



Exchange Review

OCTOBER 2023

About CCData

CCData is an FCA-authorized benchmark administrator and global leader in digital asset data, providing institutional-grade digital asset data and settlement indices. By aggregating and analysing tick data from globally recognised exchanges and seamlessly integrating multiple datasets, CCData provides a comprehensive and granular overview of the market across trade, derivatives, order book, historical, social and blockchain data. Learn more: <https://ccdata.io>

About This Report

CCData's Exchange Review captures key developments within the cryptocurrency exchange market. Our review focuses on analyses related to exchange volumes, including 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.

CCData'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.

Please note that in certain circumstances, historical figures found in previous monthly reports may be updated in more recent reports to reflect our most up to date database information.

For questions related to our research or any potential requests, feel free to contact our research department at research@CCData.io.

Explore the data on CCData's API

For those interested in accessing CCData's API and data solutions 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 CCData's API [here](#).

Disclaimer

Due to the nature of exchange API endpoints and the practice of backfilling data, there may be data discrepancies between this edition and previous reports. The data presented below is correct up to the release date of this report.

Note: We are constantly developing our products to ensure the most value to our readers. Recently we have applied more filters to ensure all volumes reported are as truly representative of the market ecosystem as possible, and have greatly increased the scope of this report, as such, this month's data will not be directly comparable to last. **All data included in this report is up to the 31st of October 2023, unless stated otherwise.**

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Key Market Insights

In October, the combined spot and derivatives trading volume on centralised exchanges rose for the first time in four months, increasing by 53.0% to \$2.57tn. This was the highest combined monthly volume recorded since June 2023. The return of volatility, combined with the bullish price action, has hinted at an uptick in interest in digital asset markets, with the potential approval of spot Bitcoin ETF on the horizon.

Spot Trading Volumes Spikes to the Highest Level Since March

Spot trading volumes on centralised exchanges rose for the first time in four months, increasing 87.2% to \$632bn. This is the highest monthly spot trading volume recorded on centralised exchanges since March 2023. The increase of 87.2% witnessed in October was notably the highest month-on-month rise for spot trading volumes since January 2021.

Meanwhile, derivatives volumes on centralised exchanges rose 44.4% to \$1.94tn, recording the highest monthly derivatives volume since June 2023. The derivatives market share on centralised exchange currently stands at 75.4%, the lowest since March 2023. It was a welcome return of volatility in the market after a period of low trading activity that saw centralised exchanges recording the lowest quarterly volume since Q4 2020.

Upbit Market Share Reaches All-time High as Trading Volumes Surge

In October, the spot trading volume on Upbit jumped 209% to \$57.9bn, recording the highest monthly volume for the exchange since December 2021. The spike in the exchange's trading activity saw its market share among spot trading exchanges rise to an all-time high of 9.16%, making it the second-largest spot exchange by trading volume.

Meanwhile, the market share of Binance among centralised exchanges continues to fall, recording the eighth consecutive month of decline to 31.9% in October. Despite the exchange recording a 74.9% increase in spot trading volumes to \$202bn, Binance's market share has continued to drop to the lowest level since May 2022.

CME Options Volumes Reach New Highs As Institutional Interest Soars

Derivatives trading volume on the CME exchange rose 73.5% to \$57.4bn, recording the highest volumes since November 2021. The trading volume for BTC futures rose 73.4% to \$44.1bn, whereas the ETH futures rose 60.6% to \$10.2bn, the highest since April 2023.

Meanwhile, the BTC options and ETH options volume on the CME rose 142% and 107% to \$1.75bn and \$532mn, an all-time high for the instruments since they started trading on the exchange. The increase in trading volumes on the CME exchange hints at rising institutional interest in BTC and ETH as the markets enter a new cycle.

October Exchange News

COMPANY	STORY	DATE
Coinbase	Coinbase obtains Major Payment Institution licence from the Monetary Authority of Singapore	October 1
Deribit	Deribit Introduces Fiat to Crypto On-Ramp Through Integration with Legend Pay	October 4
Kraken	Kraken To Acquire Dutch Crypto Broker BCM in Commitment To Grow European Business	October 5
Coinbase	Detecting the Undetectable: Coinbase ERC-20 Scam Token Detection System	October 6
Binance	Introducing Copy Trading: Leverage the Power of Experts	October 9
Bitfinex	Bitfinex Introduces Zero-Fee Trading for Market Takers on Its P2P Platform in Argentina, Colombia, and Venezuela	October 11
Binance	25th BNB Burn	October 16
Bybit	Bybit Introduces Double-Win, a Revolutionary Trading Tool to Capture Market Movements	October 16
OKX	OKX Ventures Announces Investment in Celestia Labs	October 16
Coinbase	Coinbase Advanced Customers in Eligible Non-US Jurisdictions Can Now Trade Perpetual Futures	October 18
Binance	Binance Expands Freedom of Money for European Users With New EUR Fiat Partnerships	October 19
Deribit	Deribit Secures ISO 27001 Security Certification	October 26

Exchange Benchmark Analysis

CCData’s biannual Exchange Benchmark aims to serve investors, regulators and industry participants by scoring and ranking exchanges based on risk. This includes operational transparency, security, operational quality, regulatory standing, data provision, management team, and ability to monitor trades and illicit activity effectively.

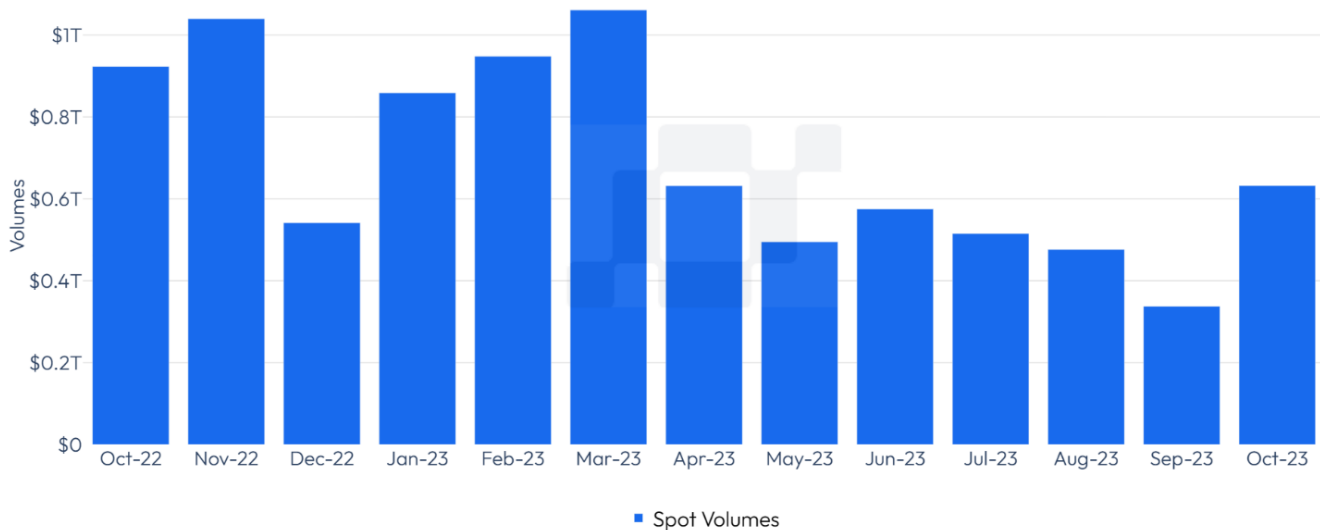
We hence refer to the notion of “Top-Tier” vs “Lower-Tier” volumes and exchanges, as explained in greater detail in the Exchange Benchmark Report methodology.

[Explore the Exchange Benchmark here](#)

This report assesses exchange activity via the above segmentation, particularly for spot markets. We also assess the market segmentation between different exchanges and assets, derivatives, and dive deeper into CME data, one of the largest derivatives exchanges across multiple asset classes.

Spot Trading

Aggregate Monthly Spot Volumes

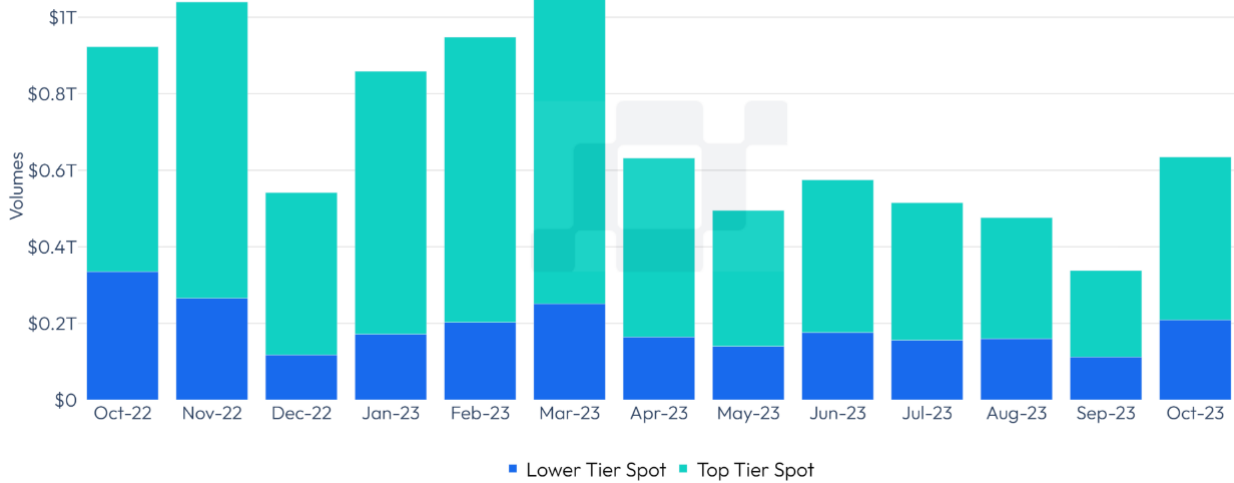


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In October, total spot trading volumes rose 87.2% to \$632bn, recording the first increase in monthly volumes in four months. This was the largest monthly increase in spot trading volumes recorded since January 2021, and the highest monthly spot trading volumes recorded since March 2023.

With the crypto markets approaching the potential deadline for the decision on spot Bitcoin ETF applications early next year, the rise in the spot trading volume combined with the positive price action last month hints at a renewed interest in digital asset markets.

Top Tier vs. Lower Tier Spot Trading Volumes

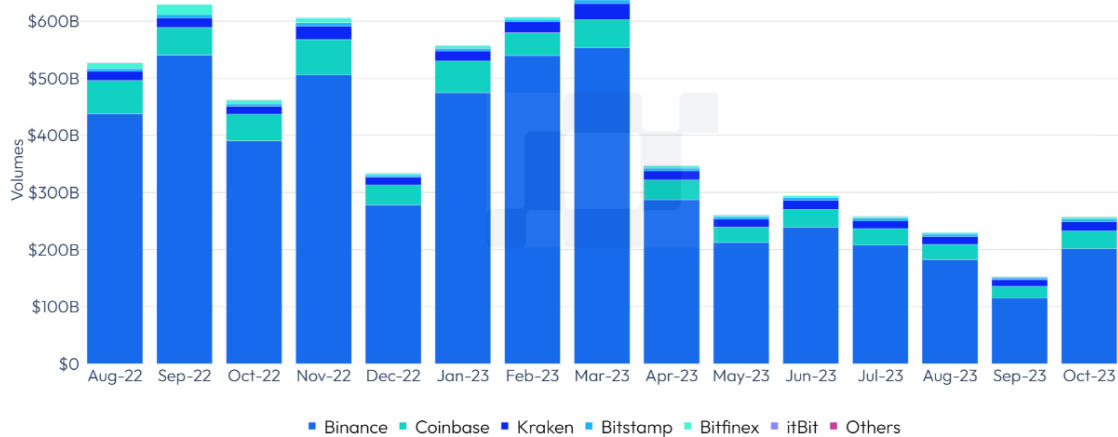


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Top-Tier spot volumes rose 88.7% to \$426bn and Lower-Tier spot volumes rose 84.3% to \$207bn. Top-Tier exchanges now represent 67.3% of total spot volume based on CCData’s latest November 2023 Exchange Benchmark Ranking, compared to 66.8% last month. Top-Tier exchanges are selected based on our rigorous [Exchange Benchmark Methodology](#).

Macro Analysis and Market Segmentation

Monthly Top Tier Spot Volumes

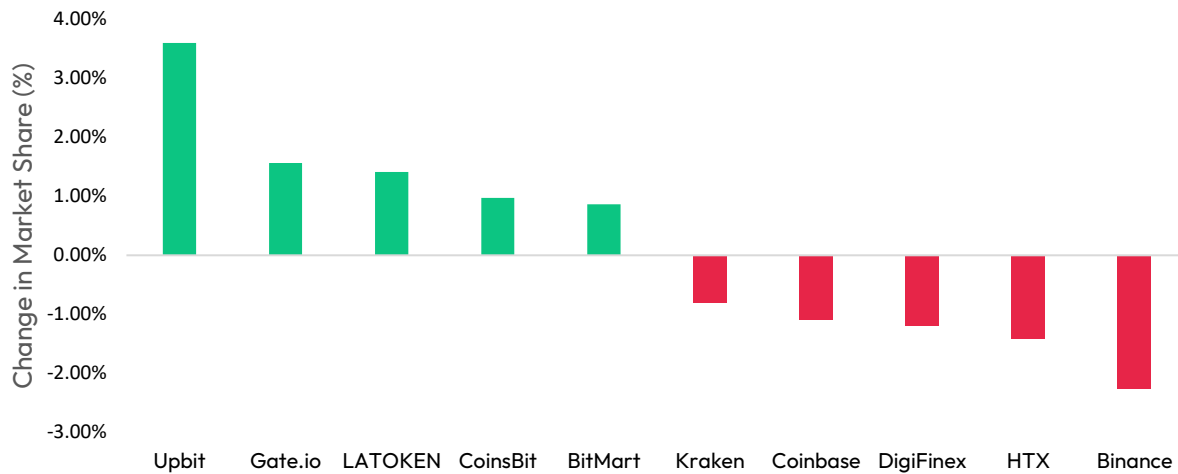


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In October, spot volume from the 14 graded AA-A exchanges rose by 73.7% compared to September, with aggregated spot volumes totalling \$343bn. Binance, Bybit, and OKX were the top exchanges in terms of spot volume in October relative to other AA-A graded exchanges. Among the Top-Tier exchanges, they represented approximately 63.2% of total volume (vs 66.6% in September).

Considering individual exchanges, Binance (Grade A) was the largest Top-Tier spot exchange among AA-A graded exchanges by volume in October, trading \$202bn (up 74.8%). This was followed by Bybit (Grade AA) trading \$33.8bn (up 89.3%) and OKX (Grade A) trading \$33.6bn (up 97.8%). Coinbase (Grade AA) and Kraken (Grade AA) followed, trading \$31.3bn (up 53.4%) and \$16.4bn (up 42.9%) in monthly volumes, respectively.

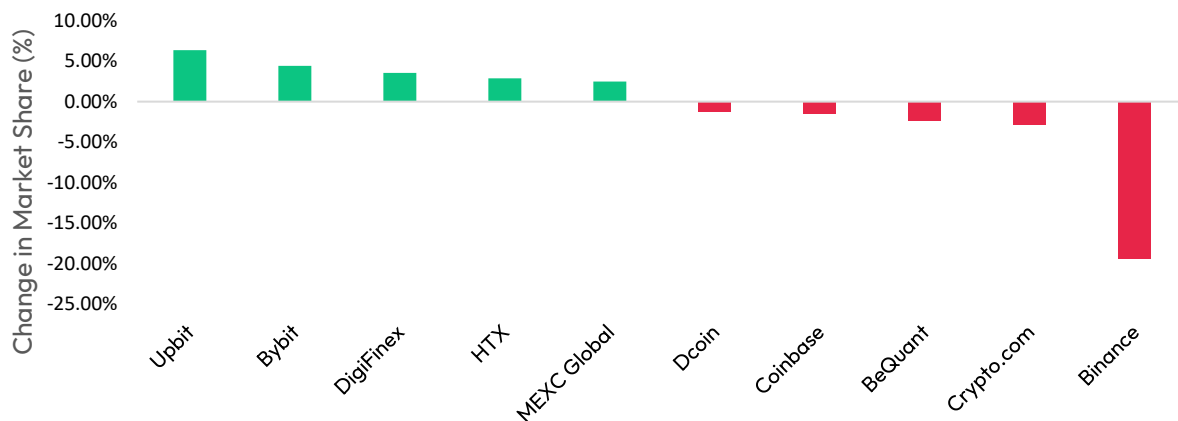
Change in Market Share on Selected Exchanges, Monthly



Compared to last month, Upbit made the largest gain in market share, with the exchange now accounting for 9.16% of trading volumes on centralised exchanges. This is the largest market share for the Korean crypto exchange since its inception with the platform benefitting from the renewed interest and positive sentiment in the altcoin market last month.

Meanwhile, Binance, HTX and DigiFinex saw their market share decline by 2.26%, 1.42% and 1.20% to 31.9%, 4.52% and 4.72% in October.

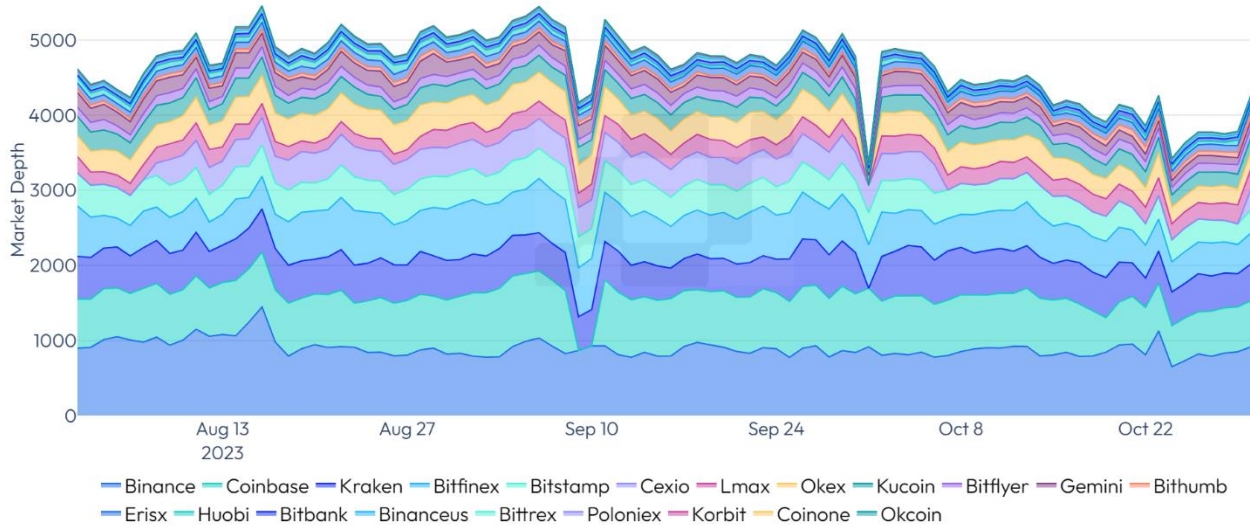
Change in Market Share on Selected Exchanges, Year-to-Date



Year-to-date, Upbit, Bybit, and DigiFinex has made the largest gain in market share, increasing their dominance by 6.35%, 4.42%, and 3.55% to 9.16%, 5.34%, and 4.72%, respectively. Meanwhile, Binance, Crypto.com and BeQuant continue to see the most significant decline in market share by trading volume, falling by 19.5%, 2.86%, and 2.37% to 31.9%, 2.14%, and 1.36% respectively.

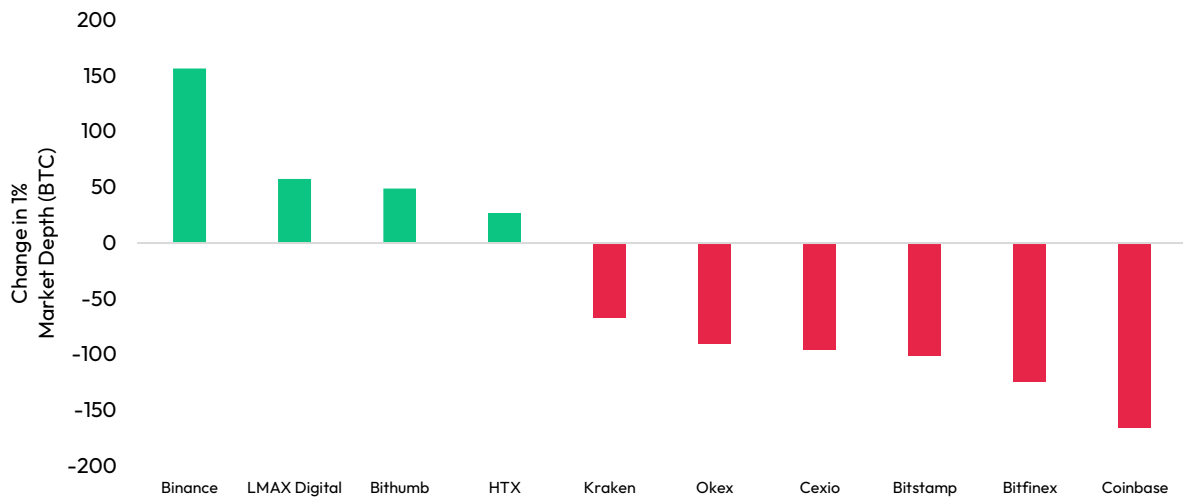
Market Liquidity

BTC 1% Market Depth Across Centralised Exchanges



The liquidity for BTC trading pairs decreased in October, with the 1% market depth across selected exchanges dropping 8.38% to 4,385 BTC. This represents a 37.2% decline in the market depth of BTC pairs since the start of the year.

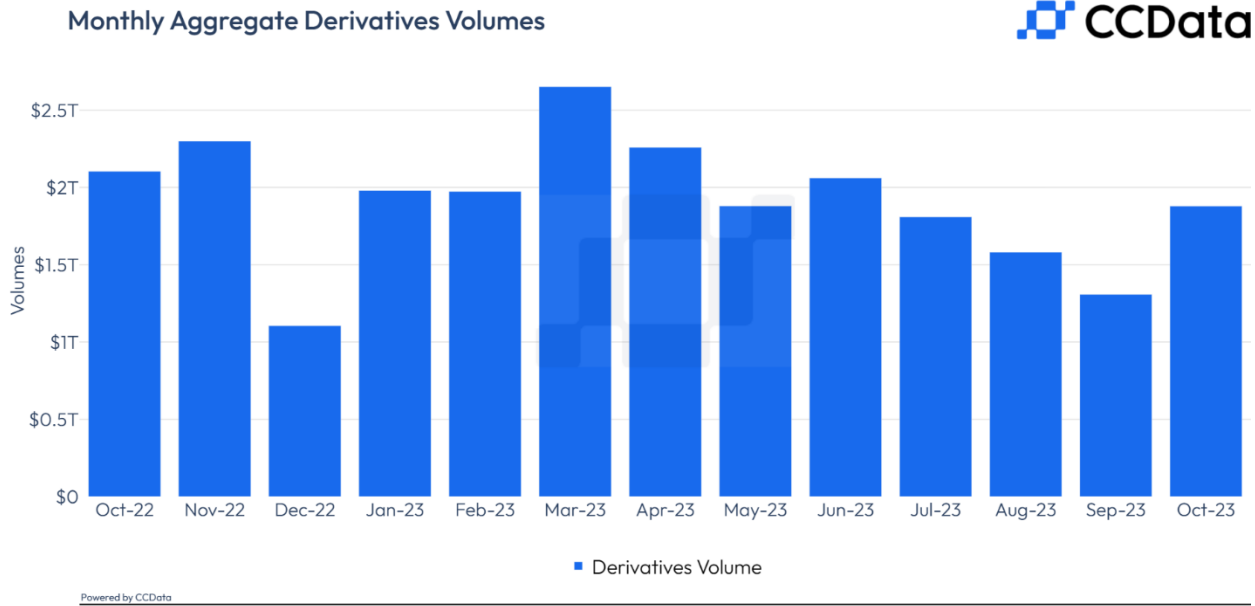
Change in 1% Market Liquidity, October 2023



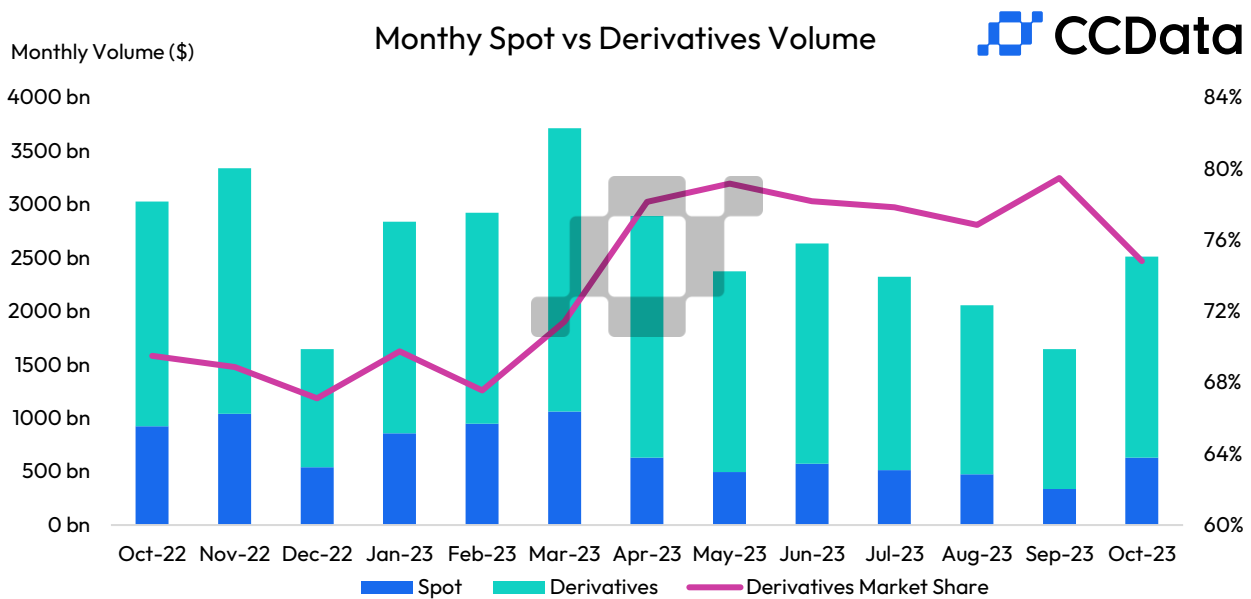
Binance saw the largest growth in 1% market depth, with an inflow 157 BTC in limit orders last month. LMAX Digital and Bithumb also saw their market liquidity for BTC trading pairs rise by 57.4 BTC and 49.0 BTC last month.

Coinbase experienced the largest fall in liquidity in October, with an outflow of 165 BTC. Bitfinex, Bitstamp, and Cex.io also saw their 1% market depth in BTC trading pairs decline by 124.7 BTC, 100.8 BTC and 95.7 BTC, respectively.

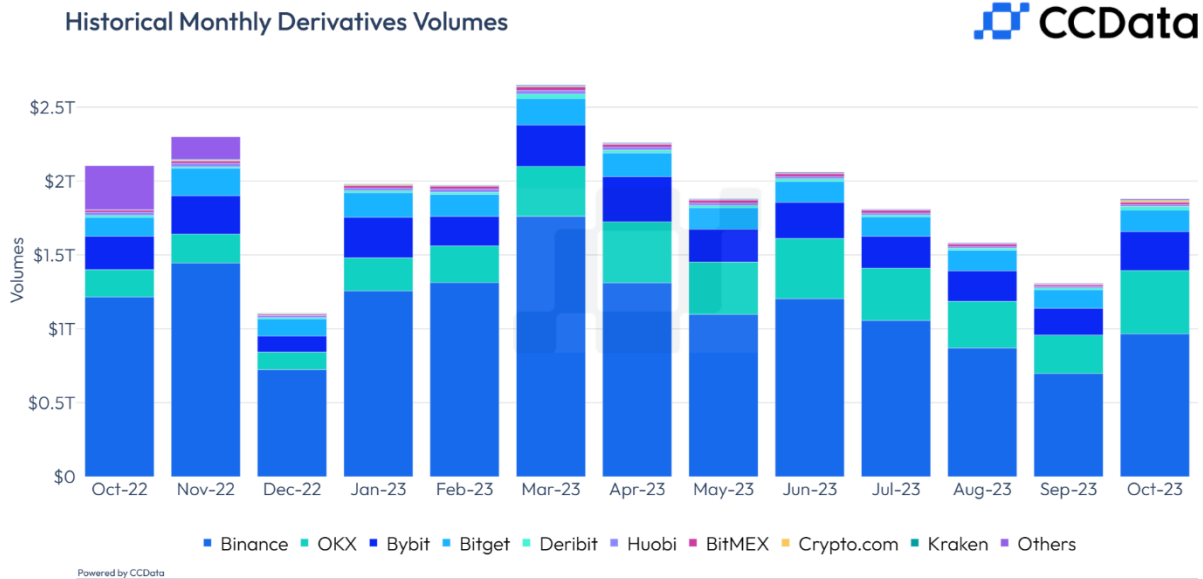
Derivatives



Derivatives volumes rose by 44.1% in October to \$1.94tn. This is the first increase in monthly derivatives volume since June 2023. It is also the highest monthly derivatives volumes recorded since April 2023.

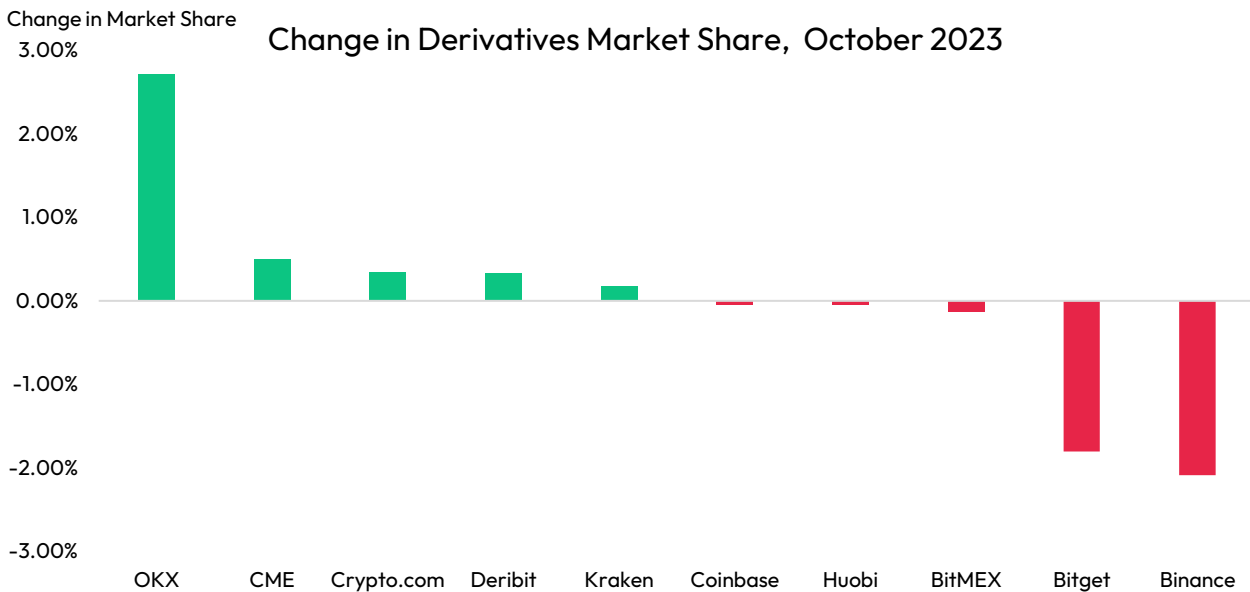


The derivatives market now represents 75.4% of the entire crypto market (vs 79.9% in September). This is the lowest derivatives market share since March 2023, hinting at the healthy accumulation of crypto assets during the last month.



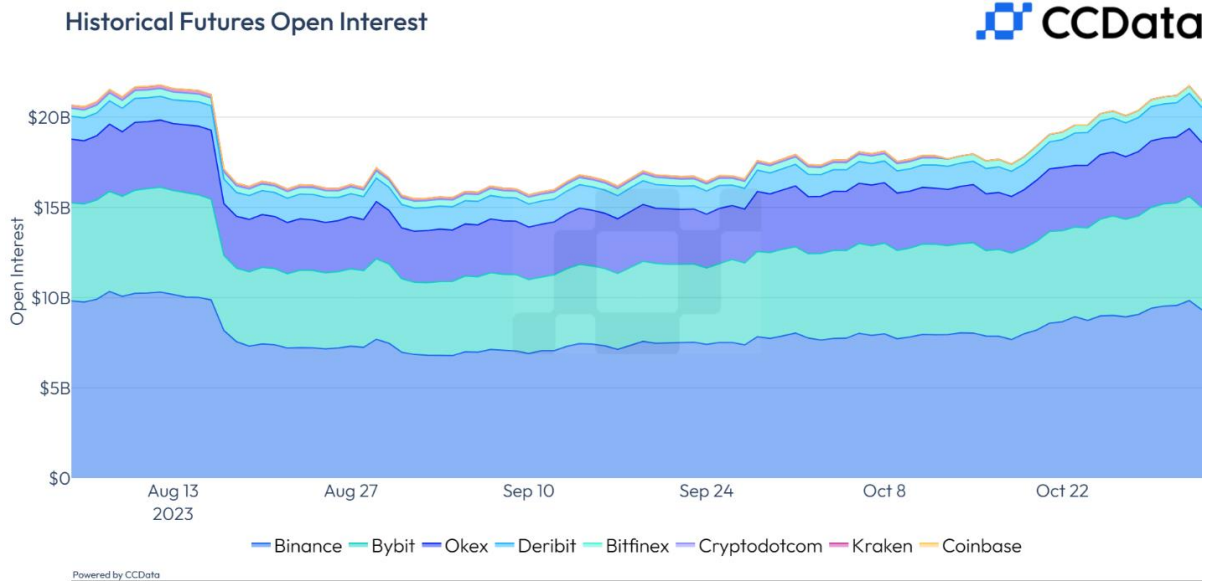
Binance was the largest derivatives exchange in October by monthly volume, trading \$697bn (up 38.6% compared to September), followed by OKX (\$429bn, up 64.5%) and Bybit (\$263bn, up 45.1%).

Crypto.com and Kraken performed the best among the derivatives exchanges, with their trading volumes recording an increase of 287% and 284% to \$10.5bn and \$5.28bn respectively.

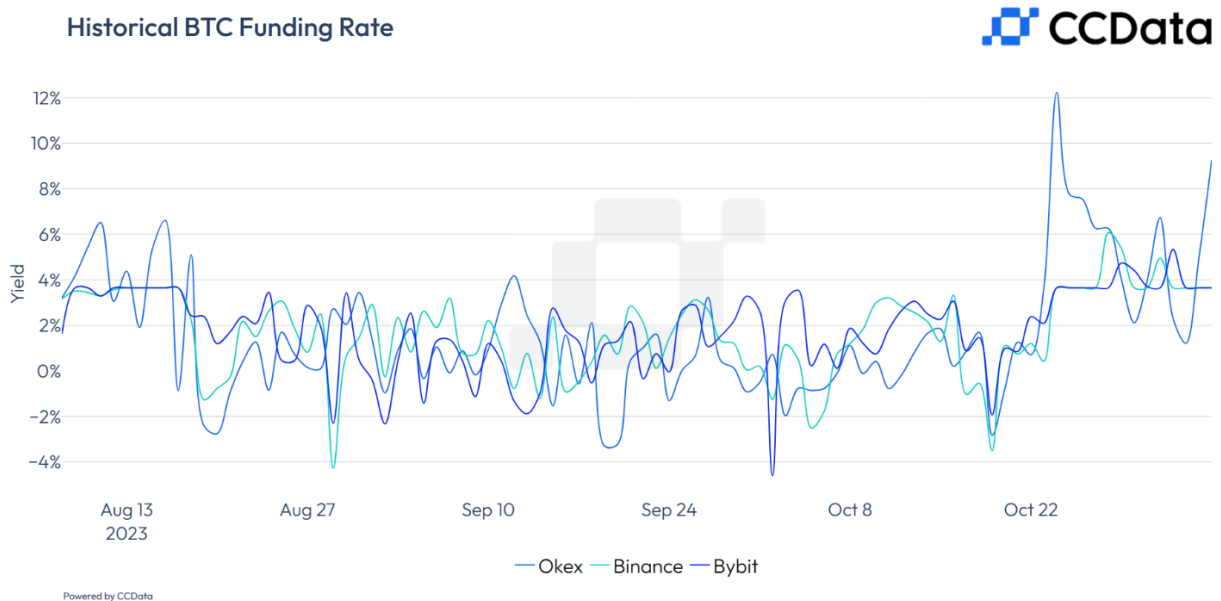


Among the top 11 derivatives exchanges, Binance leads with a market share of 49.9% of total volumes in October. This was followed by OKX with a market share of 22.2% and Bybit with a dominance of 13.6%. This is the highest market share of OKX in the derivatives market since February 2022.

OKX and CME saw the highest increase in market share, rising by 2.71% and 0.50% to 22.2% and 2.96% respectively. Meanwhile, Binance saw the highest decline in market share last month, falling by 2.09% to 49.9%, the exchange’s lowest derivatives market share since February 2022.



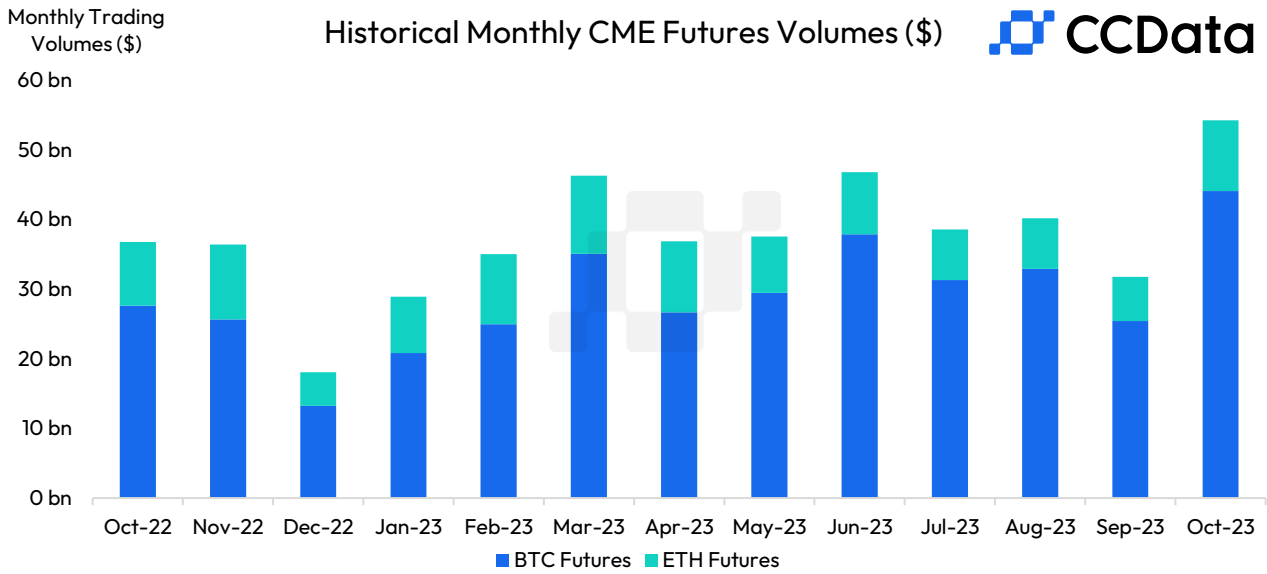
The open interest on derivatives exchanges nearly returned to its yearly highs, rising 20.7% to \$21.3bn. The three largest derivatives exchanges, Binance, OKX, and Bybit all saw open interest on the exchanges rise by 21.4%, 11.2% and 18.1% to \$9.57bn, \$3.76bn, and \$5.75bn, respectively.



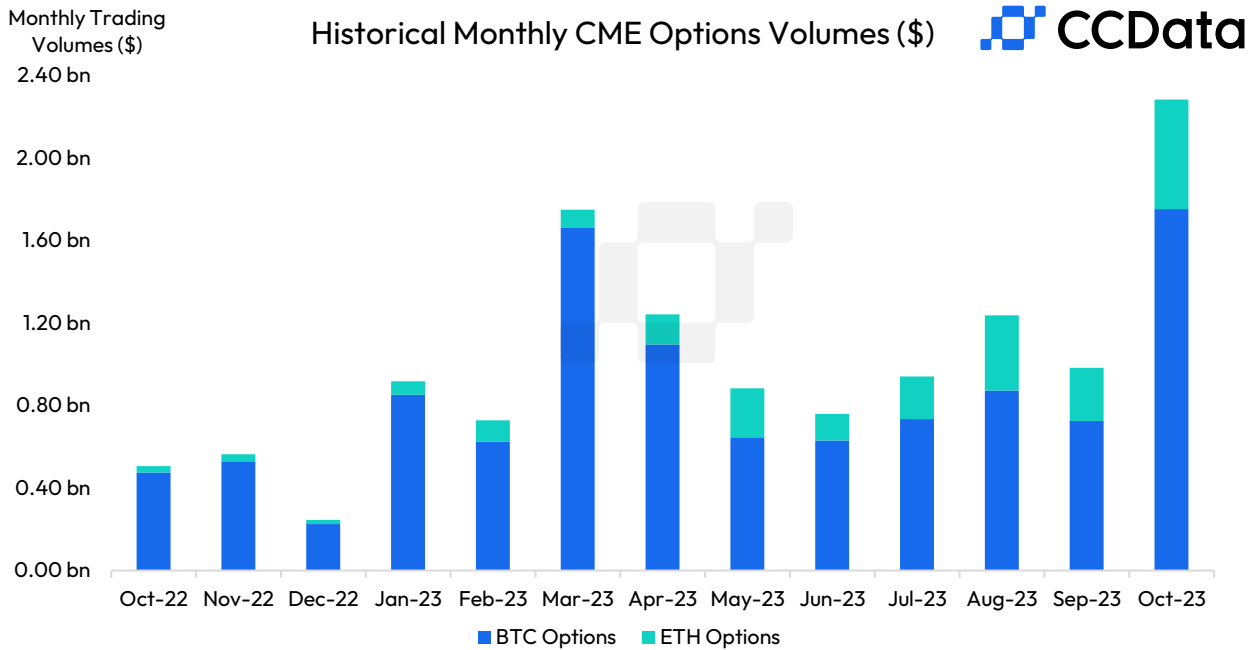
Across the three analysed exchanges, funding rates were predominantly positive. Bybit and Binance experienced only 2 and 6 negative days, respectively, while OKX had 11 negative funding days in October. This trend suggests a positive market sentiment last month.

Binance and Bybit recorded a 30-day annualized volatility of 31% and 33% for funding rates, respectively. In comparison, OKX's average was around 36%, indicating greater imbalances in long/short positions. Such variations in funding rates across exchanges point to potential market-neutral opportunities.

CME Institutional Volume



In October, the total derivatives trading volume on CME rose 73.5% to \$57.4bn. The BTC futures volumes on the exchange rose by 73.4% to \$44.1bn, whereas the ETH futures volume on the exchange rose 60.6% to \$10.2bn.



Meanwhile, the options volume traded on the exchange rose significantly with both BTC options and ETH options rising to their respective all-time highs of 142% and 107% to \$1.75bn and \$532mn in trading volume.

Conclusion: In October, the combined trading volume of spots and derivatives on centralised exchanges rose 53.0% to \$1.57tn as the much-awaited volatility returned to the market after multiple months of low trading activity.

Definitions

Metric	Definition
Top Tier Exchanges	Exchanges that have scored Grade BB and above in CCData's biannual Exchange Benchmark.
Lower Tier Exchanges	Exchanges that have scored Grade B and below in CCData's biannual Exchange Benchmark.
Spot Volumes	Trading volumes on crypto assets with immediate delivery.
Derivatives Volumes	Trading volumes on crypto assets via derivative contracts (futures and options).
Futures Contracts	Derivative contracts where two parties agree to exchange the underlying asset at a specified (Calendars) or unspecified (Perpetuals) date in the future.
Options Contracts	Derivative contracts that give the holder the right, but not the obligation, to buy or sell an asset by a certain date at a specified price.
Open Interest	US-dollar value of outstanding derivative contracts that have not been settled for an asset.

Access More of Our Research and Insights

As the digital asset markets continue to grow, so does the need for high-quality research that brings greater clarity and transparency to this rapidly evolving industry. CCData’s suite of research reports provides market participants with trusted, high-quality data and analysis.

Recurring Reports:

Report	Description
Exchange Review	Captures key developments within the cryptocurrency exchange market — providing readers with an in-depth analysis of exchange volumes, trading activity, and derivatives open interest.
Digital Asset Management Review	Tracks and provides analysis of the most innovative institutional products in the industry, assessing volumes, assets under management (AUM), and product flow trends.
Exchange Benchmark	Brings clarity to the crypto asset exchange sector. Two years on, it has become the industry standard for assessing and evaluating cryptocurrency exchanges, with the methodology and rankings now being utilised to help create financial products and indices.
Asset Report	Provides professionals in the financial services space, particularly the investment management industry, with a summarised analysis of the latest movements in five of the largest cryptocurrencies.
Market Outlooks	A quarterly report that identifies the most important developments of the last quarter, which may thereafter set the tone for key trends to look out for in the following months. This includes references to the macroeconomic environment, DeFi, NFTs, stablecoins, and more.
Stablecoins and CBDCs	Captures the key developments within the stablecoins and CBDCs sector – providing analysis relating to the market capitalization and trading volume of stablecoins, segmented by their type based on collateral.

Topic Deep Dives:

Report	Description
Centralised Exchange Retrospective	Created in collaboration with Bybit — it includes a retrospective analysis of the centralised exchange landscape and the key trends to look out for this year following the collapse of FTX in November 2022.
UST’s Fall From Grace	Summarises the depegging of UST and the subsequent debacle of LUNA and the Terra ecosystem, including analysis of the ripple effects of the event and where it situates the digital asset industry.