Stablecoins & CBDCs Report

MARCH 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
PYUSD	Backed's Tokenized T-Bills Give PayPal's PYUSD DeFi Yield	Feb 16
USDC	Crypto firm Circle to end support for USDC stablecoin on Tron blockchain	Feb 21
Regulation	BIS issues recommendations for global stablecoin regulation	Mar 1
USDT	Tether prints 100 billionth USDT	Mar 5
PYUSD	PayPal's Xoom offers free remittances for stablecoin users	Mar 8
CBDC	Russia's CBDC pilot hits 25,000 transaction mark	Mar 8
DAI	MakerDAO Hikes Fees to Stabilize DAI Stablecoin	Mar 10
USDT	Tether Token (USDT) to Launch on Celo	Mar 11
Regulation	EU Regulators Publish Batch of Draft Rules for Stablecoins Under MiCA	Mar 13
USDT	Tether's USDT Gets Delisted on Crypto Exchange OKX for EU Users	Mar 18

Key Insights

Stablecoin Market Cap Reaches Highest Level Since September 2022

In February, the total market capitalisation of stablecoins rose 4.24% to $147bn, recording the sixth consecutive increase in the end-of-month market cap to reach the highest level since September 2022.

However, stablecoin market cap dominance fell to 5.83% in March, recording the lowest market share since November 2021.

Ethena USDe Becomes the Sixth Largest Stablecoin

The market capitalisation of USDe rose 105% to $1.07 bn in March, making it the sixth largest stablecoin by market capitalisation.

The surge in market capitalisation comes after the launch of its public mainnet and 'Shards' campaign last month.

USDT Market Cap Surpasses $100bn Landmark

In March, the market capitalisation of USDT increased by 4.71% to $103 billion, marking the first instance where a stablecoin surpassed the $100 billion milestone.

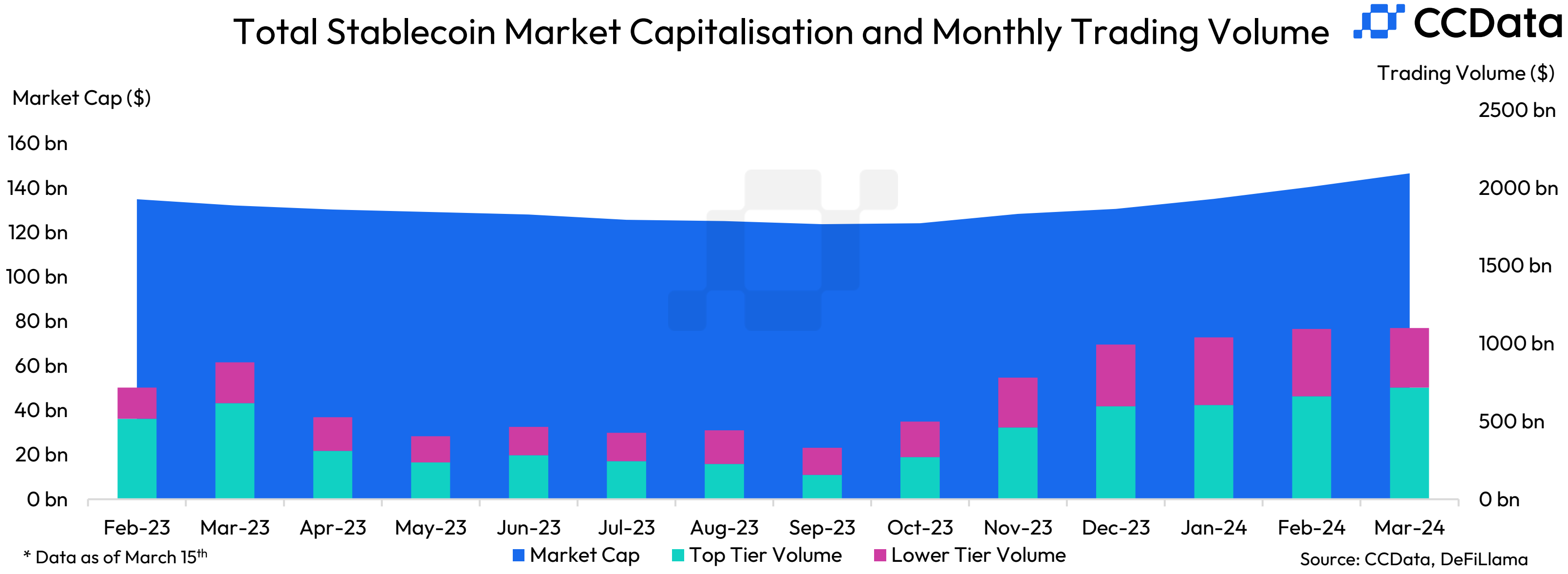
This rise in March is likely attributable to heightened demand from trading activities on centralised exchanges and decentralised applications, as Bitcoin achieved new all-time highs for the first time since May 2021.

USDC To End Support for the Stablecoin on Tron

On February 21st, Circle announced the discontinuation of the support for USDC on Tron, halting the minting of tokens immediately and phasing out the transfer of USDC to other blockchains through February 2025.

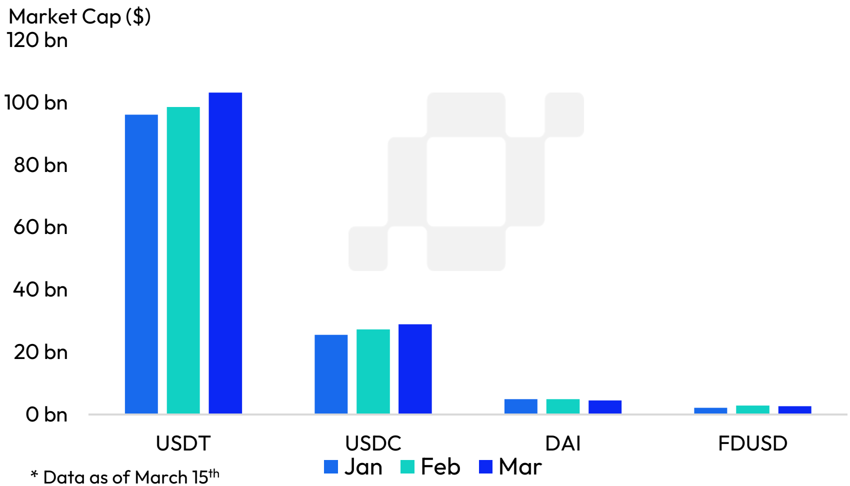
The current supply of USDC on Tron stands at $190mn, accounting for 0.64% of the total market capitulation of the stablecoin, which rose 6.14% to $29.0bn in March.

Stablecoins Market Cap & Volumes

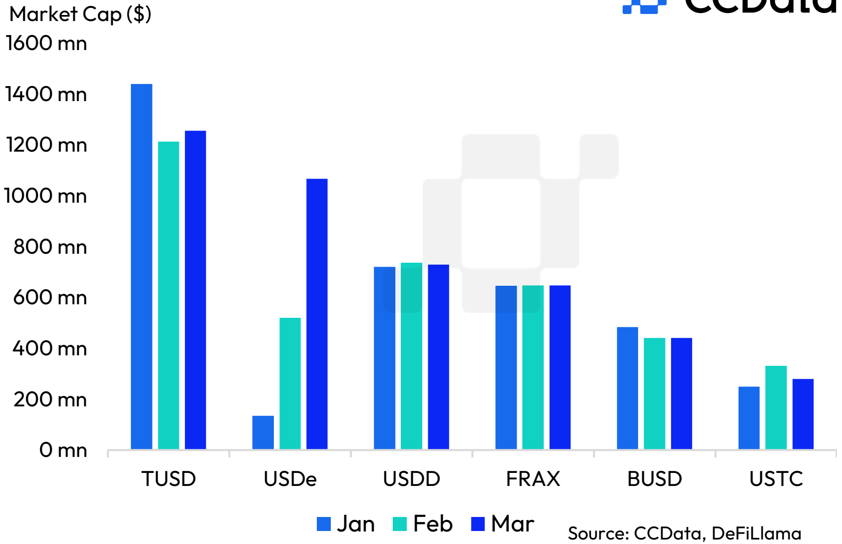


- In March, the total market capitalisation of stablecoins rose 4.24% to $147bn (as of Mar 15th), recording the sixth consecutive monthly increase in market capitalisation. This is the highest market capitalisation for stablecoins since September 2022.
- Stablecoin market dominance is currently at 5.83%, falling from 6.23% in February. This is the lowest stablecoins dominance since November 2021 as markets continue to trend upwards, with Bitcoin making new all-time highs in March.
- Stablecoin trading volume rose 5.14% to $1.09tn in February, recording the highest stablecoins trading volume on CEXs since December 2021. Volumes are on track to record a higher total in March, with $1.10bn traded in volume on CEXs as of the 15th.

Stablecoins Overview: Top 10 Stablecoins



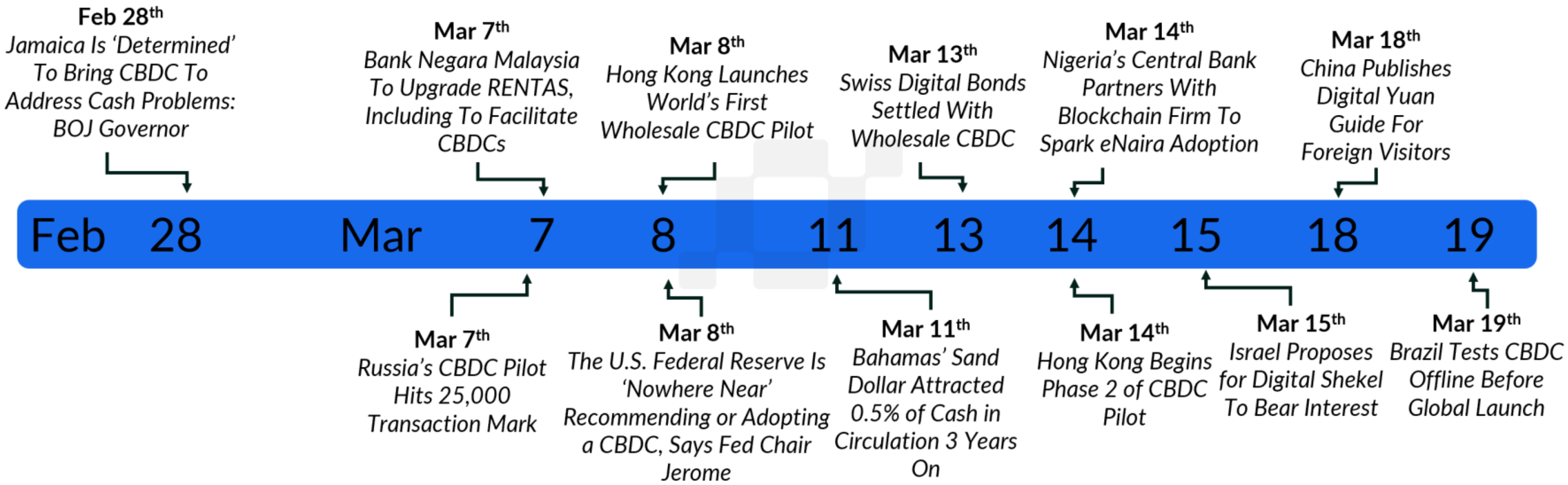
* Data as of March 15th



Source: CCData, DeFiLlama

- In March, the market cap of TetherUSD (USDT) rose by 4.71% to $103bn, recording the first occurrence of a stablecoin surpassing $100bn in market capitalisation. The market dominance of USDT is currently at 70.4%.
- The market capitalisation of USD Coin (USDC) rose for the fourth consecutive month, rising 6.14% to $29.0bn, recording the highest market capitalisation since April 2023. Meanwhile, the market capitalisation of First Digital USD (FDUSD) and MakerDAO's DAI stablecoin fell 9.79% and 7.71% to $2.63bn and $4.53bn respectively.
- The biggest gainer by market capitalisation was Ethena Labs's USDe, which saw its market capitalisation surge 105% to $1.07bn in March, entering the top 10 stablecoins for the first time.

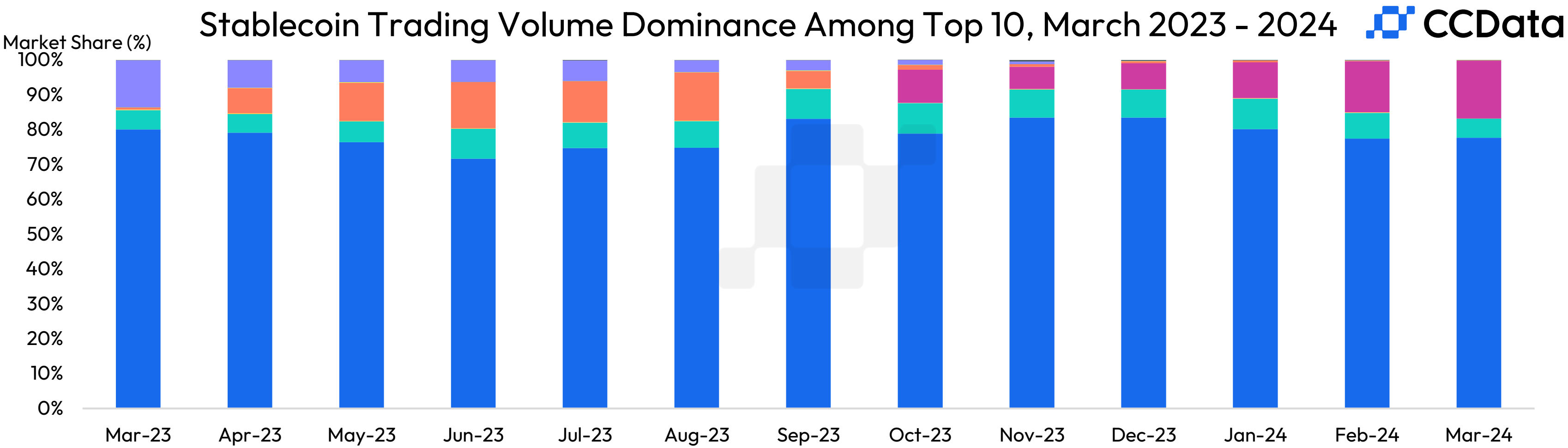
CBDCs Overview: March Events



- Updates on CBDC progress around the world continued in March, with Hong Kong announcing phase 2 of its CBDC pilot programme – e-HKD, which would focus on programmability, tokenization and atomic settlement. Meanwhile, Brazil's central bank, Banco de Brasil, has started examining offline functions ahead of the launch of its digital currency, DREX.
- Russia has revealed that its Digital Ruble pilot programme has completed 25,000 transactions since its launch in mid-August. Meanwhile, the Central Bank of Bahamas has only attracted $2.1mn in circulation since its launch over three years ago. The supply accounts for 0.5% of the country's total circulation, showcasing the low adoption of CBDCs currently.

Stablecoins: Trading Volumes

Stablecoins Trading Volumes on Centralised Exchanges Surge as Bitcoin Records New All-time Highs



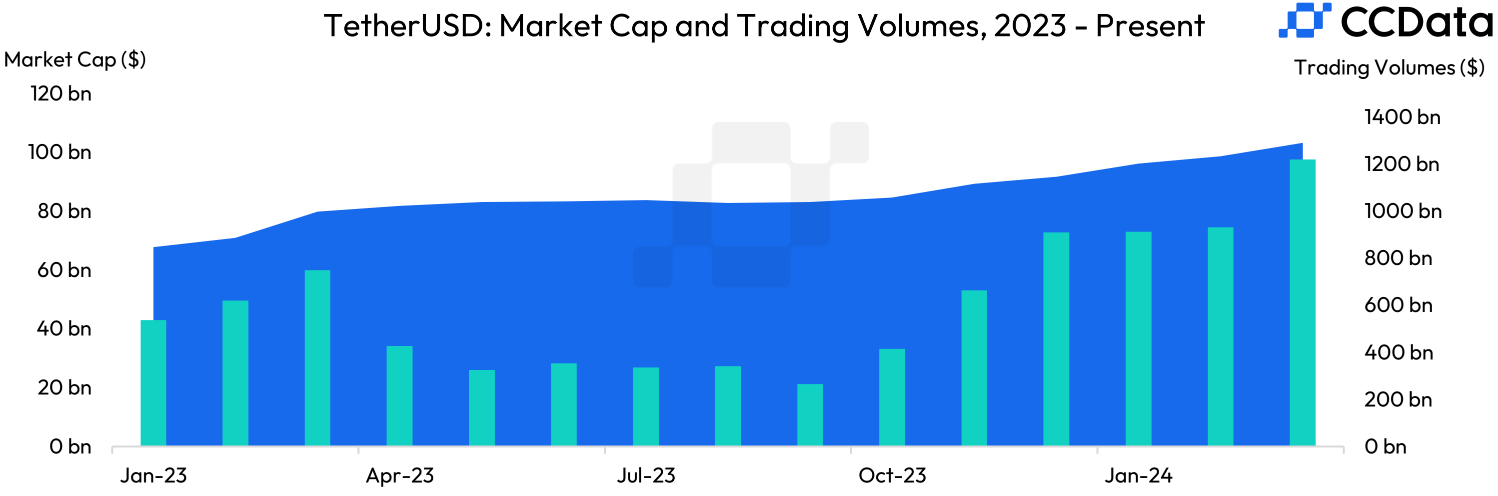
* Data as of March 15th

Source: CCData

- In February, the trading volume of stablecoins on centralised exchanges increased by 5.17% to $1.09 trillion, marking the highest stablecoin trading volume on centralised exchanges since December 2021. USDT remains the predominant stablecoin in trading activity on these exchanges, holding a 77.4% market share among the top 10 stablecoins by market capitalization. However, this figure represents a decline from 80.2% in February, signifying the lowest market dominance for the stablecoin since August 2023.
- FDUSD continues to be the second largest stablecoin by trading volume on centralised exchanges with a market share of 14.7%. USDC followed with a market share of 7.43% among the top 10 stablecoins.

USDT: Market Capitalisation and Dominance

USDT Becomes The First Stablecoin to Cross $100bn in Market Capitalisation



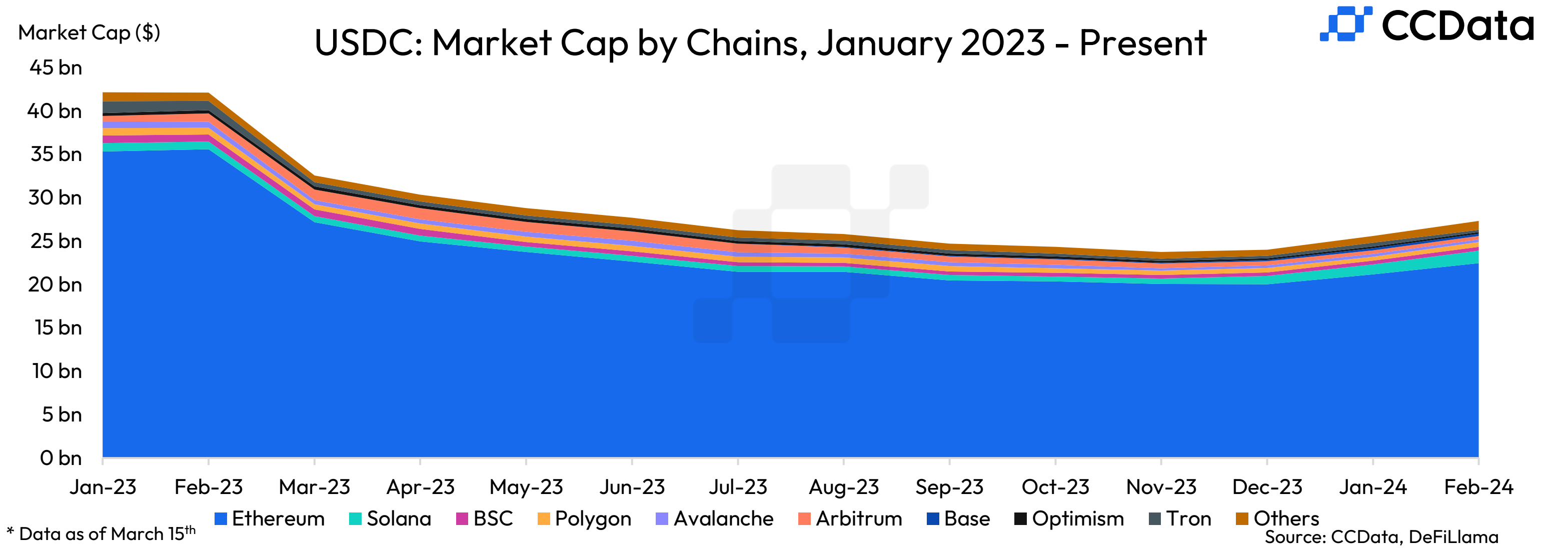
* Data as March 15th

Source: CCData, DeFiLlama

- In March, the market capitalisation of USDT rose 4.71% to $103.3bn, recording the first time a stablecoin has surpassed $100bn in market capitalisation. The market cap dominance of USDT is currently at 70.4%, up from 70.1% in February. The stablecoin added $4.64bn to its market capitalistion in March (as of the 15th), recording the largest monthly increase in market cap in dollar value since November.
- The surge in market capitalisation is likely due to the increased demand for stablecoins as trading activity on centralised exchanges and decentralised apps continued to rise, with Bitcoin reaching new all-time highs in March. In February, USDT trading volume on centralised exchanges rose 2.08% to $932bn and is on track to record higher volumes in March.

USDC: Market Cap by Chain

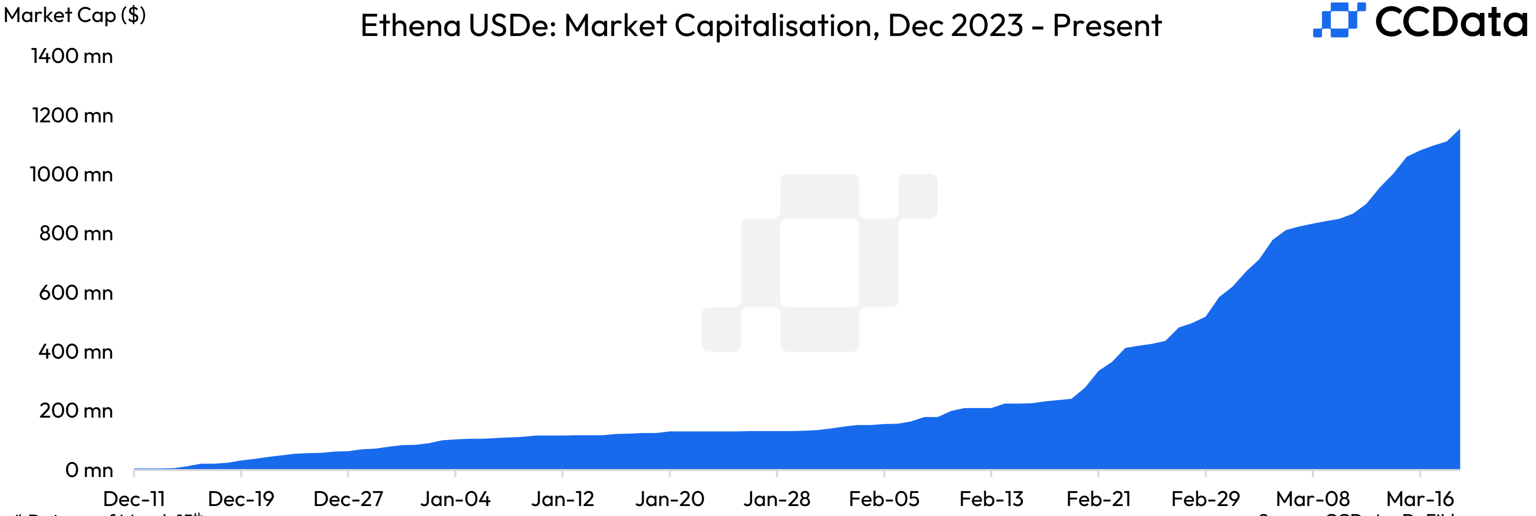
Circle Discontinues Support for USDC On Tron



- On February 21st, Circle announced that would be discontinuing support for USDC on the Tron blockchain. The stablecoin issuer has effectively halted the minting of new USDC stablecoins on the blockchain, however, will continue to facilitate Circle Mint customers' transfer to other blockchains through February 2025. Currently, there is $190mn worth of USDC on Tron, accounting for 0.64% of the circulating supply of the stablecoin.
- In March, the market capitalisation of USDC rose 6.14% to $29.0bn, recording the fourth consecutive increase in end-of-month market capitalisation, with the stablecoin looking to have turned a page from its downtrend since its depeg in March 2023.

Ethena USDe: Market Capitalisation

Ethena Labs' USDe Rises To Become The Sixth Largest Stablecoin by Market Capitalisation



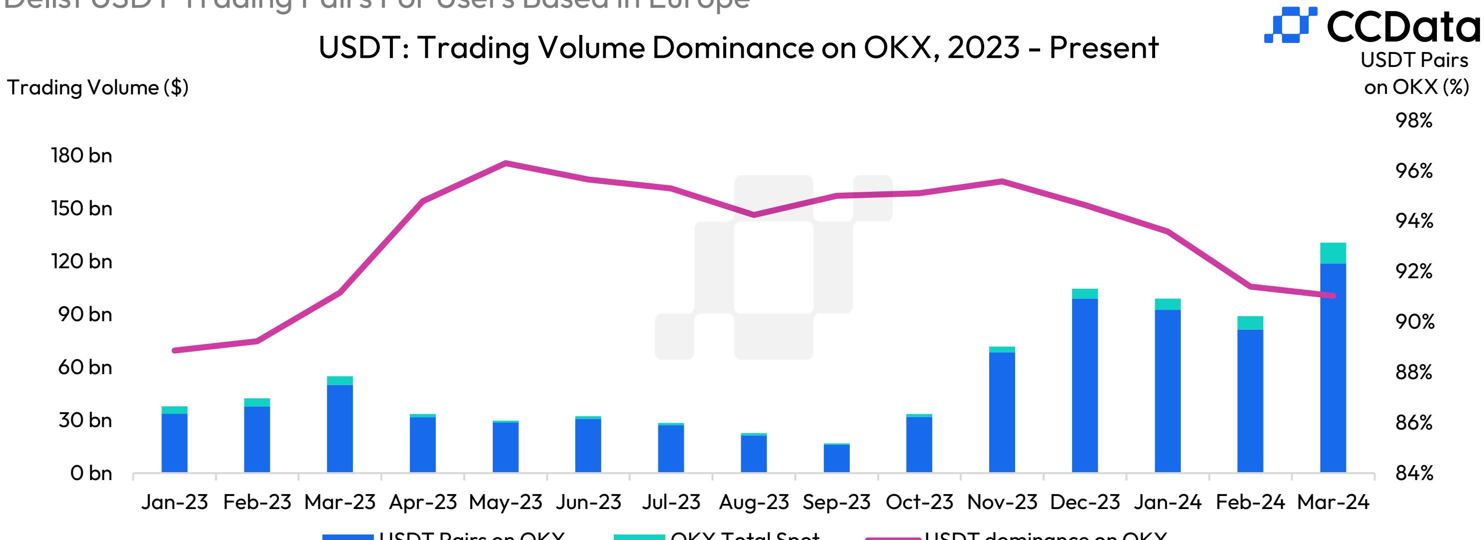
* Data as of March 15th

Source: CCData, DeFiLlama

- After announcing the launch of their public mainnet and the new shards campaign, the market capitalisation of USDe has surged 122% to $1.16bn in March (As of the 15th). The stablecoin has now jumped to become the sixth largest stablecoin by market capitalisation, surpassing the likes of BUSD, FRAX and USDD.
- Currently, the stablecoin offers 60.9% APR in yield with its collateral consisting of ETH (49%), USDT (20%), mETH (7%), WBETH (17%) and stETH (7%). The protocol also had nearly 62,000 wallets participate in their shards campaign in just over a month of launch.

USDT: Trading Volume Dominance on OKX

OKX to Delist USDT Trading Pairs For Users Based in Europe



* Data as of March 19th

Source: CCData

- On March 18th, OKX announced that the exchange is phasing out its support for USDT trading pairs for users based in the European Economic Area. It was reported that the move is to increase the liquidity for Euro pairs and make the exchange the preferred venue for euro-to-crypto spot trading.
- Analysing the overall volumes for OKX, USDT trading pairs dominate the volumes, accounting for nearly 91% of the volumes traded on the exchange. Meanwhile, Euro pairs currently account for less than 0.01% of the volumes on the exchange. However, the delisting of USDT pairs for European based users will only affect a small subset of the exchange's user base.

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

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.