AMBERDATA CRYPTO SNAPSHOT #7

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Latest in a busy week: the return of a bull.

Grayscale Bitcoin Trust (GBTC) is about to have some company after BlackRock filed for a spot Bitcoin ETF this week. Just a few days later, ETF manager Invesco reactivated its Bitcoin ETF Filing, along with WisdomTree. Bitwise has also filed for a Bitcoin ETF.

Centralized exchanges should also expect some company as traditional finance enters the fray with **plans to launch EDX** – a new cryptocurrency exchange backed by Citadel Securities, Fidelity Investments, and Charles Schwab – that will offer trading for BTC, ETH, LTC, and BCH. Deutsche Bank revealed that they, too, have applied to operate a cryptocurrency custody service, though with the German regulatory bodies.

The timing of these events is extremely interesting as the industry is still reeling from a series of charges from the SEC. Traditional Finance (TradFi) appears to be taking advantage of this opportunity and jumping in head-first, while **native cryptocurrency companies are pushing the US Securities regulator for clarity** (and seemingly finding support). **Coinbase also received positive news from the courts.**

Last week, Uniswap Labs **released plans for Uniswap v4** that introduce "hooks" and custom liquidity pools. CEO Hayden Adams described them as "plug-ins to customize how pools, swaps, fees, and LP positions interact." It is likely that v4 will also introduce dynamic fees and limit orders, as well as performance improvements and fee reductions. These improvements are expected to make it cheaper to create new pools, which anyone can do due to the DEX's permissionless nature. However, Uniswap Labs is also facing criticism from the development community after filing a business source license (BSL), which may catch developers of other

SPOT MARKET

CEX Weekly Update	Trading Pairs	Volume (USD, $m)		Market Share		BTC Volume (USD, $m)		ETH Volume (USD)	
Sorted by Exchange Name	Active on 6/20	6/13 to 6/20	7d △	6/13 to 6/20	7d △	6/13 to 6/20	7d △	6/13 to 6/20	7d △
Binance	2,141	$35,228m	-35.45%	59.70%	-2.14%	$14,498m	-29.40%	$3,722m	-29.36%
BinanceUS	365	$143m	-77.64%	0.24%	-66.09%	$66m	-72.28%	$23m	-78.92%
Bitfinex	1,234	$439m	-41.17%	0.74%	-10.80%	$181m	-17.43%	$89m	-31.63%
Bithumb	425	$921m	-24.31%	1.56%	14.76%	$176m	-16.58%	$51m	-23.72%
Bitstamp	205	$829m	-26.31%	1.40%	11.72%	$402m	-13.39%	$100m	-21.97%
Bybit	421	$3,624m	-39.90%	6.14%	-8.89%	$1,436m	-39.37%	$1,303m	-28.85%
Coinbase	659	$4,750m	-29.94%	8.05%	6.22%	$2,165m	-16.41%	$1,067m	-30.30%
Gemini	159	$128m	-24.30%	0.22%	14.77%	$56m	-13.51%	$34m	-22.76%
Huobi	1,597	$2,005m	-32.00%	3.40%	3.10%	$538m	-35.45%	$182m	-16.87%
Kraken	1,108	$2,803m	-21.72%	4.75%	18.69%	$754m	-5.20%	$366m	-2.49%
MEXC	2,873	$2,883m	-28.27%	4.89%	8.74%	$948m	-40.42%	$250m	-31.65%
OKX	931	$4,906m	-31.94%	8.31%	3.18%	$1,605m	-12.65%	$1,174m	-1.62%
Poloniex	863	$353m	-17.74%	0.60%	24.71%	$24m	10.19%	$10m	-20.52%

Centralized Exchange (CEX) comparisons between the weeks of 6/13 and 6/20.
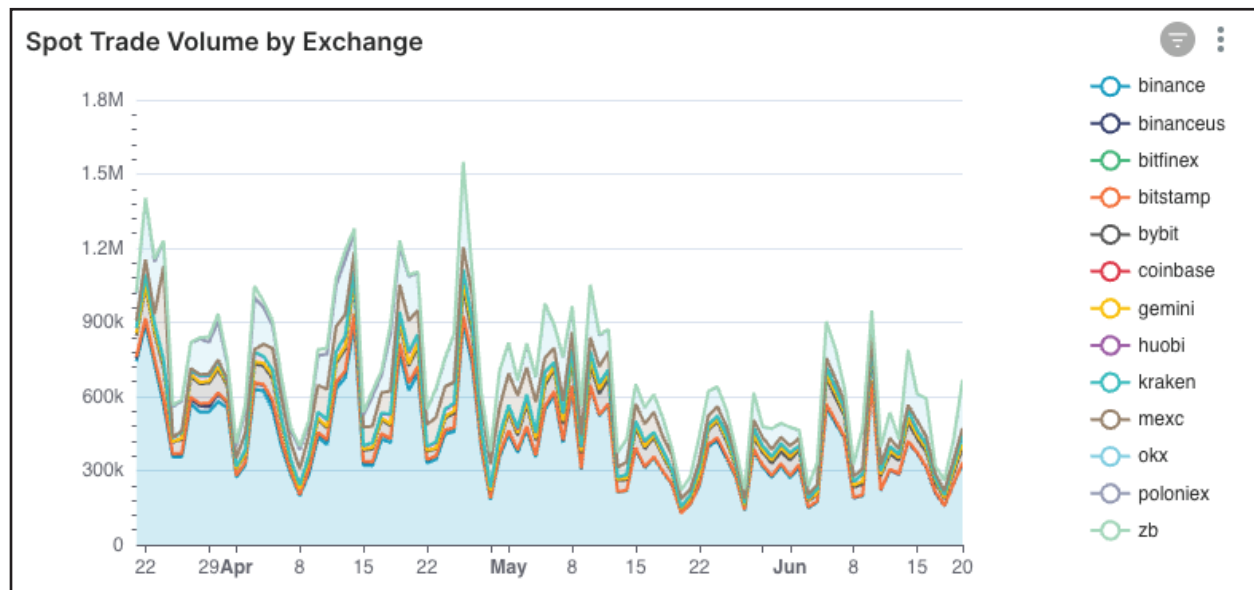
Centralized Exchange (CEX) volumes for the last 90 days.

CeFi continues to reel from the SEC charges over the last few weeks, where trading volumes appear to be in steep decline. Keep in mind that total trading volume (displayed above) includes sells, so the trading volume's week-over-week change is a biased metric. The biggest sticking point appears to be Binance US's shift announced last week: they announced layoffs and (more importantly) have dropped fiat payment rails – a move that will see them become a crypto-only exchange. This change has dramatically impacted the exchanges' volume with a 66% drop in market share from the last two weeks.
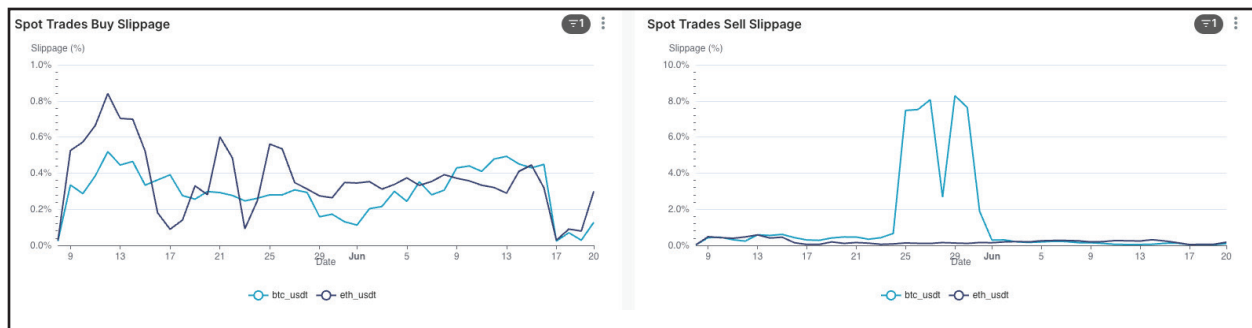
CCentralized Exchange (CEX) buy and sell slippage for the last 31 days for BTC/USDT and ETH/USDT trading pairs.

Perhaps the most potent example of impact was the sell-side slippage for BTC/USDT and ETH/USDT across centralized exchanges as users looked to de-risk their cryptocurrency holdings into stablecoins such as USDT. Buy-side volumes were much more stable in the same period and increased in the last day as TradFi announcements begin to bring back both investors who see positive signs for Bitcoin and Ethereum and a new wave of investors flooding into the gates.
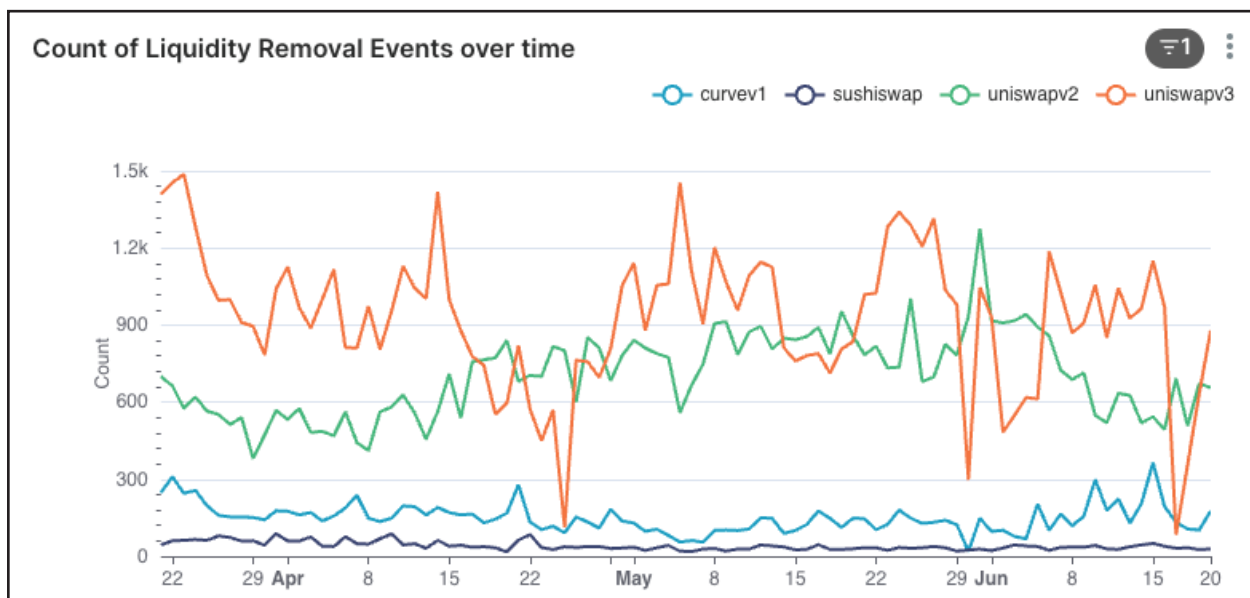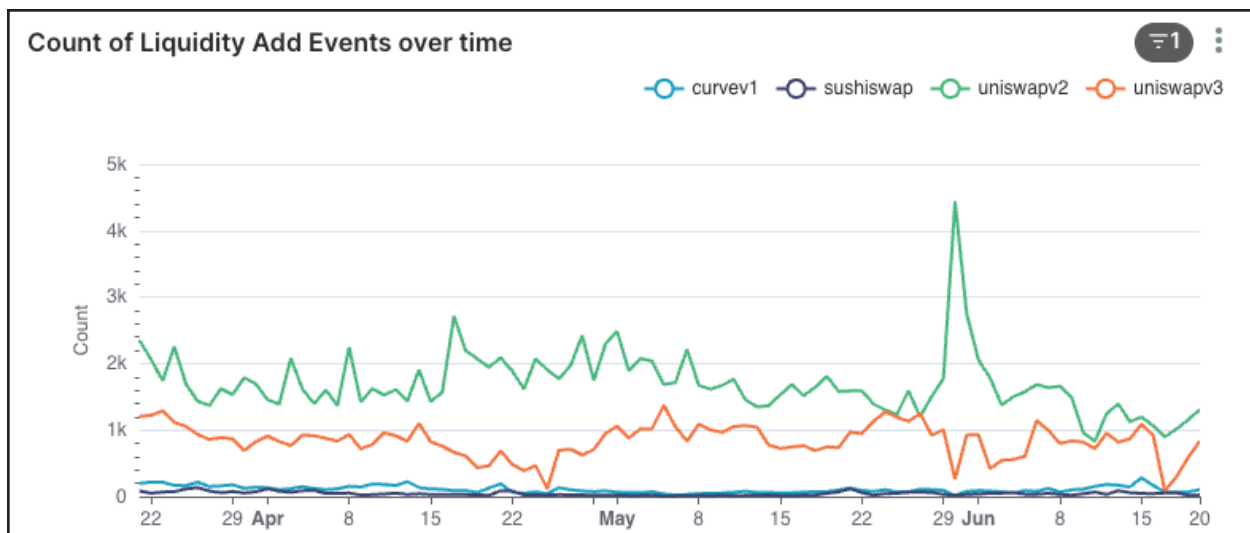
DEFI DEXES

DEX Weekly Update	Pairs Traded		Cumulative Pairs		Liquidity ($1m, USD)		Liquidity (WETH)		Volume ($1m, USD)		Fees (USD)		Trades	
Sorted by Liquidity	Active on 6/20	7d △	Active on 6/20	7d △	As of 6/20	7d △	As of 6/20	7d △	Active on 6/20	7d △	Active on 6/20	7d △	Active on 6/20	7d △
Uniswap v3	1,252	0.56%	13,328	1.82%	$ 1,921	-5.52%	1,099,976	2.24%	$ 3,919	-10.00%	$ 270,705	-17.14%	33,592,914	-6.48%
Uniswap v2	3,707	-4.26%	198,809	1.54%	$ 1,042	-7.30%	597,021	0.31%	$ 961	-100.00%	$ 1,009,771	8.26%	21,212,744	-5.26%
Sushiswap	360	3.75%	3,408	0.18%	$ 247	-10.81%	141,413	-3.49%	$ 37	-43.33%	$ 23,767	-17.85%	4,278,239	-8.15%

Decentralized Exchange (DEX) protocol comparisons between this and last week.
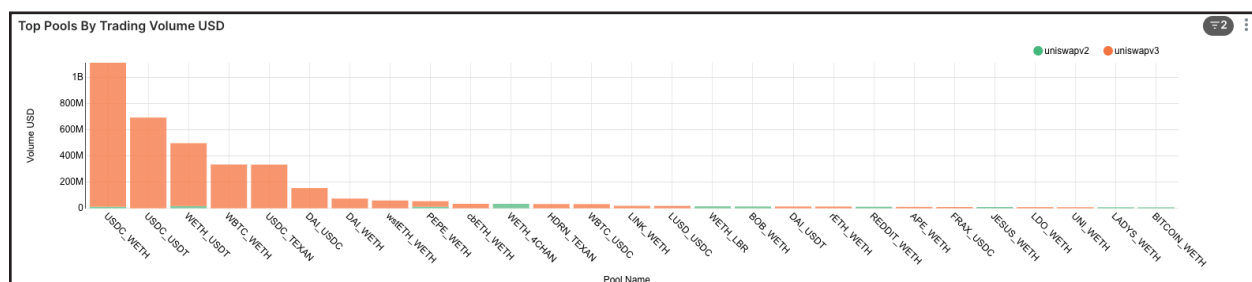
DEX Pool 7-day Trading volumes, sorted by trading volume over the last week (6/13 - 6/20).

Stablecoin pools dominated in trading volume over the last 7 days, with USDC/WETH transacting over $1b in swaps on DEXs. Interestingly, USDC/USDT was the next highest traded pair, followed by WETH/USDT. **As we saw in previous weeks**, traders were moving away from tokens listed on the Binance and Coinbase SEC charges and moving into WETH and stablecoins. It appears that traders have been waiting for the moment we see now: a return of bull markets and key opportunities. Last week, traders appeared to be holding a bag consisting of USDC, USDT, and WETH and moved between these currencies to find the best opportunity for yield.

Count of Liquidity Add Events over time
curvev1 — sushiswap — uniswapv2 — uniswapv3

Count of Liquidity Removal Events over time
curvev1 — sushiswap — uniswapv2 — uniswapv3

Number of "Liquidity Add" events (mints/deposits) and "Liquidity Removal" events (burns/withdrawals).

Following liquidity additions and removals, one thing is for sure: traders believe the best course for yield is not as a liquidity provider (LP). Last week, there was a sharp decline in Uniswap v3 liquidity additions and liquidity withdrawals within the same time period. These inactivity metrics are a signal that yield is being found outside of DEX pools, which generate revenue from liquidity incentives and trading volume.

DEFI BORROW / LEND

DeFi Lending Weekly Report	Active Markets		Active Assets		Active Addresses		Number of Transactions		Total Transaction Volume (USD)		Principal Liquidated (USD)		Liquidation Profits (USD)	
Sorted by Protocol Name	6/13 to 6/20	7d △	6/13 to 6/20	7d △	6/13 to 6/20	7d △	6/13 to 6/20	7d △	6/13 to 6/20	7d △	6/13 to 6/20	7d △	6/13 to 6/20	7d △
Aave (v3)	5	0.00%	63	3.08%	1,733	-12.24%	3,822	-31.11%	$1,504.52m	-48.60%	$300,581	-15.93%	$13,522	4.55%
Aave (v2)	6	0.00%	92	-6.98%	1,728	-4.73%	4,940	-13.28%	$5,475.03m	-44.70%	$722,036	86.12%	$38,064	90.37%
Compound (v2)	60	3.23%	56	-3.70%	561	-2.75%	1,374	-11.08%	$806.96m	-65.03%	$486,397	-259.50%	$38,919	-257.95%
MakerDAO	60	4.76%	22	-15.79%	423	-23.32%	2,548	-51.04%	$2,886.67m	-171.16%	$543,831		$2,832	

DeFi Lending protocol comparisons between this and last week.

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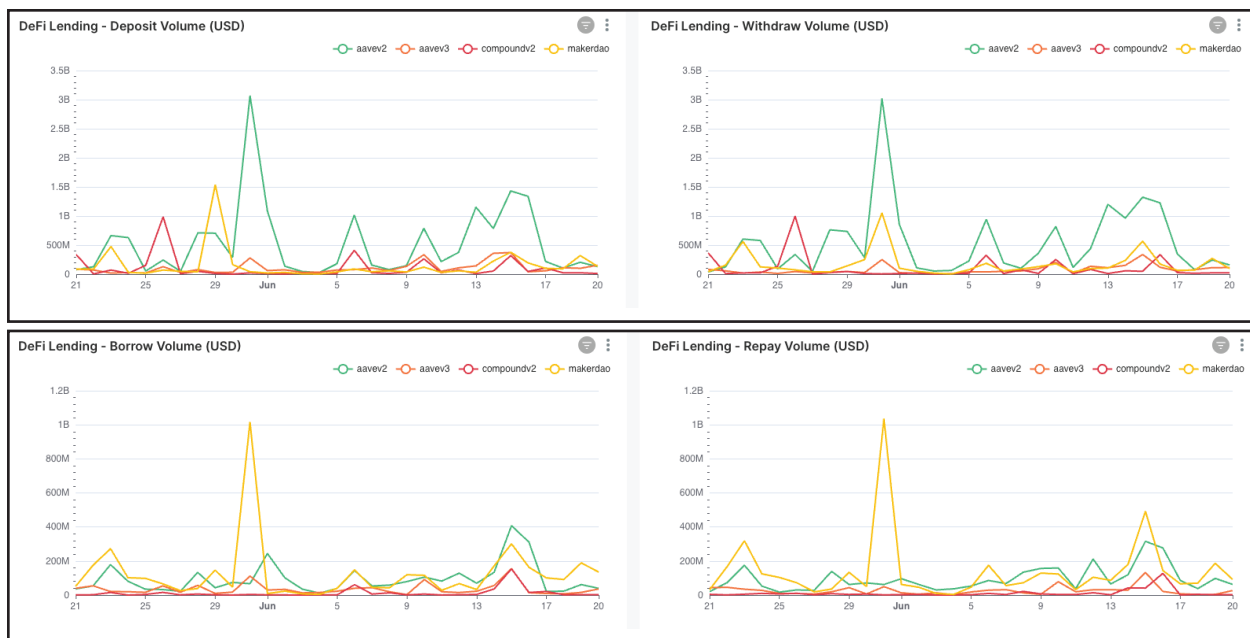
DeFi Lending protocol deposit, withdraw, borrow, and repay volumes over the last 30 days.

At the same time that new DEX liquidity activity started to dry, DeFi Lending protocols saw a major spike across multiple events: deposits, withdrawals, borrows, and lends. The boilerplate discovery here is that money on-chain flows quickly and goes to the highest bidder – that is, the opportunity with the highest (and "safest") yields. These protocols have all solidified their places as reliable over the course of years.


DeFi Lending protocol deposit and withdraw volumes for the Top 5 tokens by volume over the last 30 days.

Unsurprisingly, WETH and stablecoins dominate the DeFi landscape. As we saw when looking at DEX volumes, these have been the most swapped tokens, and with fewer events on DEXs the liquidity must move to other yield-providing opportunities. When tokens are not being traded, they are most effectively utilized in a pool – and if they're not in a DEX pool, we could expect them in a DeFi Lending pool next. It will also be exciting to see how cross-chain lending protocols change the DeFi landscape, as we will not only need to look at a protocol or asset, but how these pools differ across networks. Will any L2 dominate in liquidity over the others? Will Ethereum be the main source of liquidity for side-chains, or will it be the network for opportunities to develop before they grow across new landscapes?

NETWORKS

Network Weekly Report	Average Conf. Time (s)		Number of Transactions		Total Value (USD, $m)		Total Fees (USD)		Average Fees (USD)	
Sorted by Name	6/13 to 6/20	7d △	6/13 to 6/20	7d △	6/13 to 6/20	7d △	6/13 to 6/20	7d △	6/13 to 6/20	7d △
Bitcoin	788.17	-91.83%	3,454,851	46.20%	$191,485m	12.73%	$7,893,318	-19.30%	$2.31	-43.52%
Bitcoin Cash	0.00	0.00%	385,312	40.75%	$453m	-12.65%	$425	16.05%	$0.00	-37.49%
Ethereum	2,410.28	-76.16%	8,336,937	29.99%	$17,225m	11.76%	$33,925,132	11.85%	$4.07	-14.09%
Litecoin	179.53	0.05%	1,860,170	40.59%	$22,619m	39.81%	$8,413	10.42%	$0.00	-18.11%
Zcash	0.00	0.00%	0	0.00%	$0m	0.00%	$0	0.00%	$0.00	0.00%

Network comparisons between this and last week.
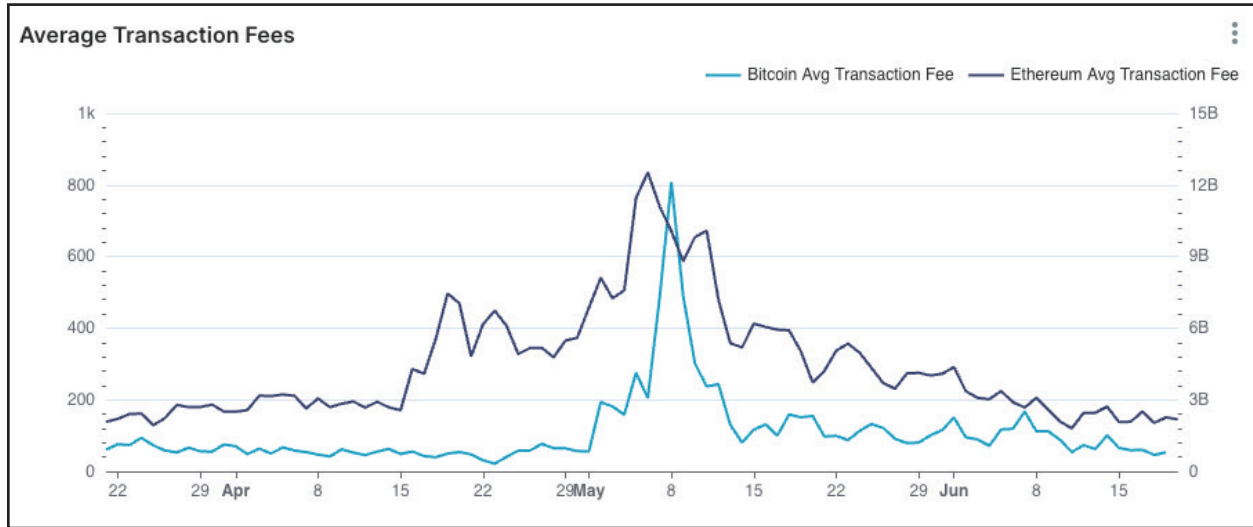
Bitcoin and Ethereum daily average transaction fees over the last 90 days.

It hasn't been said often this year, but on-chain transaction fees are way down. The sell-offs in the last few weeks mainly hit the centralized exchange order books, but the wider market (i.e., non-trader crypto users and retail users) has been sitting on the sidelines for some time now. NFT activity seems to have slowed and news from that front has been waning on "non-existent." Now seems like a great time to unravel those positions that have been tied up due to high onchain transaction fees.
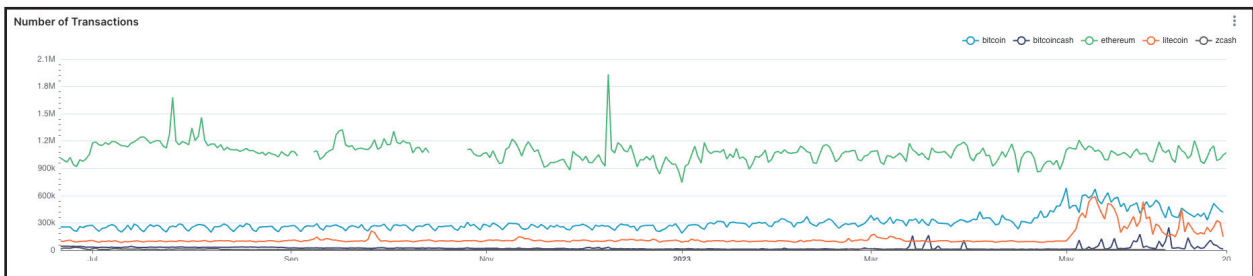
Number of transactions over the last year.

An interesting and exciting perspective is a wave of transactions on Litecoin since May 2023. It's unclear what has been triggering this, but the announcement of Litecoin (LTC) trading from EDX along with an upcoming (and much anticipated) halving in a few weeks (expected on August 2nd, 2023) appears to be moving the needle in terms of network usage.

LINKS

Recent Coverage
- https://www.nftgators.com/edx-markets-launches-with-support-for-btc-eth-ltc-and-bch-spottrading/
- https://www.benzinga.com/markets/cryptocurrency/23/06/32950439/bitcoin-ether-dogeskyrocket- should-you-be-buying-at-current-30k-levels

Spot Market
Spot market charts were built using the following endpoints:
- https://docs.amberdata.io/reference/market-metrics-exchanges-volumes-historical
- https://docs.amberdata.io/reference/market-metrics-exchanges-assets-volumes-historical
- https://docs.amberdata.io/reference/get-market-pairs
- https://docs.amberdata.io/reference/get-historical-ohlc

Futures
Futures / Swaps charts were built using the following endpoints:
- https://docs.amberdata.io/reference/futures-exchanges-pairs
- https://docs.amberdata.io/reference/futures-ohlcv-historical
- https://docs.amberdata.io/reference/futures-funding-rates-historical
- https://docs.amberdata.io/reference/futures-long-short-ratio-historical
- https://docs.amberdata.io/reference/swaps-exchanges-reference
- https://docs.amberdata.io/reference/swaps-ohlcv-historical
- https://docs.amberdata.io/reference/swaps-funding-rates-historical

DeFi DEXes
DEX charts were built using the following endpoints:
- https://docs.amberdata.io/reference/defi-metrics-exchanges-historical
- https://docs.amberdata.io/reference/defi-liquidity-historical

DeFi Borrow / Lend
DeFi lending charts were built using the following endpoints:
- https://docs.amberdata.io/reference/lens-protocol-aave
- https://docs.amberdata.io/reference/lens-protocol-makerdao
- https://docs.amberdata.io/reference/lens-protocol-compound

Want more DeFi content? **Listen to Chris Martin on the Amberdata podcast with Jamie Holmes where they discuss the Perpetual Protocol!**

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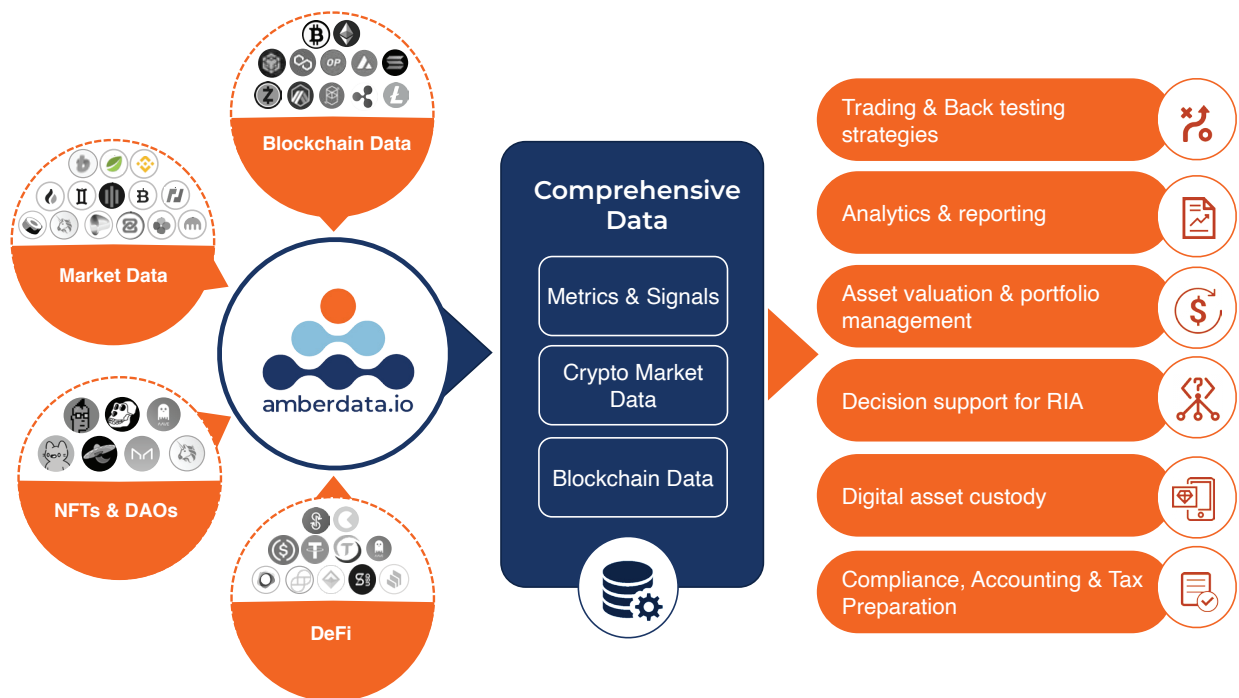
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Our platform connects to all the blockchains and markets that matter today, allowing a comprehensive view of crypto markets, blockchain networks, NFTs, DAOs, and DeFi. We provide real-time and historical transparency into markets and price discovery across spot, derivative and decentralized exchanges, as well as on-chain data from the most active cryptocurrency networks and protocols.

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cap and total value locked. You can also create analytics dashboards with fundamental data to track network health and understand DeFi data like liquidity and lending rates. For fund accounting and administration, you'll know what was in a wallet at any time and what it was worth in any currency. For institutions that want to do custody themselves rather than outsource it, we provide the on-chain data needed.

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