

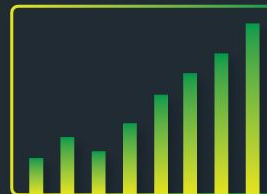
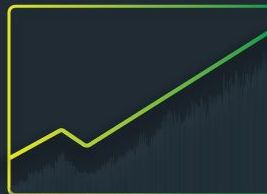


CoinGecko

Quarterly Report

Q2 2020

PART 2

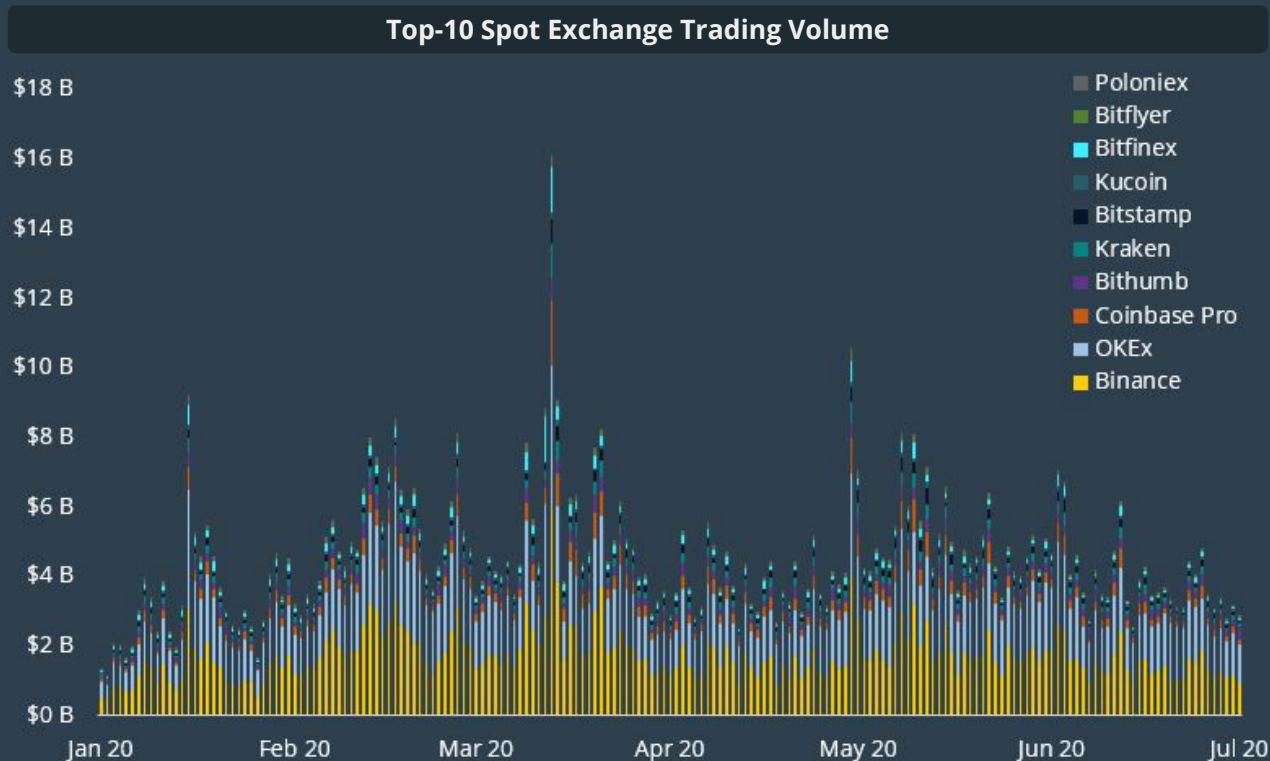


Market Data. Analysis. Crowdsourced Insights.

CRYPTO EXCHANGES

Top-10 Exchanges Trading Volume

Trading volume for Top-10 spot exchanges declined 7% quarter-on-quarter, depicting similar downtrend by Top-30 cryptocurrencies total trading volume



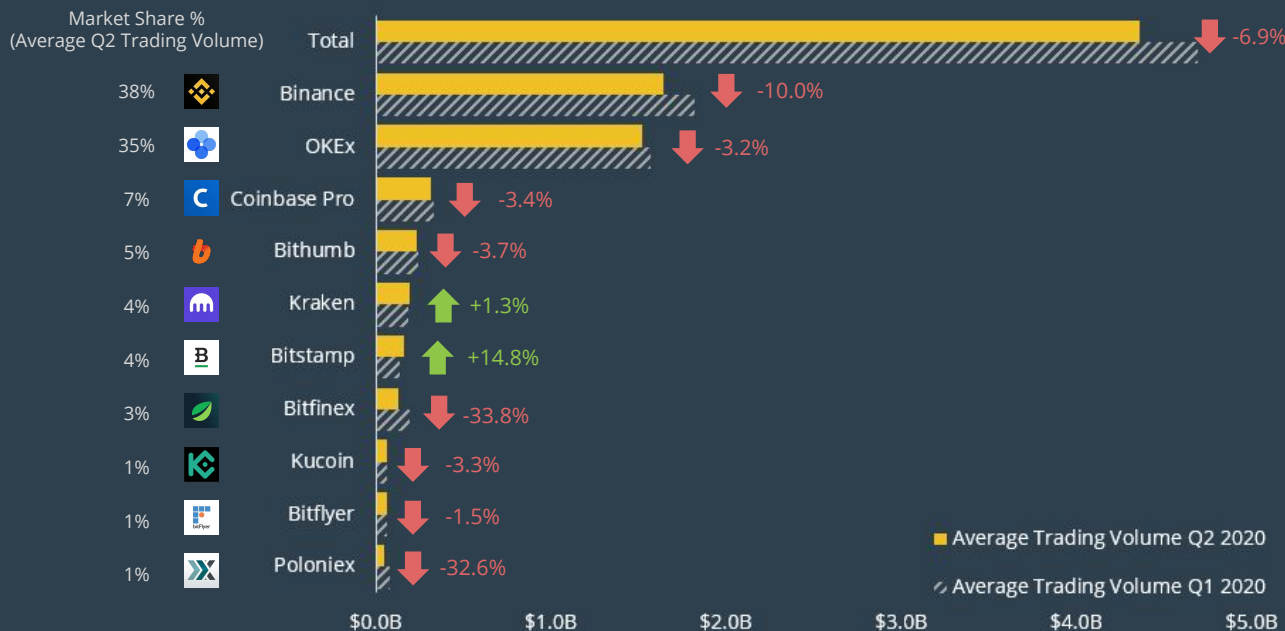
In Q2 2020, the average of Top-10 Spot Exchange trading volume went **down 7%** from Q1 2020.

This is similar with our [Q2 2020 - Part 1 Report](#), where we found that total volume for Top-30 cryptocurrencies were down 55% compared to Q1 2020.

Top-10 Exchanges Trading Volume

Trading volume decline was led by Binance with a fall of 10% (\$183M)

Top-10 Spot Exchange Average Trading Volume



Overall Q2 spot trading volume had a net decline of **7%** vs. Q1 2020. However, **two exchanges** gained its trading volume in Q2: **Kraken** and **Bitstamp**.

Bitstamp had the **highest growth** in its trading volume, growing **14.8% (\$20M)**, accounting for **90%** of the total gross gain in volume.

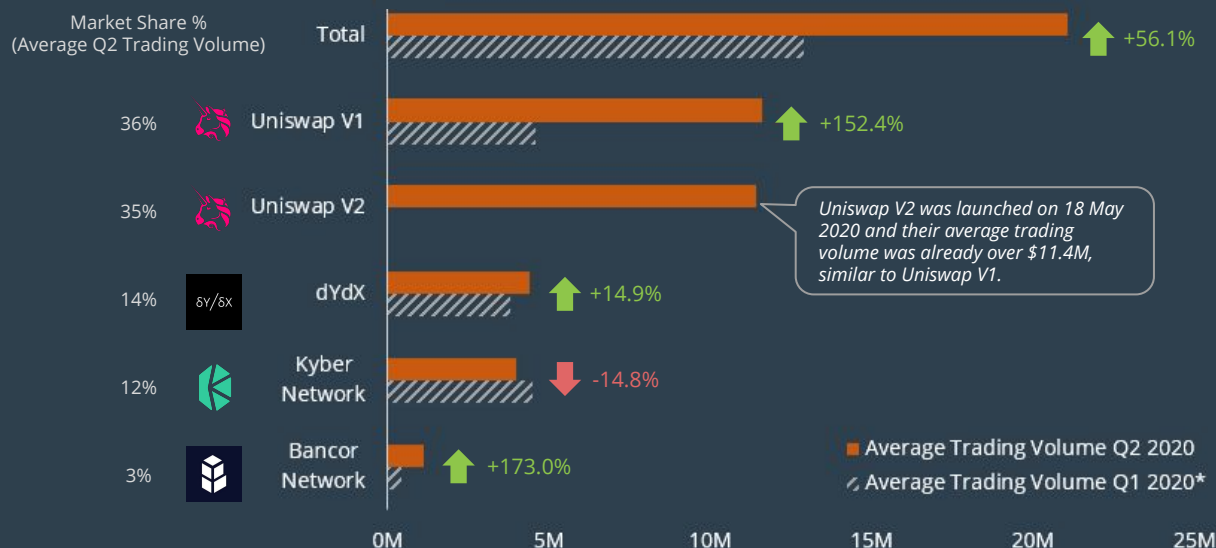
In Q2 2020, **Binance's** trading volume went down by **10% (\$183M)** compared to Q1 2020; accounting for **53%** of the total gross decline in trading volume.

The second major contributor to the decline is **Bitfinex**. Its trading volume went **down by 34% (\$66M)**.

Top-5 Decentralized Exchanges

As Centralized Exchanges struggle, Decentralized Exchanges thrived amid DeFi boom

Top-5 Spot Decentralized Exchange Average Trading Volume



Overall, **Top-4 Decentralized Exchanges (DEX)** trading volume** had a net increase of **56.1%** in Q2 compared to Q1 2020.

Uniswap V1 had a large jump of **152.4% (\$7M)**, where it contributed to **85%** of total gross gains.

Kyber Network was the only DEX that had a **decline** in its trading volume, going down **14.8% (\$689K)**

The surge in DEX trading volume was due to the rise of **Decentralized Finance (DeFi)** movements such as yield-farming using stablecoins and DeFi governance tokens.

Source: Selected Decentralized Exchanges listed on CoinGecko
dYdX trading volume is based on spot trading volume, excludes derivatives volume.
** Uniswap V2 was not included in the calculation for total average trading volume

Top-20 Exchanges web traffic

Average traffic up, but were there more traders? Research suggests otherwise

In Q2 2020, **Binance** was still the web traffic leader with 30% market share (and by a considerable margin). Binance grew by **+9%** while the rest of the industry grew by an average of **+5%**.

However, our research suggests that traffic growth for certain exchanges may be inorganic, as top traffic referrers were crypto ad or faucet sites.

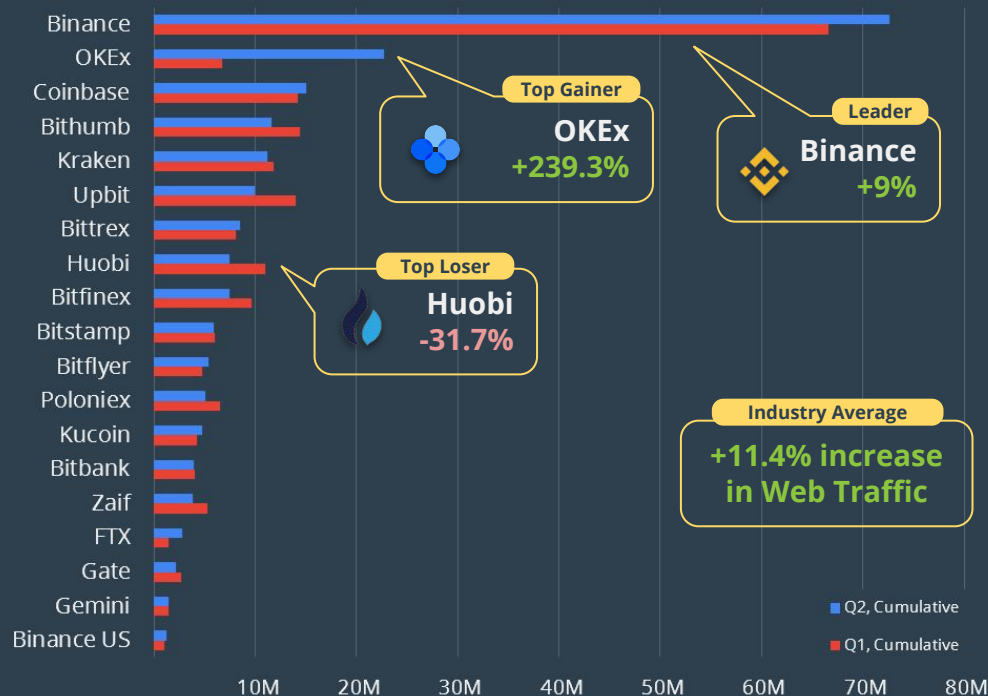
OKEx registered the highest web traffic gain of **+239%** in Q2.

However, **this growth may appear inorganic** as its top 5 referring sites were crypto ad / faucet sites such as adbtc.top and cointiply.com.

Reported trading volume also **did not increase in accordance** with the web traffic spike.

Binance also exhibited similar behavior with its top 2 referrers being crypto ad / faucet sites.

Top-20 Crypto Exchange Traffic (Q2 vs Q1, Cumulative)



Centralized Exchange Tokens

Top-5 Centralized Exchange Tokens

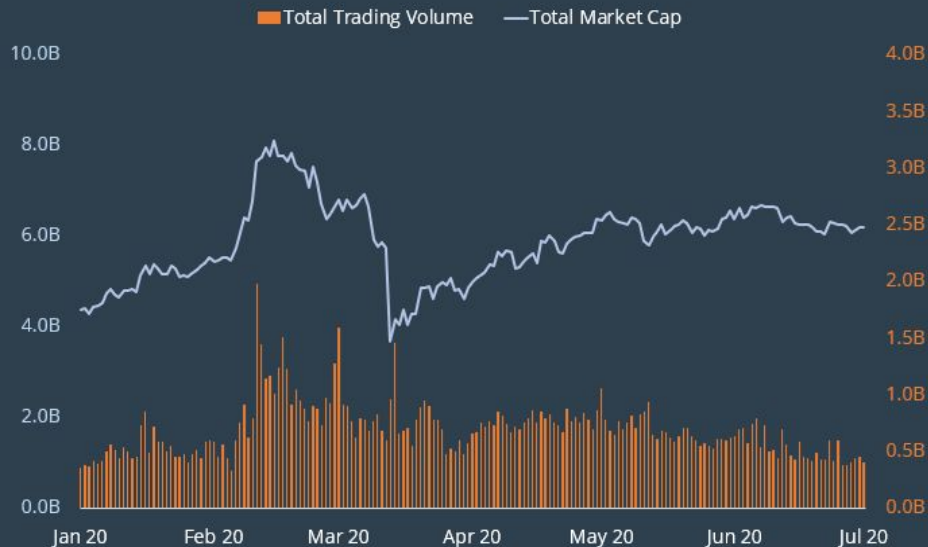
Market capitalization for exchange tokens grew in tandem with the broader crypto market

In Q2 2020, Top-5 Exchange Tokens **total market cap** increased by **24%**.

However the **total trading volume** for the Top-5 Exchange Tokens were down by **10%** Q-o-Q.

The **downtrend in the trading volume** may be a signal that investors were **more careful** with their trading or there were more retail participants who traded a minimal amount of coins while the whales may have been practising HODL.

Top-5 Exchange Tokens



Top-5 Exchange Tokens Market Cap as at 30th June 2020 (vs. growth in Q2 2020)



\$2.3B
(+20%)

Binance Coin (BNB)



\$1.4B
(+16%)

OKB (OKB)



\$1.2B
(+21%)

LEO Token (LEO)



\$970M
(+25%)

Huobi Token (HT)



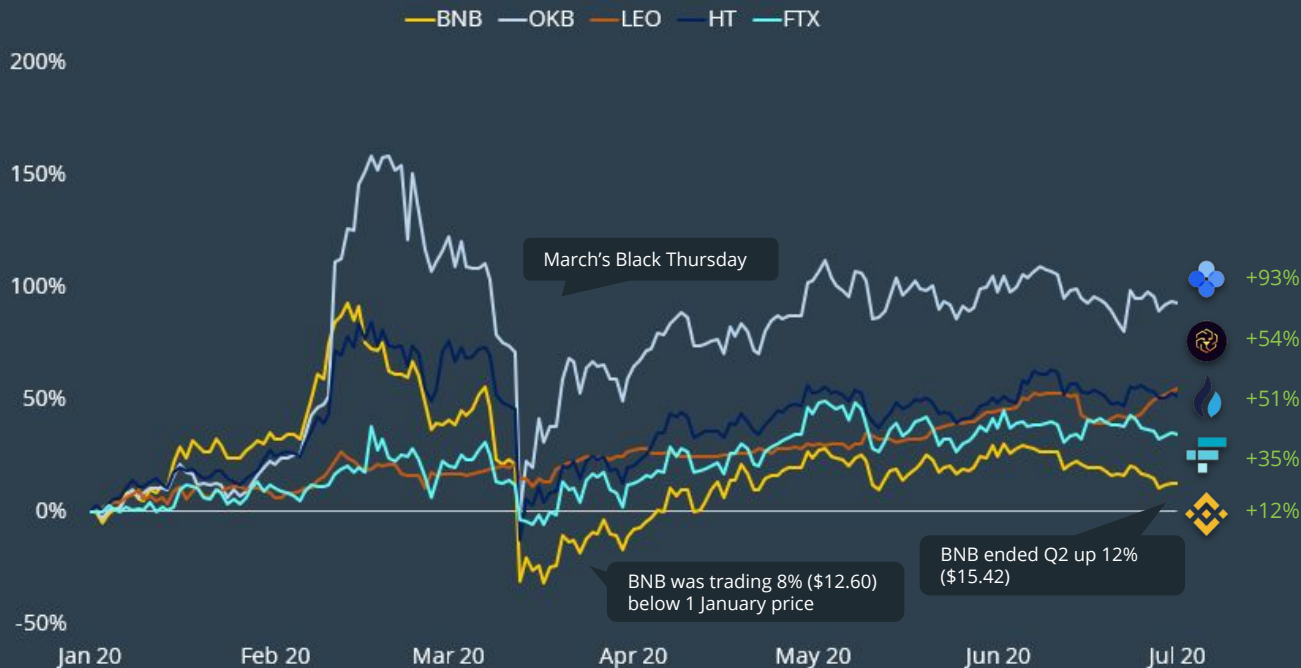
\$287M
(5%)*

FTX Token (FTT)

Top-5 Centralized Exchange Tokens

OKB outperformed with the highest return of 90% in H1 2020

Top-5 Exchange Token H1 2020 Price Return



Overall, **top 5 exchange tokens** had good returns in H1 2020.

Among the top-5 exchange tokens, **OKB** performed the best with over **90%** increase in H1 2020.

BNB has recovered from its price decline in Q1 2020 and ended Q2 2020 up **12%**.

Top-5 Centralized Exchange Tokens

However, OKB's return actually slowed down in Q2 2020

Top-5 Exchange Token Q2 2020 Price Change

The average return in Q2 2020 for top 5 exchange tokens were **21%**.

BNB ended Q2 2020 up **22%**. This was much better than its Q1 performance of **-8%**.

OKB had **slower growth (+17%)** in Q2 2020, compared to Q1 2020 **(+65%)**



Q2 2020 Price Change (vs. Q1 2020 Price Change)



HT

+25%

(+21%)



BNB

+22%

(-8%)



LEO

+21%

(+27%)



FTT

+20%

(+12%)



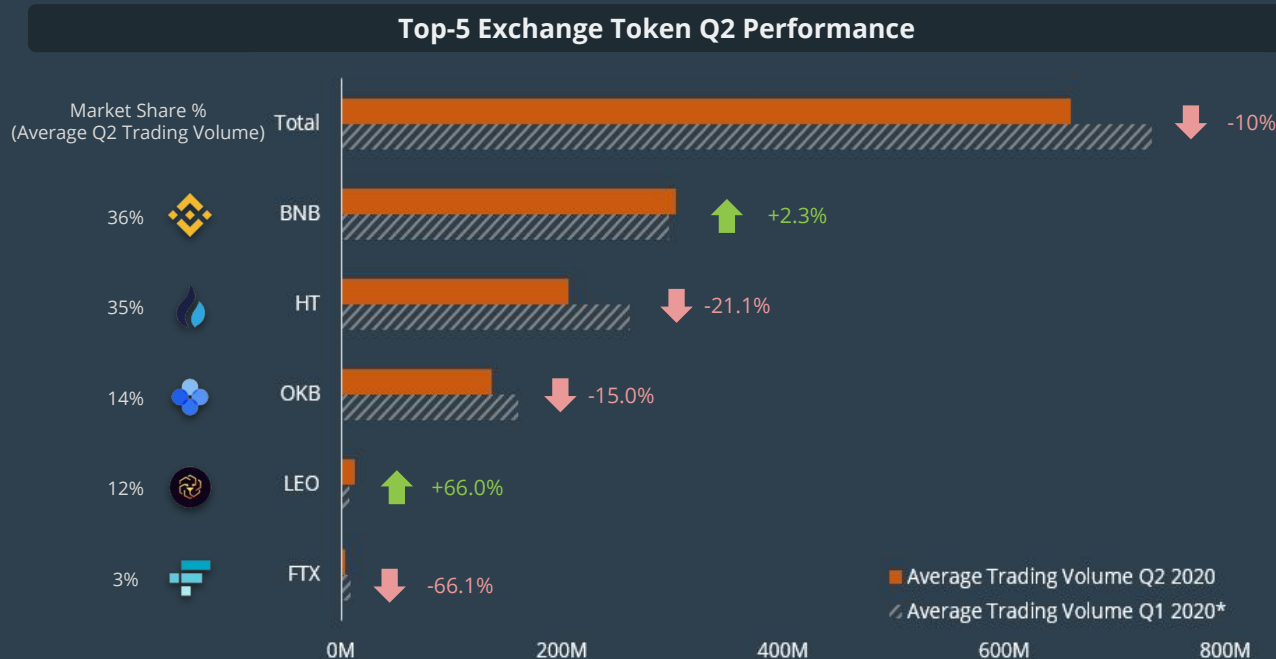
OKB

+17%

(+65%)

Top-5 Centralized Exchange Tokens

Despite the good price return, users were trading less of the exchange tokens and Huobi Token had the largest fall in trading volume



Overall trading volume went down by **10%** vs. Q1 2020.

There were **two gainers** in Q2: **BNB and LEO**.






BNB was a major gainer with an increase of **2.3% (\$6.8M)**, accounting for **58%** of the total gross increase in trading volume.

HT was the biggest loser with a loss of **21.1% (\$55M)** in trading volume, accounting for **65%** of the gross loss in trading volume.

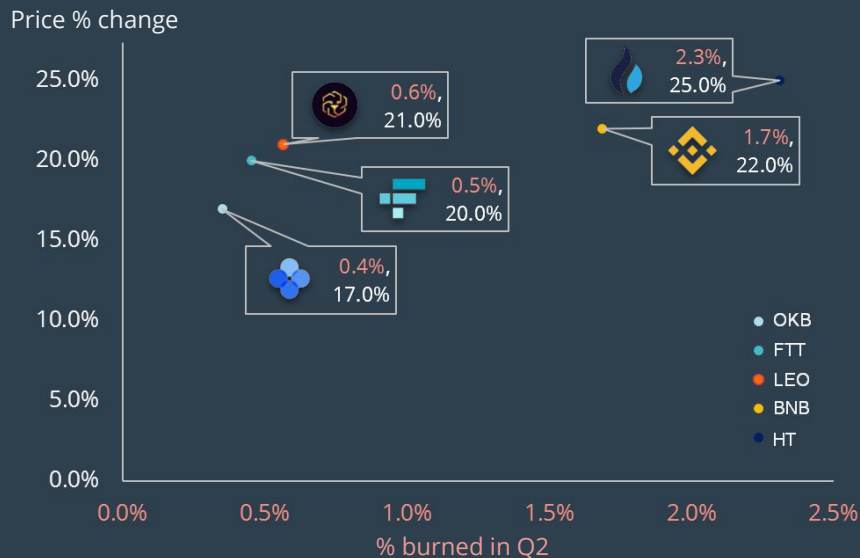
Top-5 Centralized Exchange Tokens

Exchange token price change seemed to be directly correlated with amount burned

Top-5 Exchange-Based Tokens Burn Statistics

| Exchange | Ticker | Q2 Amount burned | Q2 % Burned | Price (1 Jul 2020) | % Price Change (Q2) |
|--|--------|------------------|-------------|--------------------|---------------------|
|  OKEx | OKB | 3,509,874 | 0.4% | \$5.05 | 17% |
|  FTX | FTT | 1,591,247 | 0.5% | \$2.87 | 20% |
|  Bitfinex | LEO | 5,661,440 | 0.6% | \$1.26 | 21% |
|  Binance | BNB | 3,373,988 | 1.7% | \$15.35 | 22% |
|  Huobi | HT | 11,542,762 | 2.3% | \$4.15 | 25% |

Q2 Price Growth vs. % of Tokens burned



Price change seemed to be directly correlated with amount burned, though it appears that there are diminishing returns. Note that many other factors may also influence price movement.

Cybersecurity evaluated in addition to Liquidity, Scale & API.

At the start, **Trust Score** evaluates exchanges based on the following factors:

Liquidity



How likely crypto assets can be traded at a price which best reflects its intrinsic value.

API Technical Expertise



Measures the coverage of an exchange's API & availability of liquidity/historical data

Scale of Operations



Parameters indicating scale of exchange, yet don't necessarily correlate directly with liquidity.

On July 2020, we added Cybersecurity with Hacken

NEW



Cybersecurity for Trust Score evaluates how well-prepared an exchange is against external threats towards its platform & users through three facets of cybersecurity:

1

Product & Infrastructure - Availability of DNS SEC, Firewalls, Spam Protection and more for an exchanges' frontend & web services.

2

User Account Security - Evaluates the enforcement of 2-factor auth (2FA), Password Policies, Captcha, Phishing protection & more.

3

Bug Bounty & Track Record - Bug bounty programmes crowdsource vulnerability disclosures in a responsible & controlled manner.

For more, check out our blog post on [Cybersecurity update for Trust Score!](#)

NEW



STAY TUNED!

QUARTERLY REPORT PART 3 COMING UP NEXT

MISSED OUR PART 1 REPORT? CLICK [HERE TO READ!](#)

