

Crypto OTC Market Review Q1 2024

An institutional trading analysis by Finery  Markets

Introduction

Finery Markets offers crypto trading infrastructure to institutional clients in over 30 countries across North America, Europe, Latam, Asia, and Africa.

For the study, our research team analyzed 1 million trades of digital assets executed by a range of institutions, including market makers, payment providers, brokers, OTC desks, hedge funds, and custodians. Our goal was to deepen our understanding of market trends within the institutional OTC cryptocurrency realm by closely examining coin transactions within the Finery Markets infrastructure.

Given the confidential nature of OTC trades, obtaining data that covers the entire market is typically a complex task. Through this review, we aim to establish key indicators that can be used to regularly evaluate the performance of the broader institutional crypto OTC market.

Summary

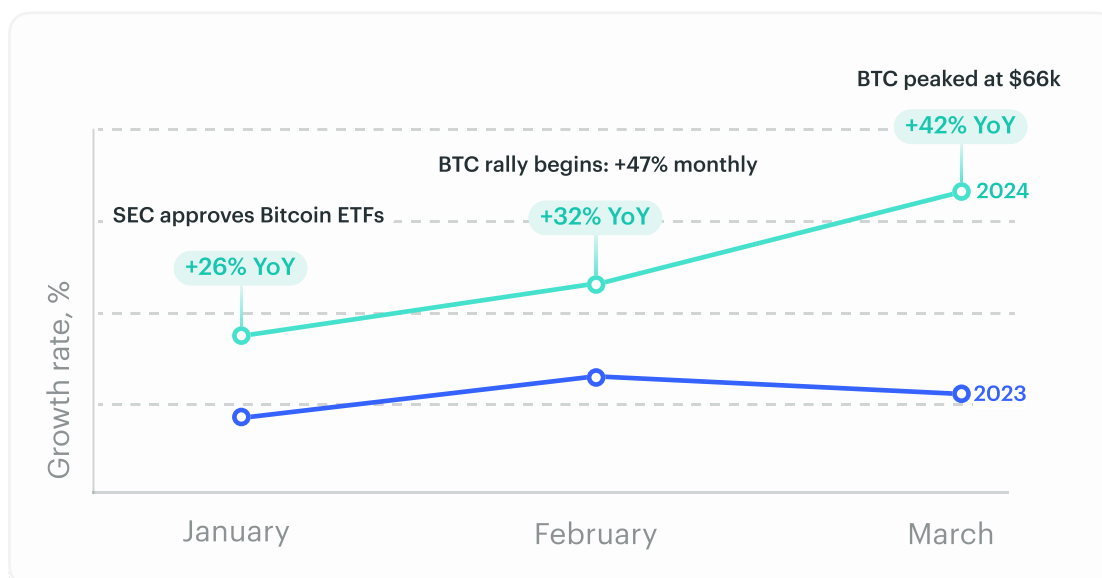
In Q1 2024, the crypto market hit record levels, spurred by the introduction of BTC ETFs, leading to double-digit institutional demand for quality crypto liquidity. ETFs, acting as bridges between digital assets and traditional finance, provide a familiar entry point for TradFi investors exploring cryptocurrencies. The growing adoption of altcoins suggests a broader acceptance of digital assets in institutional market operations.

Key Highlights

1. + 80% YoY growth in the total spot crypto transaction volume was observed via the Finery Markets trading infrastructure. This growth was driven by all types of market participants.
2. In the realm of specific altcoins, TRON (TRX), Dogecoin (DOGE), and Litecoin (LTC) are in TOP-3.
3. Our estimations for daily OTC trading volumes*: January - \$1.77 billion. February - \$1.85 billion. March - \$1.98 billion.

*These estimates for daily crypto OTC trading volumes are based on the assumption that the trade flows executed through the Finery Markets venue are indicative of average market growth within the reported period. This assumption uses the \$1.44 billion spot OTC market size, as reported in the 'State of Crypto OTC 2023 Edition', as a benchmark. However, it's important to note that these figures are purely estimative. They may not accurately reflect the actual transaction volumes, given that OTC trade data is not publicly accessible for further verification.

Monthly trading turnover growth












Top 5 Altcoins

BTC solidified its dominance by becoming the eighth most valuable asset globally by market cap, surpassing silver and reaffirming its status as the market leader in the digital assets industry.

However, as adoption increases, institutions are beginning to intertwine in their daily operation a broader range of digital assets.

Tron's network native token TRX led the growth in institutional altcoin trading with a 253% YoY increase in total trade volume, followed by DOGE at 94% YoY, and LTC at 73% YoY. In contrast, Ripple's XRP saw a decline of 59% YoY. BNB entered this quarter's Top-5.

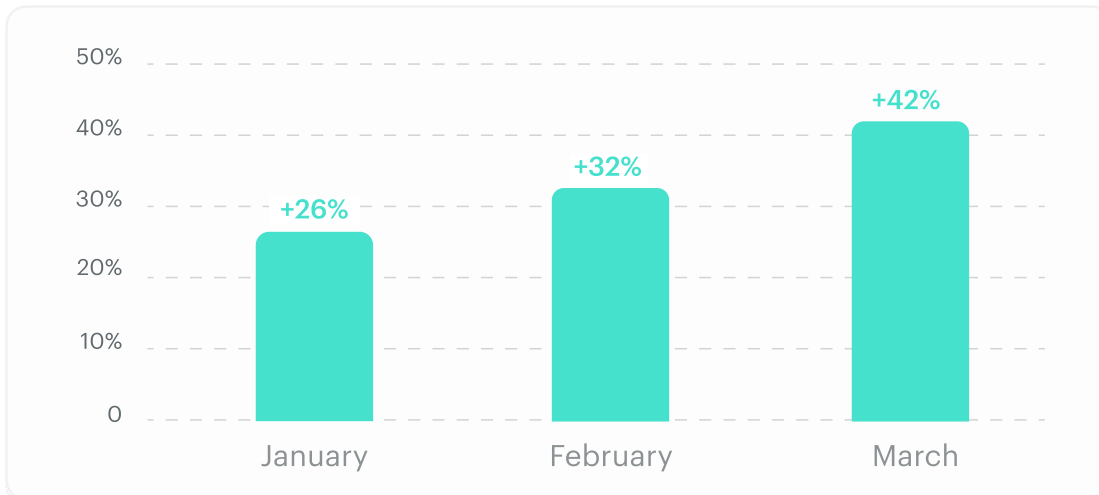
Furthermore, the volume of crypto-to-crypto transactions surged by 99.8% YoY in the same quarter, highlighting a significant increase in activity within the digital asset markets. Similarly, stablecoin trades also saw a 133% YoY surge.

Ranking	Top 5 in Q1 2024	YoY growth of trading volume	Top 5 in Q1 2023
1	 LTC	73%	 LTX
2	 TRX	253%	 XRP
3	 DOGE	94%	 BCH
4	 XRP	-59%	 DOGE
5	 BNB	New	 TRX

Estimated institutional crypto OTC daily trading volumes

In the past months, the cryptocurrency market exhibited a progressive increase in trading volume each month. In January, the trading volume increased by 26% YoY. This growth rate rose to 32% YoY in February and further accelerated to 42% YoY in March. The data encompasses both buy and sell transactions.

Monthly Trade Dynamics



Presuming these monthly growth rates are in line with the market average, we can gauge the daily trading volumes for the institutional OTC crypto markets as follows:

January	February	March
\$1.77 B	\$1.85 B	\$1.98 B

While these figures are merely indicative, they offer a glimpse into the market's growth trajectory during this period. It's important to remember, though, that these are approximations and may not fully capture the full scope of the market's activity.

Disclaimer: The Content Provided By Finery Market Is Intended For Informational Purposes Only And Should Not Be Construed As Investment Advice. Trading, Buying, Or Selling Cryptocurrencies Involves High-Risk Investments. We Advise All Readers To Conduct Their Own Research Before Making Any Investment Decisions.

While Finery Markets Endeavors To Keep The Information Up-To-Date And Correct, We Make No Representations Or Warranties, Express Or Implied, Regarding The Completeness, Accuracy, Reliability, Suitability, Or Availability Of The Information For Any Purpose. Any Reliance You Place On Such Information Is Strictly At Your Own Risk.