

Crypto OTC Market Review: 2024 Results & 2025 Outlook

An institutional trading analysis by Finery  Markets

A large, abstract teal line graphic that starts as a horizontal line on the left, curves downwards and then upwards, forming a shape reminiscent of a stylized 'R' or a large bracket, extending towards the bottom right of the page.

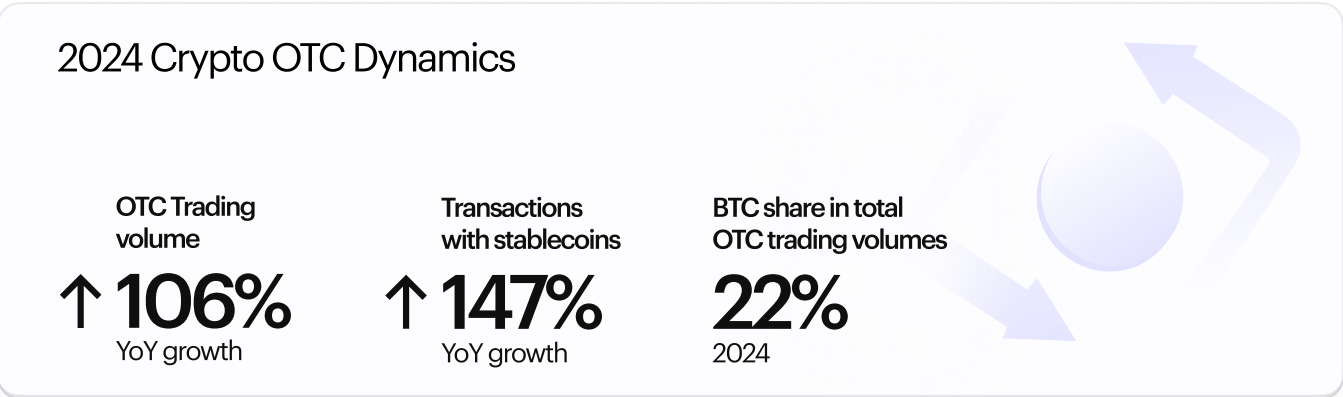
Methodology

The Finery Markets team analyzed 4 million spot trades conducted by institutions on our platform in 2024.

The trade data was collected from various market participants, including market makers, payment providers, brokers, over-the-counter desks, hedge funds, and custodians.

The findings presented in this report are based on the sampled trades and highlight the conclusions and trends observed. Expert-level interviews within the Finery Markets team were conducted separately to validate the conclusions of the 2024 review and to gather insights on trends expected to shape 2025 at an institutional level.

Key Figures



2024 Roundup

2024 marked a record-breaking period for the cryptocurrency market. In December, Bitcoin exceeded the \$100,000 mark, reaching new all-time highs. These price milestones provided significant momentum for the performance of other digital assets. The introduction of Bitcoin (BTC) and Ethereum (ETH) exchange-traded funds (ETFs) offered institutional investors regulated market access. Notably, U.S. Bitcoin ETF inflows surpassed those of gold ETFs, marking the most successful exchange-traded product (ETP) launch in history.

Traditional financial (TradFi) leaders shifted their stance from skepticism to neutrality or acceptance as the industry matured, with institutions either entering crypto markets or planning acquisitions to establish market positions.

Although comprehensive regulatory clarity is still pending, the pro-crypto stance of the Trump administration significantly fueled Q4 crypto spot trading to 2024 highs.

Stablecoins solidified their market dominance as the primary bridge between traditional and digital finance. Transaction volumes exceeded those of Visa, underscoring their utility in the fast-paced global business environment and exposing the limitations of legacy banking infrastructure in meeting growing market demands.

The developments in 2024 have laid the groundwork for further growth in 2025, with institutional adoption expected to accelerate as economic and political environments increasingly embrace crypto.

The crypto OTC market remains understudied due to its opaque nature and decentralized data. Finery Markets' 2024 review examines OTC trading patterns, highlighting institutional-scale trends that influence the market.

Outlook for 2025

1. Pro-crypto sentiment in the U.S. politics and economy opens an opportunity for re-emergence of a more favorable environment for the digital assets industry. This could set a scene in 2025 for a swift mass adoption driven by demand from US-based institutions.
2. Success of BTC and ETH ETPs may lead to institutions offering crypto-backed loans, unlocking further opportunities for driving investments into crypto.
3. Tokenized traditional assets are likely to gain significant traction. This could redefine global trading strategies as markets adapt to 24/7 trading, fractional ownership, and improved liquidity for previously illiquid assets.
4. As global regulators establish clearer frameworks, institutional adoption of DeFi protocols will likely rise. This could lead to a hybrid model where decentralized platforms integrate with centralized oversight, offering traders new avenues for yield generation and arbitrage.
5. A potential BTC Reserve implementation could trigger global shifts as countries and corporations abandon “zero exposure” strategies.
6. Tier 2 and Tier 3 EU CEXs may face increasing liquidity challenges as MiCA regulations unfold in their domestic markets. These changes could drive them to explore new broker-dealer business models or seek advanced technology and liquidity solutions to remain competitive.

Crypto OTC trading in 2024

In 2024, the cryptocurrency OTC market witnessed significant growth, driven by an increasing demand for stablecoins and a notable rise in crypto-to-crypto transactions. The market experienced an impressive annual growth rate of 106%, underscoring a dynamic year for institutional and large-scale digital asset transactions.

Monthly YoY Performance



Q4 results: A post-election period, largely viewed as favorable for cryptocurrencies, is evidenced by strong performance in OTC trading:

- total OTC volumes showed 177% YoY growth
- crypto-to-crypto trading surged with a 5.4X YoY increase
- crypto-to-stablecoin activity rose by 311% YoY

Q4 trading activity significantly outpaced all other quarters. Q2, benefiting from the successful BTC ETF launches, was the only other quarter to achieve triple-digit growth at 110%. Q1 and Q3 followed with growth rates of 80% and 78%, respectively

Altcoins OTC Trading

The crypto market is often characterized as being dominated by BTC. Although interest in altcoins is on the rise, their share remains relatively modest within the broader institutional cryptocurrency trading landscape. Trade data also indicates that institutional demand for altcoins in the crypto-to-crypto and crypto-to-stablecoins OTC markets has remained low. In 2024, altcoins accounted for 29% of the total trading volume compared to 13% last year.

In December 2024, XRP became the third-largest cryptocurrency by market capitalization. Despite this significant surge, its impact on trading dynamics over the past year has not been fully realized. XRP recorded a YoY growth rate of 141%.

In 2024, Solana (SOL) experienced a remarkable surge in activity, increasing by ninefold, with a staggering 43-fold growth observed in the fourth quarter alone. This impressive growth can be attributed to the explosive expansion of Solana's ecosystem, fueled by the enthusiasm surrounding memecoins. Meanwhile, Litecoin (LTC) maintained its position as a leading altcoin among institutional investors, showcasing an impressive 149% increase over the same period.

About Finery Markets

Finery Markets, the premier non-custodial crypto ECN, provides cutting-edge trading infrastructure for institutional players in over 35 countries. We seamlessly connect clients across North America, Europe, Asia, LatAm, and Africa.

Finery Markets offers the first hybrid, crypto-native ECN that allows trading through an aggregated order book or RFQ.

Since our launch in 2019, we have been growing our ecosystem, serving 150+ digital asset clients, including payment providers, brokers, OTC desks, hedge funds, and custodians. We connect digital asset players by offering them effortless connectivity to an extensive network of partners. Our services enhance capital efficiency, ensure optimal execution, assist in risk management, and simplify settlement processes.

Finery Markets is the first crypto ECN to receive the SOC 2 Type 1 and Type 2 certification. In 2024, Finery Markets was selected as one of the top 50 rising stars in the **Deloitte Technology Fast 50** competition.

Finery Markets hosts '[The Flow](#),' a C-level institutional crypto podcast that explores the development of the digital assets market structure.

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