

AMBERDATA CRYPTO SNAPSHOT #9

2023-07-19



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Since December 2020, Ripple Labs (issuer of XRP and the Ripple network) has been in litigation over action taken against them by the SEC after being accused of conducting an unregistered securities offering.

Following the suit, the XRP token was delisted from several centralized exchanges. As the long ongoing trial continued, the SEC pursued a more fruitful endeavor of regulation by enforcement, resulting in legal settlements from centralized exchanges, decentralized exchanges and protocols, and even celebrity “influencers” such as Floyd “Money” Mayweather and DJ Khalid. On July 13, 2023, the Ripple v SEC case finally came to an end with both sides seeing a partial victory, and effects that will ripple (ahem) through the industry for some time.

In their judgment, XRP was deemed not to be a security when sold programmatically, and the XRP token itself is not a security. However, when tokens were sold to institutional investors, XRP was used as a security as it represented an investment contract between both parties. This ruling is a huge step forward for the industry as it helps to define what constitutes a security in regards to cryptocurrencies. XRP is not a security in and of itself, and programmatic sales (such as those to retail users on centralized exchanges) do not constitute an investment contract or sale of a security. Ripple is often regarded as one of the more centralized tokens, with [Vitalik Buterin previously saying it is “completely centralized,”](#) so this case will no doubt be used by the many ongoing SEC procedures. If you made it this far and want to keep reading, here are some tweets relating to the case and events: [Sina Kian](#), [Mark Cuban](#), [Katherine Wu](#), [Paul Grewal](#), and [Matt Walsh on SAB-121](#) accounting rules.

This week we take a second look at the Binance and Coinbase listed tokens as part of the enforcement actions taken by the SEC earlier this year. [As we mentioned previously](#), “although the SEC does not attempt to clarify how these were selected, the charges include the following tokens alleged to be securities: SOL, ADA, MATIC, FIL, SAND, AXS, CHZ, FLOW, ICP, NEAR, VGX, DASH, and NEXO” as well as BNB and BUSD. In short, these tokens continue to struggle in the current bear market but we’re starting to see signs of hope.

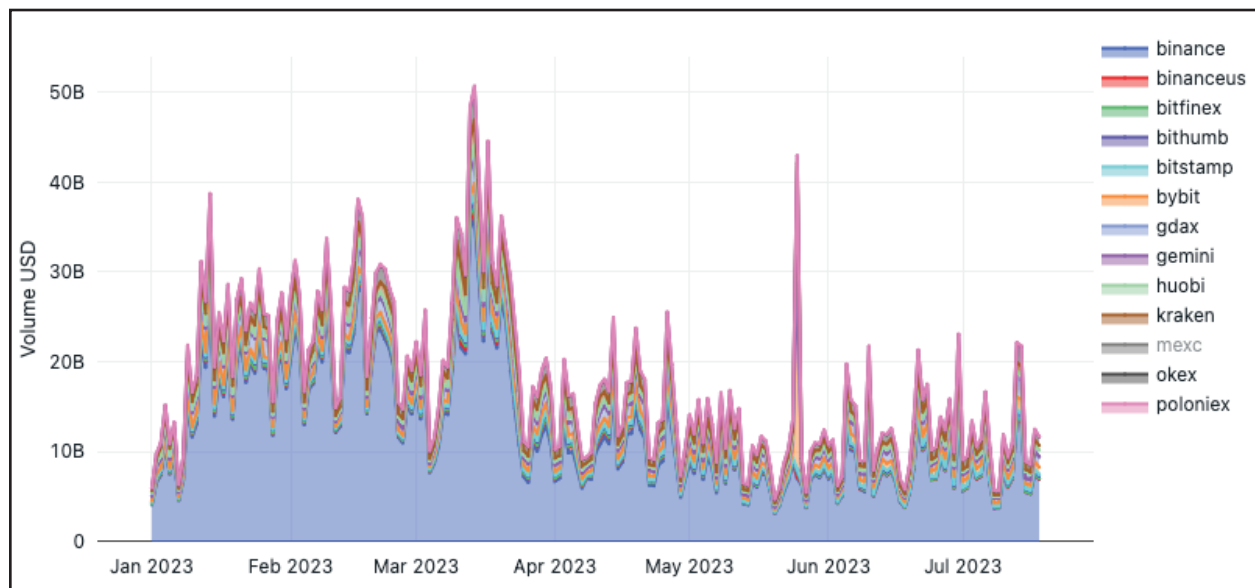
But first, some other quick highlights:

- [U.S. Senate bill wants KYC’d DeFi](#); extremely misguided.
- SEC adds Bitwise Bitcoin ETF to its federal register, [among other ETF-related news](#)
- [Uniswap Labs announces UniswapX](#), a beta DEX Dutch auction aggregator, featuring gasless cross-chain swaps.
- [cLabs proposes for Celo to become an Ethereum L2](#)
- [Brian Armstrong meets with House Democrats](#)
- [UK regulator FCA considers](#) if memes breach financial promotion rules

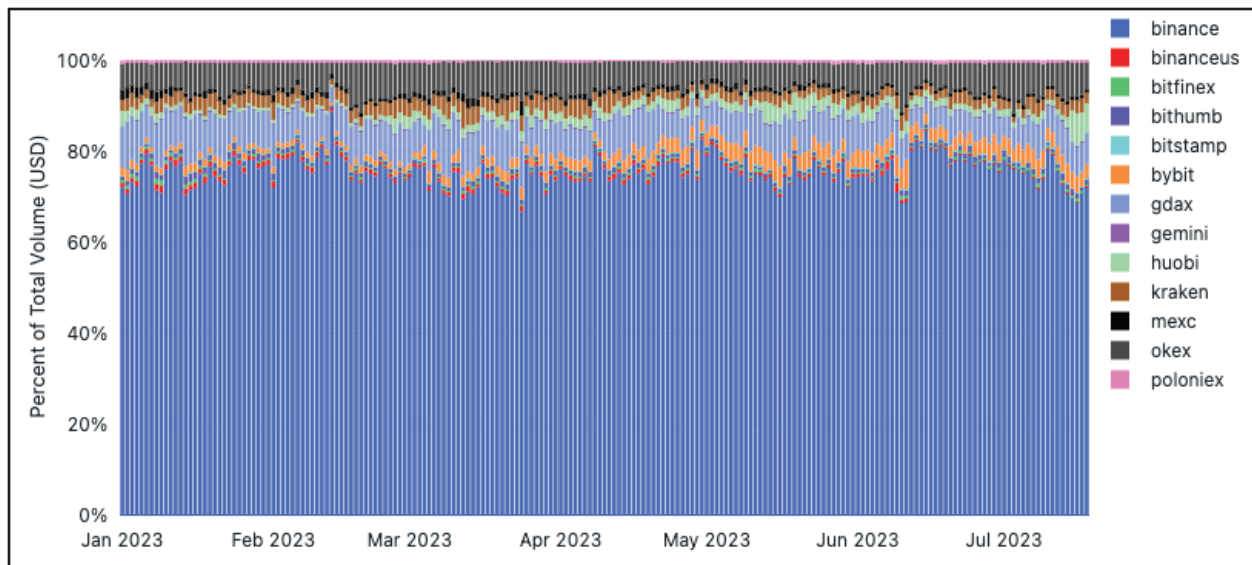
SPOT MARKET

CEX Weekly Update Sorted by Exchange Name	Trading Pairs Active on 7/18	Volume (USD, \$m)		Market Share		BTC Volume (USD, \$m)		ETH Volume (USD)	
		7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ
Binance	2,163	\$59,094m	29.50%	58.92%	-3.70%	\$19,690m	4.95%	\$5,264m	29.06%
BinanceUS	377	\$148m	19.26%	0.15%	-11.31%	\$59m	2.84%	\$22m	12.32%
Bitfinex	1,237	\$936m	23.49%	0.93%	-8.17%	\$382m	8.42%	\$115m	75.48%
Bithumb	460	\$2,113m	96.02%	2.11%	45.76%	\$313m	37.93%	\$108m	96.14%
Bitstamp	205	\$1,397m	50.10%	1.39%	11.62%	\$472m	20.78%	\$144m	81.91%
Bybit	435	\$6,356m	26.34%	6.34%	-6.05%	\$2,301m	8.24%	\$1,510m	1.78%
Coinbase	661	\$8,860m	41.33%	8.83%	5.09%	\$3,104m	24.94%	\$1,888m	52.13%
Gemini	160	\$173m	10.83%	0.17%	-17.58%	\$83m	-4.33%	\$38m	35.12%
Huobi	1,604	\$4,494m	92.19%	4.48%	42.92%	\$808m	9.77%	\$260m	41.76%
Kraken	1,110	\$3,859m	29.00%	3.85%	-4.07%	\$863m	21.50%	\$371m	45.74%
MEXC	2,958	\$3,616m	6.82%	3.61%	-20.56%	\$826m	3.29%	\$543m	12.22%
OKX	934	\$8,866m	59.66%	8.84%	18.73%	\$1,982m	25.30%	\$1,420m	44.25%
Poloniex	887	\$379m	13.92%	0.38%	-15.29%	\$72m	24.12%	\$16m	16.31%

Centralized Exchange (CEX) comparisons between this and last week.



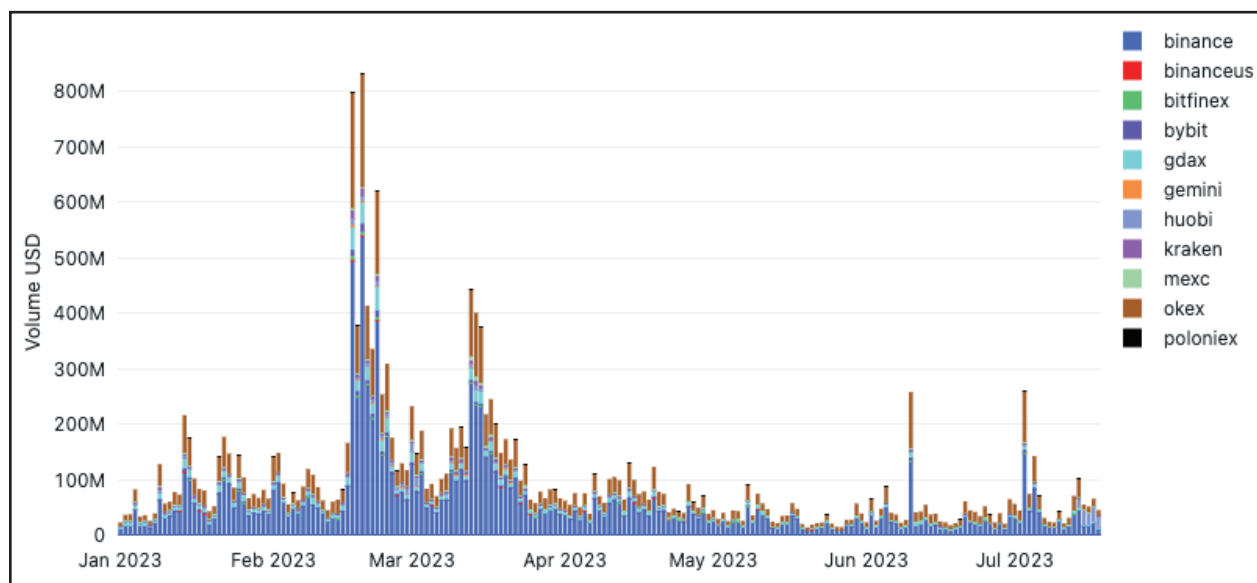
Overall Centralized Exchange (CEX) volumes since January 2023.



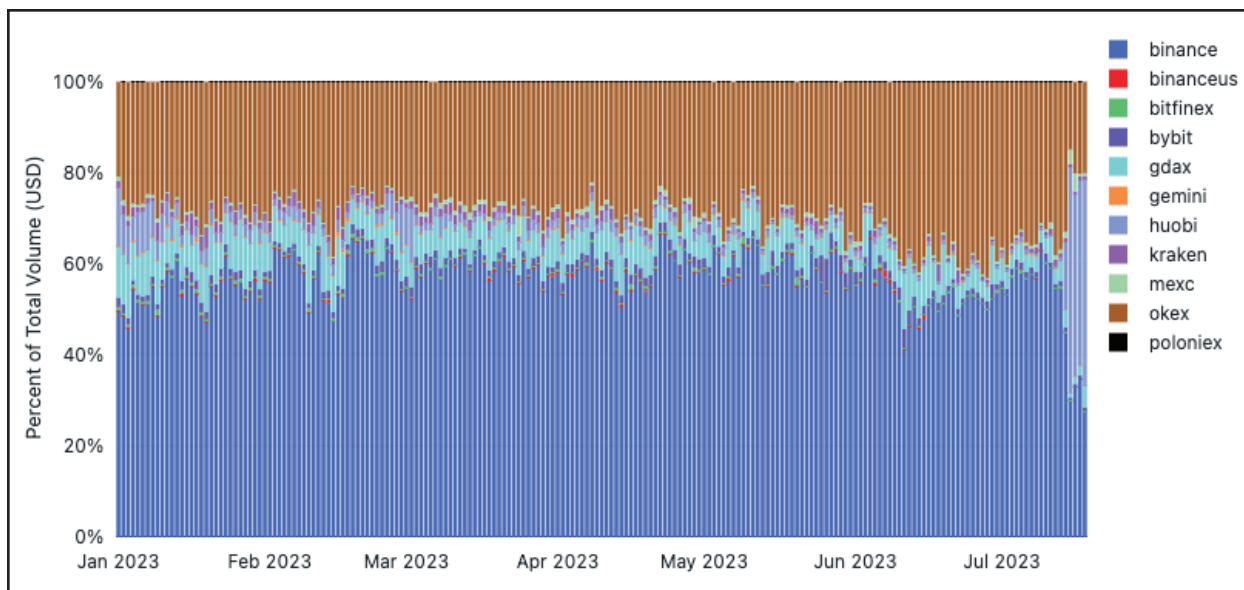
Centralized Exchange (CEX) trading volume market share for the SEC-listed tokens since January 2023.

We previously speculated that centralized exchange trading volumes were starting to move away from Binance onto other platforms such as Huobi, Bybit, and MEXC. In reality, we may have spoken too soon. Binance's market share has since recovered after the SEC case was filed, though last week saw Huobi capturing a not-insignificant amount of volume from the CEX leader. Overall, volumes for the SEC-listed tokens don't appear to have dropped significantly since the filings and the market appears to have returned to April/May levels still firmly in the bear market.

Has anything changed for these exchanges or tokens? We've looked into each of these tokens and saw a few interesting tidbits.

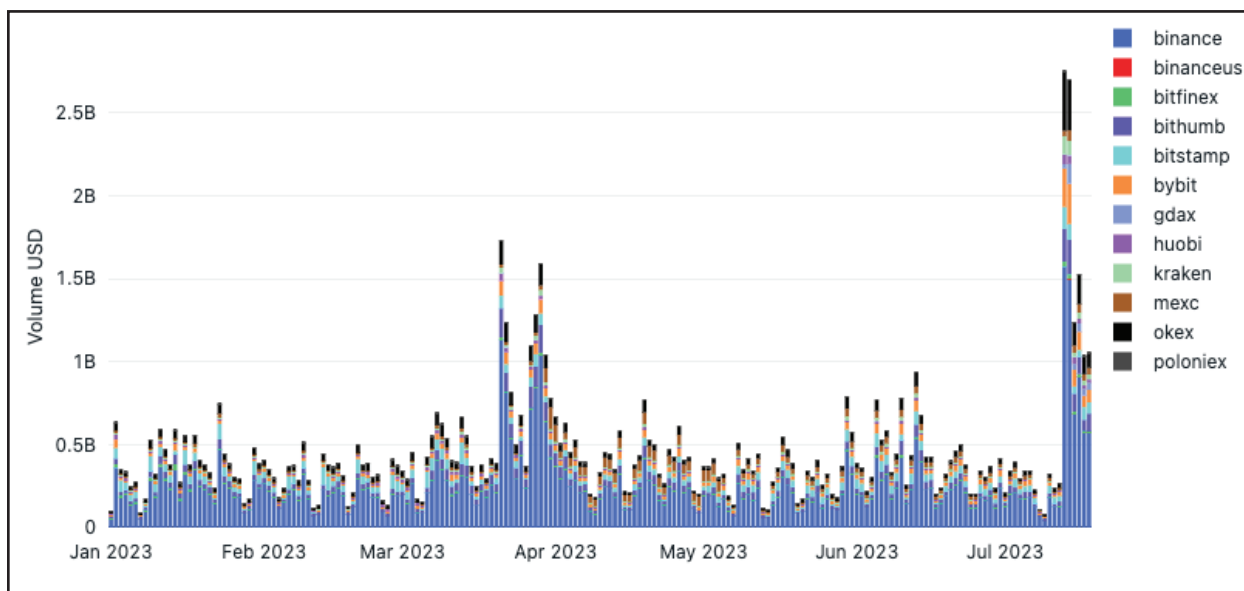


FIL (Filecoin) trading volume on CEXs.

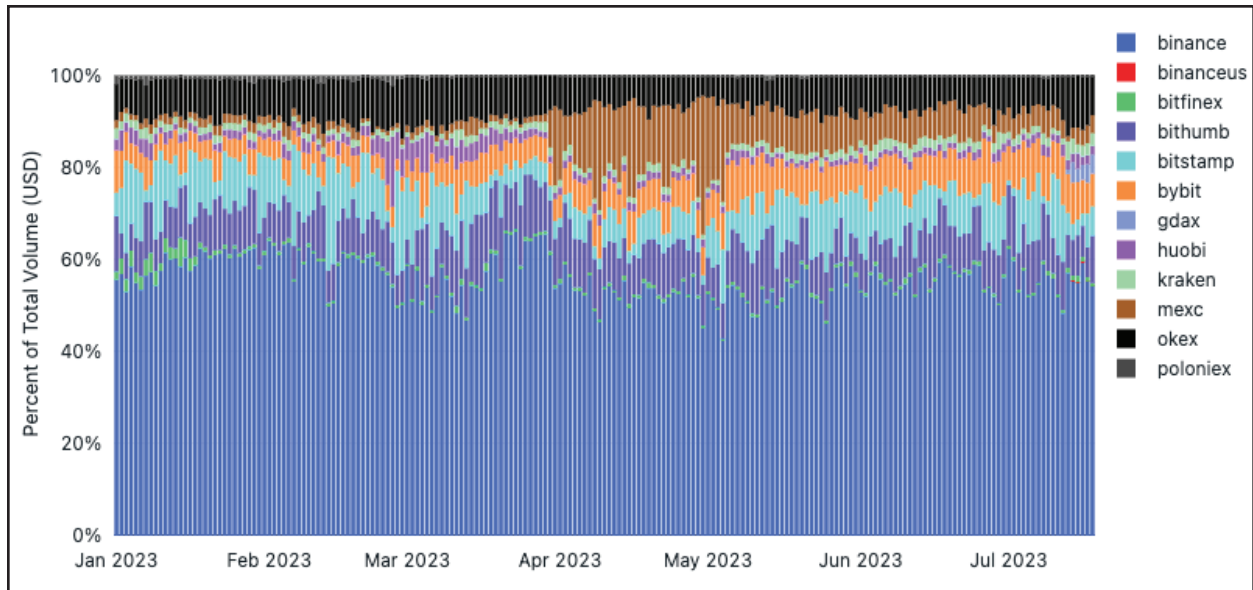


Centralized Exchange (CEX) FIL (Filecoin) trading volume market share.

Incentives matter: [Huobi announced on 7/10](#) that users can earn 15% APY on FIL (Filecoin). These incentives have significantly shifted volumes to the exchange. Despite middling daily volumes for the token since April 2023, we can see that users responded quickly to the incentive. This trend is fairly common for DeFi where pool incentives are drivers for TVL growth, but it's interesting to witness how the markets respond on centralized exchanges as well.



XRP (Ripple) trading volume on CEXs.



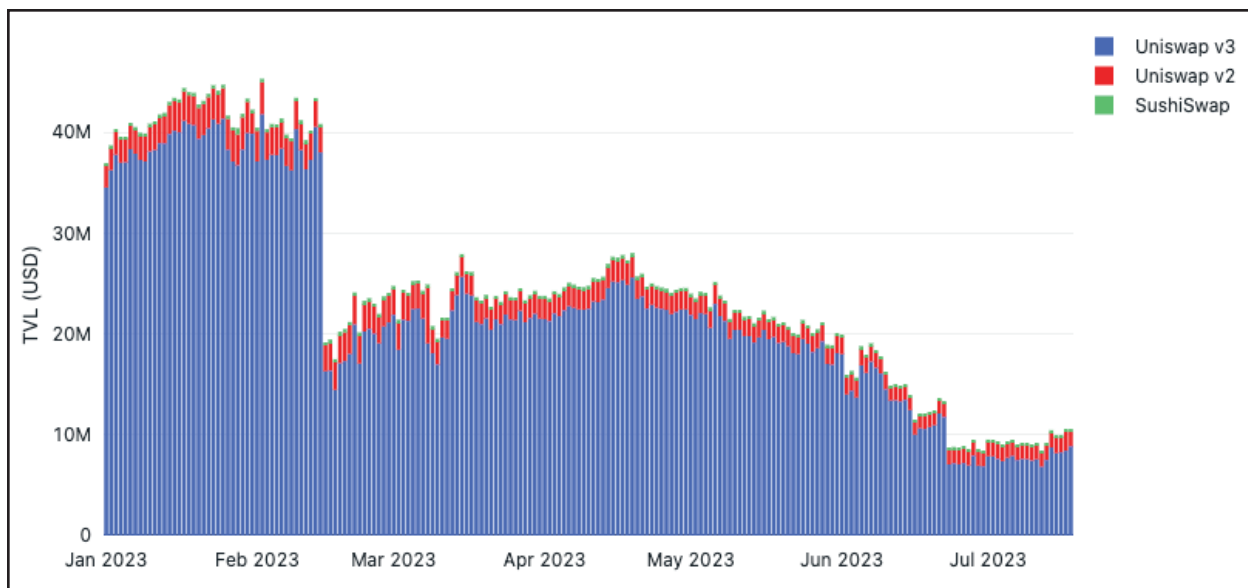
Centralized Exchange (CEX) XRP (Ripple) trading volume market share.

Cases matter, but consistency is key: Since the ruling, centralized exchanges have quickly started to re-enabling XRP (or supporting the tokens for the first time). Despite this, Binance has yet to cede any major market share on trading volumes for the token – it would appear that XRP traders moved to Binance after their centralized exchange delisted the token, and remain on the platform after it’s been relisted. New volumes on exchanges are likely new traders entering the market (or returning).

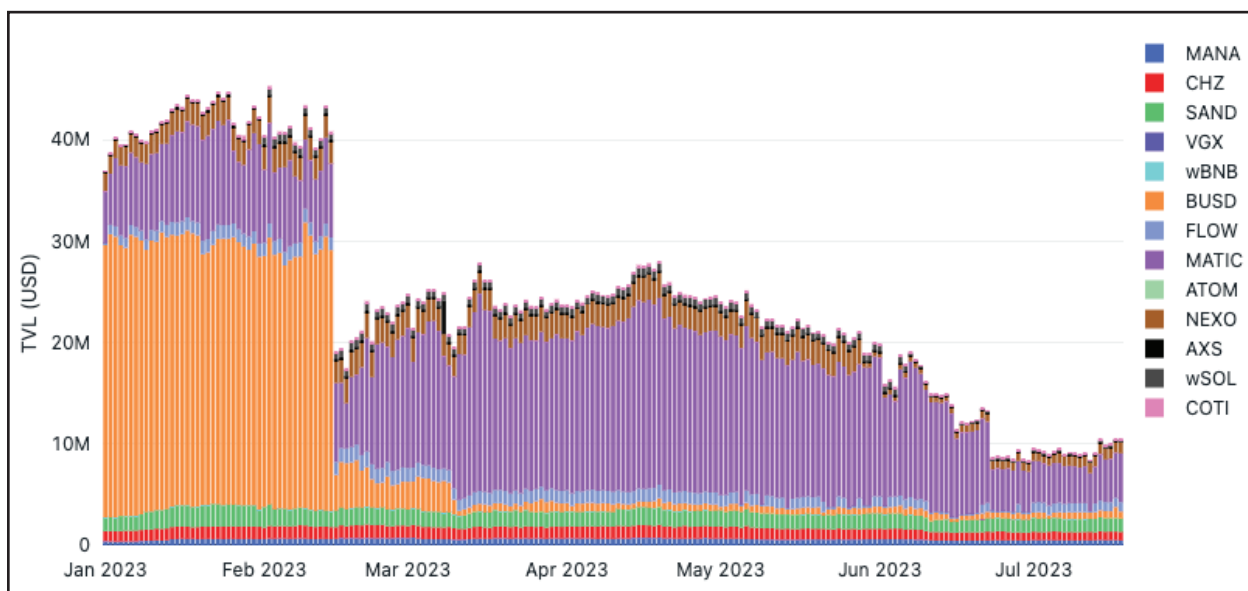
DEFI DEXS

DEX Weekly Update Sorted by Liquidity	Pairs Traded		Cumulative Pairs		Liquidity (\$1m, USD)		Liquidity (WETH)		Volume (\$1m, USD)		Fees (USD)		Trades	
	Active on 7/18	7d Δ	Active on 7/18	7d Δ	As of 7/18	7d Δ	As of 7/18	7d Δ	Active on 7/18	7d Δ	Active on 7/18	7d Δ	Active on 7/18	7d Δ
Uniswap v3	1,158	19.01%	14,256	1.69%	\$ 1,959	-1.22%	1,053,412	2.18%	\$ 3,113	24.30%	\$ 308,483	24.29%	34,464,537	2.35%
Uniswap v2	3,920	46.76%	214,860	2.42%	\$ 1,037	-4.59%	557,674	-1.31%	\$ 3,233	247.07%	\$ 1,359,006	-4.52%	23,281,758	2.63%
Sushiswap	311	35.81%	3,737	0.27%	\$ 243	-3.14%	130,923	0.19%	\$ 55	30.53%	\$ 33,419	28.76%	4,415,591	1.75%

Decentralized Exchange (DEX) protocol comparisons between this and last week.

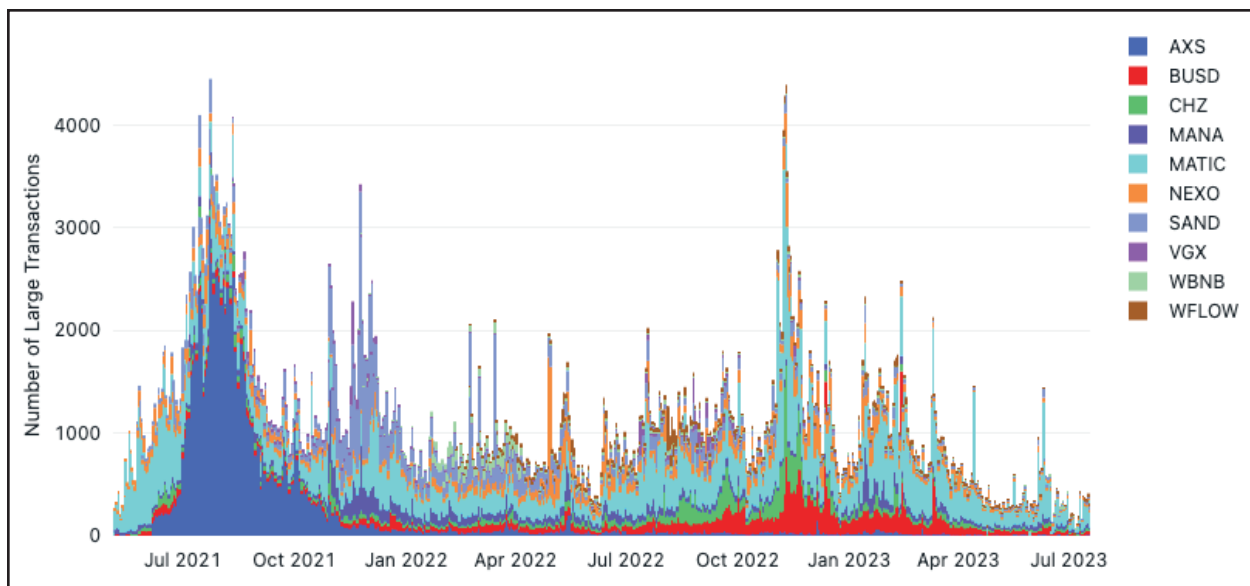


Decentralized Exchange (DEX) TVL for SEC-listed tokens (Ethereum only) by DEX.

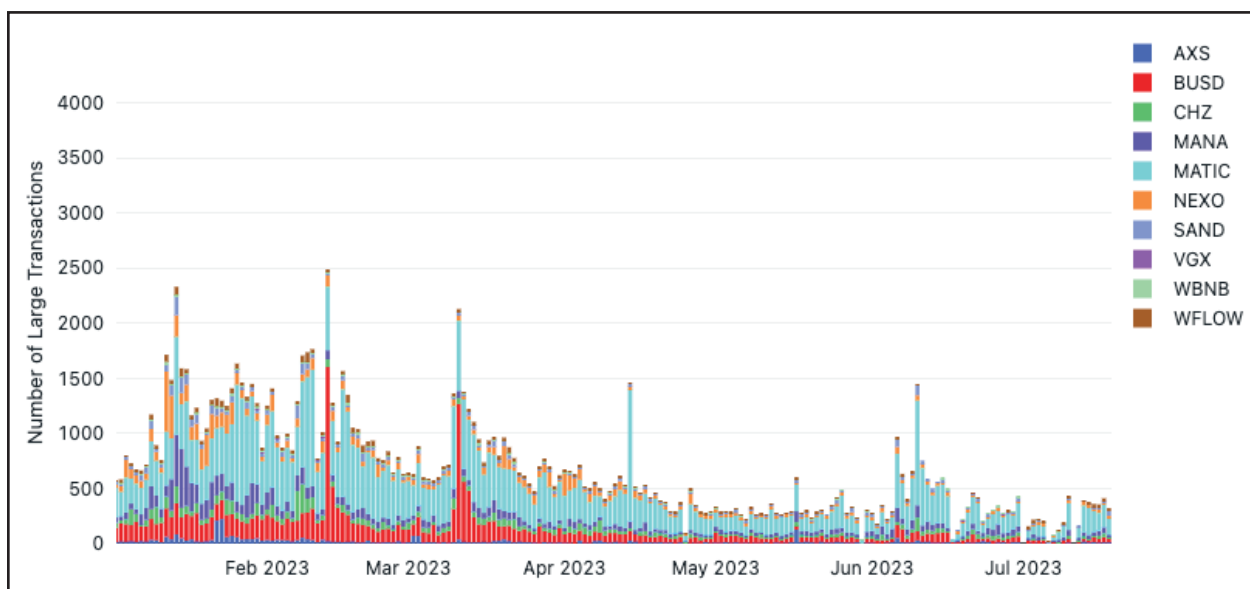


Decentralized Exchange (DEX) TVL for SEC-listed tokens (Ethereum only) by token.

The tokens listed in the SEC filings have seen declining TVLs on DEXs but appear to have stabilized around the \$10M level across Uniswap v2, Uniswap v3, and Sushiswap. Since the XRP case, TVL has slightly increased across these DEXs which could signal an improving sentiment around these tokens. It's far too early to tell if TVL will return to pre-SEC May levels. BUSD has certainly been a major hit to DEXs when it comes to the SEC-listed tokens – regulators [cracked down on the Paxos-issued Binance USD \(BUSD\) stablecoin](#) in February 2023.

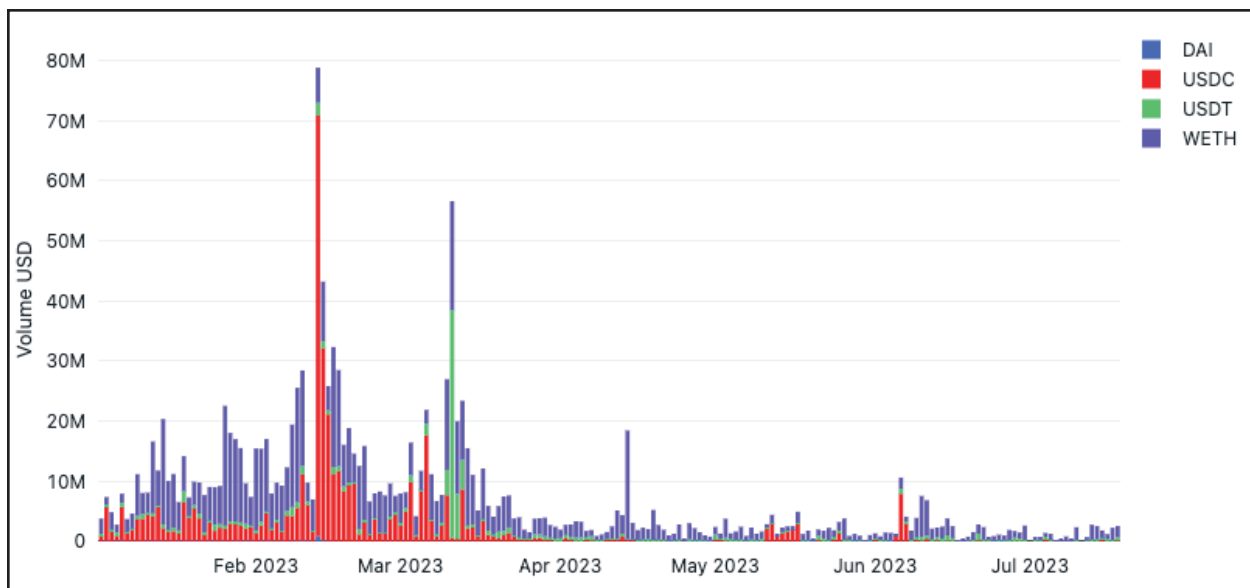


Decentralized Exchange (DEX) large transaction counts SEC listed tokens (Ethereum only) by token since 2021..

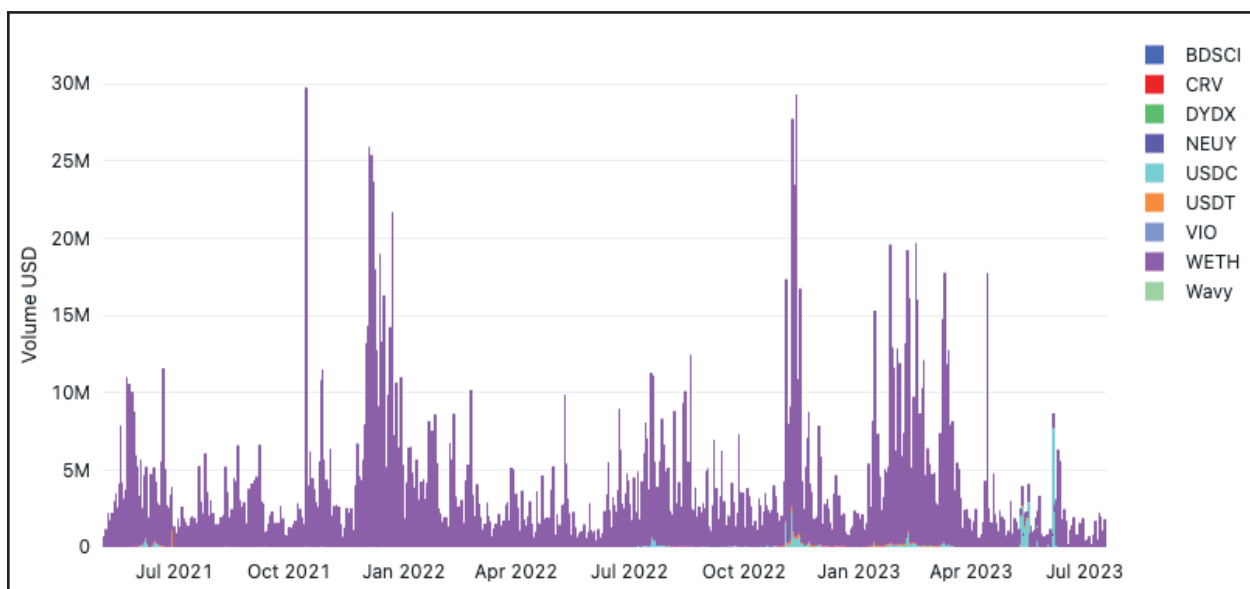


Decentralized Exchange (DEX) large transaction counts SEC listed tokens (Ethereum only) by token since 2023.

For DEX swaps we may be seeing a return of volumes with July being notably dry. The number of large swaps returned in the last few days to May's previous "steady state," though still very far from pre-2023 levels. In part, BUSD's impending demise has left a hole that's yet to be filled (BUSD being the only stablecoin listed by the SEC thus far).



SEC listed token swap pair volumes.



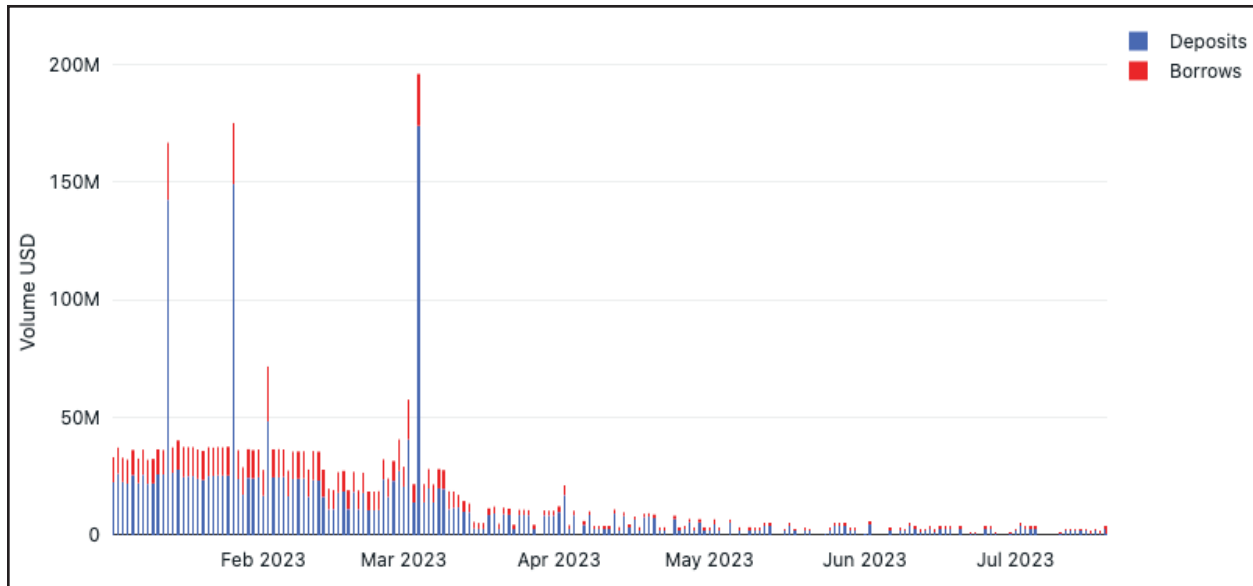
Decentralized Exchange (DEX) MATIC swap pair volumes.

A key question regarding these swaps is what they're being swapped for. Generally, these tokens are swapped for stablecoins or WETH which usually infers a "risk off" appetite for the market, with holders preferring to generate yield over volatility risk.

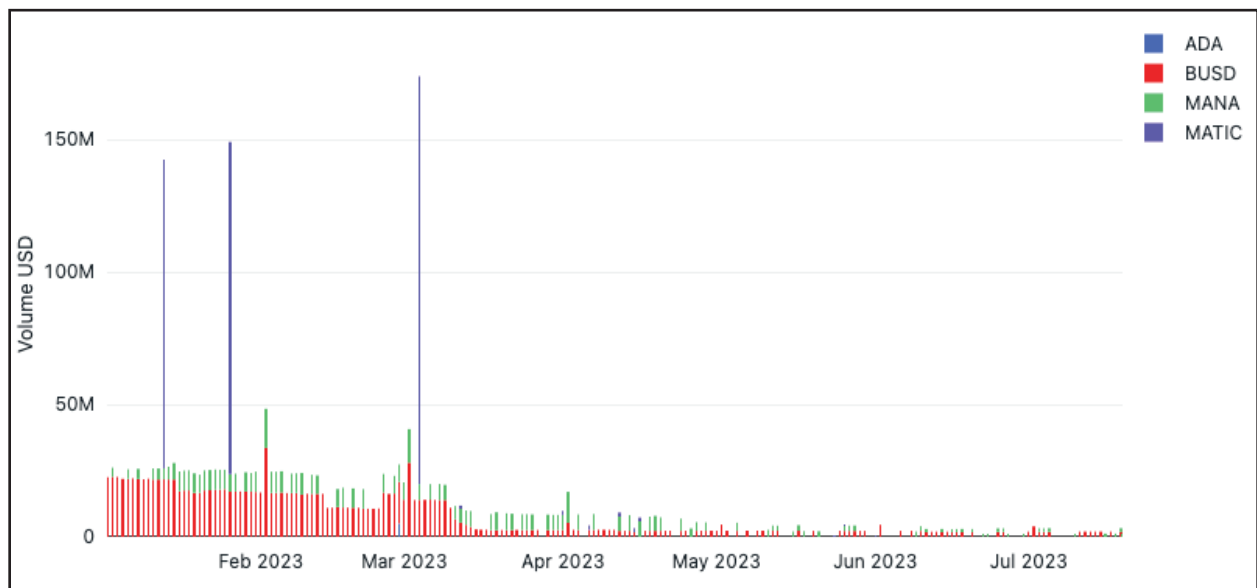
DEFI BORROW/LEND

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	7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ
Aave (v3)	6	0.00%	86	-26.47%	2,312	-85.26%	4,240	-73.84%	\$2,815.36m	17.75%	\$21,954	79.00%	\$1,147	79.00%
Aave (v2)	6	0.00%	74	0.00%	1,220	-30.62%	2,956	-35.16%	\$3,680.19m	-168.14%	\$1,632,852	-8207.26%	\$82,758	-7957.52%
Compound (v2)	57	-21.28%	55	-22.22%	530	-30.86%	1,134	-53.87%	\$1,076.85m	-551.38%	\$2,919	87.90%	\$233	87.90%
MakerDAO	55	-14.58%	16	-23.08%	297	-14.67%	1,225	-10.76%	\$1,641.04m	39.41%	\$0		\$0	

DeFi Lending protocol comparisons between this and last week.



DeFi Lending borrow and deposit volumes on Ethereum for ADA, BUSD, MANA, and MATIC.



DeFi Lending deposit volumes on Ethereum for ADA, BUSD, MANA, and MATIC..

These listed tokens have a small footprint when it comes to DeFi Lending. TVL sits under \$10m and borrow utilization rates are quite low. Borrow utilization rates are often high when sentiment is positive on the outlook of the token as more users are “long” on the token (borrowing the token when prices are low). Similarly, deposit rates are often high when the outlook is bullish as users look to “lock in” their tokens to earn yield and benefit from the token price upside. It’s very possible that these tokens are not commonly used on Ethereum (certainly MATIC is primarily used on Polygon as it is the native token for the network), and that users prefer to trade the tokens rather than earn potential APY on lending (which is likely due to the low demand for borrowing, so APYs are similarly low and not incentivized).

NETWORKS

Network Weekly Report <small>Sorted by Name</small>	Average Conf. Time (s)		Number of Transactions		Total Value (USD, \$m)		Total Fees (USD)		Average Fees (USD)	
	7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ	7/11 to 7/18	7d Δ
Bitcoin	729.32	-85.10%	3,799,559	21.78%	\$208,187m	37.74%	\$4,416,256	40.93%	\$1.20	15.23%
Bitcoin Cash			105,435	-8.89%	\$3,057m	29.15%	\$2,961	14.65%	\$0.03	19.93%
Ethereum	1,792.00	27.03%	8,474,178	47.65%	\$17,146m	72.04%	\$46,654,684	9.37%	\$5.46	-29.75%
Litecoin	147.08	-4.35%	937,901	22.90%	\$15,728m	25.75%	\$8,612	33.10%	\$0.01	7.36%
Zcash			44,364	29.69%	\$96m	49.01%	\$22,436	-92.45%	\$0.46	-94.99%

Network comparisons between this and last week.

LINKS

Recent Coverage

- Amberdata: [Amberdata Announces Authorized Redistribution Partnership with Coinbase](#)
- CryptoSaurus: [We are back? Analysts Discuss Bitcoin Bullish Rally](#)
- Kitco: [Bitcoin bulls take aim at \\$31,000 as cryptos trend higher ahead of June CPI](#)
- Decrypt: [Is Binance Too Big to Fail?](#)
- CNBC: [XRP coin surges after judge delivers a huge win to Ripple in SEC case](#)
- Decrypt: [Did XRP Restart Alt Season? Solana, Cardano, Polygon Up Double Digits](#)
- Kitco: [XRP price spikes 98% as judge rules the token is not a security in partial victory for Ripple Labs](#)
- The Motley Fool: [Why Coinbase, Cardano, and Solana Are Rising Today](#)
- Banking Dive: [Ripple, SEC each get a partial win in XRP ruling](#)
- Investor Place: [XRP Crypto Alert: XRP Soars 60% on Ripple-SEC Lawsuit News](#)

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-ohlcv>

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>

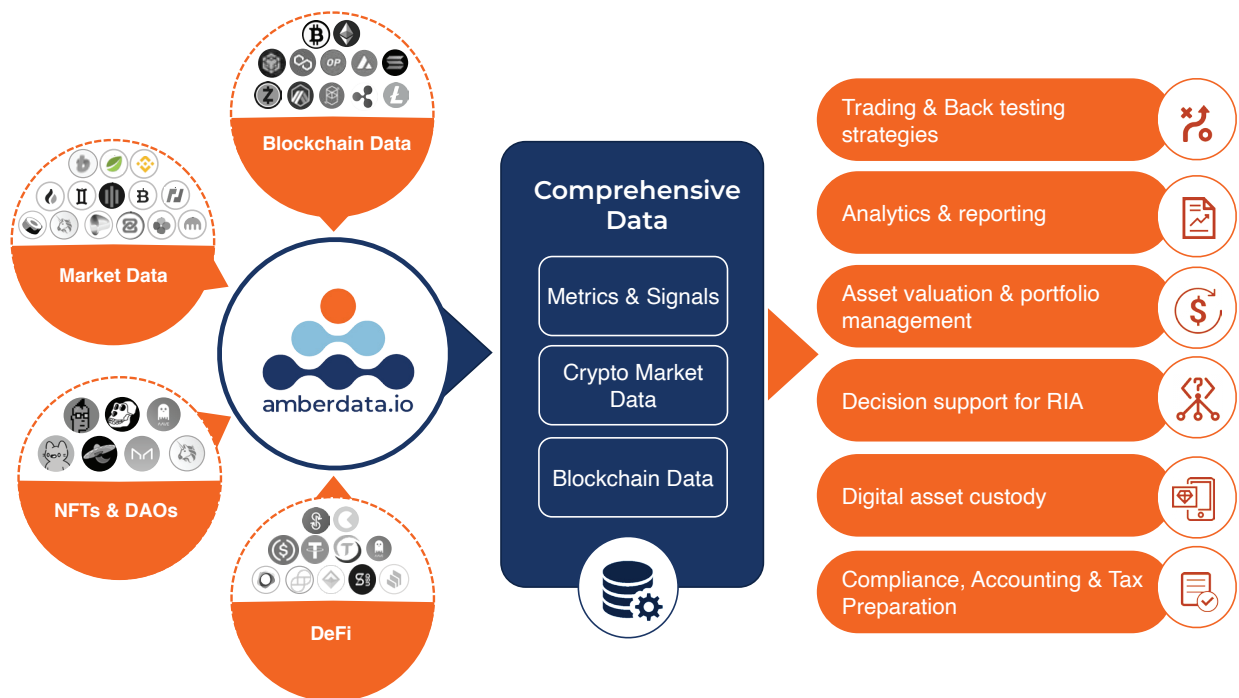
DeFi Borrow / Lend

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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