



Stablecoins & CBDCs Report

JANUARY 2024

Mission Statement

About CCData

CCData is an FCA-authorised 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.

About This Report

The stablecoin sector has grown in size and interest over the past year. Pegged to the value of an asset, stablecoins serve as the fundamental means for trading digital assets, allowing for the on-ramp of fiat-pegged money into blockchain applications. However, recent developments surrounding stablecoins including the collateral of Tether and the collapse of TerraUSD have raised concerns from investors and regulators.

CCData's Stablecoins Report aims to capture the key developments within the stablecoins sector. Our review focuses on analysis that relates to market capitalisation and trading volume of stablecoins, segmented by their type based on collateral, and the pegged asset, among others. This report is conducted on a monthly basis and caters to both the crypto-enthusiast interested in a broad overview of the stablecoins sector, as well as investors, analysts and regulators interested in more specific analyses.

Explore CCData's API

For those interested in accessing CCData's data for their own purposes, including cryptocurrency trade data, order book data, blockchain data, social data or historical data across thousands of cryptocurrencies and 300+ exchanges, please take a look at CCData's API here: <https://developers.cryptocompare.com/>

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.

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Latest News

Topic	Story	Date
CBDC	ECB issues vendor call, progress report on digital euro rulebook	Jan 3
CBDC	Bank of Spain selects partners for CBDC testing	Jan 5
PYUSD	PayPal stablecoin deployment on Aave sought by Paxos	Jan 8
PYUSD	PayPal's Stablecoin Part of Third Largest Liquidity Pool on Curve	Jan 10
USDC	USDC stablecoin issuer Circle confidentially files for IPO	Jan 11
USDC	Circle Completes USDC Upgrade to Version 2.2	Jan 15
USDC	Circle Highlights Surge in USDC Use for Asia Remittances in New Report	Jan 15
USDT	UN Says Tether Plays Major Role in Illicit Activity in East Asia; Stablecoin Issuer Hits Back	Jan 16
USTC	Cantor CEO confirms Tether holds \$86B in reserve to back its stablecoin USDT	Jan 16
TUSD	TUSD depegs from \$1 as stablecoin notes \$56 million in outflows on Binance	Jan 16

Key Insights

Stablecoins Rises For the Fourth Consecutive Month

In January, the total market capitalisation of stablecoins rose 2.45% to \$134bn, recording the highest end-of-month market cap since February 2023. This was the fourth consecutive month of increase.

Meanwhile, the market capitalisation dominance of stablecoins fell to 7.78% in January, its lowest market share since December 2021.

TUSD Market Cap Slides Amidst Depeg

On January 15th, the price of TrueUSD lost its parity, falling as low as \$0.9841 amidst a sell-off to the USDT pair on Binance. The market cap of TUSD fell 18.5% to \$2.10bn in January, falling behind FDUSD as the fifth largest stablecoin.

The trading volumes for TUSD pairs remains at suppressed levels, recording a monthly volume of \$6.95bn in December, almost 90% down from the highs recorded in June.

FDUSD Becomes the Fourth-Largest Stablecoin

In January, the market capitalisation of FDUSD rose 16.6% to \$2.10bn (as of Dec 16th), recording a new all-time high for the stablecoin. As a result, the stablecoin replaced TUSD as the fourth largest stablecoin by market capitalisation.

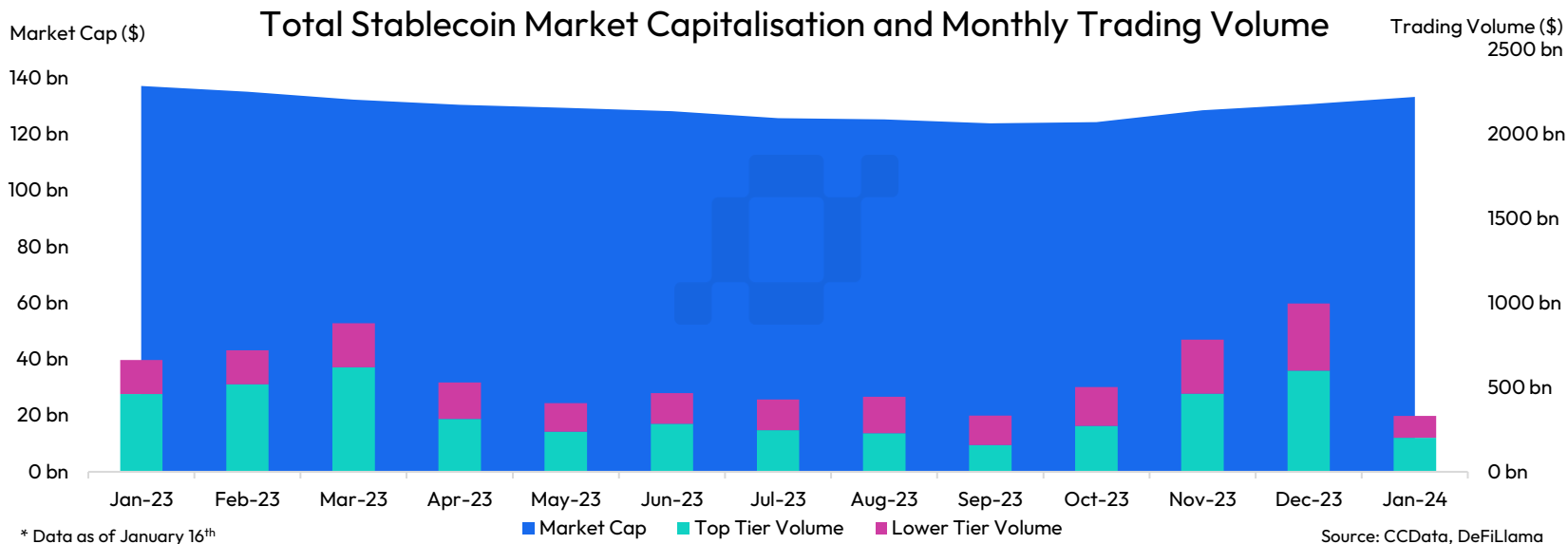
Meanwhile, the trading volume for FDUSD pairs recorded a new all-time high in December, with a monthly volume of \$80.9bn, making it the second most popular stablecoin by volume.

PYUSD Climbs to Top 10 Stablecoins by Market Cap

In January, the market capitalisation of PayPalUSD (PYUSD) rose 11.2% to \$260mn, overtaking the depegged USTC as the tenth-largest stablecoin by market cap.

The trading volumes for PYUSD pairs have surged to new all-time highs, recording a monthly total of \$230mn in January (as of the 16th) with Bullish accounting for nearly 75% of the volumes.

Stablecoins Market Cap & Volumes



- In January, the total market capitalisation of stablecoins rose 2.45% to \$134bn (as of Jan 16th), recording the fourth consecutive monthly increase in market capitalisation. This is the highest market capitalisation for stablecoins since February 2023.
- Stablecoin market dominance is currently at 7.78%, falling from 7.82% in December. This was the fifth consecutive monthly decline in stablecoin dominance, highlighting the positive sentiment in the market following the approval of long-awaited spot Bitcoin ETF in the US.
- Stablecoin trading volume rose 27.6% to \$995bn in December, recording the highest stablecoins trading volume on CEXs since May 2022. Volumes are on track to record a higher total in January, with \$579n traded in volume on CEXs as of the 10th.

Stablecoins Overview: Top 10 Stablecoins



Market Cap (\$)

100 bn

90 bn

80 bn

70 bn

60 bn

50 bn

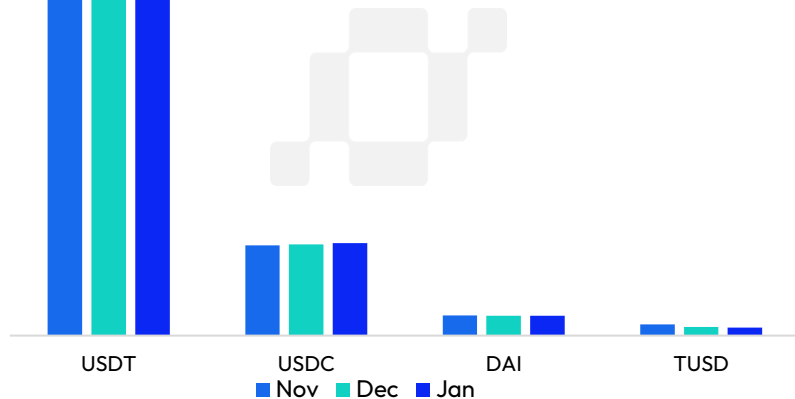
40 bn

30 bn

20 bn

10 bn

0 bn



* Data as of January 16th

Market Cap (\$)

2500 mn

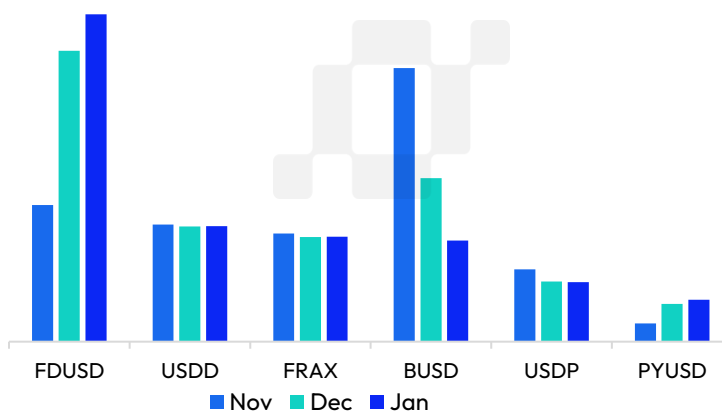
2000 mn

1500 mn

1000 mn

500 mn

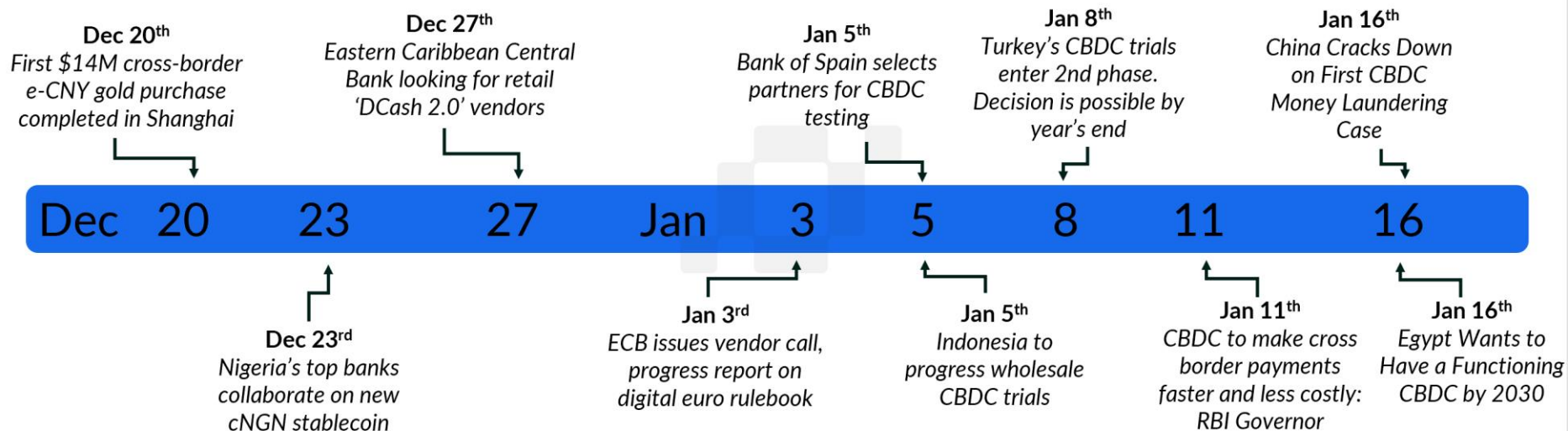
0 mn



Source: CCData, DeFiLlama

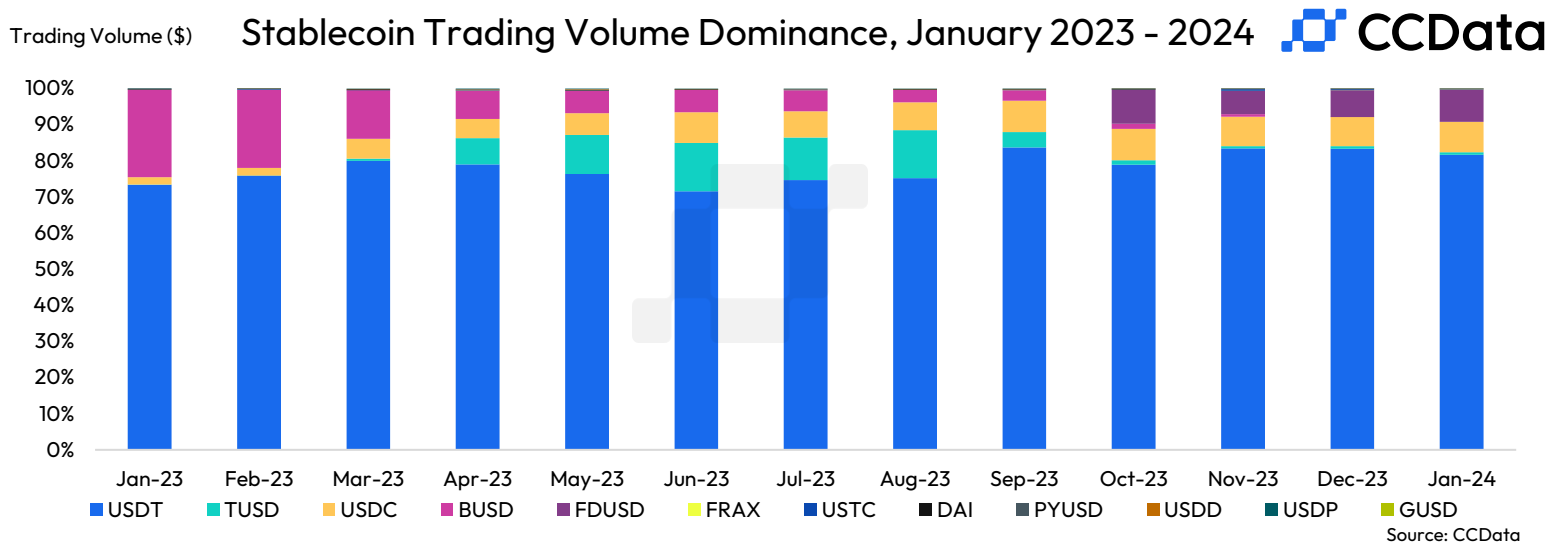
- In January, the market cap of TetherUSD (USDT) rose by 3.61% to \$95.1bn, recording an all-time high in circulating supply for the stablecoin. The market dominance of USDT is currently at 70.8%, its highest market dominance since December 2020.
- The market capitalisation of First Digital USD (FDUSD) rose 16.6% to \$2.10bn, recording an all-time high for the stablecoin since its launch in July. Meanwhile, the market capitalisation of TrueUSD (TUSD) and BinanceUSD (BUSD) fell 18.5% and 48.7% to \$2.10bn and \$625mn, respectively, with TUSD falling behind FDUSD from the position of the fourth largest stablecoin by market cap.
- PayPalUSD (PYUSD) saw its market capitalisation rose 11.2% to \$260mn in January, making its way to the top 10 stablecoins by market capitalisation for the first time since its launch in August.

CBDCs Overview: January Events



- In January, updates on Central Bank Digital Currencies (CBDCs) were relatively quiet. Major developments included the Eastern Caribbean Central Bank and the European Central Bank issuing calls for vendors for their respective CBDCs, DCash and the Digital Euro. The European Central Bank intends to allocate the majority of its \$1.3 billion contract budget to providers working on facilitating offline transactions for the Digital Euro.
- In the meantime, Chinese authorities have conducted their first crackdown on a money laundering case involving the digital yuan, where criminals were reportedly using digital yuan wallets to launder money illicitly."

Stablecoins: Trading Volumes

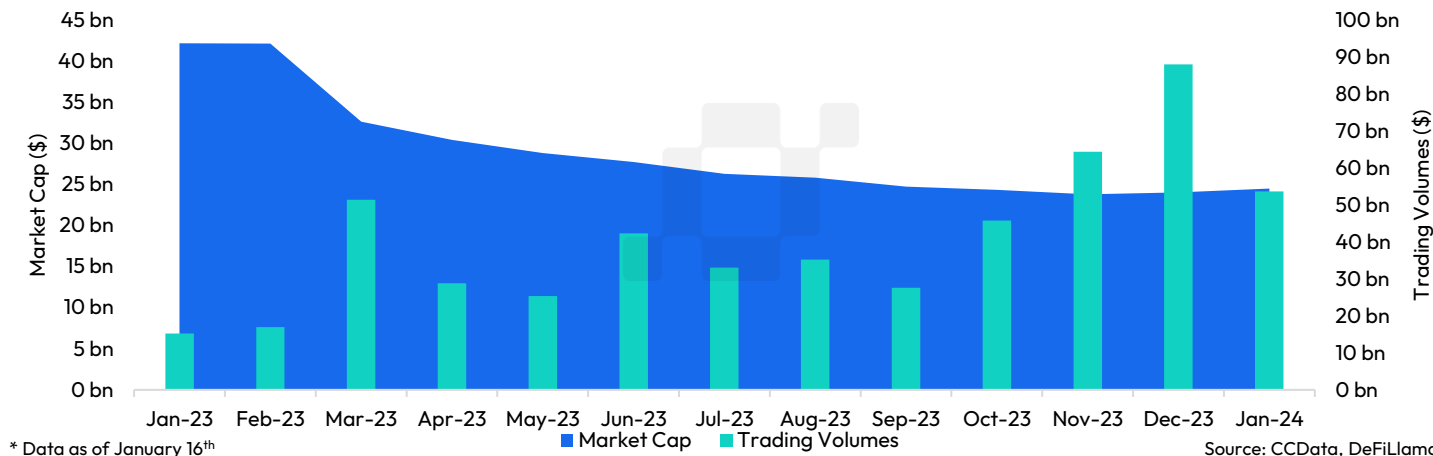


- In December, stablecoins trading volume on centralised exchanges rose 27.6% to \$995bn, recording the highest stablecoins trading volume on CEXs since May 2022. USDT continues to dominate the trading activity on centralised exchanges accounting for 81.7% market share among the top 10 stablecoins.
- Meanwhile, FDUSD overtook USDC as the second most popular stablecoin by trading volume with a market share of 8.96% in January, an increase of 1.51% from December. USDC, whose stablecoin issuer, Circle filed for US IPO earlier this month is the third most popular stablecoin with a market share of 8.43%.

USDC: Market Cap and Trading Volumes

USDC's Market Cap Climbs Back As Circle Files For US IPO

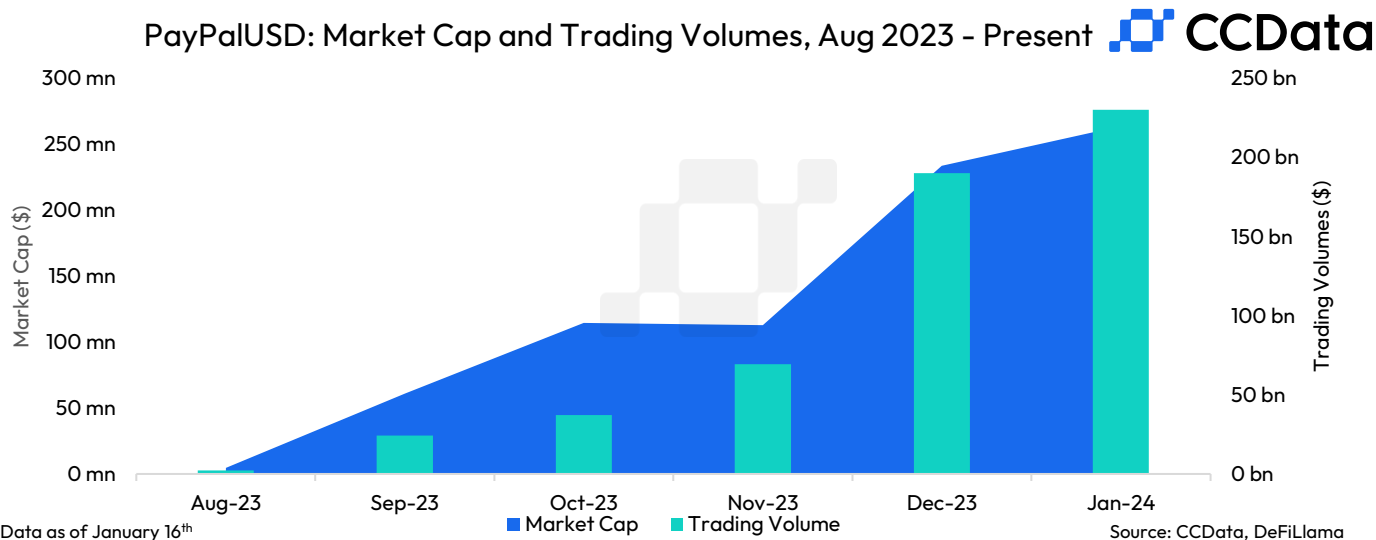
USDC: Market Cap and Trading Volumes, Jan 2023 - 2024



- In January, the market capitalisation of USDC rose 2.02% to \$24.5bn, recording the second consecutive month of increase in market capitalisation. Previously, the stablecoin had recorded eleven consecutive declines in end-of-month market capitalisation, before briefly breaching past the \$25bn market cap in January.
- Meanwhile, its issuer, Circle, confidentially filed for a US IPO by filing the draft S-1 document with the US Securities and Exchange Commission on January 11th. The move coincides with the recent approval of spot Bitcoin ETFs in the US, a sign of easing regulatory environment in the region. The company had previously attempted to go public via SPAC in 2021 at a valuation of \$9bn before backing out of the process.

PYUSD: Market Cap and Trading Volumes

PayPalUSD Climbs Into The Top 10 Leaderboard As Market Cap Reaches New All-time High

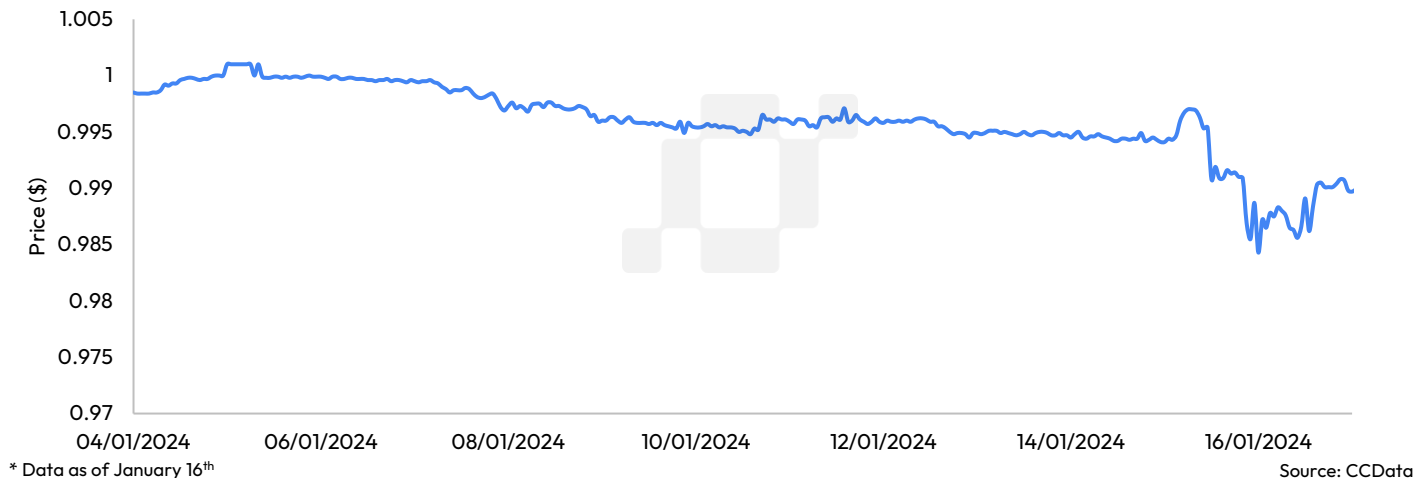


- The market capitalisation of PayPalUSD (PYUSD) reached a new all-time high in January, rising 12.9% to \$264mn. The stablecoin momentarily replaced TerraUSD as the tenth largest stablecoin by market cap with the latter's market cap fluctuating as it remains depegged since the Terra collapse in May 2022.
- The monthly trading volume for the stablecoin reached \$190mn in December, rising 175% from November. The monthly trading volume for PYUSD has already surpassed its previous all-time high in January, reaching \$230mn as of January 15th. Bullish accounted for nearly 75% of the volumes after introducing BTC-PYUSD and PYUSD-USDC trading pairs in November.

TUSD: Peg Deviation

TUSD Depegs To As Low As \$0.9841 Amid Sell-Off

TrueUSD (TUSD): Peg Deviation, January 2024



- On January 16th, the price of TrueUSD (TUSD) depegged to as low as \$0.9841 amid a large sell-off on TUSD-USDT trading pair on Binance. The stablecoin first lost its parity on January 15th when it momentarily dropped to as low as \$0.9845. The sell-off coincides with the real-time attestation of the stablecoin experiencing difficulties last week. TrueUSD has since expanded its reserve audit system with daily attestation service from accounting firm MooreHK.
- The market cap of TrueUSD fell to \$2.10bn in January (as of the 16th), falling behind FDUSD as the fifth largest stablecoin by market capitalisation. Meanwhile, trading volumes for TUSD pairs have been declining rapidly in recent months with an aggregate total of \$6.96bn recorded in December, compared to its yearly high of \$60bn recorded in June.

FDUSD: Market Cap and Trading Volumes

FDUSD Overtakes TUSD as the Fourth Largest Stablecoin By Market Cap



- In January, the market capitalisation of FirstDigitalUSD (FDUSD) rose 16.6% to \$2.10bn, recording the seventh consecutive increase in end-of-month market cap since its launch in July. The stablecoin, which reached a new all-time high in market capitalisation, is now the fourth largest stablecoin, largely influenced by its popularity and demand on Binance.
- FDUSD trading pairs on centralised exchanges recorded an all-time high volume of \$81.0bn in December. The trading volume for the stablecoin pair is on trend to record a higher volume in January amidst the heightened trading activity after the spot Bitcoin ETF approval in the US. FDUSD trading pairs have recorded a volume of \$57.1bn as of the 16th, overtaking USDC as the second most popular stablecoin with a market share of 8.96% among the top 10.

Glossary

- **Stablecoins:** Cryptocurrencies whose value is pegged to another currency, commodity, or financial instrument.
- **CBDCs:** Government-backed digital currencies used by consumers and businesses
- **Centralised Stablecoins:** Stablecoins that are collateral backed with corresponding assets by a third-party custodian.
- **Decentralised Stablecoins:** Non-custodial stablecoins that are issued by a DeFi protocol or DAO.
- **Fiat-Backed stablecoins:** Stablecoins that are backed 1:1 by fiat currencies and other short-term assets.
- **Algorithmic stablecoins:** Stablecoins where price stability is achieved using specialized algorithms and smart contracts that manage the supply of tokens in circulation.
- **Crypto-backed stablecoins:** Stablecoins that are backed by another cryptocurrency as collateral. Most decentralised stablecoins that use smart contracts instead of relying on a central issuer are crypto-backed.

This report currently covers 118 stablecoins. This includes 16 centralized stablecoins including Tether, USDC, and BUSD. The rest of the 75 decentralised stablecoins covered in this report include DAI, MIM and USTC.

The report covers 23 fiat-backed stablecoins, 19 algorithmic stablecoins, and 76 crypto-backed stablecoins.

As of August 2023, the trading volume data consists of the 37 stablecoins that are currently trading on the centralized exchanges integrated with CCData API.

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CCData is an FCA-authorised and regulated global leader in digital asset data, providing institutional and retail investors with high-quality real-time and historical data.