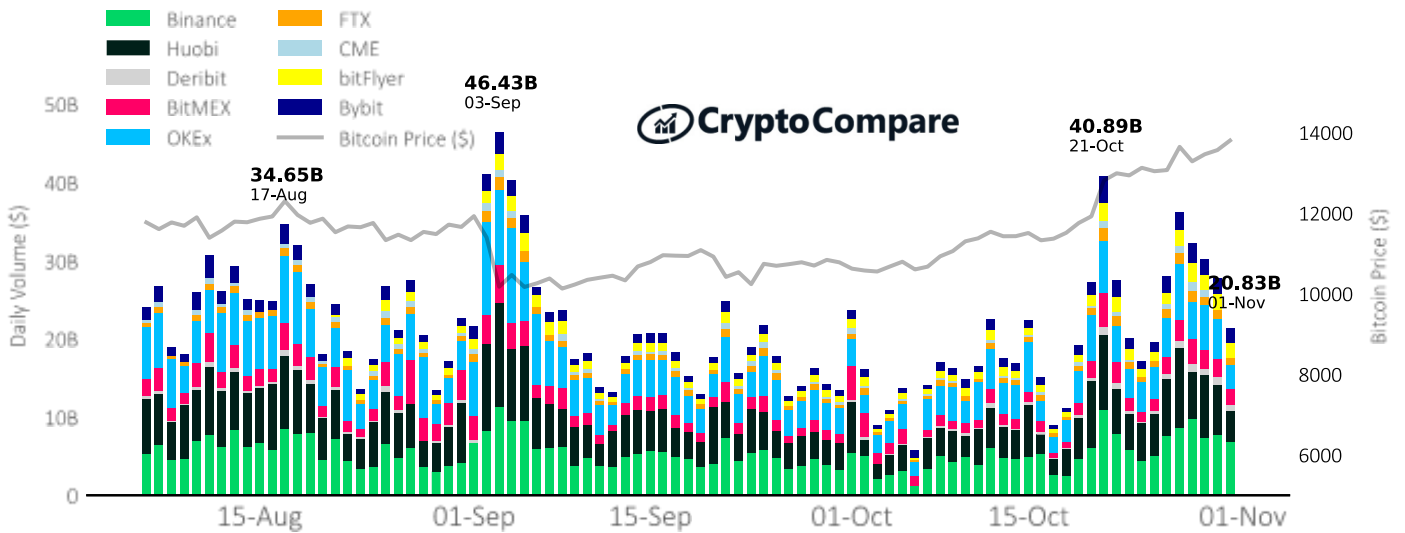
Historical Monthly Derivatives Volumes - 3 Months



Binance was the largest derivatives exchange in October by monthly trading volume with \$164.8bn (up 0.02% since September).

Huobi (down 5%), OKEx (down 19.16%) and BitMEX (up 3.41%) followed with \$148.4bn, \$125.8bn and \$58.3bn traded respectively.

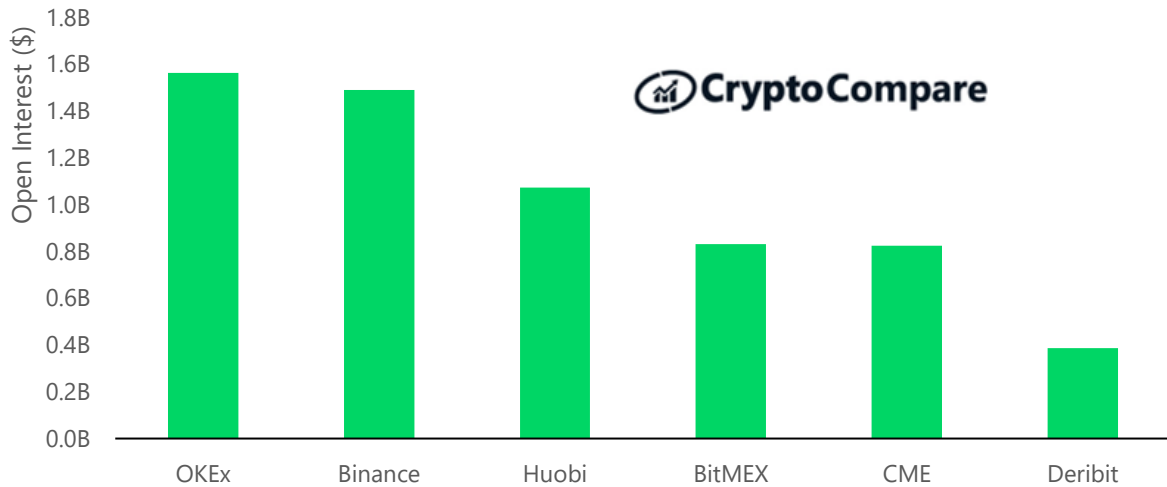
Daily Derivatives Exchange Volume



In October, derivatives exchanges experience a daily maximum on the 21<sup>st</sup> of October with \$40.89bn traded as BTC approached \$14k. The top 4 exchanges Binance, Huobi, OKEx, and BitMEX represented 76.6% of the volume traded on this day. This daily maximum is comparable to the volumes seen on the 3<sup>rd</sup> of September with \$46.43bn traded as BTC plunged towards \$10k.

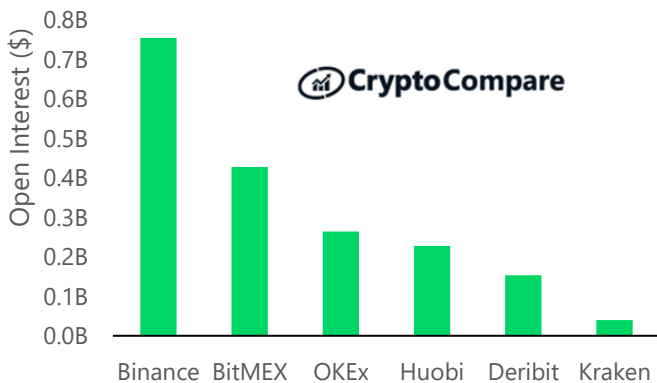
## Open Interest

### Aggregate Derivatives Open Interest (\$)

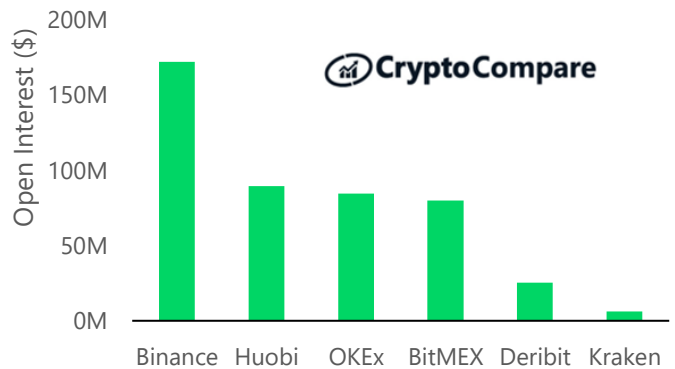


At the end of October, OKEx had the highest open interest across all derivatives products at \$1.56bn. This was followed by Binance (\$1.49bn), Huobi (\$1.07bn) and BitMEX (\$0.83bn). Institutional open interest still remains high, with \$0.82bn of open interest on CME.

### Perpetual BTC Open Interest (\$)

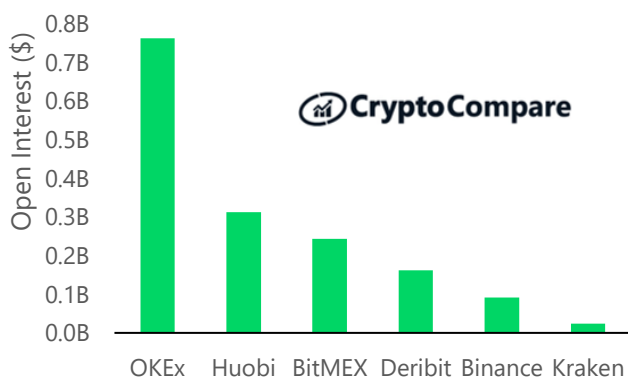


### Perpetual ETH Open Interest (\$)

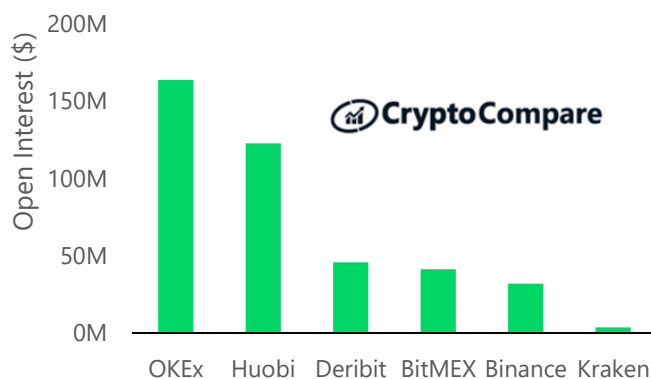


Binance has the highest open interest for perpetual BTC futures at \$754mn followed by BitMEX at \$427mn. Binance also has the highest open interest figures for ETH perpetual futures contracts at \$172mn, followed by Huobi (\$89.3mn) and OKEx (\$84.6mn)

**BTC Futures Open Interest (\$)**



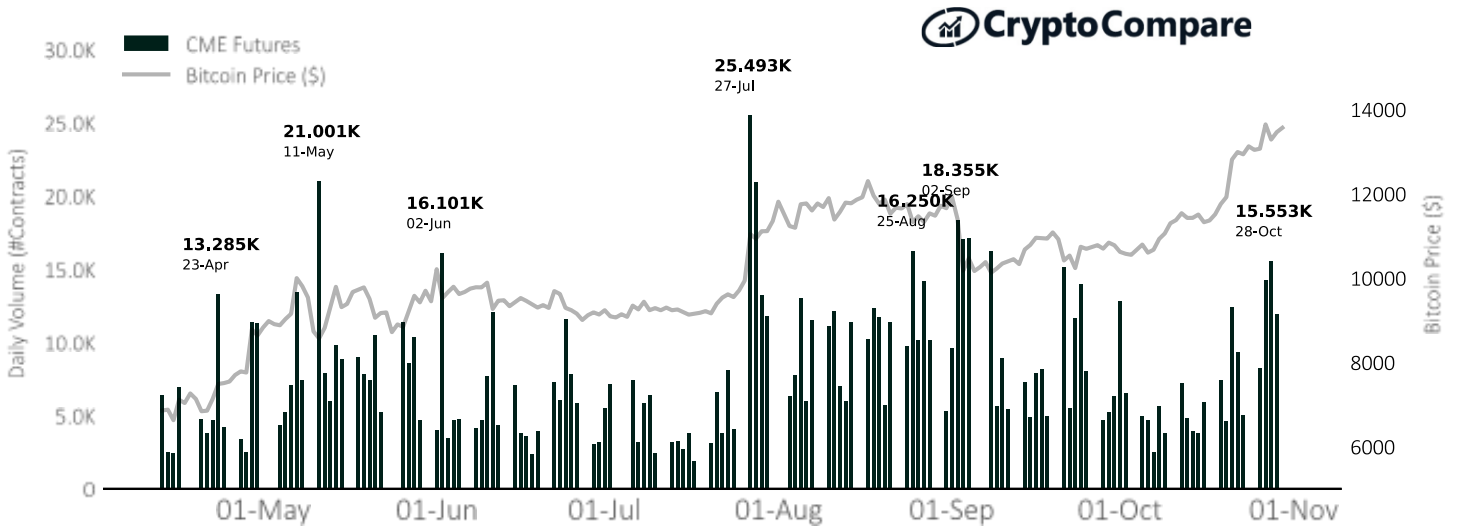
**ETH Futures Open Interest (\$)**



**OKEx has the highest open interest for BTC futures at \$0.76bn followed by Huobi at \$0.31bn. OKEx also has the highest open interest figures for ETH futures contracts at \$164mn, followed by Huobi (\$123mn).**

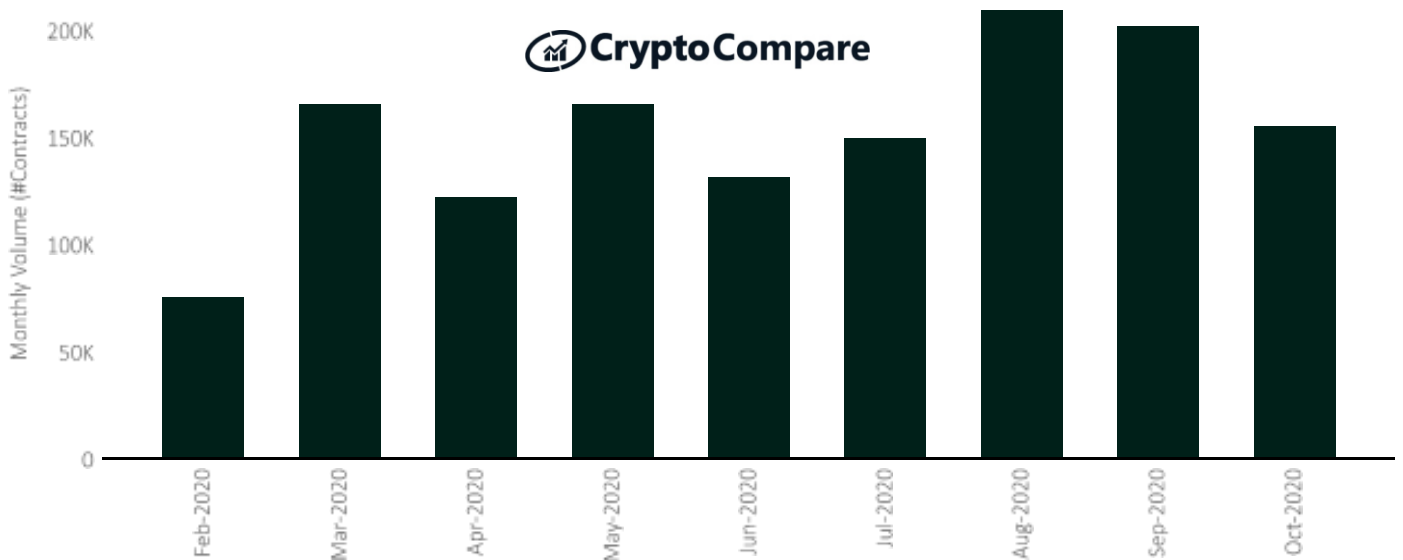
## CME Institutional Volume and Open Interest

Daily CME BTC Futures Contract Volumes



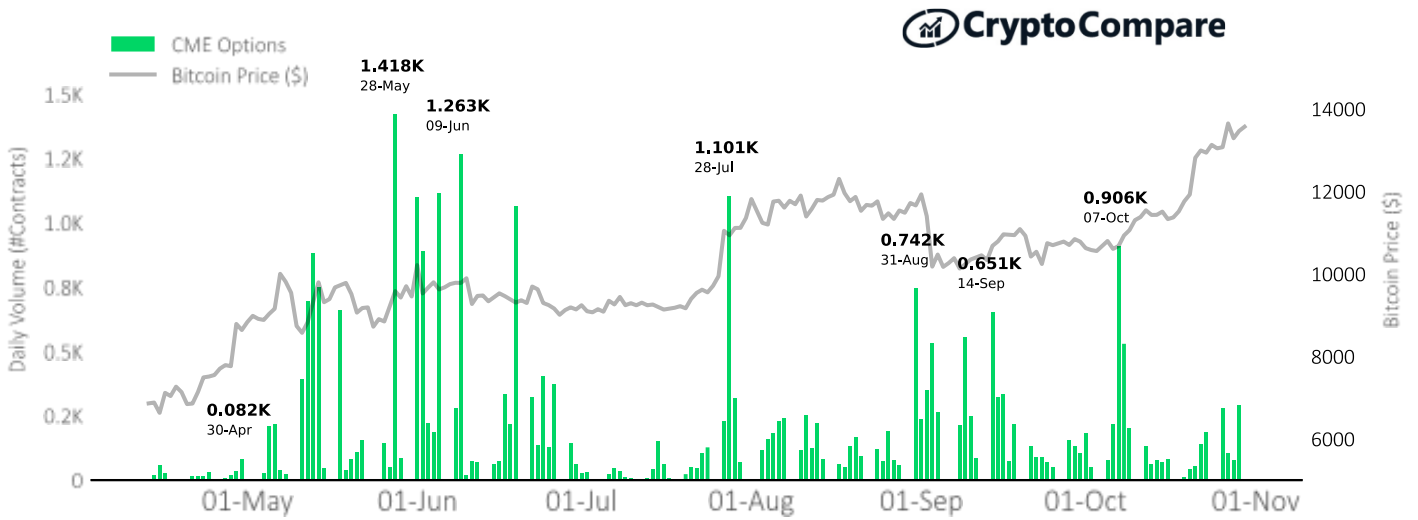
In October, CME futures contract volumes decreased 23% with 155k contracts traded throughout the month. A daily maximum for October was achieved on the 28<sup>th</sup> of October as 15.5k contracts were traded.

Historical Monthly CME BTC Futures Contract Volumes



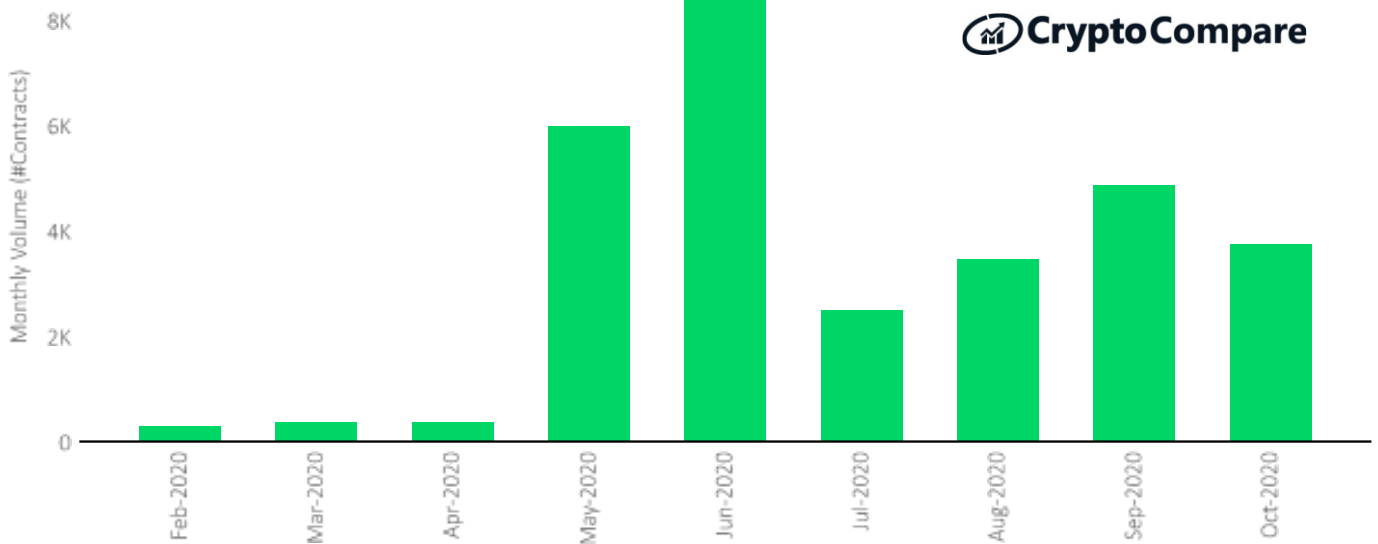


### Daily CME BTC Options Contract Volumes



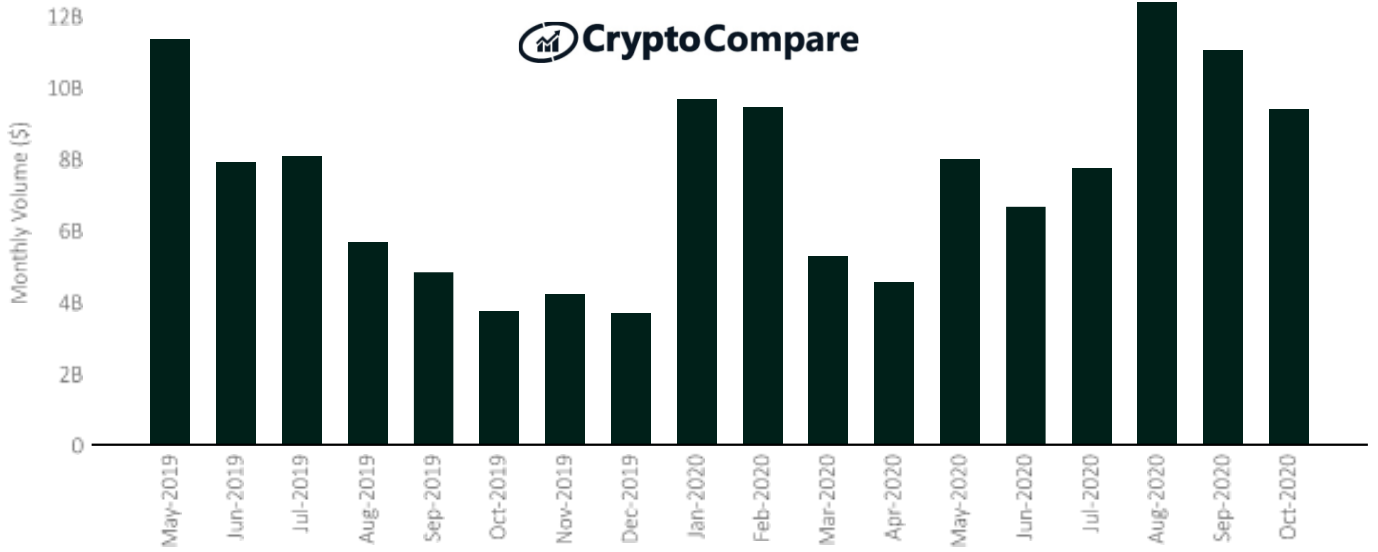
**CME options contract volumes experienced a decrease of 23% in October to 3,747 contracts traded.** Despite the decrease throughout the month, options contract volumes reached a daily maximum of 906 contracts on the 7<sup>th</sup> of October which is higher than the previous two months.

### Historical Monthly CME BTC Options Contract Volumes



In terms of total USD trading volume, CME’s crypto derivatives volumes have decreased 14.8% to \$9.4bn in October.

Historical Monthly CME Volumes



CME’s average open interest figures have increased 28.6% to \$593bn in October. At the end of October, there was \$824mn in open interest.

CME BTC Futures Average Monthly Open Interest (\$)

