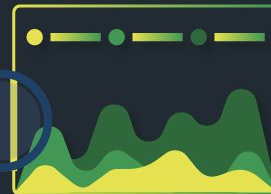# CoinGecko
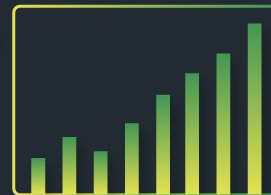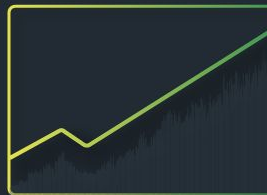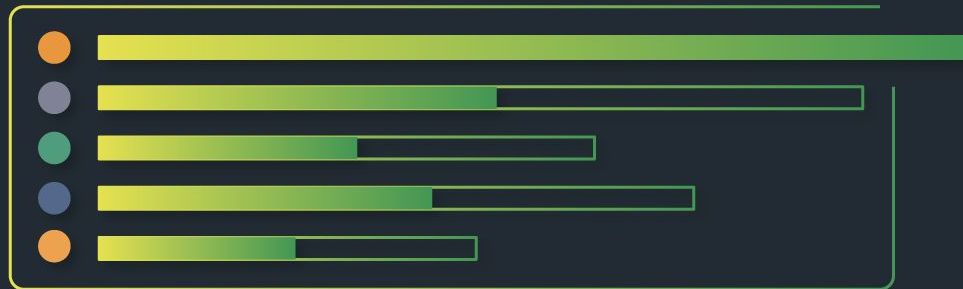
August 2020
Monthly Crypto Report

Market Data. Analysis. Crowdsourced Insights.

Market Capitalization continued to grow in August to $343B

+9%
Top-30 Market Cap In August 2020

Market capitalization and spot trading volume continued to grow by **11%** and **18%** respectively.

Market capitalization hit a new yearly high in the month of August, peaking at $343B.

However, trading volume lagged and **remained lower** than the first half of the year despite the soaring market capitalisation, suggesting that confidence in the market is high and people are likely HODL-ing to accumulate wealth.

Top-30 Market Cap & Spot Trading Volume

Total Volume Traded — Total Market Cap
Trendline (Volume Traded) - - Trendline (Market Cap)

August market cap growth (%)
+11%

July market cap growth (%)
+29%

July volume growth (%)
+45%

August volume growth (%)
+18%

Top-5 Crypto Returns

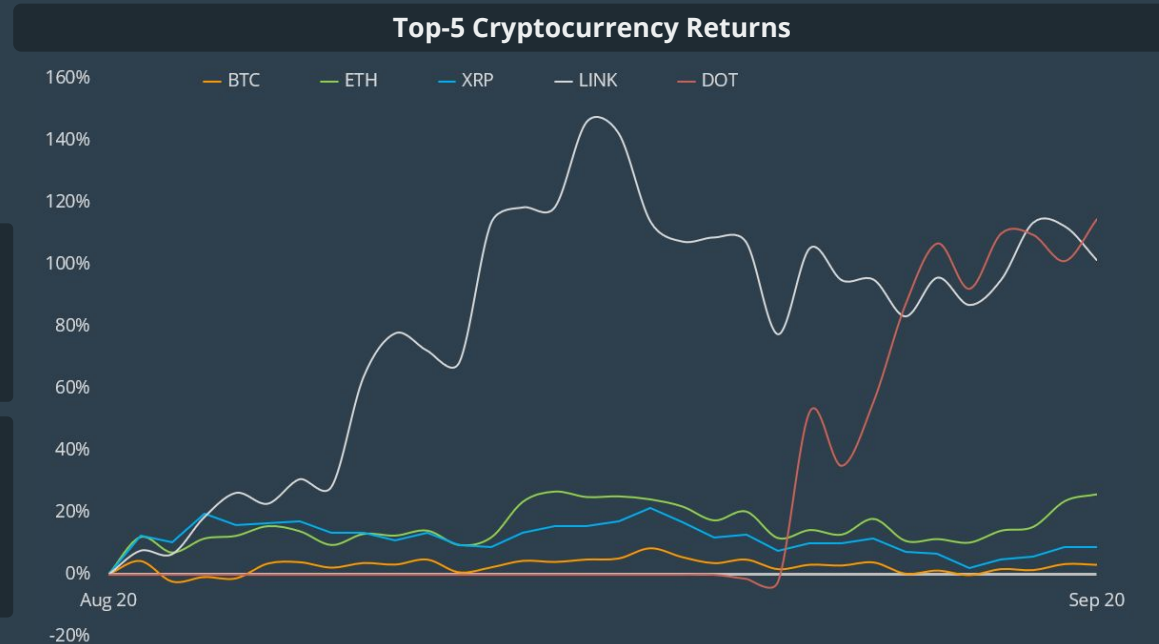## Chainlink and Polkadot rose to the top-5 positions and outperformed all

+50.8%
Average Top-5 Crypto Returns* in August 2020

Bitcoin moved the least throughout August (**3.1%**), while Chainlink and Polkadot recorded massive gains of **101.3%** and **114.5%** respectively.

Ethereum, the heart of the entire Decentralized Finance (DeFi) movement, moved by a fair margin of **25.9%**.

Perhaps it still has room to grow?

Top-5 Cryptocurrency Returns

— BTC   — ETH   — XRP   — LINK   — DOT

160%
140%
120%
100%
80%
60%
40%
20%
0%
-20%

Aug 20   Sep 20

Price return August 2020 *(vs. July 2020)*

+3.1% (+23.8%)	**+25.9%** (+53.4%)	**+8.9%** (+47.5%)	**+101.3%** (+70.1%)	**+114.5%** (N/A)

*Top-5 Cryptocurrencies exclude Tether stablecoin

# Ethereum remained the largest gainer for market dominance as Bitcoin slipped

CoinGecko

Market Dominance August 2020 (vs. *July 2020 market dominance*)

61.1%
July: 65.8%

1.7% New!
July: 0.9%

13.9%
July: 12.2%

1.6% New!
(n/a)

3.8%
July: 3.4%

1.4%
July: 1.7%

3.6%
July: 3.7%

11.8%[1]
July: 11.1%

Bitcoin continued to lose its market dominance by **4.7%** while Ethereum climbed up by **1.8%** to 14.1% as the largest gainer.

Chainlink followed with **a gain of 0.8% to 1.7%** while Polkadot replaced Bitcoin Cash with 1.6% market dominance.

Top-30 Cryptocurrency Dominance Chart

100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%

Aug 20
Sep 20

BTC ETH USDT XRP LINK DOT BCH Others (8-30)*
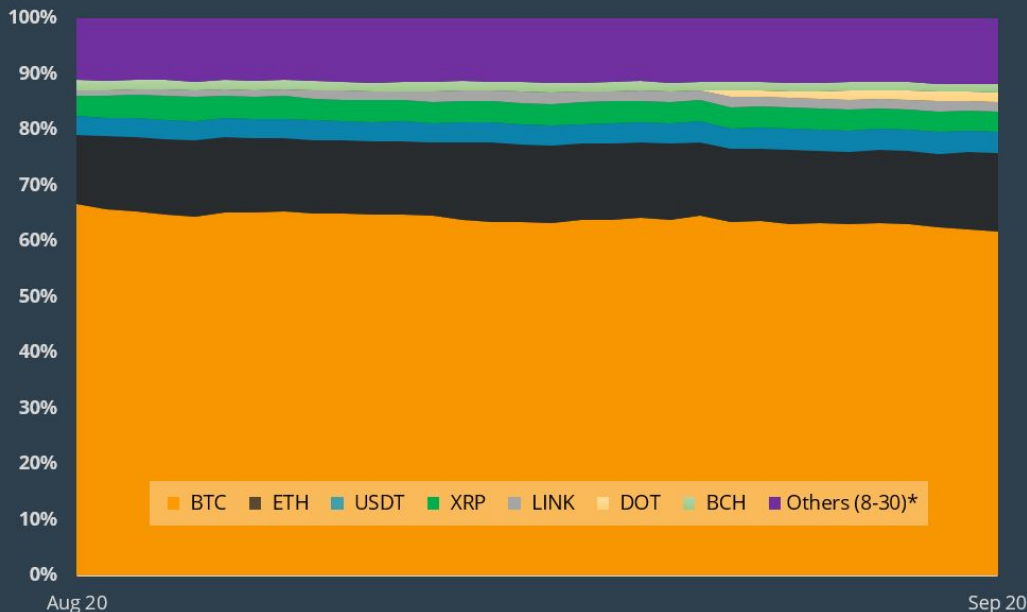
[1]Others (8 - 30) refers to top 8 - 30 coins by Market Capitalization on CoinGecko as of 1 August 2020

Top-5 Stablecoins Trading Volume

Stablecoins circulating supply increased by 25% to $15B as DeFi soars

+$3.2B
Top-5 Stablecoins Market Cap in August 2020

In August 2020, market cap for the Top-5 stablecoins grew by **$3.2B** (**+25%**), almost **doubling** the growth in July at $1.5B (+14%).

USDT accounted for **80%** of stablecoins growth (**+$2.5B**) in August 2020. USD Coin also experienced strong growth of **$398M (+37%)**.

Top-5 Stablecoins August 2020 Overview

■ Total Volume Traded — Total Market Cap
– – Trendline (Volume Traded) –·– Trendline (Market Cap)

Aug 2020 Circulation
(change vs July 2020)

USDT	**$13.3B**	+$2.5B (+24%)
USDC	**$1.5B**	+$398M (+37%)
DAI	**$445.7M**	+$75M (+20%)
TUSD	**$337.9M**	+$132M (+64%)
PAX	**$268.5M**	+$15M (+6%)

Top-5 stablecoins by market capitalization taken on CoinGecko as of 1 September 2020.
For the latest stablecoins statistics, visit coingecko.com/en/stablecoins

Decentralized Finance (DeFi)
YFI hit an all-time high at $38,869, outperforming all tokens across token categories within less than 2 months since its launch

Top-5 DeFi Tokens Price Return Jan - Aug 2020

	Jan	Feb	Mar	April	May	June	Jul	Aug	YTD (1st Sept 2020)
Top-5 DeFi Tokens									
LINK	60%	45%	-45%	64%	12%	10%	70%	101%	787%
UMA	-	-	-	-	16%	35%	120%	432%	7279%
YFI	-	-	-	-	-	-	422%	749%	4333%
LEND	58%	3%	-24%	109%	47%	114%	131%	143%	4474%
SNX	-2%	-26%	-31%	26%	4%	146%	100%	90%	516%
Top-5 Cryptocurrencies									
BTC	29%	-8%	-25%	34%	10%	-3%	24%	3%	62%
ETH	39%	22%	-39%	54%	13%	-3%	53%	26%	237%
USDT	0%	0%	0%	0%	0%	0%	0%	0%	0%
XRP	24%	-3%	32%	23%	-5%	-14%	48%	9%	46%
LINK	60%	45%	-45%	64%	12%	10%	70%	101%	787%
Top-5 Exchange Tokens									
BNB	32%	7%	-35%	35%	1%	-10%	34%	12%	69%
OKB	21%	84%	-26%	23%	-2%	-3%	16%	-4%	115%
LEO	6%	10%	9%	1%	12%	6%	0%	1%	55%
HT	25%	41%	-31%	26%	-3%	2%	6%	12%	80%
FTT	10%	9%	-7%	28%	-4%	-2%	18%	24%	97%

August is the most bullish month yet for DeFi tokens as the price returns soared to All-Time-High levels.

Two newcomers in the top-5 DeFi tokens recorded their biggest monthly gains with Yearn.Finance (YFI) at **+749%** and UMA (UMA) at **+432%**.
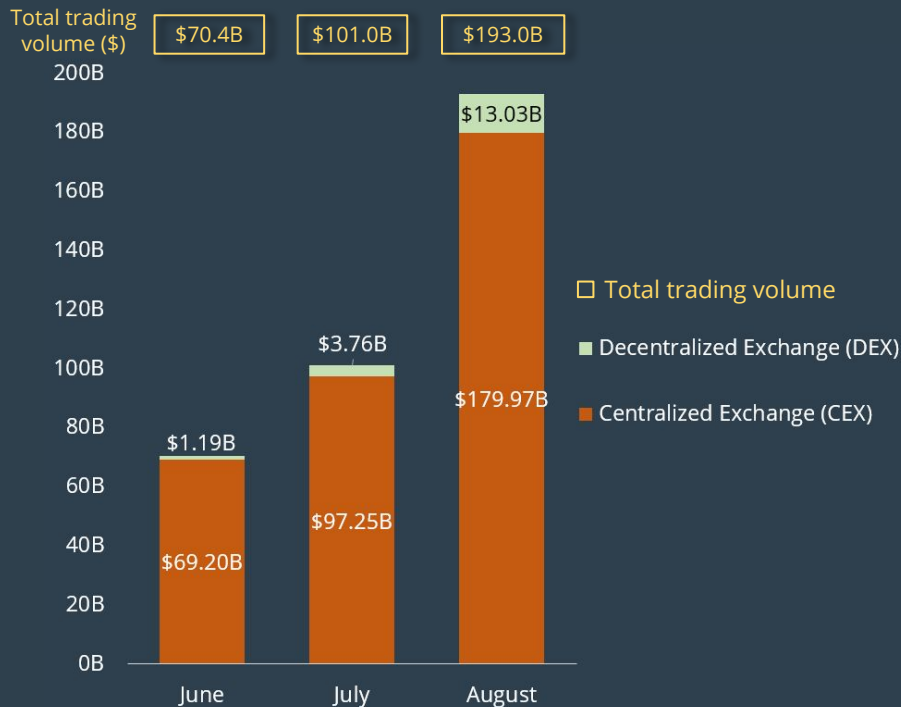
YTD wise, UMA led the pack with a massive gain of **+7,279%**

The Top-5 DeFi Tokens Price Returns for UMA and YFI are recorded upon launch date on 29 April and 17 July 2020 respectively.

Cryptocurrency Exchanges

Decentralized Exchanges (DEX) growth outperformed Centralized Exchanges (CEX) growth again by 3X

Top-6 CEX + DEX Trading Volume Jun - Aug 2020

Total trading volume ($)

| $70.4B | $101.0B | $193.0B |

Legend:
- ☐ Total trading volume
- ▨ Decentralized Exchange (DEX)
- ■ Centralized Exchange (CEX)

+91.1%

Total Exchange Volume Growth in August 2020

In August, trading volumes of the top-6 DEX increased by a whopping **247%**, outperforming the top-6 CEX which grew at a relatively lower rate by **85%**.
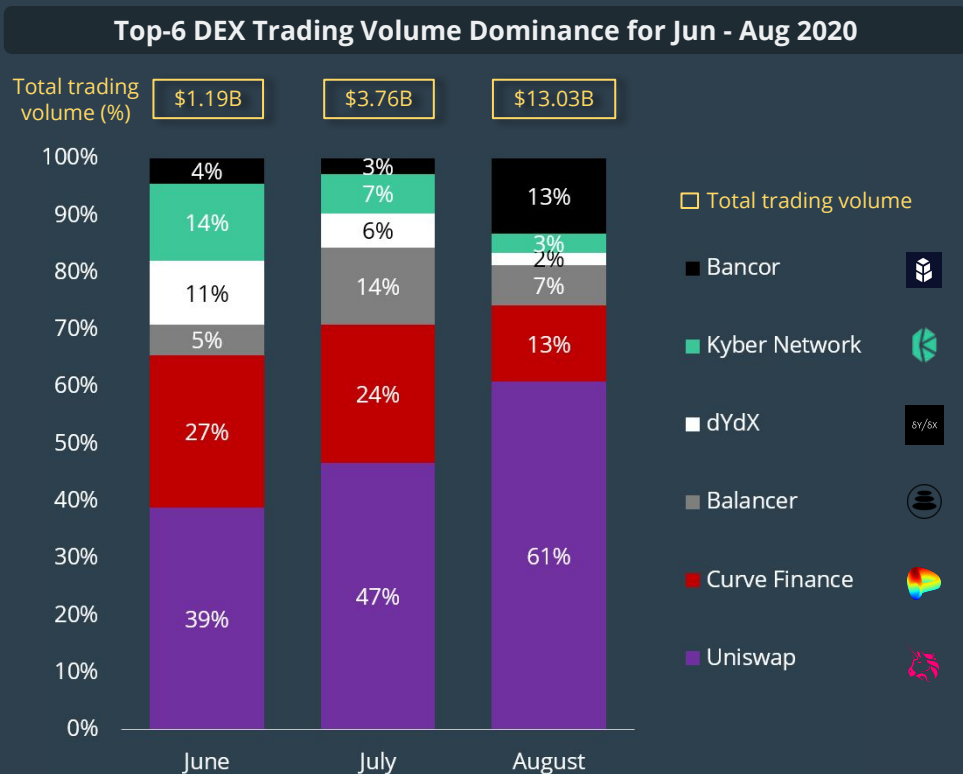
The growth of DEX is likely due to the **fast-paced development in the DeFi space**, such as new launches in liquidity mining, yield farming, governance tokens, and more which drove up traffic & volume considerably.

DEX's fraction to CEX's volume **grew to 7%** compared to 4% in July as the DeFi movement continued to pick up steam on decentralized exchanges.

Top-6 DEX as of 31 August 2020 - Kyber Network, Bancor, dYdX, Balancer, Curve, Uniswap.
Top-6 CEX as of 31 August 2020 - Binance, Coinbase, Gate.io, Kraken, Kucoin, Gemini

Ethereum Gas and Transactions

Transaction Volume and Gas Prices on the rise

Ethereum Daily Transactions From Jan 2016 - Aug 2020

Number of Transactions

Gas Price (Gwei)

— Number of Transactions
— Avg. Gas fee (Gwei)

Source: Etherscan.io

Since the start of 2020, transaction count on Ethereum has risen consistently and **exceeded 1.2 million** towards the end of July 2020. It maintained the same levels throughout August and appeared to be on track to break 2018's peak transaction levels.

Gas prices were also on an uptrend, **exceeding 400 gwei** towards the end of August. Average gas prices at the start of the year were oscillating around 10 gwei and have been steadily increasing with little signs of going down.

In 2018, trading activity was not as active despite lower transaction fees. There has been an increase in transaction volume **despite the rising cost of gas**. This may be indicative of the current alt-season.

August Token Special Highlight:

Serum (SRM)

What is Project Serum?	A new DEX built on top of Solana and is interoperable with Ethereum and Bitcoin.
How is it different from Uniswap?	Traders have control over the orderbook as opposed to Uniswap that relies on Automated Market Maker (AMM).
Why on Solana and not Ethereum?	Solana aims to resolve the bottleneck that is the congestion happening on Ethereum with high gas fees & throughput limitation. Solana can theoretically process up to 710k transactions per second (tps) vs. Ethereum's 15 tps.
What is Serum (SRM) and what can you do with it?	SRM is the native token to the protocol and can be used for staking. It can also be utilized to pay for trading fees and provides up to 50% discount.

Stats

Price — Trading volume

$4, $3, $2, $1, $0 — 1.2B, 0.9B, 0.6B, 0.3B, 0.0B

Trading Volume / Price

11-Aug — 1-Sep

Serum was sold at $0.11 during IEO and surged to $1.57 on the first day of sale, **an increase of 1,327%.**

The hype towards SRM brought its price up to $3.40, marking a **2,991%** return as of August.

Polkadot (DOT)

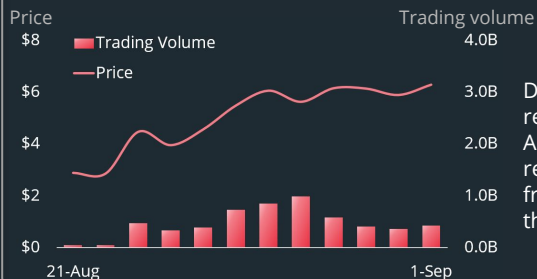|	
What is Polkadot	Polkadot is a blockchain protocol that connects different blockchains together into a single unified network.
How does it work?	Polkadot supports sharding where transactions are processed in parallel chains, making it scalable, cheaper and faster.
How many projects are there?	Over 200 projects are building on Polkadot, including Chainlink, Ankr, and Akropolis. Visit Polkadot's page and CoinGecko for more info!
What is Polkadot (DOT) and what can you do with it?	DOT is the native token to the Polkadot blockchain where the holders can participate in the platform's governance, staking and bonding.

Stats

Price — Trading volume

$8, $6, $4, $2, $0 — 4.0B, 3.0B, 2.0B, 1.0B, 0.0B

Trading Volume / Price

21-Aug — 1-Sep

DOT had a 100x redenomination on 21 August 2020 and the price return has grown **117%** from $2.90 to $6.30 since then.

Are you a member of the August Foodie or Y Club?

Foodie

Y Club

Sushi (SUSHI)

Similar to Uniswap, except liquidity providers receive a portion of LP rewards in the form of SUSHI tokens.

SUSHI rewards are boosted 10x for 2 weeks (till ~13 Sept), providing lucrative returns for liquidity providers.

13 POOLS in TOTAL
Top APY Pools (as of Sept 1)

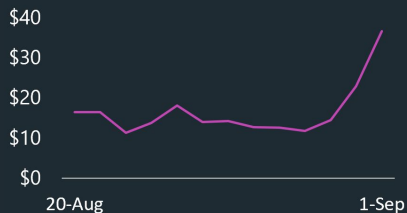|	
UMA	3246%
COMP	2804%
BAND	2741%
AMPL	2580%
Aave	2440%

YAMv2 (YAMV2)

YAMv1's fatal bug banded community members together to push through YAMv2, serving as a band-aid while YAMv3, the expected legitimate YAM protocol is to be released soon.

YAMv3 will be audited by PeckShield before its release.

YAMv2 Price

$40
$30
$20
$10
$0
20-Aug   1-Sep

YF Value (YFV)

YFV is a spin-off of YFI with a different emission & reward structure - in addition to YFV rewards, it also gives vUSD & vETH, which are rebased to target a price of 1 USD and 1 ETH respectively.

9 POOLS in TOTAL
Top APY Pools (as of Sept 1)

BAT	1726%
YFV	1694%
KNC	1683%
LINK	1358%
REN	1097%
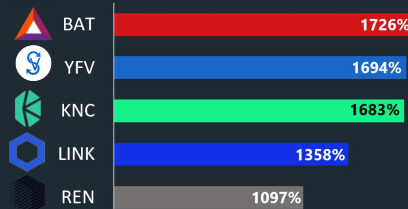
YF Link (YFL)

YFL is also a spin-off of YFI, but with an added focus on Chainlink-centric activities. The distribution is similar to YFI - farmed from pools with limited emission (no longer ongoing).

It is currently working on LINKSWAP, a swap service that reduces impermanent loss and provides buyer protection.

YF Link Price

$800
$600
$400
$200
$0
9-Aug   1-Sep

Find out more about latest yield farming projects at our Yield Farming Category Page.
Note: Yield Farming exposes you to many risks that can result in partial or complete loss of funds - kindly exercise caution and do your own research!

Oracles - The Source of Truth for Dapps

What are Oracles?

Oracles provide the blockchain and smart contracts with external data, bridging the gap between isolated blockchains and real world data.

Oracles are critical for Dapps as a "Source of Truth".

Source of Truth?

Smart contracts are essentially If-This, Then-That codes. Inputs are not questioned - if it fits, instructions are executed.

Oracles ensure that external information (pricing, weather data, event outcome) are fed to smart contracts untampered.

Why use Oracles?

Without an Oracle, bad actors can manipulate data to influence Dapps to behave in their favor or harm others. Similarly, rogue events (e.g. sensor malfunction) may also cause trouble and oracles guard against that.

Betting on Marketplace

On a decentralized marketplace, Alice bets Bitcoin will be >$20,000 on Day X. Bob bets against that.

Day X

On Day X, BTC = $21,000. Alice won, but the marketplace doesn't know yet. It needs the data!

Without an Oracle

Bob can cause the Marketplace smart contract to register that BTC = $19,000 on Day X.

Alice loses her bet.
Bob wins unfairly.

With an Oracle

Oracle nodes collate, verify and transmit authenticated market data to the smart contract.

Alice wins her bet.
Bob loses as expected.

Leading Oracle players: Chainlink, UMA and Band Protocol

Chainlink (LINK)

Chainlink dominates the oracle sector with the largest market capitalization in August at **$6B** and is currently positioned as the **5th largest cryptocurrency market cap** after Tether.

Chainlink provides reliable oracle architecture on price data for many major Ethereum based DeFi projects.

Chainlink's increase of **201%** in August took it from $7.77 to $15.64 and made it a top-5 cryptocurrency by market cap.


UMA (UMA)

UMA, or Universal Market Access enables any two counterparties to create their own financial contracts on derivatives.

UMA's oracle is designed so the cost of manipulation is greater than the profits. This eliminates the financial incentives from corrupting the system and mitigates security risks.

August is UMA's month, as it was one of the largest gainers with **432%** gains and moved up to over $27.
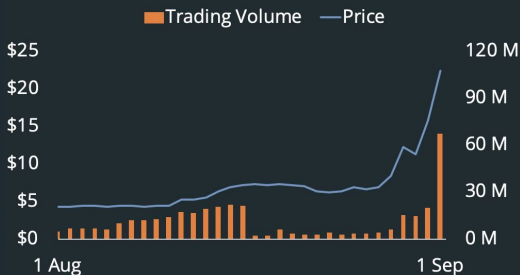
Band Protocol (BAND)

Band Protocol is another decentralized oracle service provider that bridges real world data and smart contracts.

It is compatible with multiple blockchains such as Ethereum, Polkadot and Cosmos, fueling DeFi projects with reference price feeds and other APIs such as weather and events.

BAND had a good month, growing **312%** and ended August at $13.16.

FOLLOW US