Finery Markets H1 2025 crypto OTC review: Stablecoin edition

Client turnover, Secondary Markets, and Risks of depegs

Finery Markets

Report methodology

This special edition of Finery Markets' OTC Review is dedicated to the breakthrough of stablecoins in institutional trading.

It presents aggregated data on client trading turnover, market share evolution, and discusses key challenges such as potential depegging events and secondary market connectivity.

For this review, Finery Markets analyzed over 4.1 million institutional spot crypto trades executed on its technology platform during the first half of 2025.

The dataset reflects activity from a diverse range of participants, including market makers, payment providers, brokers, OTC desks, hedge funds, and custodians.

The findings presented in this report are based on this sample and highlight aggregated trading behavior, volume distribution, and key market trends.

H1 2025 key stablecoins metrics

OTC spot trading volume:	Stablecoin transactions, as % total trades:	Growth in number of transactions:
+121%	**75%**	**+154%**
YoY growth	up from 46% in H1 2024	YoY growth

Stablecoins and institutional adoption

In H1 2025, stablecoins became the mainstream. Some have dubbed them as the long-awaited ‘killer use case’ for crypto—or the industry's ‘WhatsApp moment’.

Finery Markets’ institutional flow analysis signals that the claims are substantial: stablecoins’ share in crypto OTC transaction volume skyrocketed from 23% in 2023 to 74.6% in H1 2025.

Positive market expectations are clearly reflected in accelerating M&A activity within the stablecoin sector. Notable examples include Stripe’s $1.1 billion acquisition of Bridge, Ripple's attempted bid for Circle (though ultimately unrealized), Anchorage's acquisition of Mountain Protocol, and Gnosis's acquisition of HQ.xyz. Venture Capitalists are also actively investing, with stablecoin clearing startup Ubyx recently raising $10 million, and Galaxy Digital successfully securing $175 million for a new fund dedicated to DeFi and stablecoin investments.

Bold moves by giants like J.P. Morgan's launch of institutional-only stablecoin or recent bank-friendly stablecoin introduced by Fiserv are intensifying competition and accelerating innovation across the sector.

Stablecoins as financial rail infrastructure

In essence, the current dominance of stablecoins is based on the need for an on/off-ramp bridge between fiat and blockchain.

In this “bridge mode,” Circle’s USDC alone helped move $850 billion between fiat and blockchains.

We anticipate this volume will expand significantly as more USD-pegged and diverse non-USD stablecoins emerge for use in FX, local capital markets, and regional remittances. A prime example is Monerium's EURe, a fully regulated euro-denominated e-money token, which exemplifies the bridge model by facilitating compliant flows between traditional IBAN accounts and Web3 wallets. Similarly, BRLA Digital provides a Brazilian Real-pegged stablecoin, offering users a crucial entry point into the crypto economy.

In all of these cases, the advantages of stablecoins are crystal clear: lower costs, faster processing, and broader access.

Bridging with secondary markets

The true potential of stablecoins is unlocked by seamlessly connecting issuance with active, deep secondary markets. For stablecoins to achieve widespread utility and confidence, they must be highly liquid, easily tradable, and legally sound across diverse liquidity pools and various secondary venues. This critical infrastructure includes:

- Trading venues offering a wide array of stablecoin pairs.
- Dedicated liquidity providers and market makers facilitating efficient stablecoin-to-crypto and stablecoin-to-fiat markets.
- Centralized and DeFi infrastructure equipped with robust collateral management and efficient cross-chain swap capabilities.
- Custodians and compliance platforms that safeguard institutions as they enter these sophisticated flows.

This evolution extends far beyond simple payments. It empowers banks to streamline FX and inter-fund transfers, enables tech firms to embed closed-loop stablecoins directly into their applications, allows corporates to mint their own stablecoins for loyalty programs or ecosystem development, and opens doors for asset managers to innovate with tokenized money markets.

Without robust connectivity to these secondary markets the full utility, liquidity, and confidence in stablecoins will remain constrained. Their complete integration into modern capital markets is essential.

OTC market perspective

As a tech provider for $2 billion in monthly turnover, Finery Markets sees a notable interest of institutional players and crypto business to private rooms trading. They likely seek more tailored solutions to enable:

- Direct bilateral trading relationships
- Access to aggregated liquidity
- Trading design governed by best execution principles
- Private trading terms

While centralized exchanges often chase high-frequency and speculative volume—frequently 80–90% algorithmic or arbitrage-driven—stablecoin flows on institutional OTC platforms are primarily driven by hedging needs. For example, retail brokers and payment providers use stablecoins for settlement and FX hedging, which generates organic liquidity in the markets.

This shift aligns with stablecoins' strong performance. In 2024 (147%YoY) and H1 2025 (121% YoY) they were the only sub-class of digital assets to record triple-digit growth. Institutional issuers are growing, and their expectations around secondary liquidity are rising in parallel.

The influence of regulation on market structure is also evident. The implementation of MiCA, for instance, prompted a significant reallocation of trading volume, resulting in subdued growth for USDT due to delistings, concurrently with a remarkable 29x year-over-year growth for USDC in H1 2025.

OTC market perspective

The promise of stablecoins lies in more than payments. It's about programmable money for the capital markets, corporate treasuries optimizing liquidity, and real-time financial operations – from FX trading to securities settlement and cash management.

All of this depends on a robust, institutional-grade secondary market connectivity.

Can secondary markets buffer depegging events?

A remark by Konstantin Shulga, CEO & Co-founder at Finery Markets

With an increase in stablecoin issuers across blockchains, market fragmentation and risk escalate. A depegging event for one stablecoin could trigger a widespread run on issuers, significantly amplifying systemic risk. What entity serves as the creditor of last resort in such a crisis?

In other words, a seemingly identical stablecoin may, in fact, be distinct across markets, circulating equally and at digital speed. At its worst, this would draw a wedge between redemption rights and recovery rates.

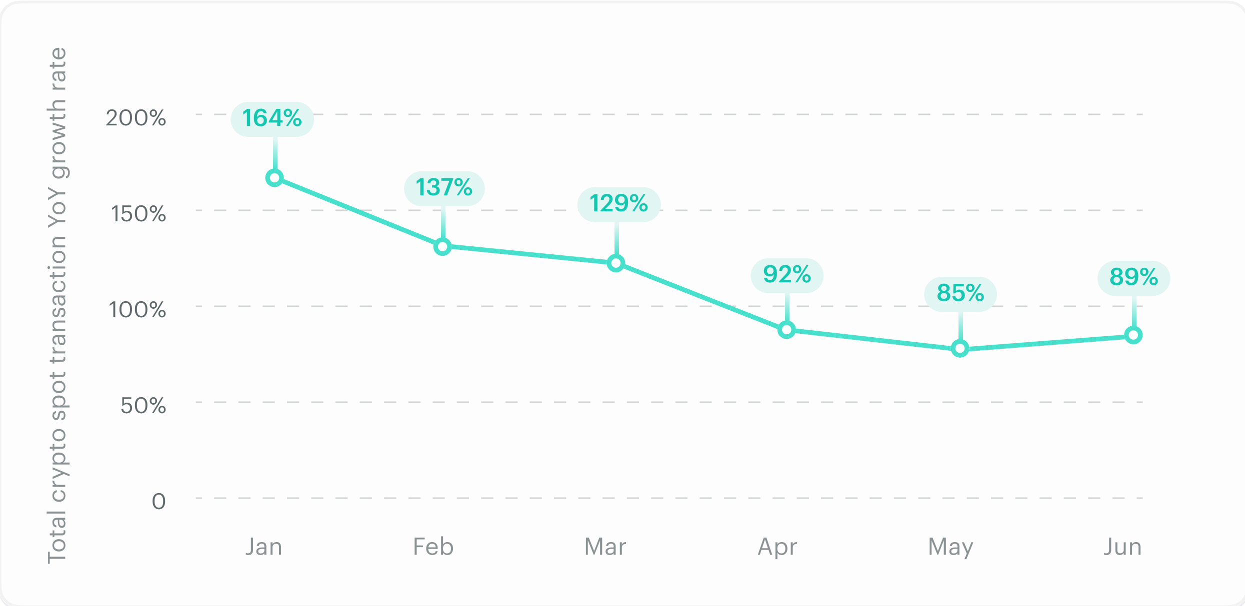
In such a scenario, depegging will break the allure of digital money: unprecedented interchangeability – with a farewell to traditional banking frictions.

While confidence crises are inevitable with increasing issuers, secondary market depth can buffer these events to contain depegging.

Crypto OTC trading trends in H1 2025

The crypto OTC market experienced robust expansion in the first half of 2025, buoyed by improved sentiment and renewed institutional participation. Both trade counts and volumes recorded strong YoY growth, with the number of executed deals rising by **57.6%** and overall volume increasing by **112.6%** compared to the same period in 2024.

Monthly trading turnover growth



Q1 saw significant acceleration, largely driven by growing optimism for more crypto-friendly policies, a trend that became clear in January. Monthly growth stayed strong in **triple digits** throughout the quarter, peaking at **+164% in January** before naturally **moderating** to +137% in February and +129% in March. While the pace **adjusted** in Q2, year-over-year volume growth remained **robust**, holding at +92% in April, +85% in May, and +89% in June.

Institutional Preference Shifts Toward Stablecoins

A defining feature of H1 2025 was the growing institutional preference for stablecoin-based trading. Crypto-to-stablecoin transactions rose **277.4%** YoY, marking them as the fastest-growing segment. Stablecoins were involved in **74.6% of all OTC trades**, underscoring their critical role in settlement, liquidity management, and venue bridging. For comparison, stablecoin-related trades made up just 23% of all transactions in 2023 and 46.3% in 2024.

Among individual stablecoins, **USDC** registered a standout performance with a staggering **29x YoY** increase.

In terms of transaction types, crypto-to-crypto trades surged **147.7%** year-over-year. Meanwhile, crypto-to-fiat transactions grew at a more moderate **48.5%**, reflecting a broader industry shift toward stablecoin settlement instead of traditional fiat.

Altcoin trading activity

Remarkably, altcoin trading activity continued to expand beyond its historically niche footprint in institutional portfolios. While still representing a minority share of total crypto OTC spot transactions flow, altcoins represented 16.7% of combined crypto OTC volumes in H1 2025.

Although altcoins remain secondary to BTC, ETH, and stablecoins in institutional rotation, **SOL, LTC, XRP, TRX, and ADA** have emerged as the most consistently traded outside the majors — a reflection of their growing liquidity, exchange support, and integration into cross-venue strategies.

Top 5 in H1 2025

1	2	3	4	5
SOL	LTC	XRP	TRX	ADA

Despite media attention, TRUMP coin has not generated comparable interest in OTC markets, ranking outside the top 10 altcoins by volume in both Q1 and Q2.

About Finery Markets

Finery Markets is a leading technology provider of non-custodial crypto ECN and trading SaaS, specifically designed for institutional clients across more than 35 countries.

The company offers the first hybrid, crypto-native ECN technology, enabling trading via an order book, RFQ or quote streams. Since its launch in 2019, Finery Markets has expanded its ecosystem, now serving over 150 digital asset clients—including payment providers, brokers, OTC desks, hedge funds, and custodians.

Finery Markets enhances capital efficiency, ensures optimal execution, assists in risk management, and simplifies settlement processes. In 2024, Finery Markets was recognized 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.