



EXCHANGE REVIEW

February 2021



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.

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

Newly Launched CME ETH Futures Reach \$1bn Trading Volume in First Month

In terms of total USD trading volume, CME's newly launched (Feb 9th) ETH futures reached a total of \$1bn in February. Meanwhile, CME's BTC futures volumes increased by 16.9% to \$58.6bn. On aggregate (ETH + BTC futures), volumes reached \$59.6bn.

CME's average open interest figures for BTC futures increased by 23% to \$2.5bn in February. ETH open interest averaged \$61.2mn.

Aggregate Derivatives Volumes Remain Steady While Open Interest Jumps

Derivatives volumes decreased by 0.3% in February to \$2.89tn. Binance was the largest derivatives exchange in February by monthly trading volume with \$1.06tn (up 19.3% since January) followed by OKEx (\$525bn, down 9.8%), Huobi (\$399bn, down 20.1%) and Bybit (\$345bn, up 8.4%).

In February, Binance had the highest open interest across all derivatives products on average at \$7.3bn (up 180.4% since January). This was followed by OKEx (\$6.4bn, up 155.8%) and Huobi (\$5.1bn, up 197.0%).

Spot Volumes Increase by 17.2% to \$2.74tn – Top-Tier Exchanges Gain Further Market Share Following New Benchmark Rankings

In February, Top-Tier volumes increased 35.4% to \$2.4tn while Lower-Tier volumes decreased 36.1% to \$381bn. Top-Tier exchanges now represent 86.1% of total volume (vs 74.5% in January).

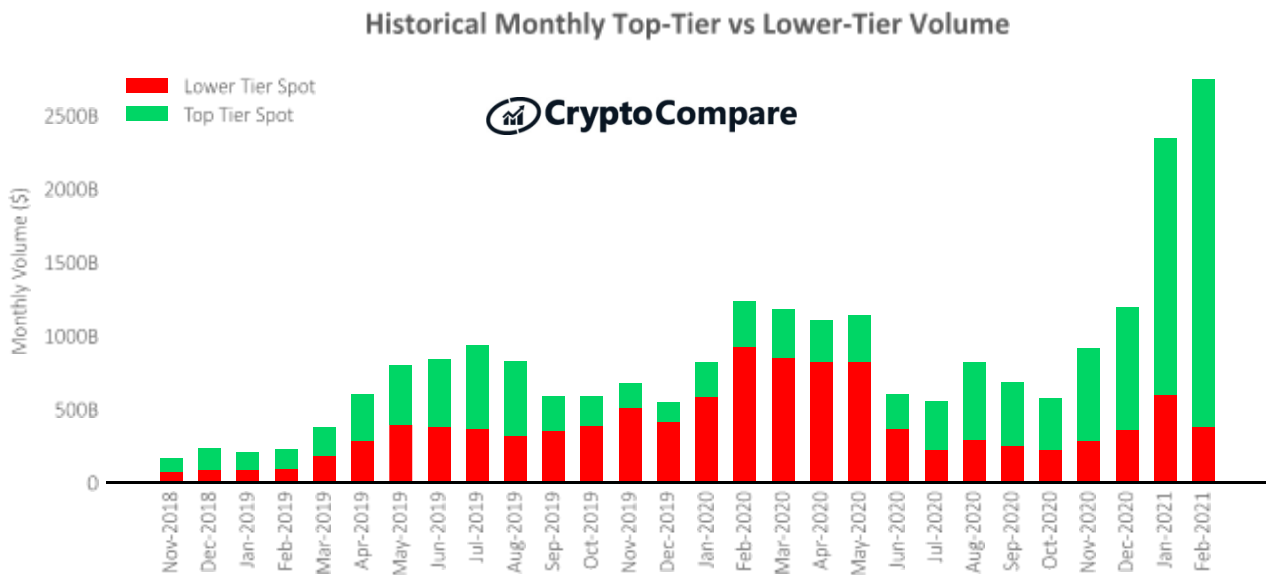
February Exchange News

COMPANY	STORY	DATE
Binance	Binance X Invests in Decentralized Finance Aggregator Furucombo	February 1
Kraken	Kraken Brings Spot Prices to DeFi with New Chainlink Node	February 1
Kraken	Kraken Donates \$100k to Coin Center	February 1
Gemini	Earn Interest on Your Crypto with Gemini Earn	February 2
OKEx	OKEx To Integrate the Bitcoin Lightning Network, Enabling Cheaper and Faster Transactions for Users	February 2
Binance	Binance Labs Leads \$2.4 Million Investment Round for Plasm Network	February 8
FTX	The FTX Foundation for Charitable Giving	February 8
Kraken	Kraken Security Labs Finds Flaws in Safepal S1 Hardware Wallet	February 16
OKCoin	Protecting Bitcoin — Why We're Removing BCH and BSV From OKCoin	February 19
Coinbase	Coinbase Is a Decentralized Company, With No Headquarters	February 24
BitMEX	100x Group Provides Third Grant To Bitcoin Maintainer Michael Ford	February 25
Coinbase	Coinbase Announces Filing of Registration Statement for Proposed Public Direct Listing of Its Class A Common Stock	February 25
Gemini	Gemini Opportunity Fund Donates to MIT's Digital Currency Initiative	February 25
OKEx	OKEx Adds FLOW, the Popular NFT Token Used by NBA Top Shot	February 25

Exchange Benchmark Analysis

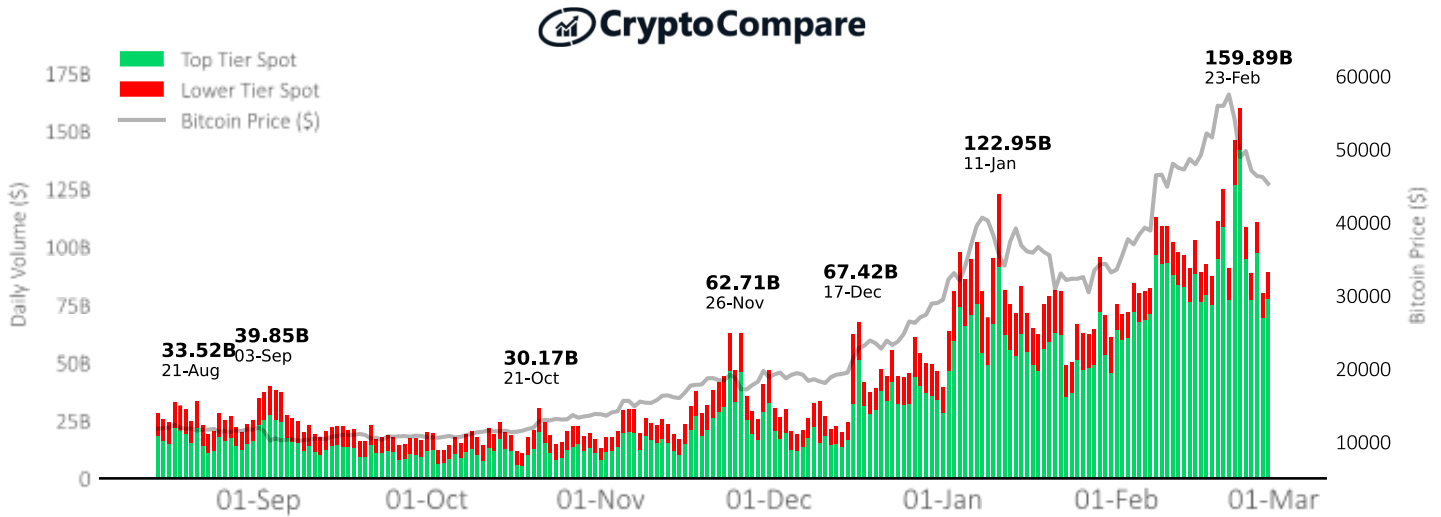
CryptoCompare’s Exchange Benchmark aims to serve investors, regulators and crypto enthusiasts by scoring exchanges in terms of transparency, operational quality, regulatory standing, data provision, management team, and their ability to monitor trades and illicit activity effectively. Rather than drawing 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 February, Top-Tier volumes increased 35.4% to \$2.4tn while Lower-Tier volumes decreased 36.1% to \$381bn. Top-Tier exchanges now represent 86.1% of total volume (vs 74.5% in January). Figures in February represent volumes based on CryptoCompare’s updated Exchange Benchmark.

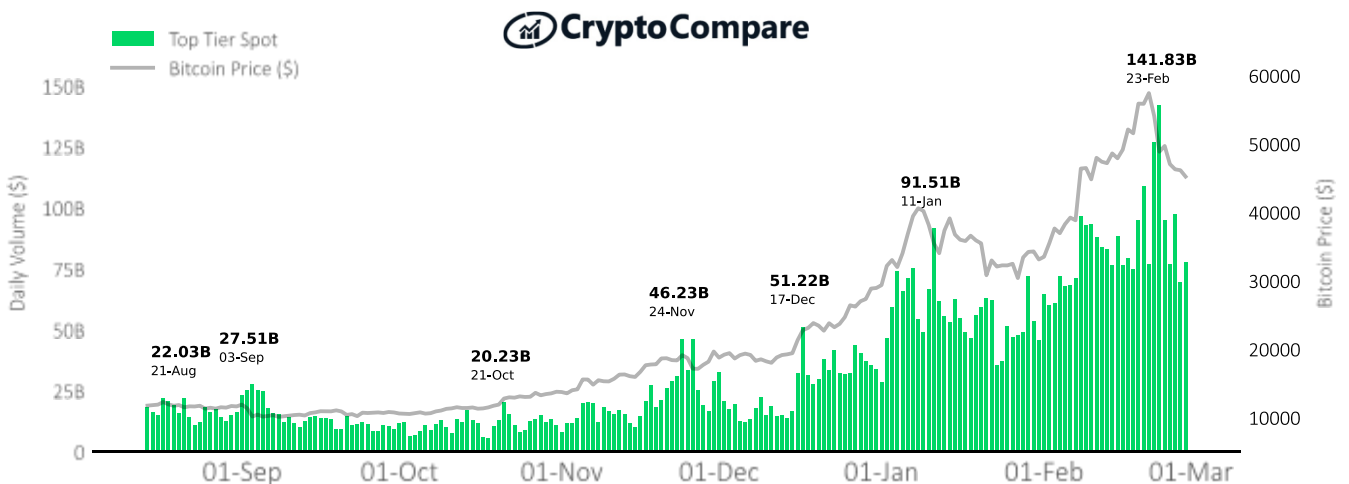
Daily Top-Tier vs Lower-Tier Spot Volumes



Trading activity across all spot markets throughout February surpassed that of the previous month as Bitcoin continued to rise to a new all-time high of just over \$58,000 on the 21st of Feb. A daily volume maximum of \$159.89bn (and new all-time high) was traded on the 23rd of February. This occurred during a sharp correction in Bitcoin’s price to a low of over \$43,000 following its all-time high.

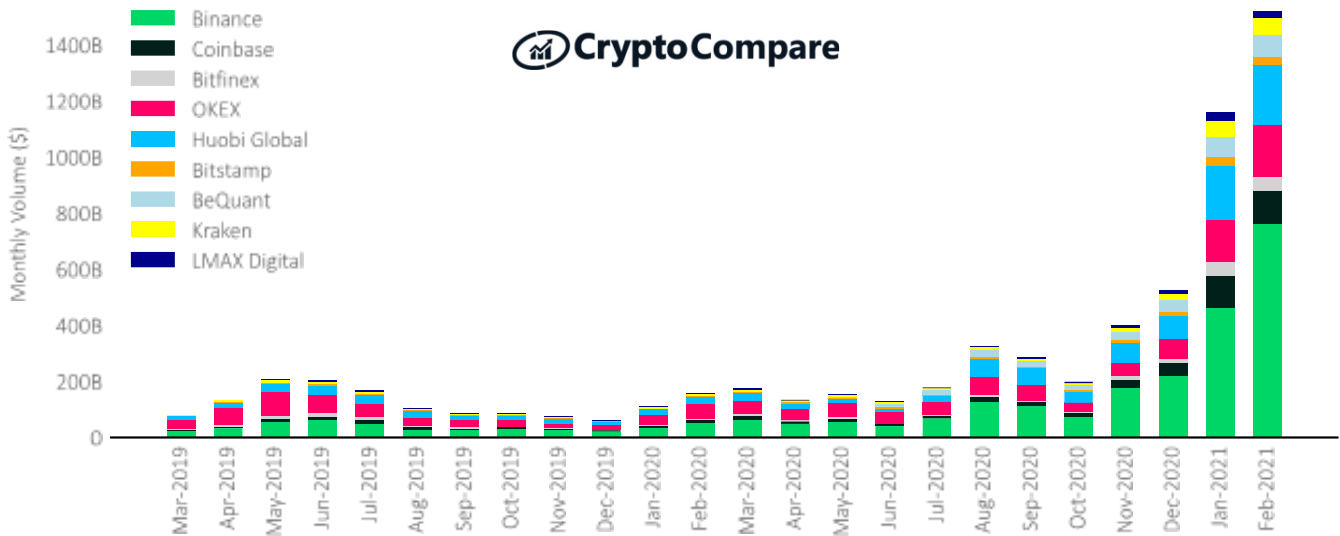
Top-Tier exchanges alone achieved a new all-time high of \$141.83bn on the same day. The previous all-time high was \$91.51bn, traded on the 11th January 2021. Top-Tier exchanges are selected based on our rigorous [Exchange Benchmark Methodology](#).

Daily Top-Tier Spot Volumes



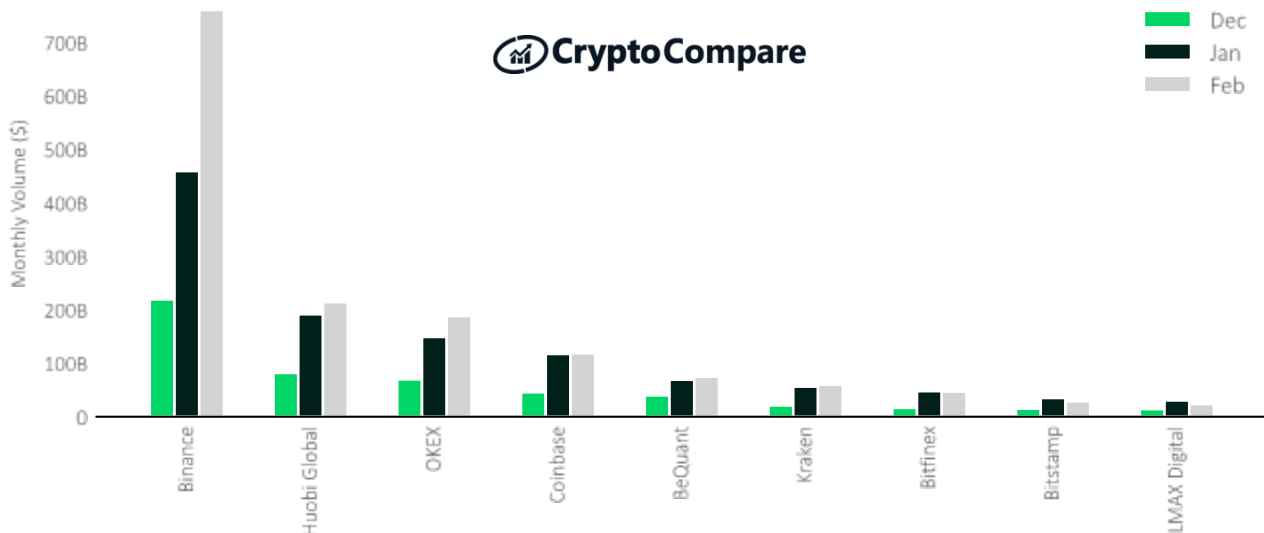
Macro Analysis and Market Segmentation

Monthly Top-Tier Spot Volume



In February, volume from the 15 largest Top-Tier exchanges increased 21% on average (vs January).

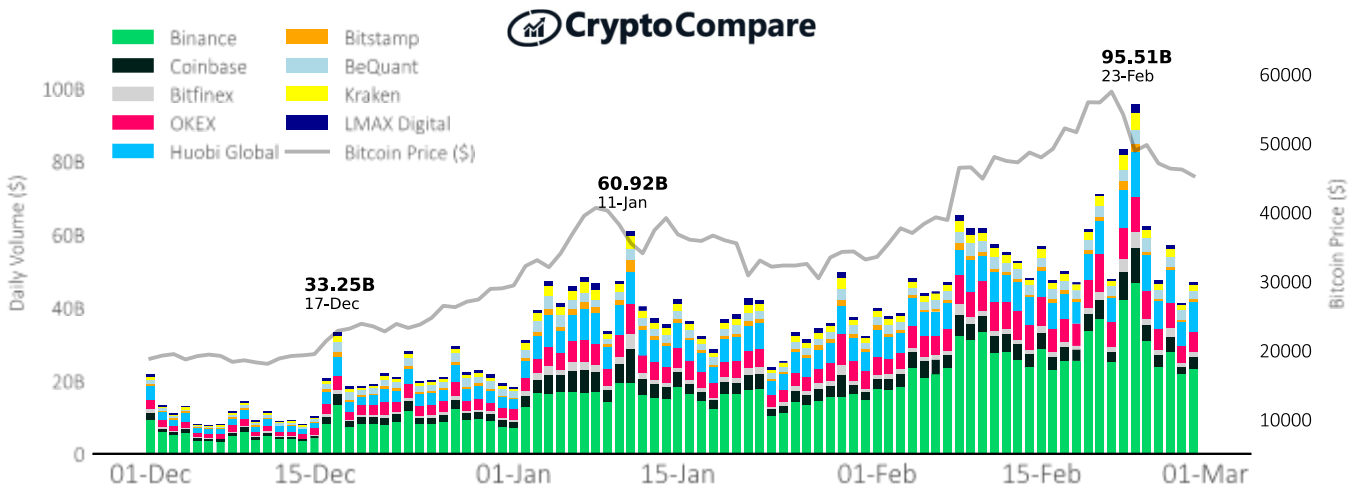
Historical Monthly Top-Tier Spot Volume - 3 Months



Binance (Grade A) was the largest Top-Tier exchange by volume in February, trading \$761 bn (up 65.6%). This was followed by Huobi Global (Grade A) trading \$214bn (up 11.8%), and OKEx (Grade BB) trading \$188bn (up 26.2%).

Exchanges Coinbase (AA), BeQuant (BB), and Kraken (AA) followed with \$119bn (up 1.1%), \$74.9bn (up 8.2%) and \$60.2bn (up 6.8%).

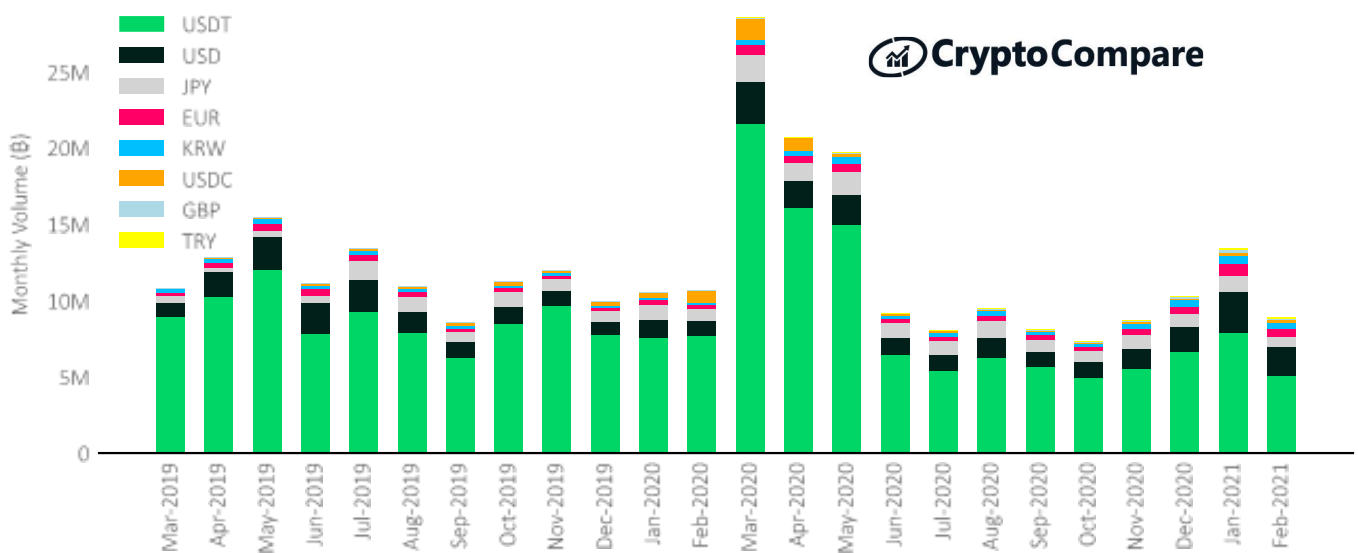
Daily Top-Tier Spot Exchange Volumes



Binance (A), Huobi Global (BB) and OKEEx (BB) remained the top players in terms of volume in February relative to other Top-Tier exchanges. Among the top 15 Top-Tier exchanges, they represented approximately 71% of the volume (vs 65% in January).

Bitcoin to Fiat Volumes

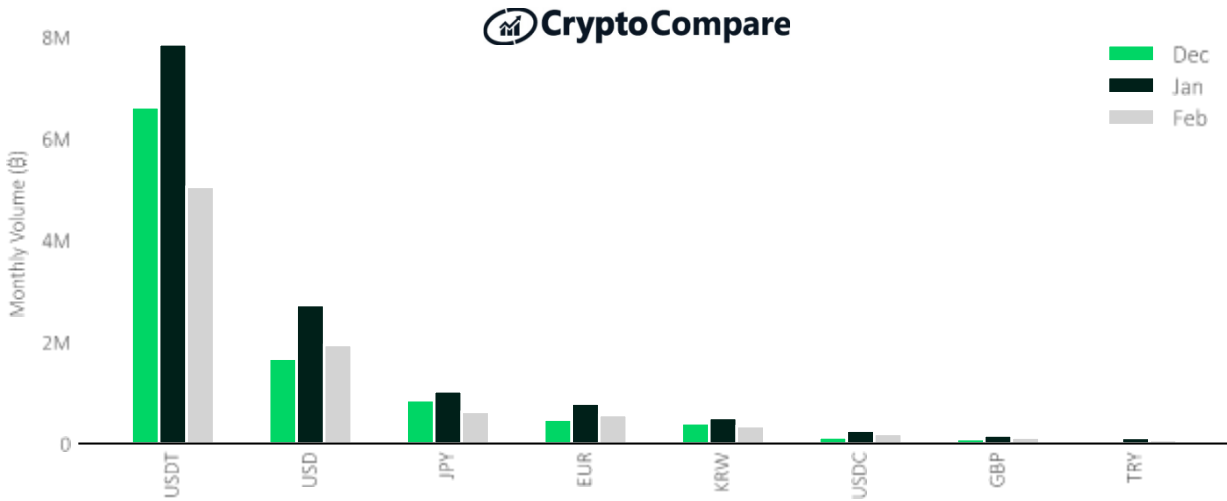
Monthly Bitcoin Volume Traded into Fiat or Stablecoin



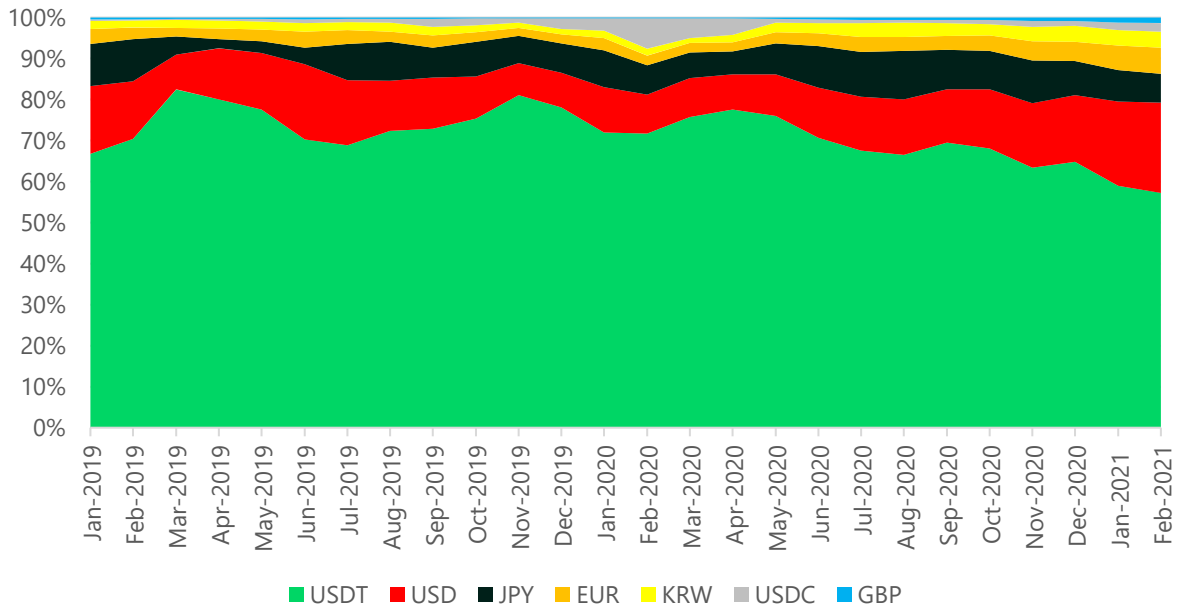
BTC trading into USDT decreased by 35.7% in February to 5.05mn BTC, while trading into USD decreased to 1.9mn BTC (down 28.8%) and trading into JPY decreased to 0.62mn BTC (down 39.3%). EUR markets decreased 28.6%, while BTC trading into KRW decreased 32.1%.

Stablecoin markets BTC/USDC and BTC/PAX traded 190,330 BTC (down 24.8%) and 23,319 BTC (down 26.4%) respectively in February.

Monthly Bitcoin Volume Traded into Fiat or Stablecoin - 3 Months



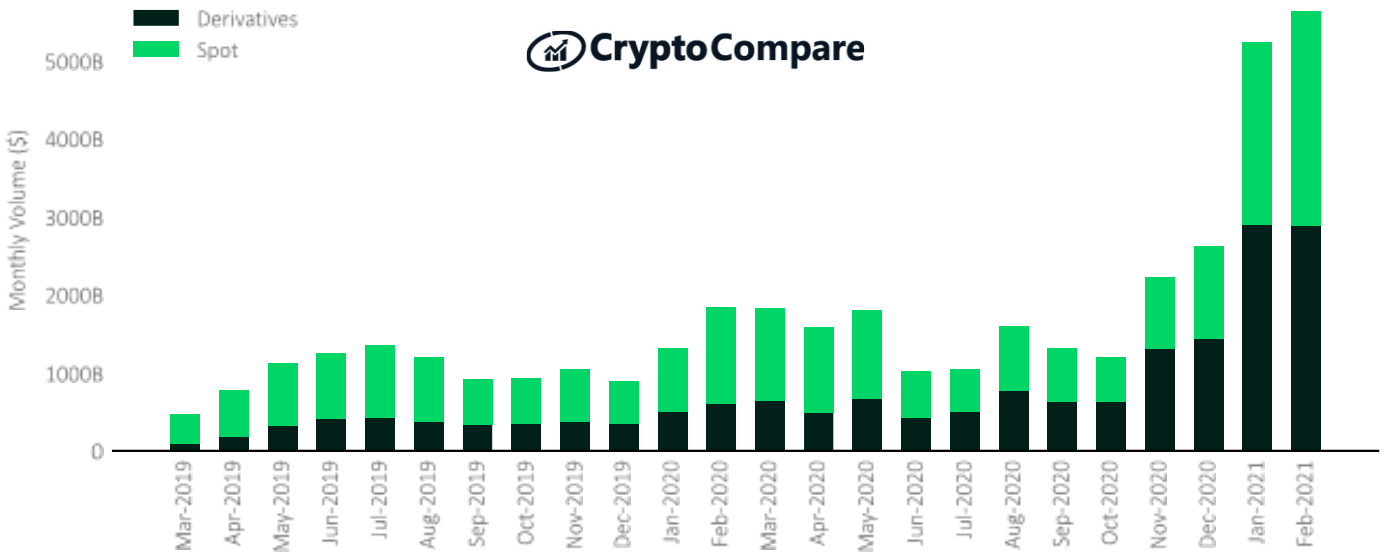
Monthly Bitcoin Volume Traded into Fiat or Stablecoin



BTC/USDT trading still represents the majority of BTC traded into fiat or stablecoin in February at 57.1% (vs 57.4% in January). BTC/USD trading has gained market share and now represents almost 22% of BTC volume (vs 20% in January).

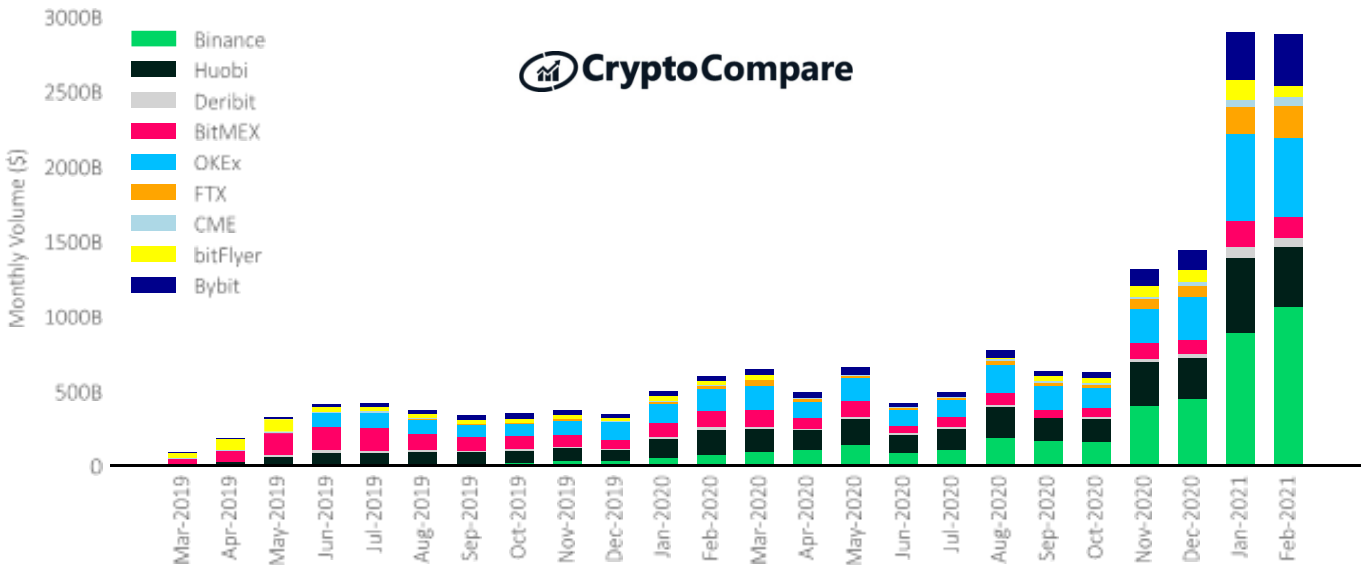
Derivatives

Monthly Spot vs Derivatives Volume

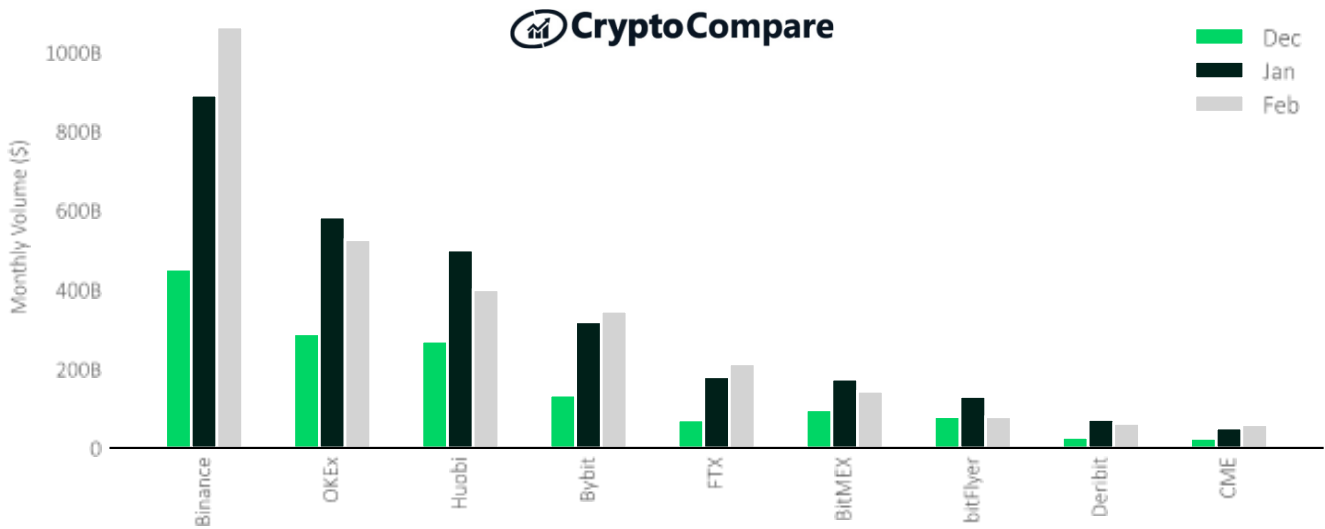


Derivatives volumes decreased by 0.3% in February to \$2.89tn. Meanwhile, total spot volumes increased by 17.2% to \$2.74tn. The derivatives market now represents 51.3% of the total crypto market (vs 55.3% in January).

Historical Monthly Derivatives Volume

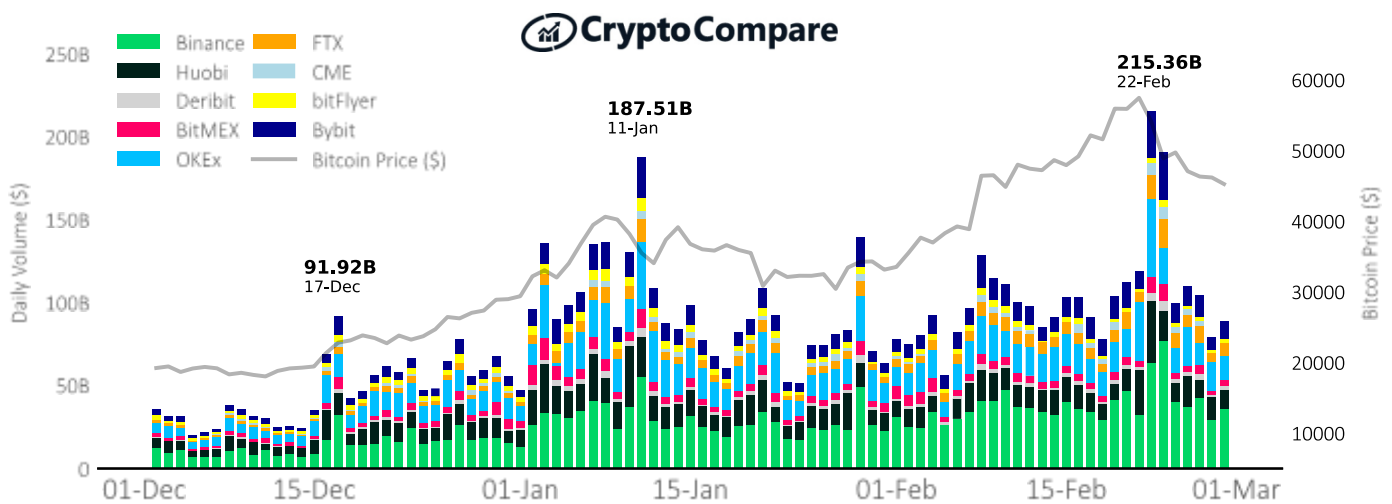


Historical Monthly Derivatives Volumes - 3 Months



Binance was the largest derivatives exchange in February by monthly trading volume with \$1.06tn (up 19.3% since January) followed by OKEx (\$525bn, down 9.8%), Huobi (\$399bn, down 20.1%) and Bybit (\$345bn, up 8.4%).

Daily Derivatives Exchange Volume

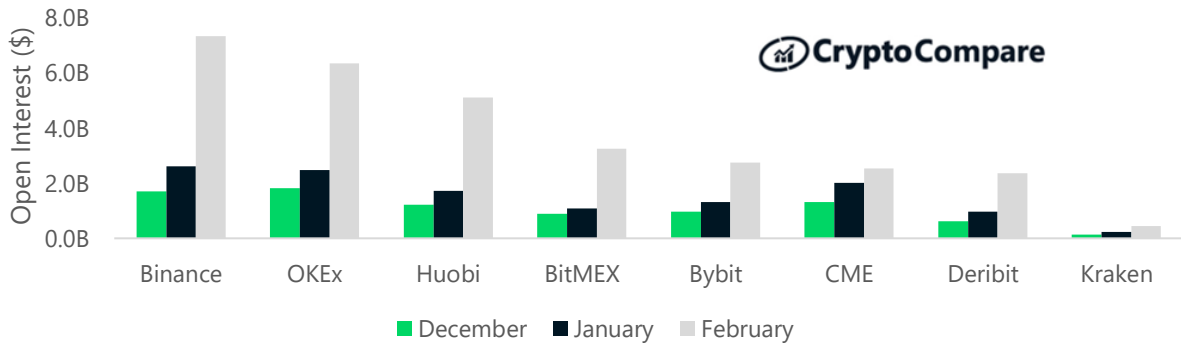


Derivatives exchanges traded a new all-time daily maximum of \$215.4bn on the 22nd of February 2021. The previous month's record was on the 11th of January (\$187.5bn).

Open Interest

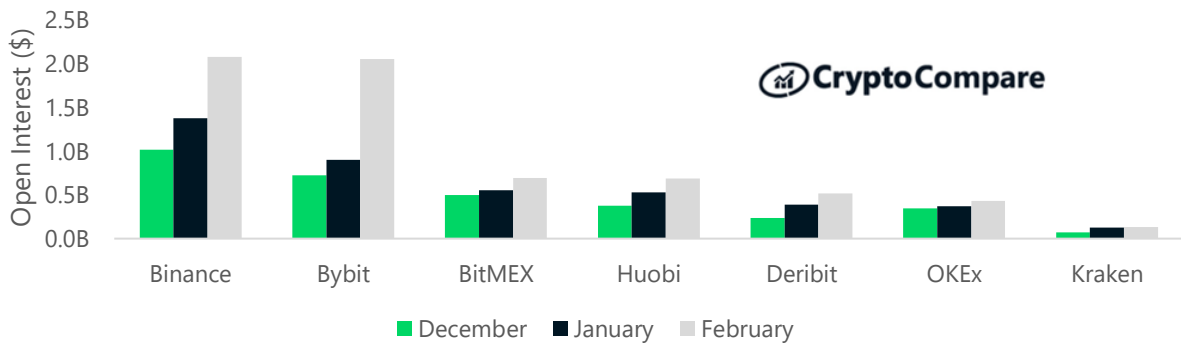
In February, Binance had the highest open interest across all derivatives products on average at \$7.3bn (up 180.4% since January). This was followed by OKEx (\$6.4bn, up 155.8%) and Huobi (\$5.1bn, up 197.0%).

Aggregate Derivatives Open Interest (\$)



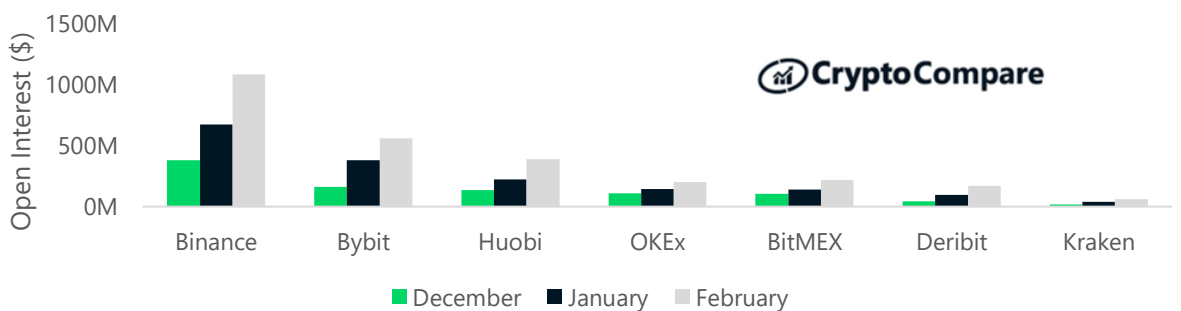
In terms of BTC perpetual futures, Binance had the highest open interest at \$2.1bn (up 51.2%) followed by Bybit at \$2.1bn (up 127.2%).

Perpetual BTC Open Interest (\$)



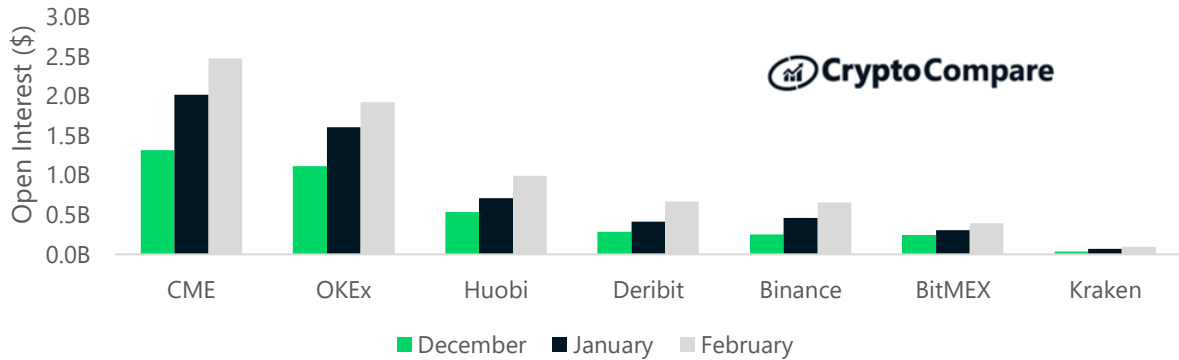
Binance also has the highest open interest figures for ETH perpetual futures contracts at \$1.08bn (up 60.4%), followed by Bybit at \$560mn (up 47.2%).

Perpetual ETH Open Interest (\$)



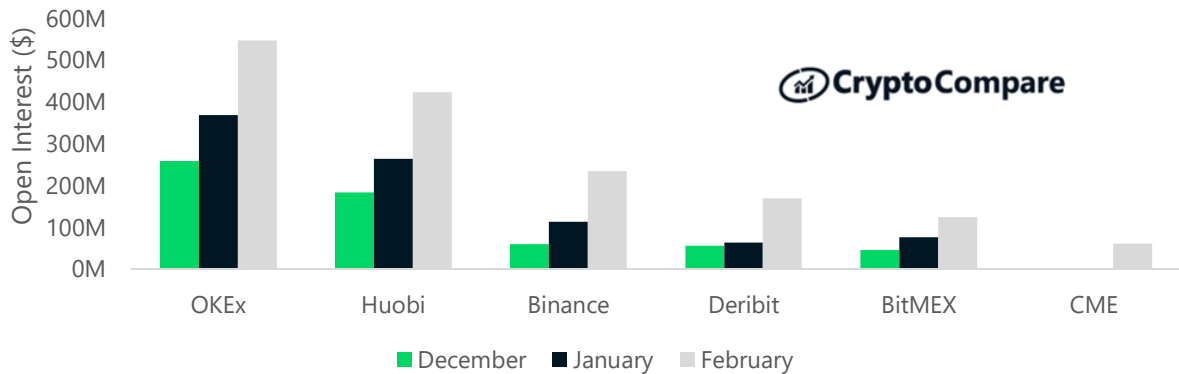
Meanwhile, regulated futures exchange CME maintained the highest open interest for BTC futures at \$2.5bn (up 23%) followed by OKEx at \$1.9bn (up 19.9%).

BTC Futures Open Interest (\$)



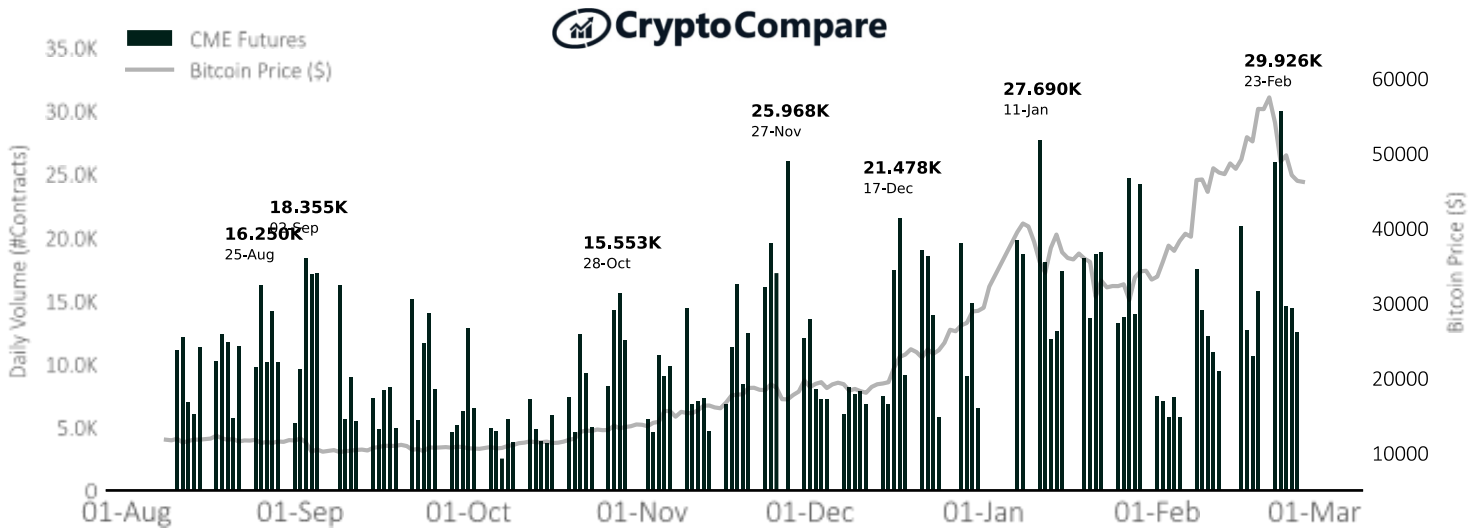
OKEx had the highest open interest figures for ETH futures contracts at \$546mn (up 49%), followed by Huobi with \$423mn (up 61%).

ETH Futures Open Interest (\$)



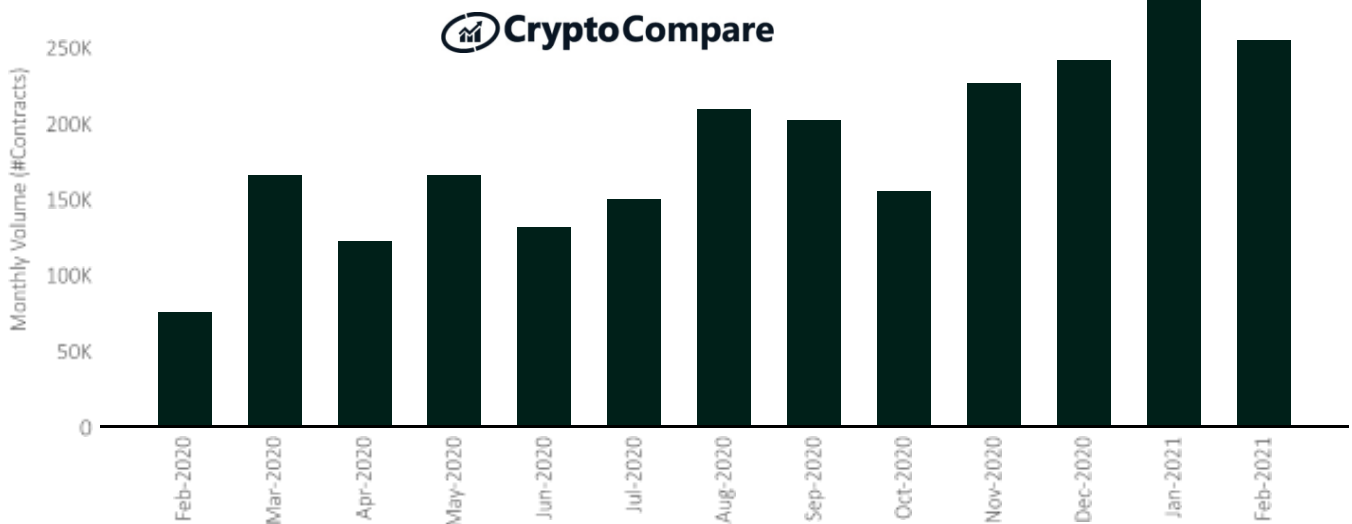
CME Institutional Volume and Open Interest

Daily CME BTC Futures Contract Volumes

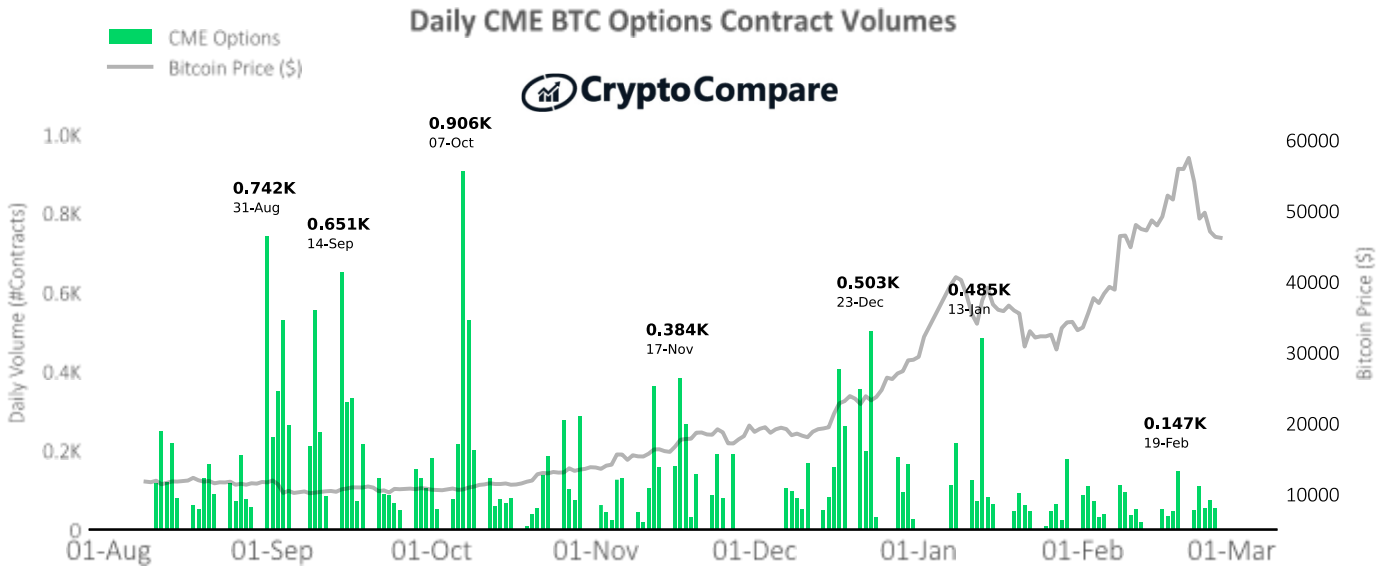


A daily maximum for the month was achieved on the 23rd of February where 29,926 BTC futures contracts were traded following Bitcoin’s correction from its all-time high of over \$58,000.

Historical Monthly CME BTC Futures Contract Volumes

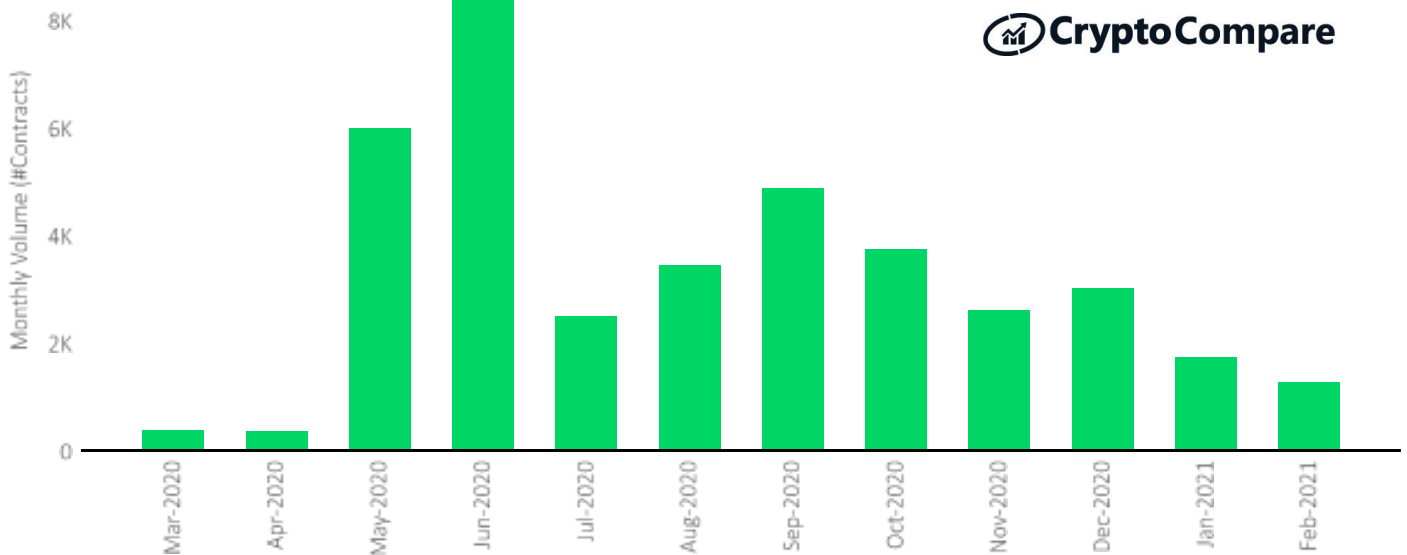


In terms of monthly contract volumes, roughly 255,000 contracts were traded in February (down 10.6% since January).



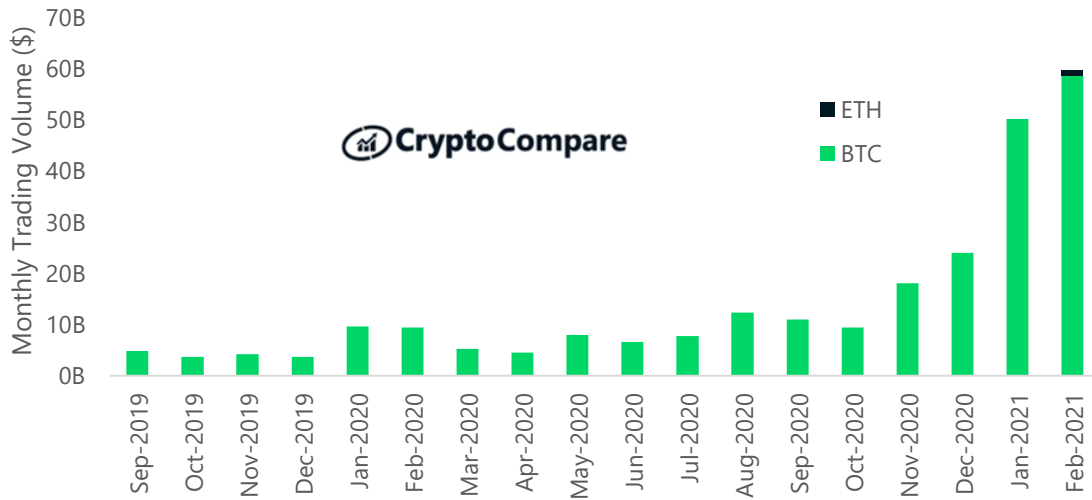
CME options contract volumes decreased 26% in February to 1,280 contracts traded. Options contract volumes reached a daily maximum of 147 contracts traded on the 19th of February.

Historical Monthly CME BTC Options Contract Volumes



In terms of total USD trading volume, CME’s newly launched ETH futures reached \$1bn in February. Meanwhile, CME’s BTC futures volumes increased by 16.9% to \$58.6bn. On aggregate (ETH + BTC futures), volumes reached \$59.6bn.

Historical Monthly CME Futures Volumes (\$)



CME’s average open interest figures for BTC futures increased by 23% to \$2.5bn in February. Meanwhile, ETH open interest averaged \$61.2mn.

CME Futures Average Open Interest (\$)

