

Presto Data Team

Crypto Flow Report: December 2024

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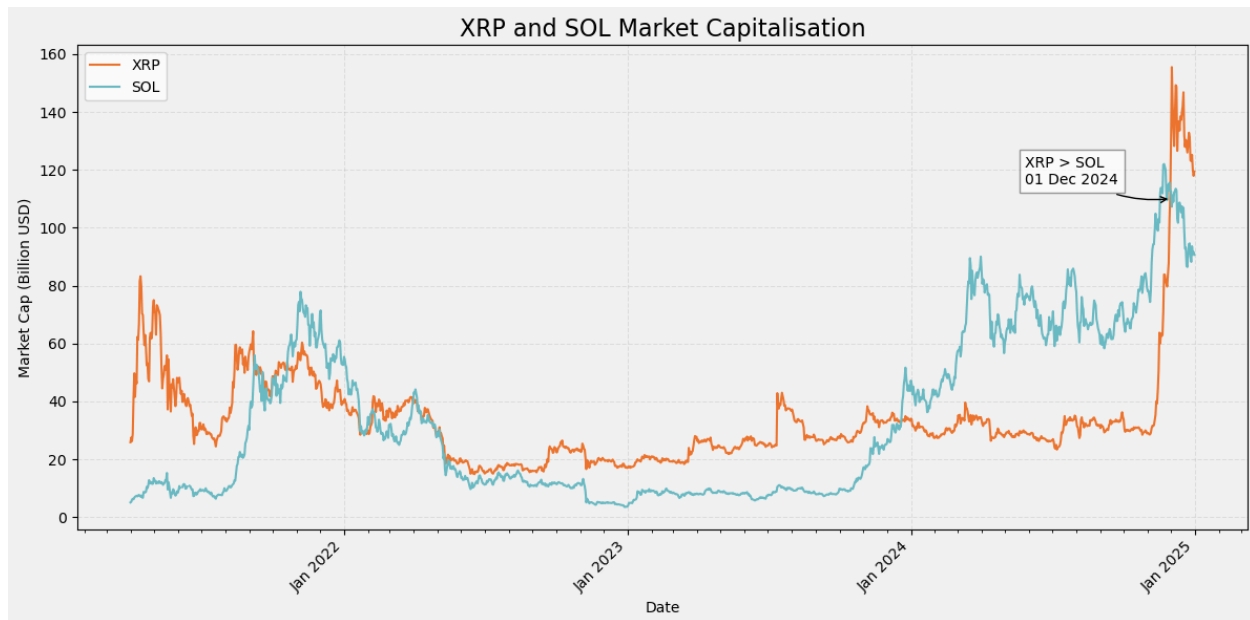
Summary

- December was a historic month for the industry as BTC surpassed \$100k for the first time, reaching a high of \$106,496. To wrap up the year, BTC saw a total gain of 121.07% but December was the 4th down month of 2024 and was a mixed month for other crypto assets (Figure 1.1, 1.3).
- Asia led the timezones again in BTC returns and was the only positive timezone on average throughout December (Figure 1.2).
- BTC outperformed ETH for the 9th month in 2024 (Figure 1.4) which allowed for a recovery in BTC Dominance (Figure 1.6).
- Institutional growth remained solid as ETF inflows grew on a USD basis (Figure 2.1) although there seemed to be some outflows in the latter half of the month most likely due to profit-taking after BTC hit \$100k and related to year-end flows.
- Interestingly, OI-weighted perp funding normalised before BTC peaked on 17Dec24 (Figure 3.1).
- As is often the case, liquidity saw a slight deterioration as we headed into the holiday season as we can see from BTC and ETH's 2% orderbook depths (Figure 4.1a, 4.1b).
- BTC's put/call ratio remained firmly above ETH's as investors seemed to position themselves more cautiously in the asset that outperformed overwhelmingly in 2024 (5.1). This also saw BTC experience a positive IV-RV spread in the second half of the month while ETH's spread flipped around par (Figure 5.7a, 5.7b).
- BTC's performance also allowed for a notable outperformance in TVL as well as the TVL/MC ratio which we use to adjust for the underlying price performance (Figure 6.1, 6.2).

December Highlight: XRP Stats

The remarkable trajectory of XRP in Q4 2024 represents a potential paradigm shift in institutional sentiment, catalysed by significant regulatory developments. Following November's extraordinary 284% appreciation - driven primarily by Trump's electoral victory in early-November and the subsequent announcement of Gary Gensler's January 2025 departure - XRP achieved a notable milestone by surpassing Solana's market capitalisation on December 1st (Figure 0.1).

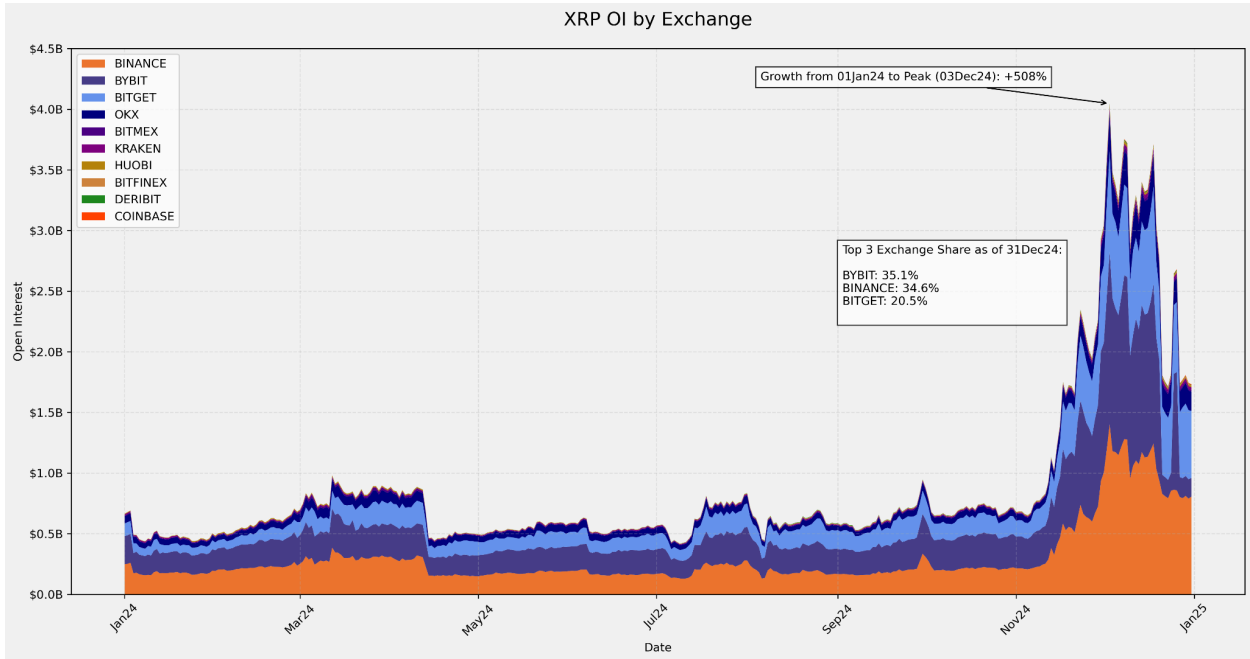
Figure 0.1: XRP overtook SOL in Market Cap



Source: Laevidas, Presto Research

This price action must be contextualised within Ripple's lengthy regulatory journey, which has seen the firm expend over \$100mm in legal defense through June 2024. The August 2024 ruling by Judge Torres, which imposed a relatively modest \$125mm civil penalty compared to the SEC's initial \$2B demand, marked a crucial inflection point which the market interpreted as a win for Ripple Labs. While the SEC's October appeal introduced fresh uncertainty, the appointment of pro-crypto Paul Atkins as incoming SEC Chair suggests a potential moderation in regulatory headwinds. A darling of the TradFi crowd, XRP has witnessed substantial growth in open interest, surging 508% from January to its December peak (Figure 0.2). Anecdotal evidence suggests meaningful institutional positioning, particularly from non-crypto native accounts anticipating potential regulatory clarity and ETF considerations (see [Daily Market Brief 241003](#) for a quick take on the first XRP ETF application as well as [Daily Market Brief 240808](#) for a post-mortem on the August Judge Torres ruling).

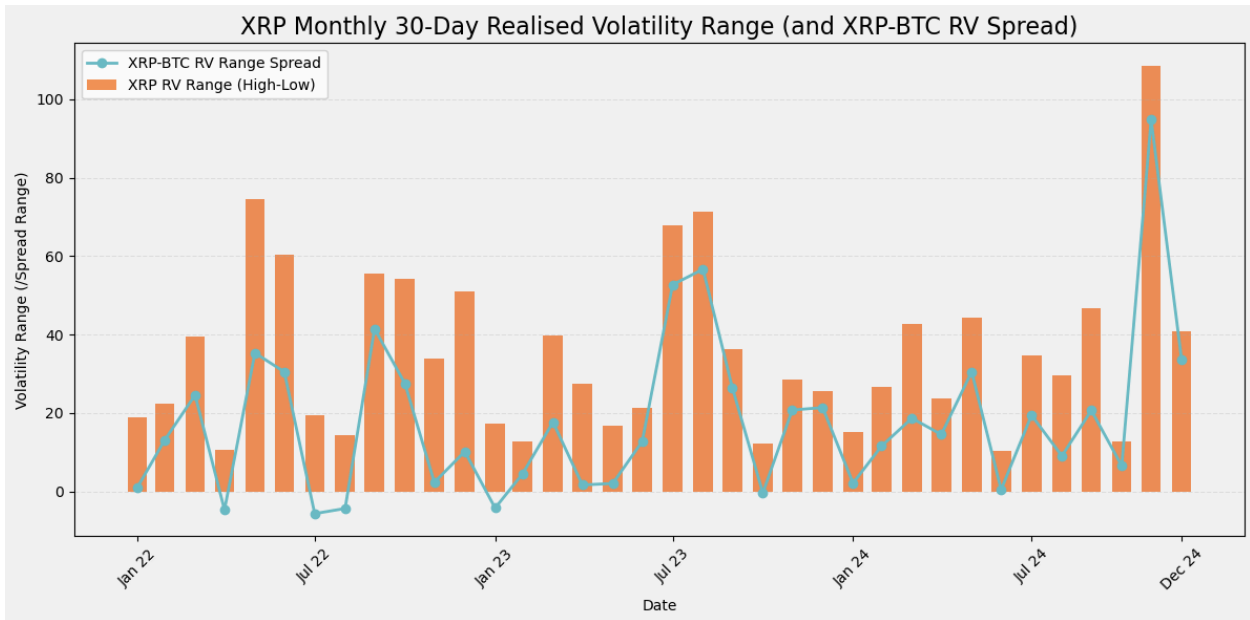
Figure 0.2: XRP perp OI grew across CEXs led by ByBit and Binance



Source: Laevidas, Presto Research

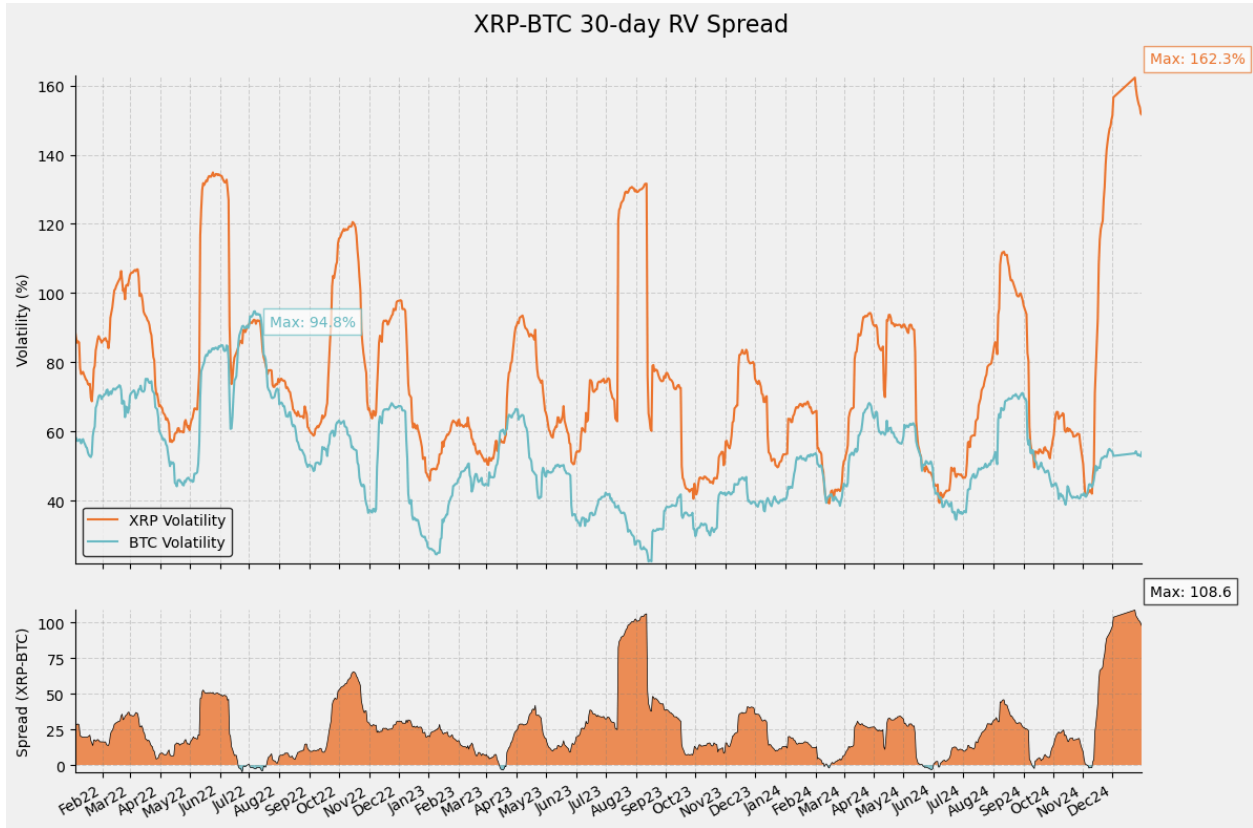
XRP's realised volatility shot up to unprecedented levels in December, exceeding 160% (Figure 0.4). Looking at its spread over Bitcoin's realised volatility - a lazy attempt to somewhat normalise XRP's RV for broader market volatility by removing the crypto beta effect - we observed readings of 162.3%, the highest on record. The monthly RV range, a simple measure of the high-low, similarly painted a picture of extreme volatility (Figure 0.3), with levels hitting all-time-highs.

Figure 0.3: November was a volatile month for XRP



Source: Laevidas, Presto Research

Figure 0.4: XRP's Realised Vol spread over BTC's was the highest on record

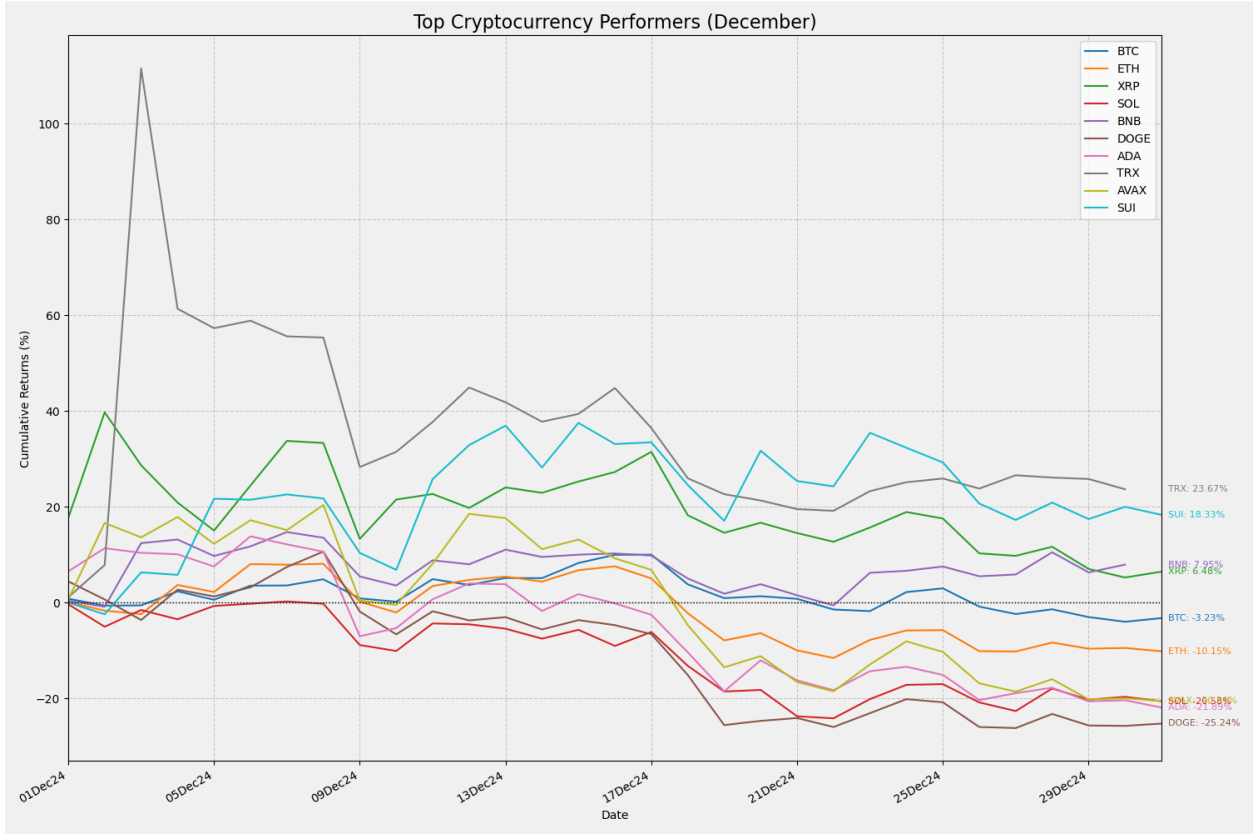


Source: Laevidas, Presto Research

Based on the upcoming regulatory shift in the US, notably in the White House and the SEC, the path forward for XRP appears constructive. Bloomberg Senior ETF Analyst Eric Balchunas projects XRP ETF approvals in 2025, though notes potential delays due to ongoing securities issues compared to other digital assets like Litecoin. With Paul Atkins, known for his pro-crypto stance, set to succeed Gensler as SEC Chair in January 2025, the historical headwind may see meaningful shifts in the coming months.

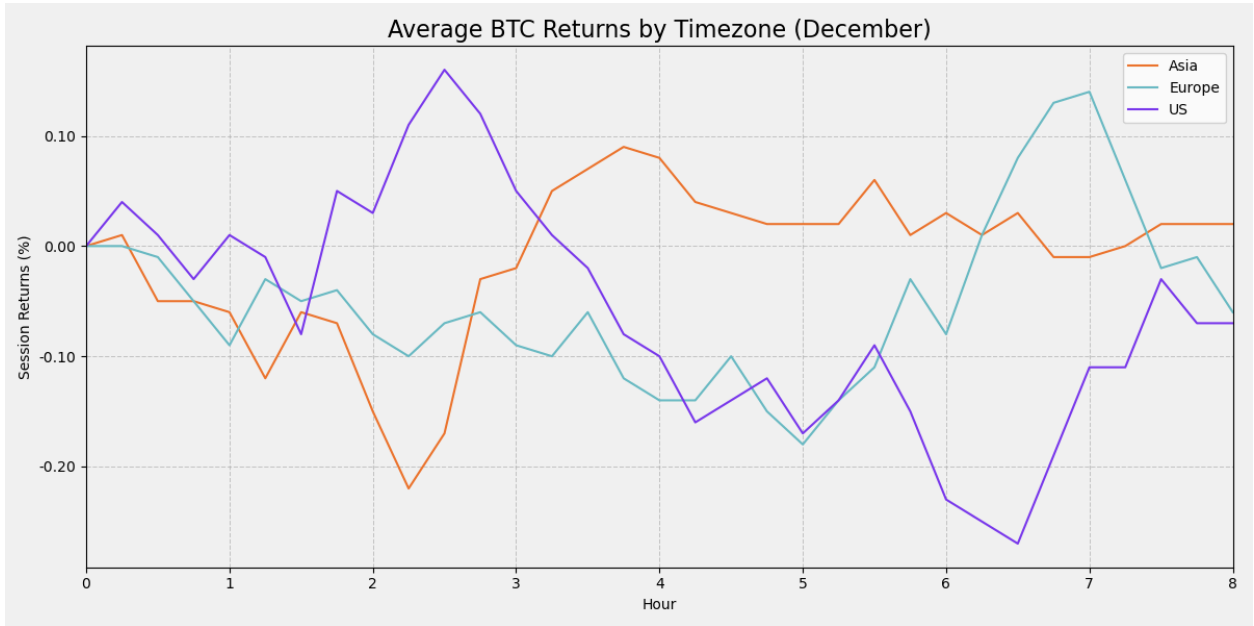
1. Performance

Figure 1.1: Top 10 Coins by Market Cap



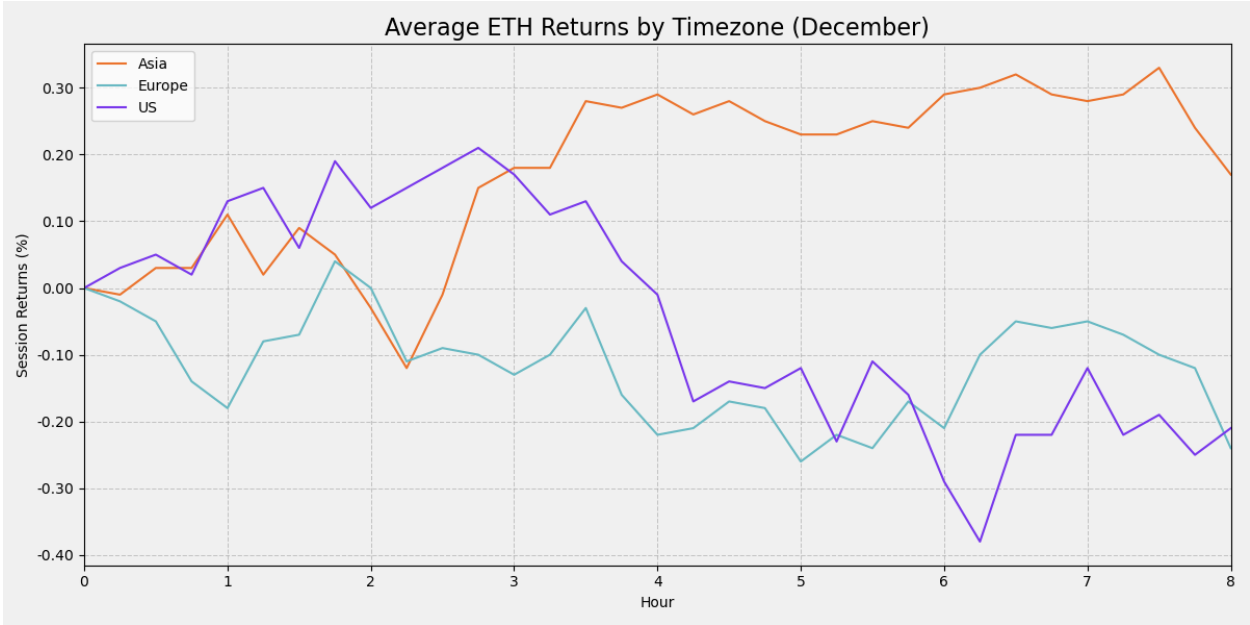
Source: Coinbase, Binance, Presto Research

Figure 1.2a: BTC returns by timezone



Source: Presto Research

Figure 1.2b: ETH returns by timezone



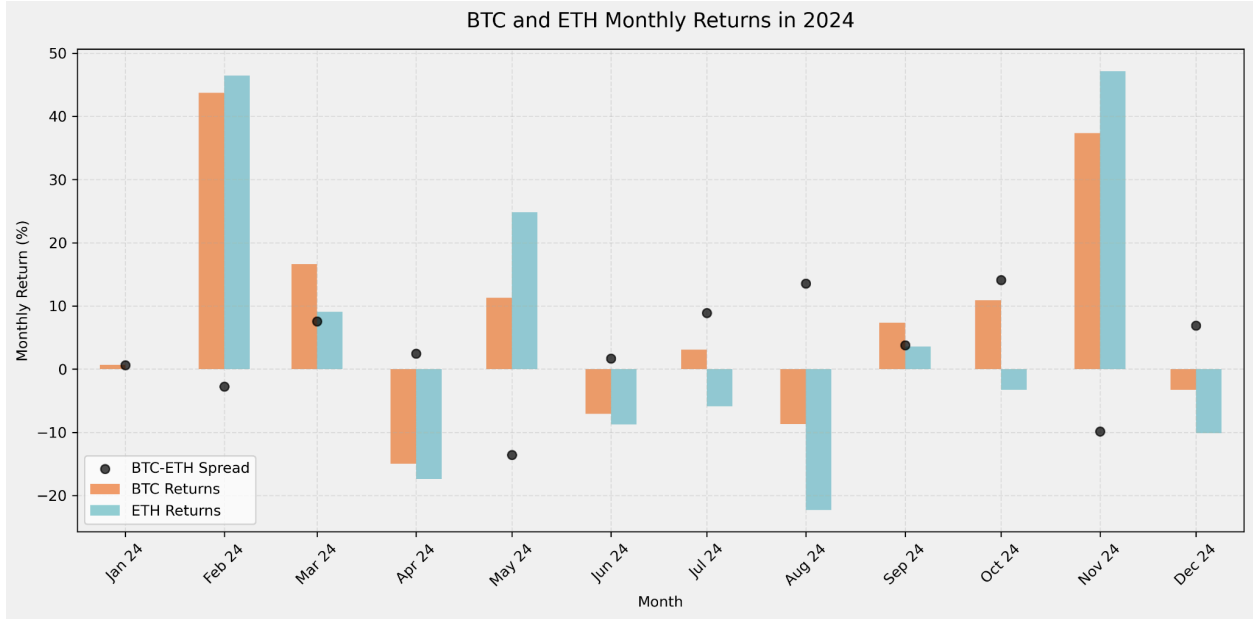
Source: Presto Research

Figure 1.3: BTC monthly returns matrix

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Yearly |
|---------|--------|--------|--------|--------|--------|--------|-------|--------|--------|--------|--------|--------|---------|
| Average | -0.48 | 11.51 | -0.92 | 8.50 | 11.81 | 1.83 | 7.42 | -0.97 | -4.13 | 18.45 | 9.49 | 8.17 | 94.31 |
| 2024 | 0.67 | 43.71 | 16.60 | -14.93 | 11.26 | -7.09 | 3.07 | -8.71 | 7.35 | 10.88 | 37.33 | -3.11 | 121.07 |
| 2023 | 39.95 | 0.02 | 23.08 | 2.71 | -6.94 | 11.97 | -4.06 | -11.28 | 3.96 | 28.51 | 8.84 | 12.07 | 155.78 |
| 2022 | -16.66 | 12.18 | 5.41 | -17.30 | -15.60 | -37.22 | 16.87 | -13.99 | -3.13 | 5.51 | -16.24 | -3.72 | -64.22 |
| 2021 | 14.35 | 36.51 | 29.96 | -1.71 | -35.44 | -6.08 | 18.41 | 13.61 | -7.04 | 40.02 | -7.08 | -18.98 | 59.40 |
| 2020 | 30.22 | -8.64 | -24.66 | 34.31 | 9.52 | -3.33 | 24.31 | 2.67 | -7.53 | 28.12 | 42.72 | 47.04 | 304.36 |
| 2019 | -7.60 | 11.16 | 7.99 | 28.67 | 62.11 | 25.90 | -6.22 | -4.81 | -13.51 | 10.22 | -17.46 | -5.13 | 94.11 |
| 2018 | -27.16 | 1.89 | -32.84 | 33.53 | -19.00 | -14.70 | 20.97 | -9.18 | -6.42 | -3.97 | -37.01 | -7.03 | -73.41 |
| 2017 | -0.17 | 22.88 | -9.20 | 26.02 | 68.80 | 6.80 | 16.68 | 65.37 | -8.52 | 48.58 | 54.80 | 39.32 | 1331.17 |
| 2016 | -14.80 | 20.10 | -5.23 | 7.35 | 18.83 | 26.61 | -7.10 | -8.08 | 6.25 | 14.44 | 6.40 | 30.72 | 126.19 |
| 2015 | -33.04 | 18.49 | -4.38 | -3.44 | -3.14 | 14.95 | 8.20 | -18.67 | 2.22 | 33.62 | 19.27 | 13.83 | 33.11 |
| 2014 | 8.92 | -31.70 | -16.91 | -1.74 | 39.46 | 2.33 | -9.49 | -17.62 | -19.01 | -12.97 | 12.79 | -15.16 | -56.40 |

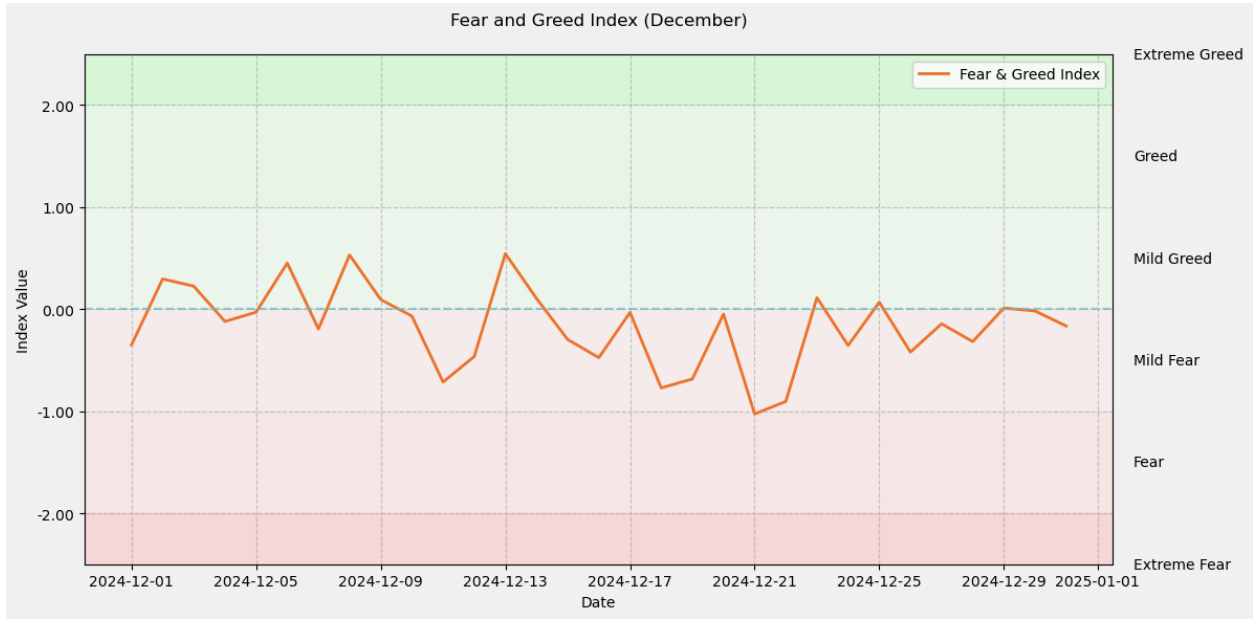
Source: Presto Research

Figure 1.4: BTC and ETH monthly returns YTD



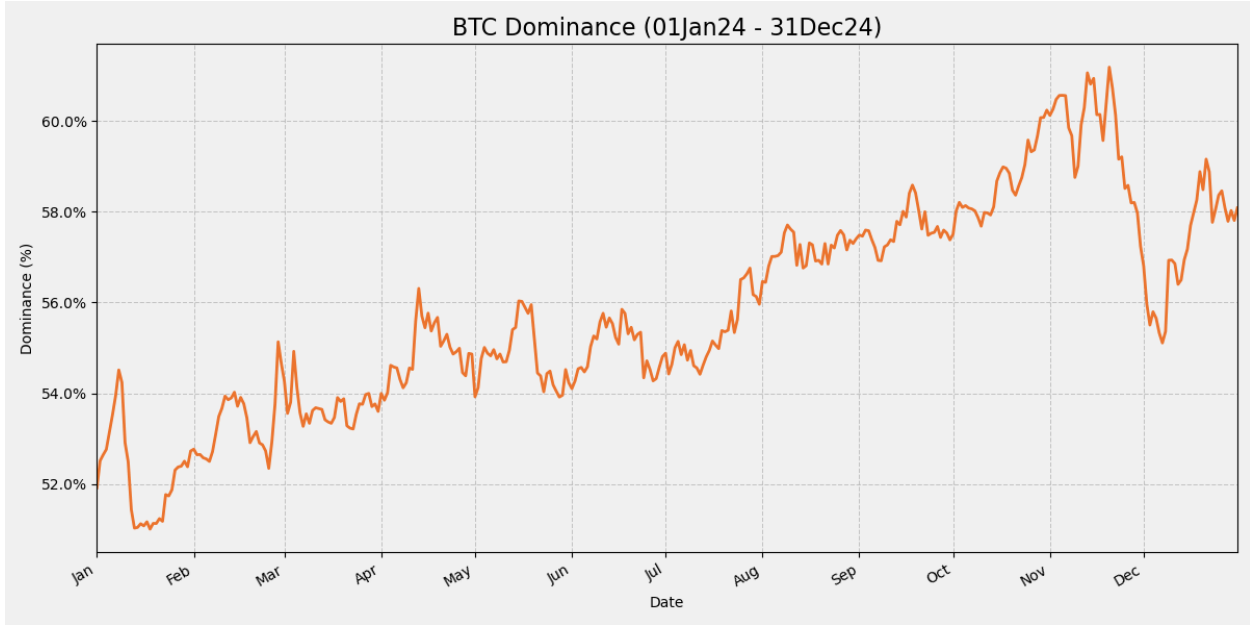
Source: Presto Research

Figure 1.5: Presto Research Fear-Greed Index (Appendix 1)



Source: Presto Research

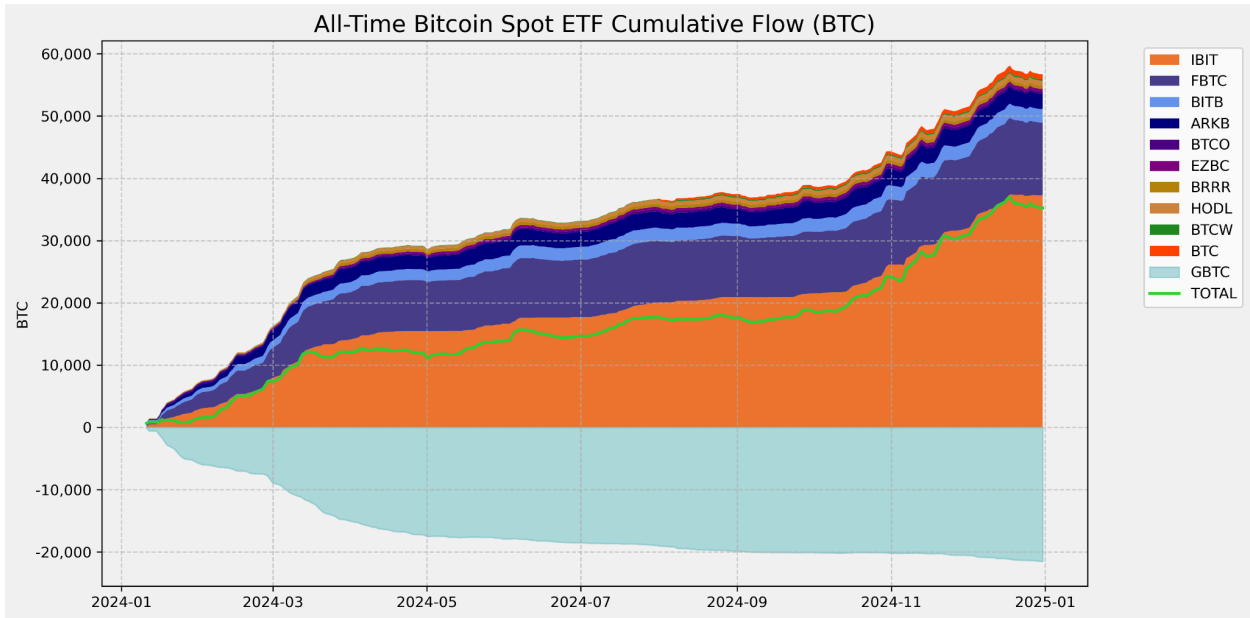
Figure 1.6: BTC dominance



Source: Presto Research

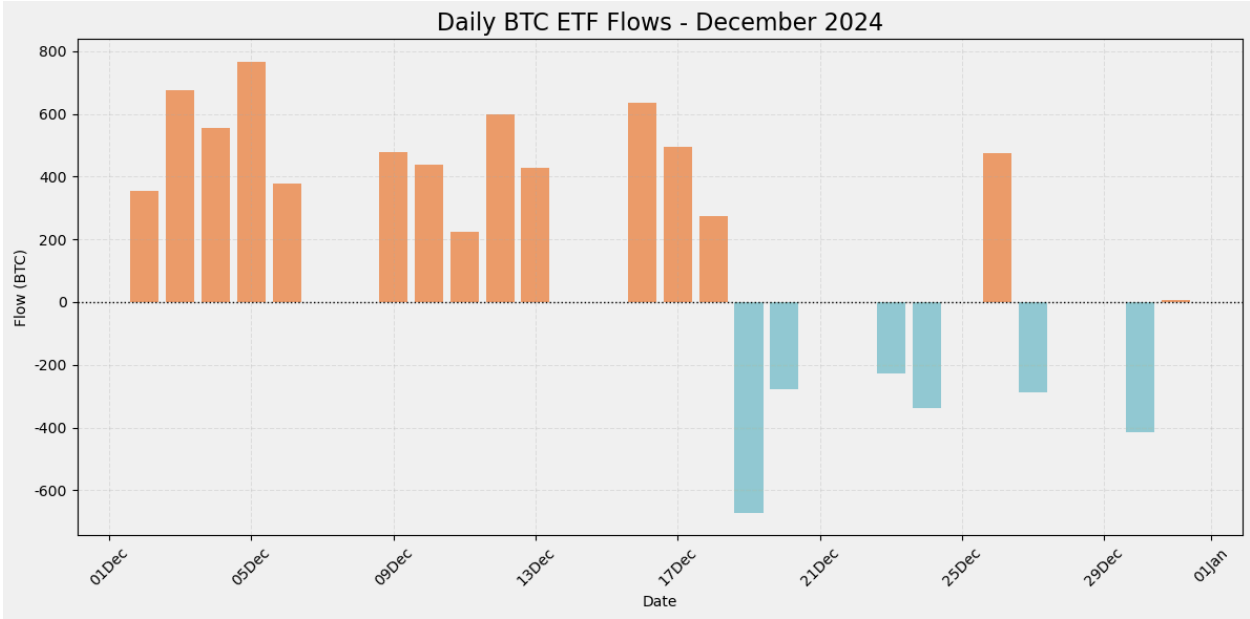
2. ETF Flows

Figure 2.1: All-Time Aggregate BTC ETF Flows



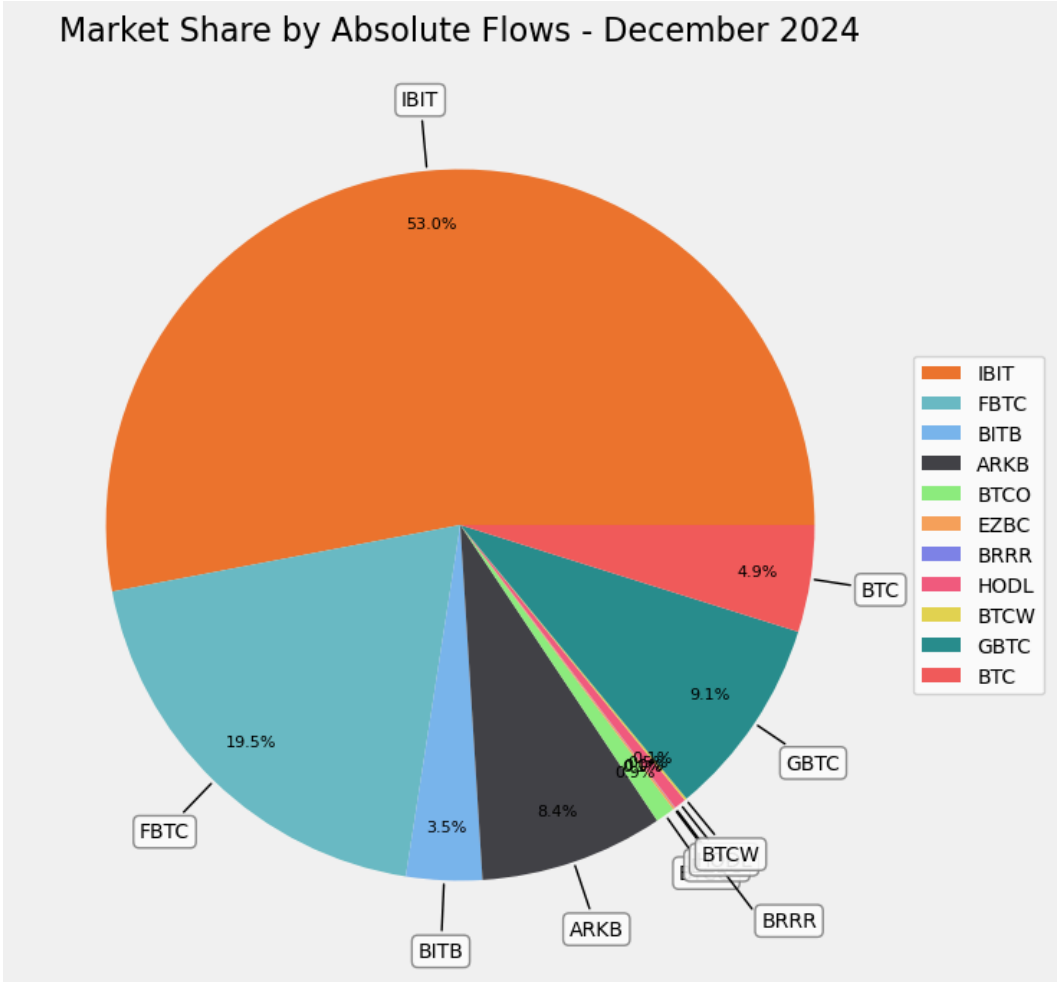
Source: Farside Advisors, Presto Research

Figure 2.2: Total BTC ETF Flows in December



Source: Farside Advisors, Presto Research

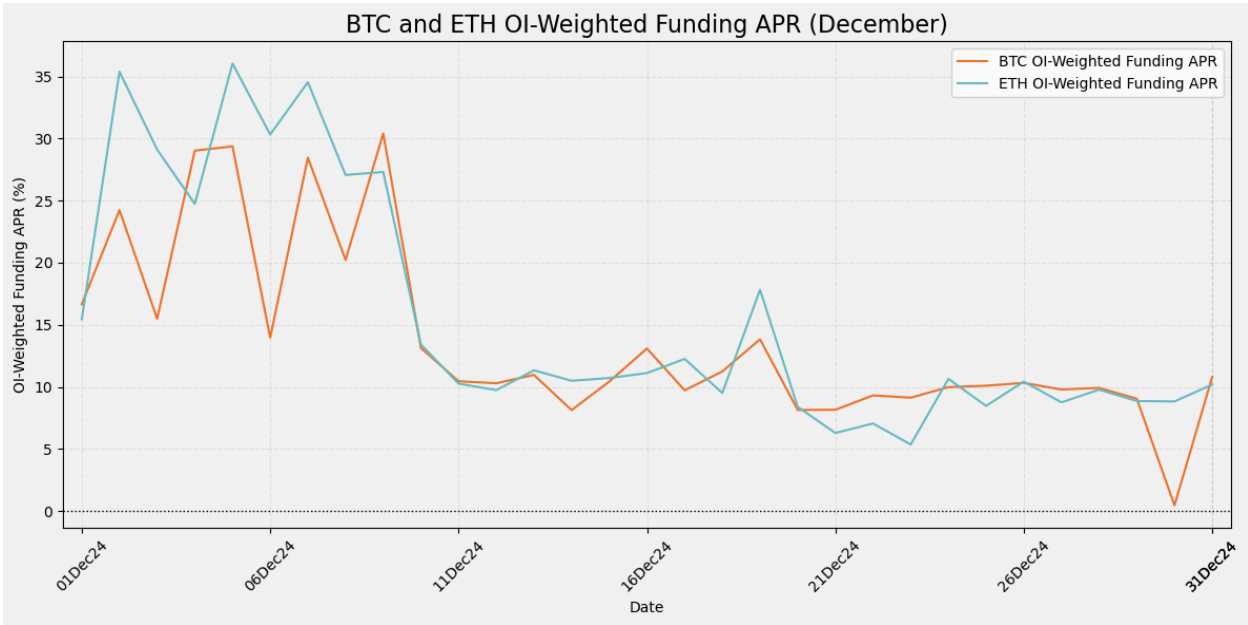
Figure 2.3: BTC ETF December Share



Source: Farside Advisors, Presto Research

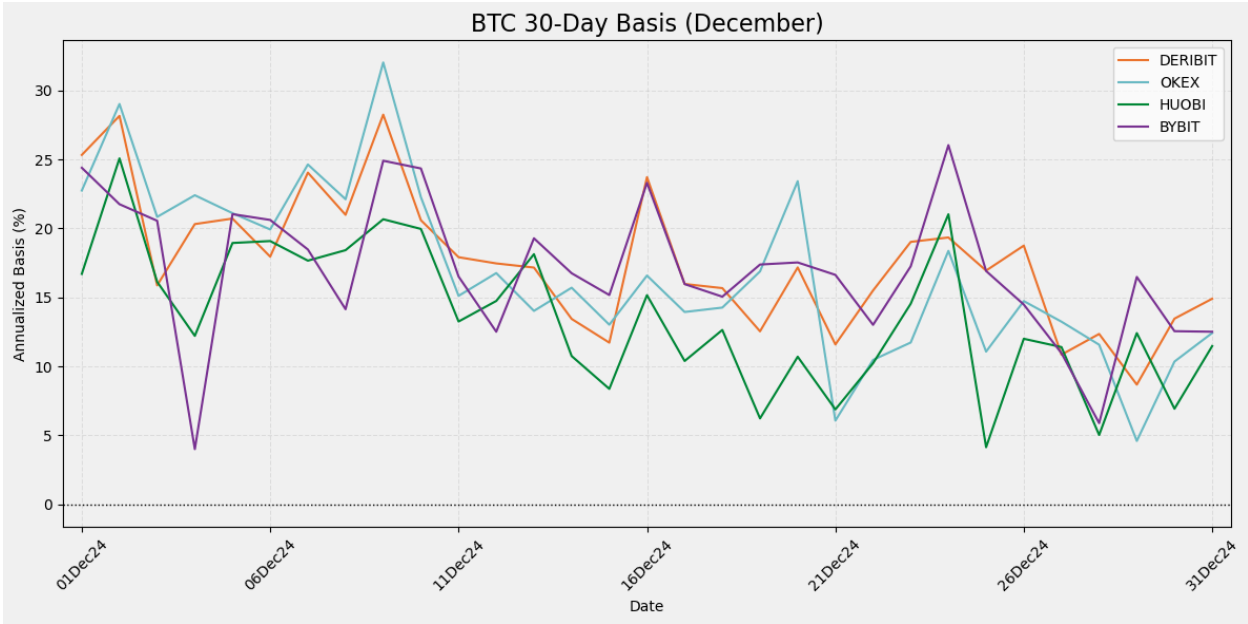
3. Funding Rates

Figure 3.1: OI-Weighted Funding APR



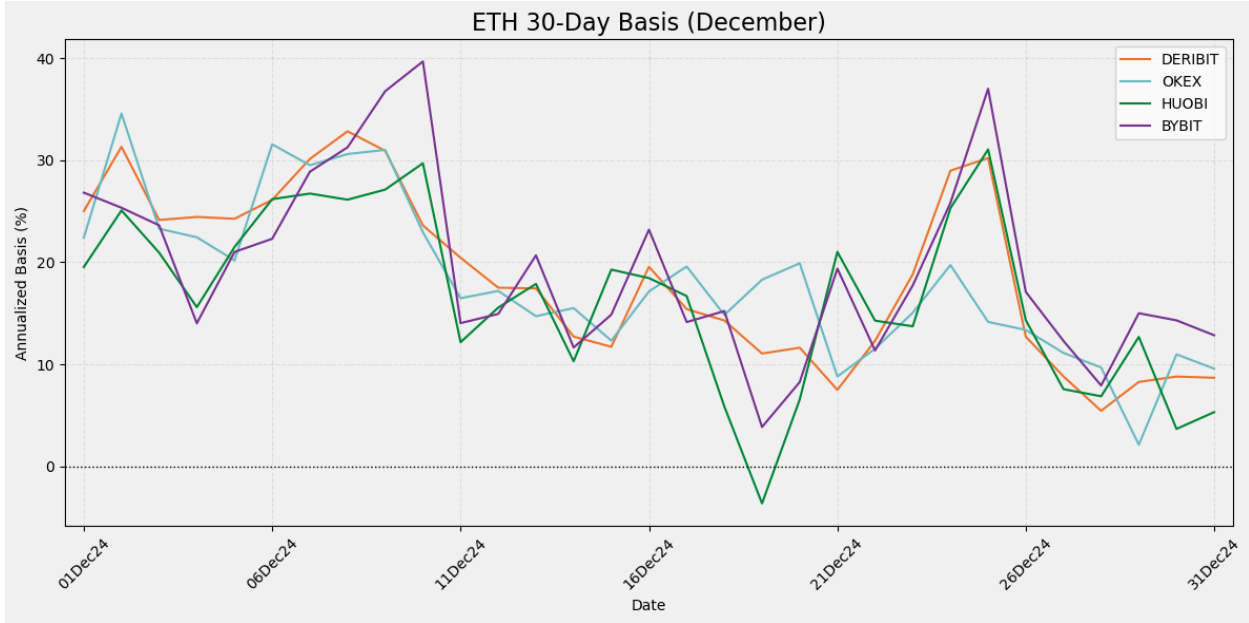
Source: Laevidas

Figure 3.2a: BTC Futures 30-day Basis



Source: Laevidas

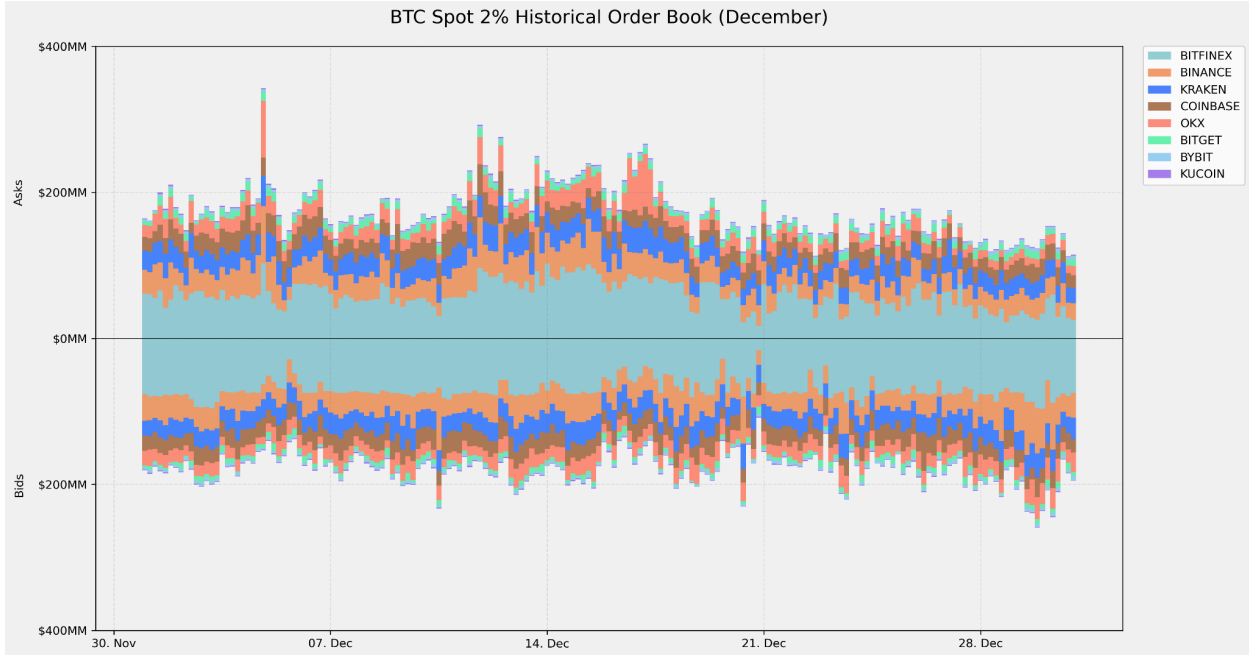
Figure 3.2b: ETH Futures 30-day Basis



Source: Laevidas

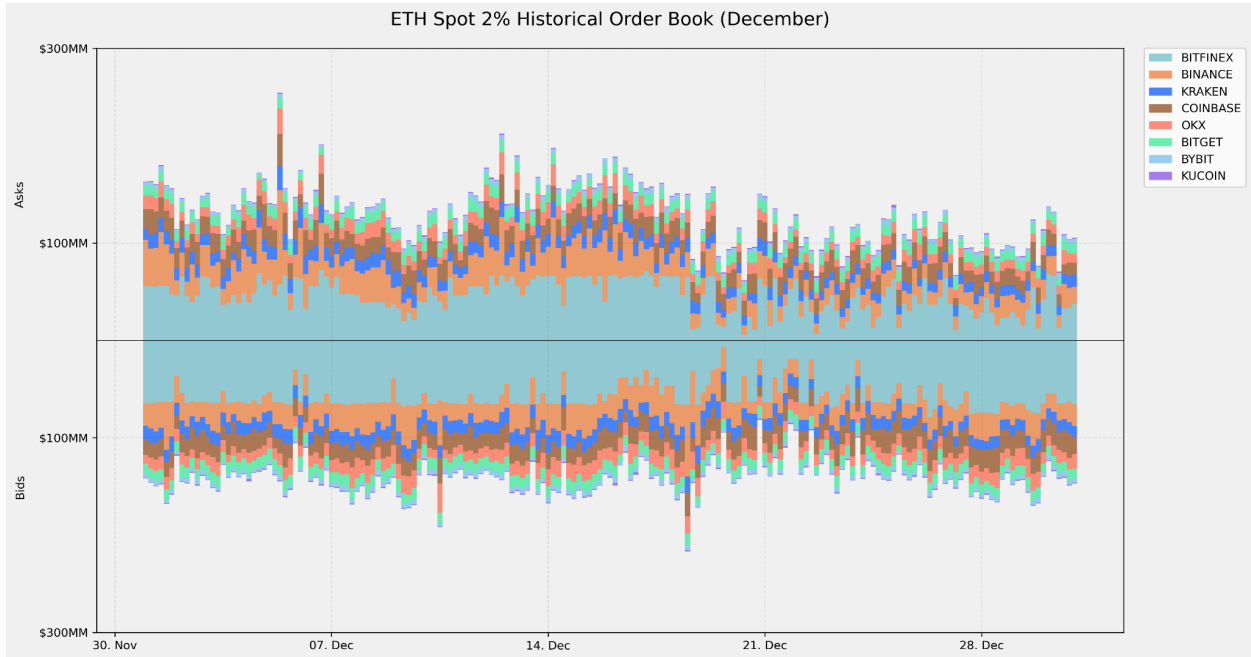
4. Volume and Liquidations

Figure 4.1a: Spot BTC Order Book Depth



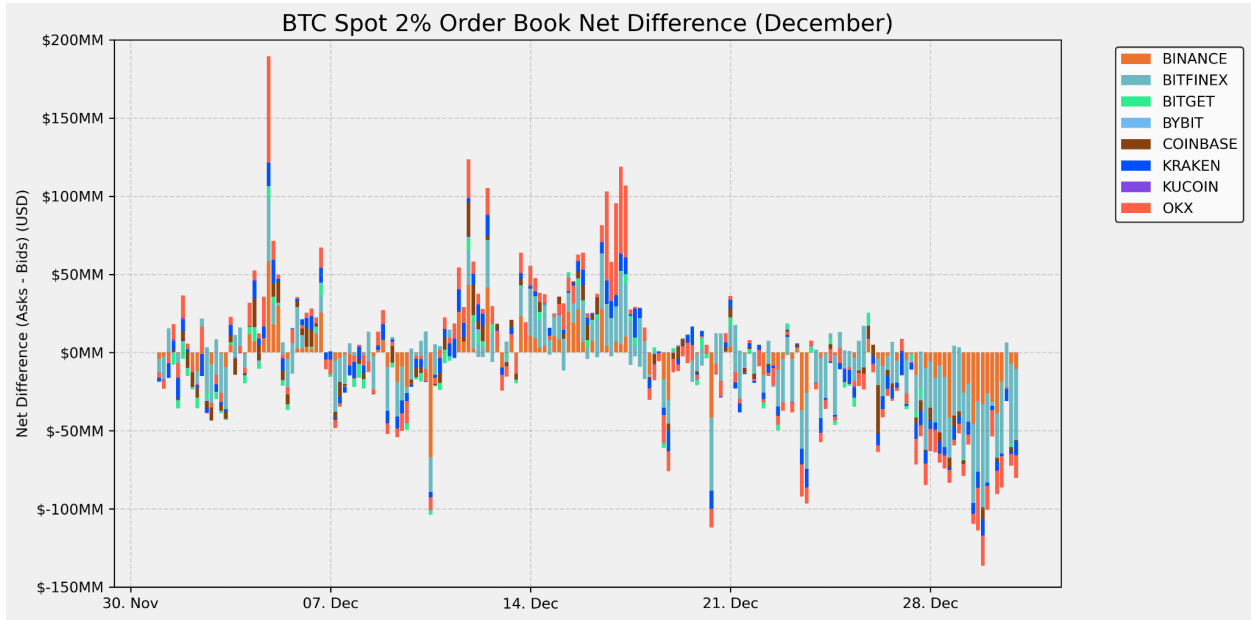
Source: Laevidas, Presto Research

Figure 4.1b: Spot ETH Order Book Depth



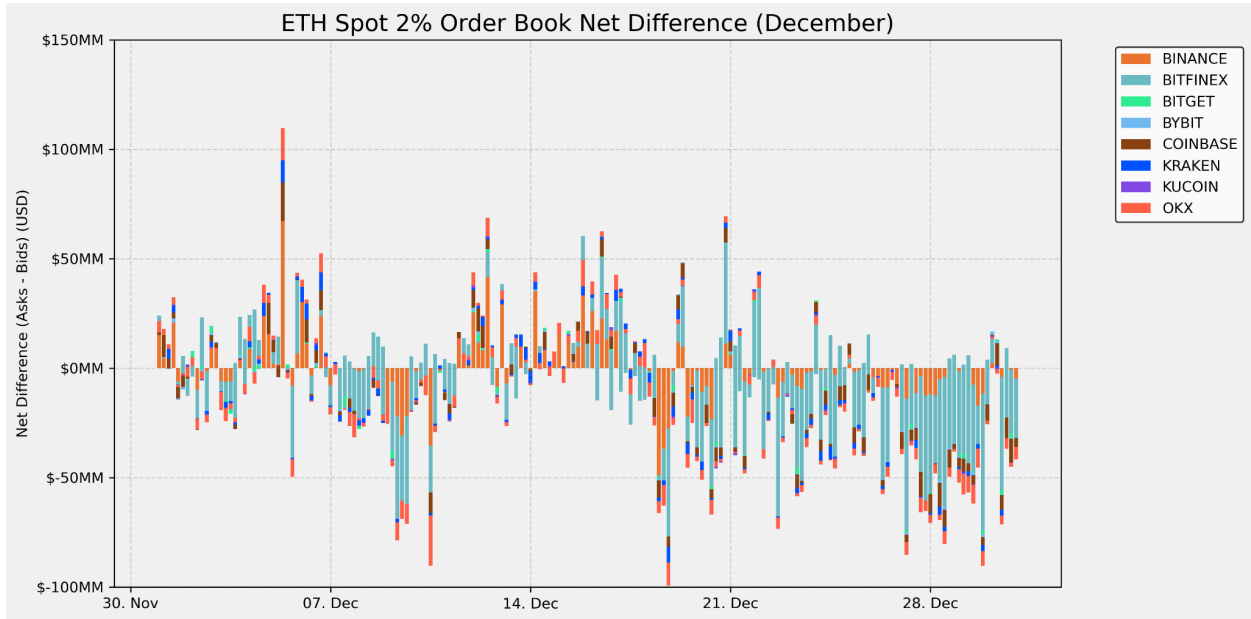
Source: Laevidas, Presto Research

Figure 4.2a: Spot BTC Order Book Ask-Bid Difference



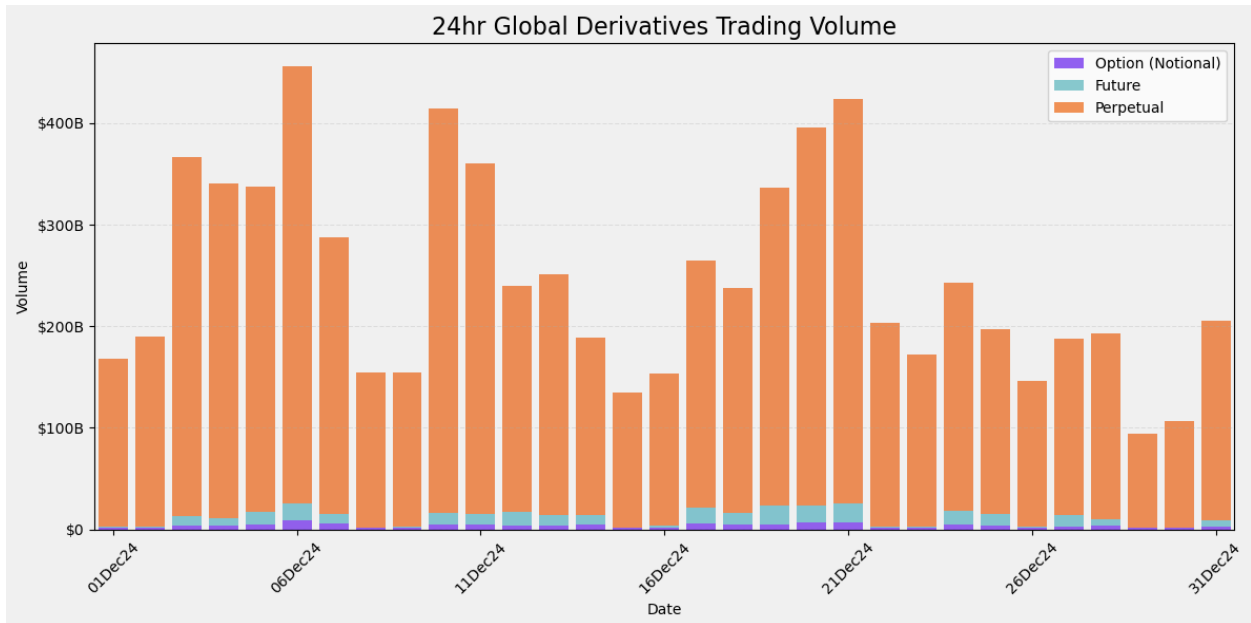
Source: Laevidas, Presto Research

Figure 4.2b: Spot ETH Order Book Ask-Bid Difference



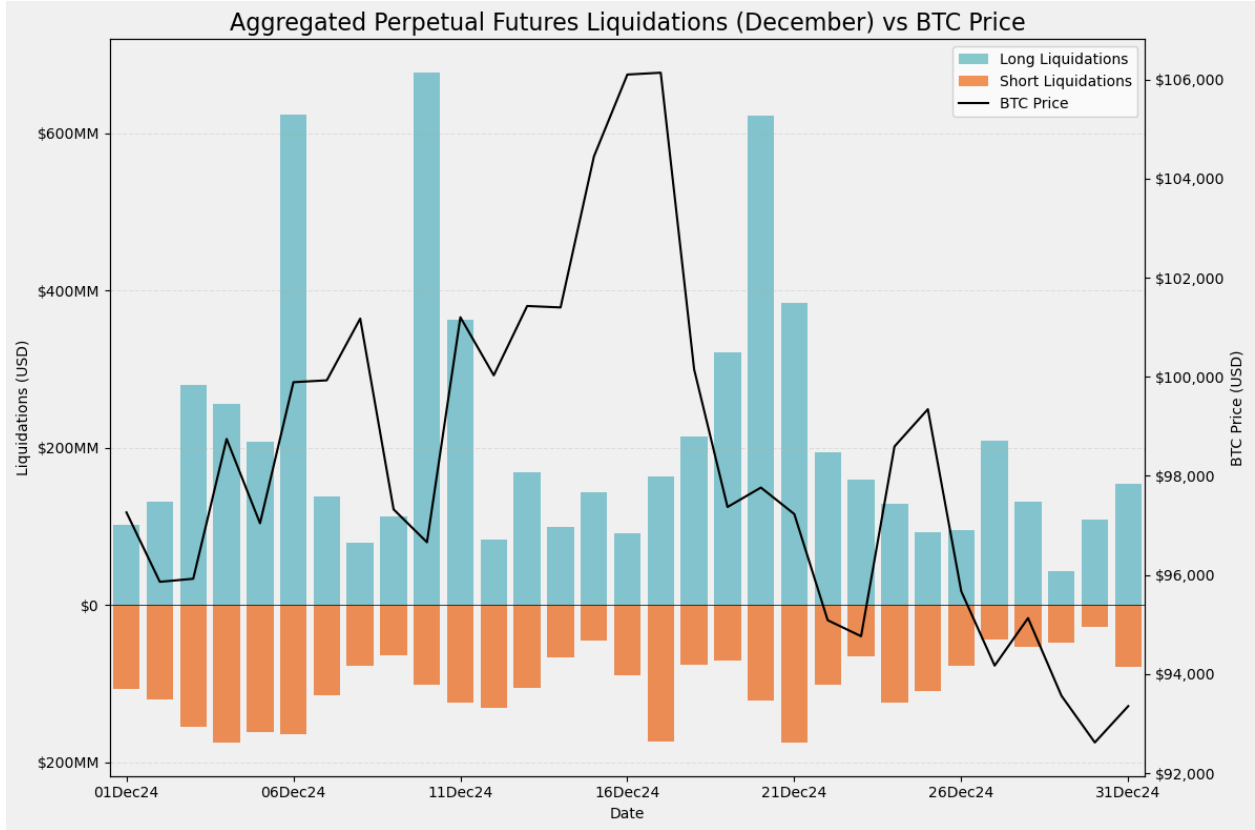
Source: Laevitas, Presto Research

Figure 4.3: Total Derivatives Volume (Appendix 2)



Source: Laevitas, Presto Research

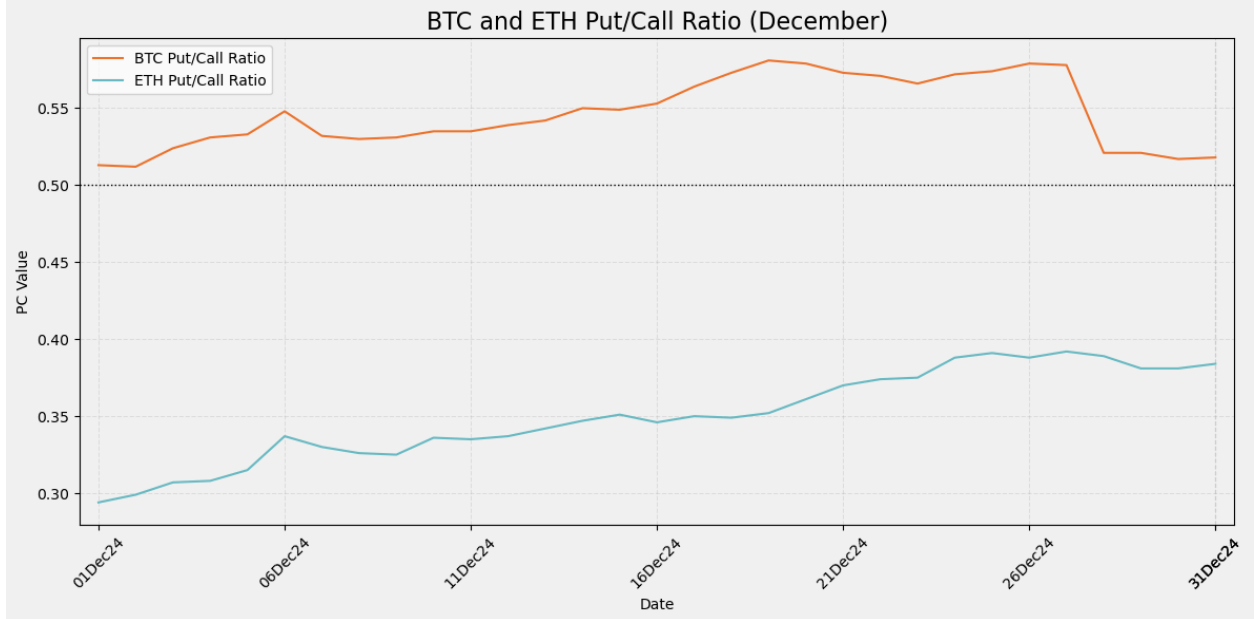
Figure 4.4: Perpetual Futures Liquidations (Appendix 3)



Source: Laevidas, Presto Research

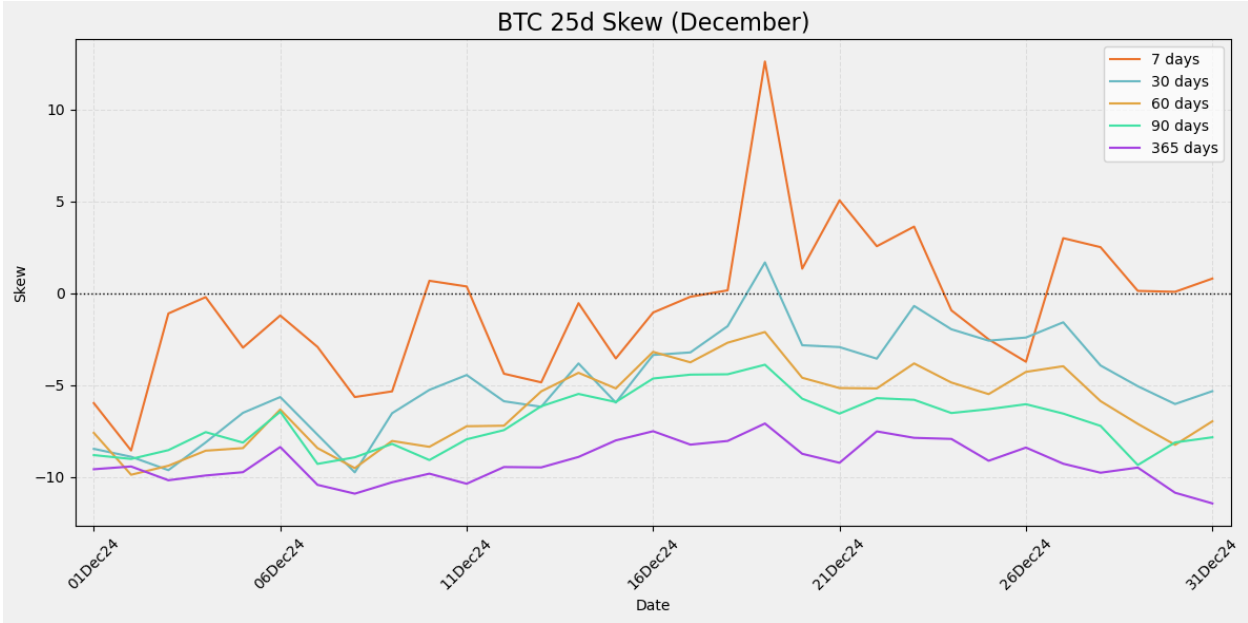
5. Options

Figure 5.1 : BTC and ETH Put/Call Ratio



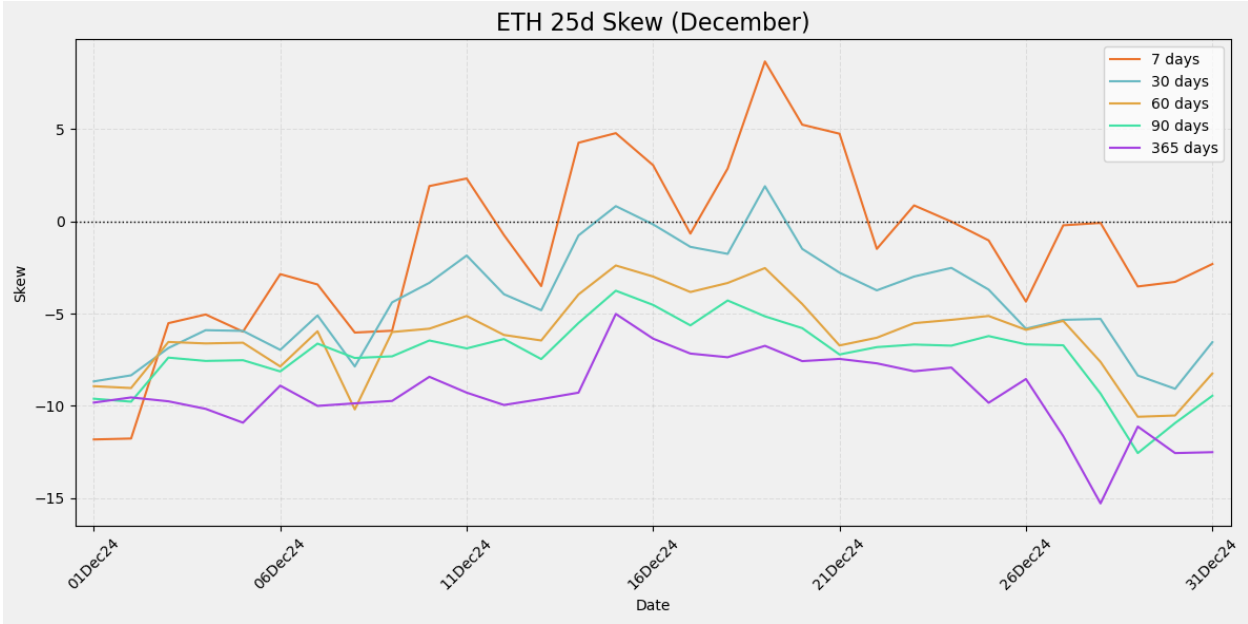
Source: Deribit via Laevidas, Presto Research

Figure 5.2a: BTC Skew



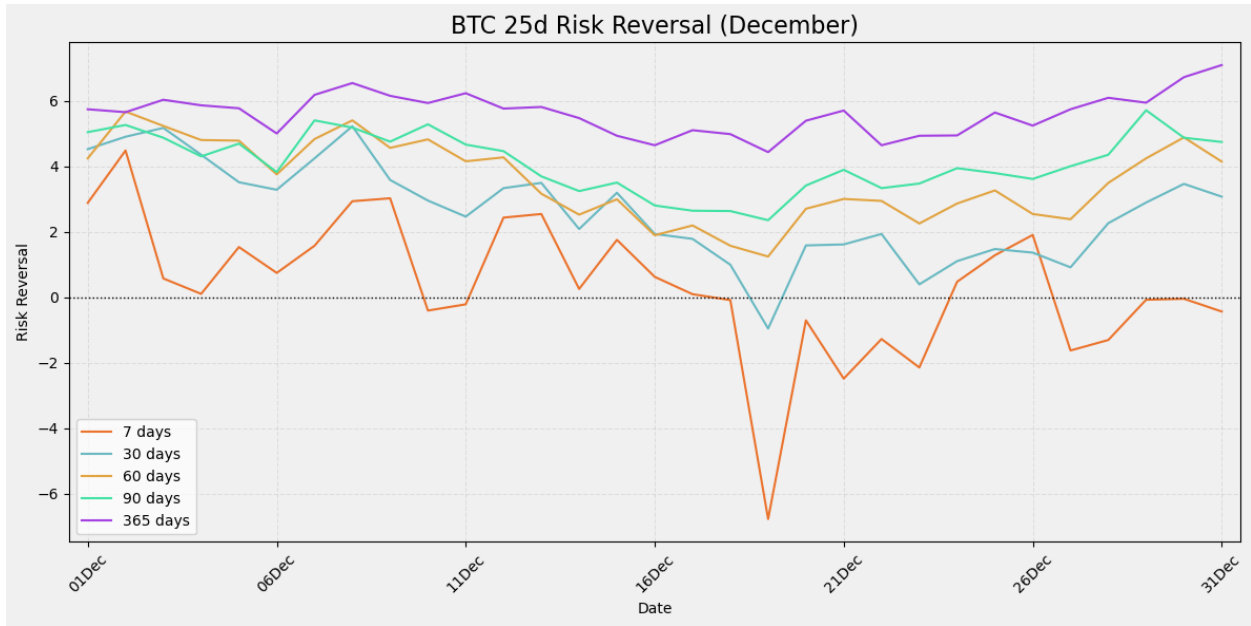
Source: Deribit via Laevitas, Presto Research

Figure 5.2b: ETH Skew



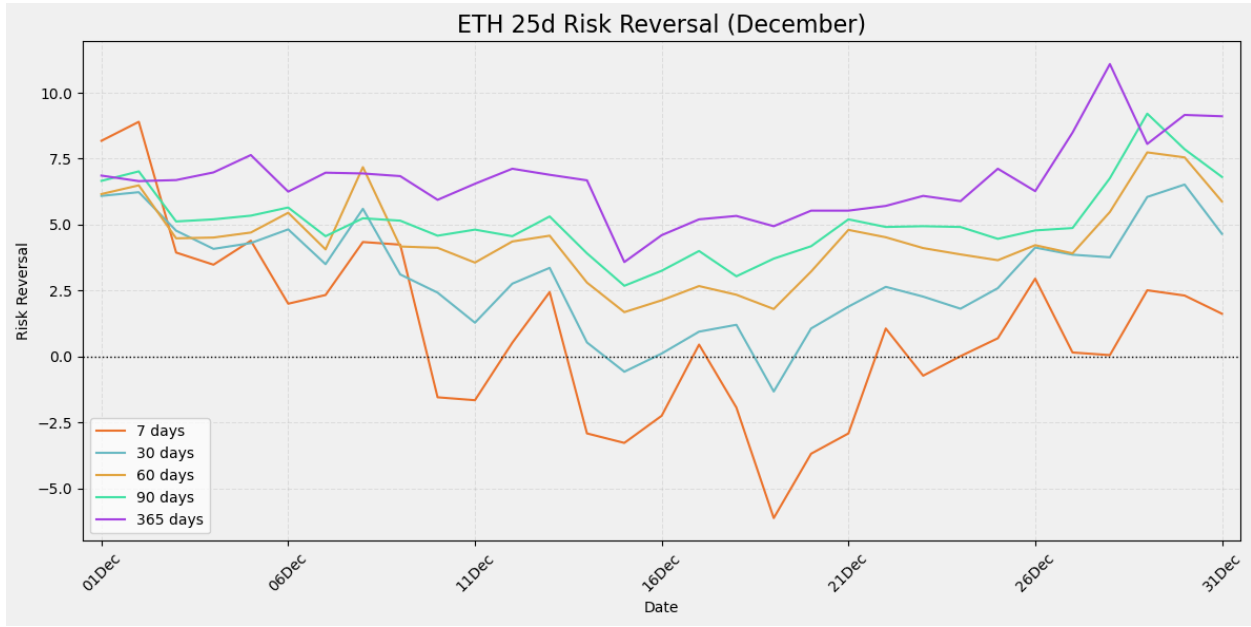
Source: Deribit via Laevitas, Presto Research

Figure 5.3a : BTC Risk Reversals



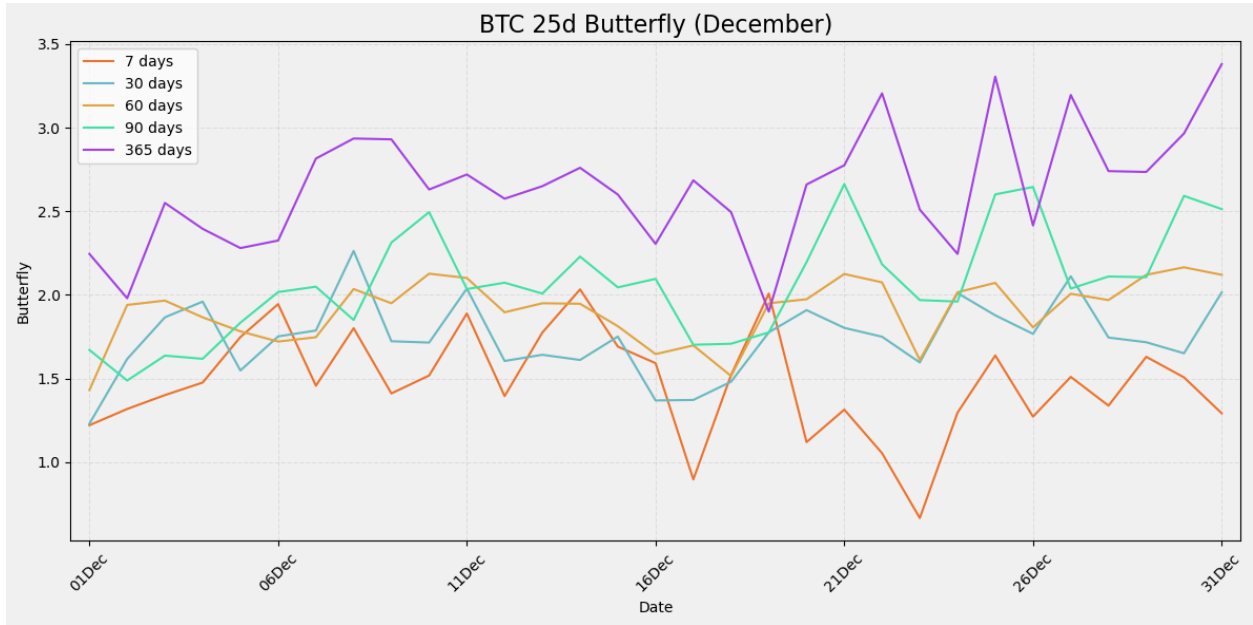
Source: Deribit via Laevitas, Presto Research

Figure 5.3b : ETH Risk Reversals



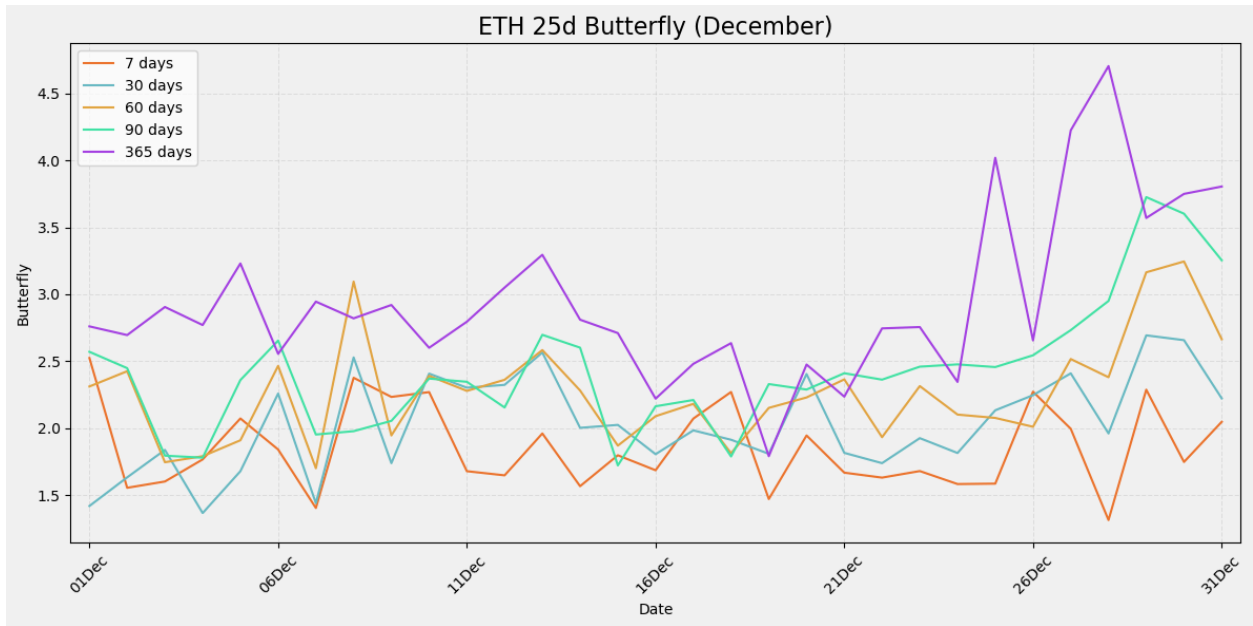
Source: Deribit via Laevitas, Presto Research

Figure 5.4a : BTC Butterfly



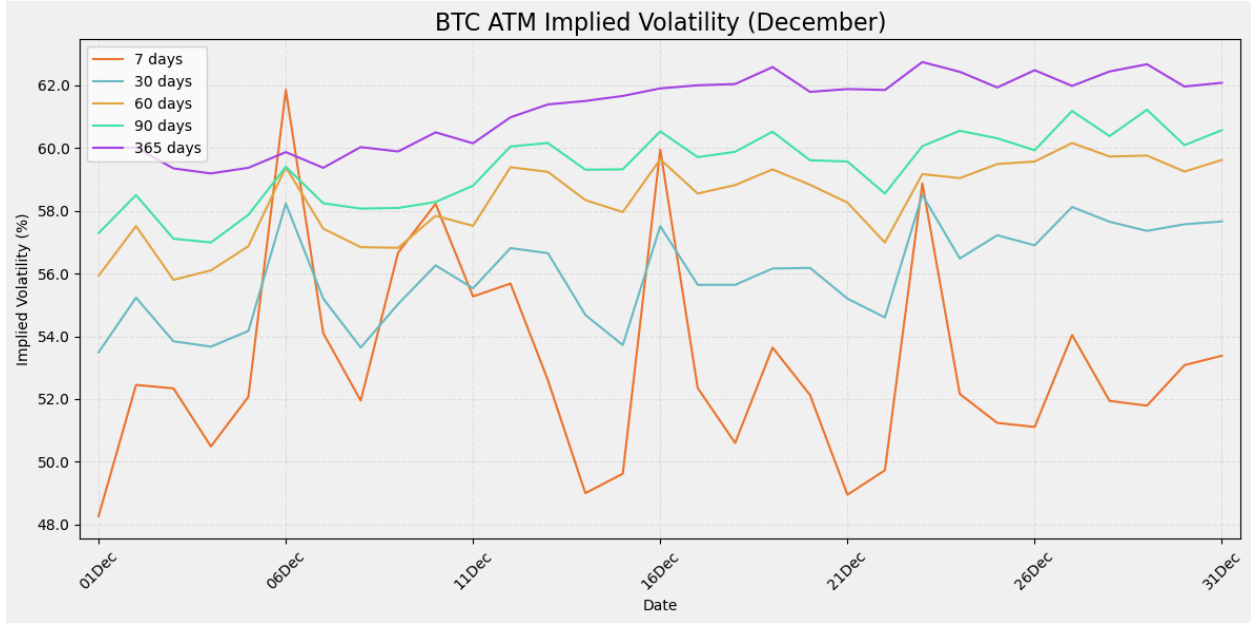
Source: Deribit via Laevitas, Presto Research

Figure 5.4b : ETH Butterfly



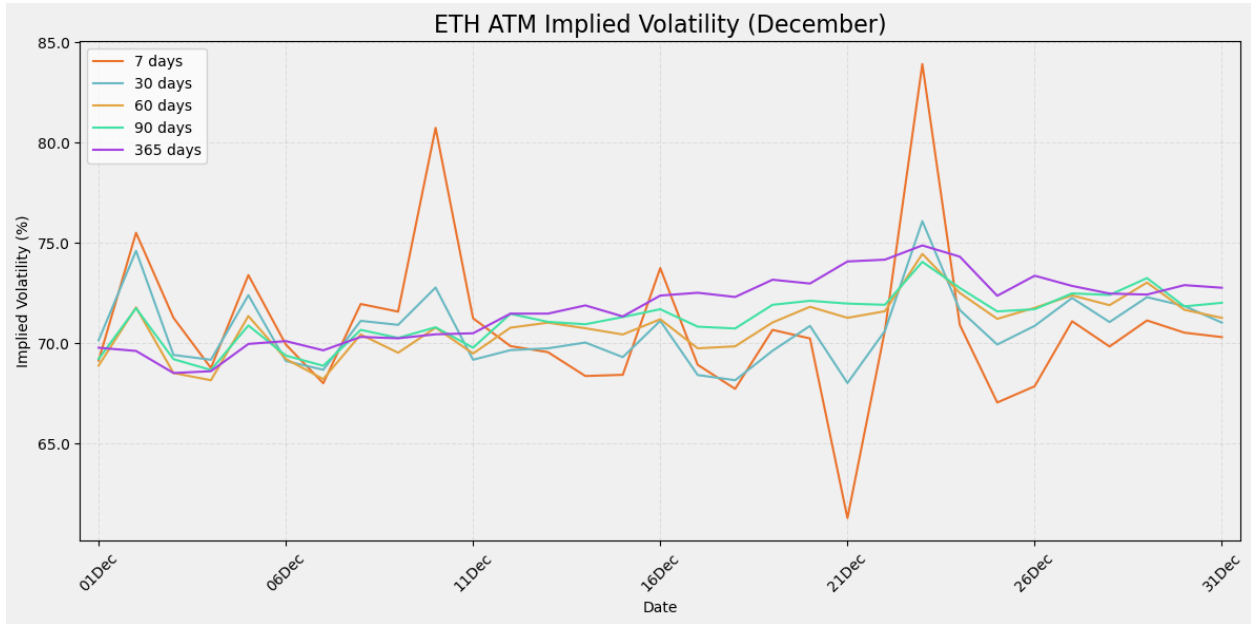
Source: Deribit via Laevitas, Presto Research

Figure 5.5a : BTC IV



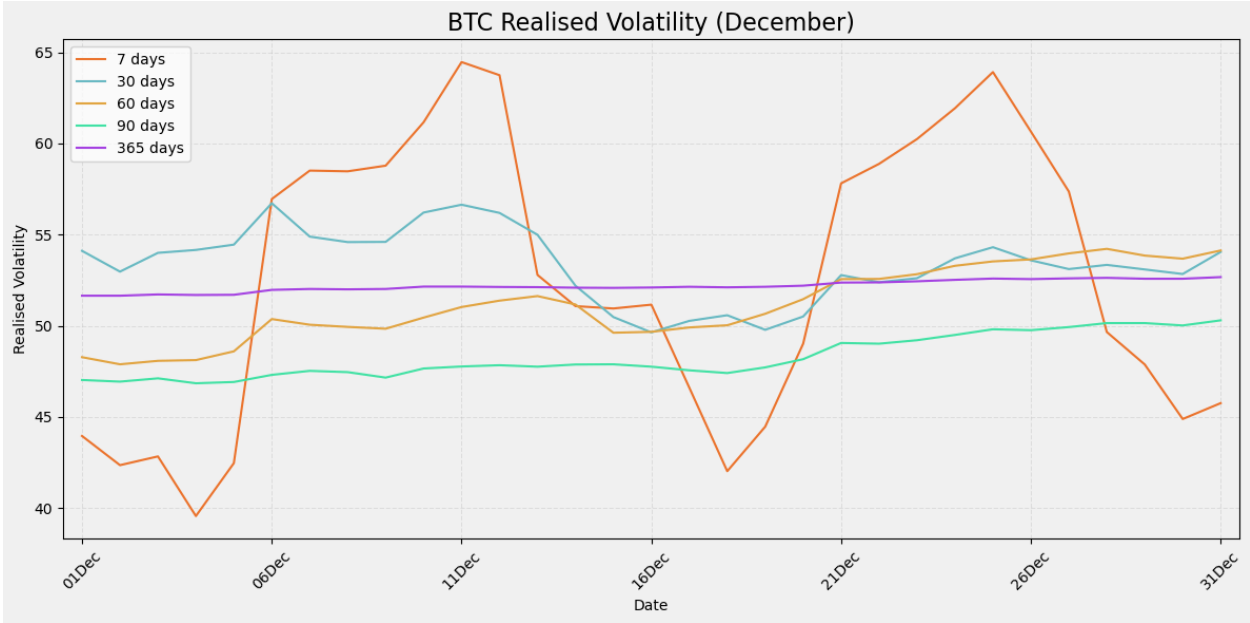
Source: Deribit via Laevitas, Presto Research

Figure 5.5b : ETH IV



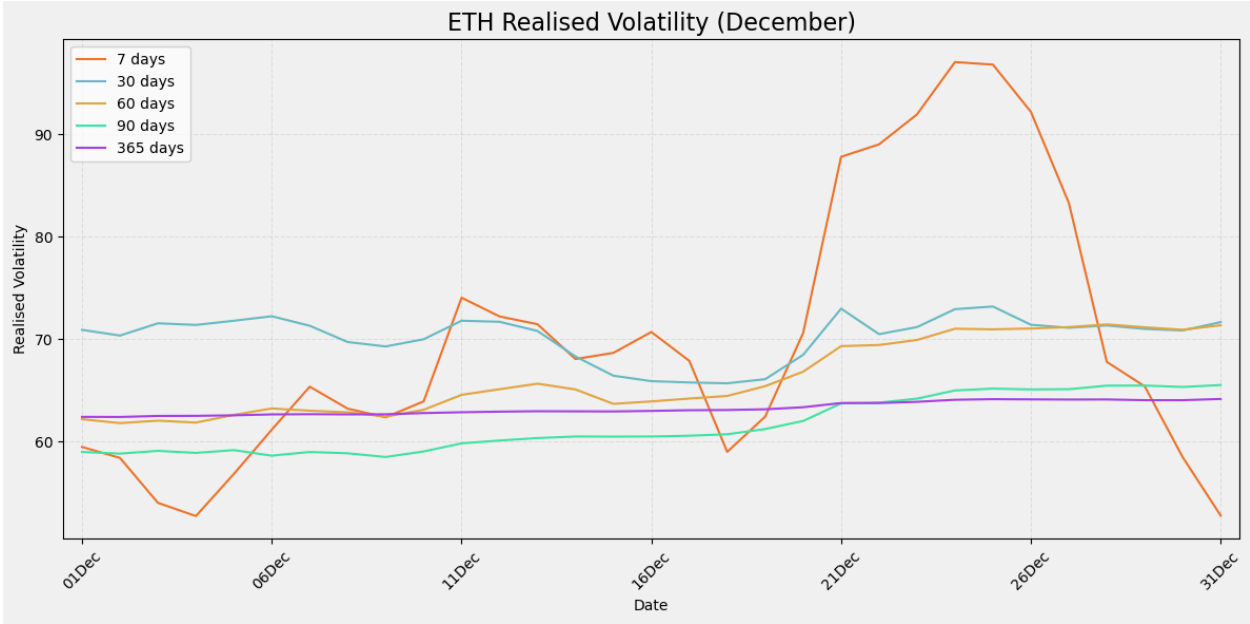
Source: Deribit via Laevitas, Presto Research

Figure 5.6a : BTC RV



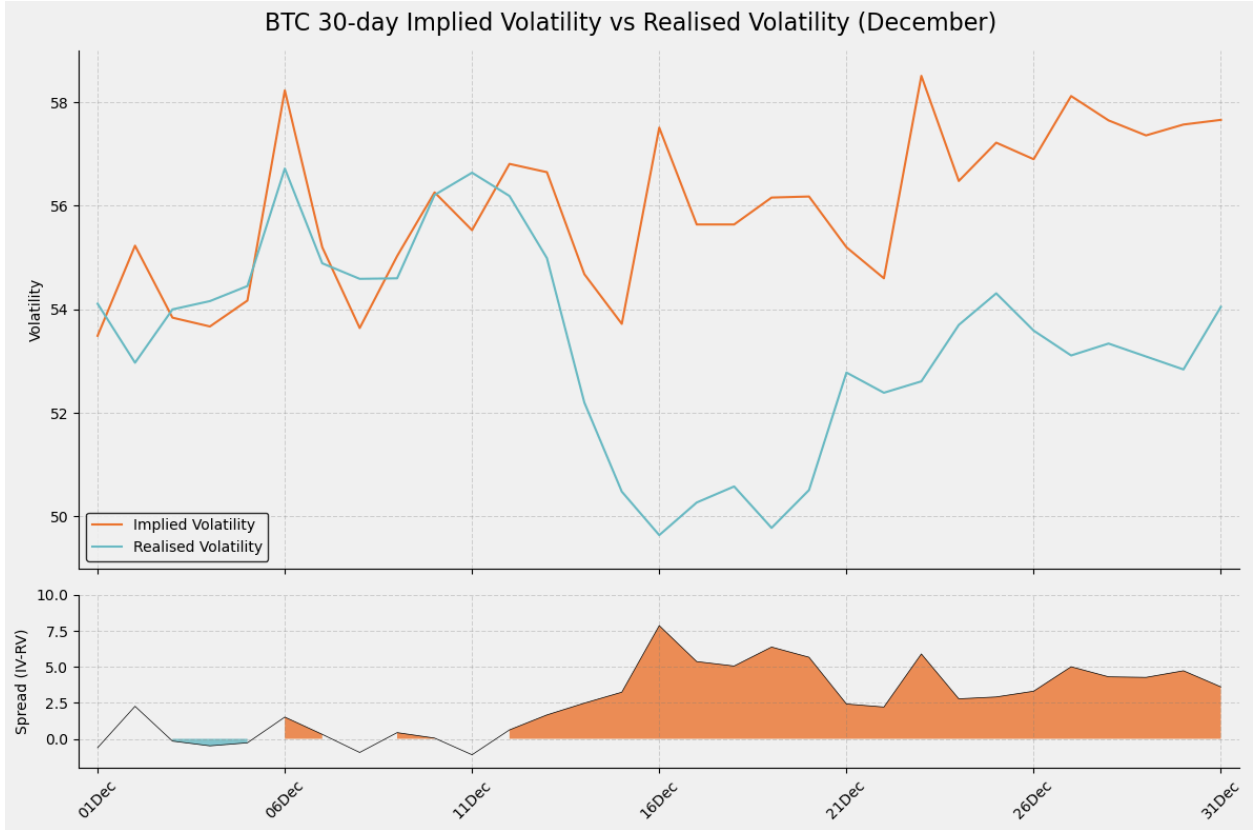
Source: Deribit via Laevitas, Presto Research

Figure 5.6b : ETH RV



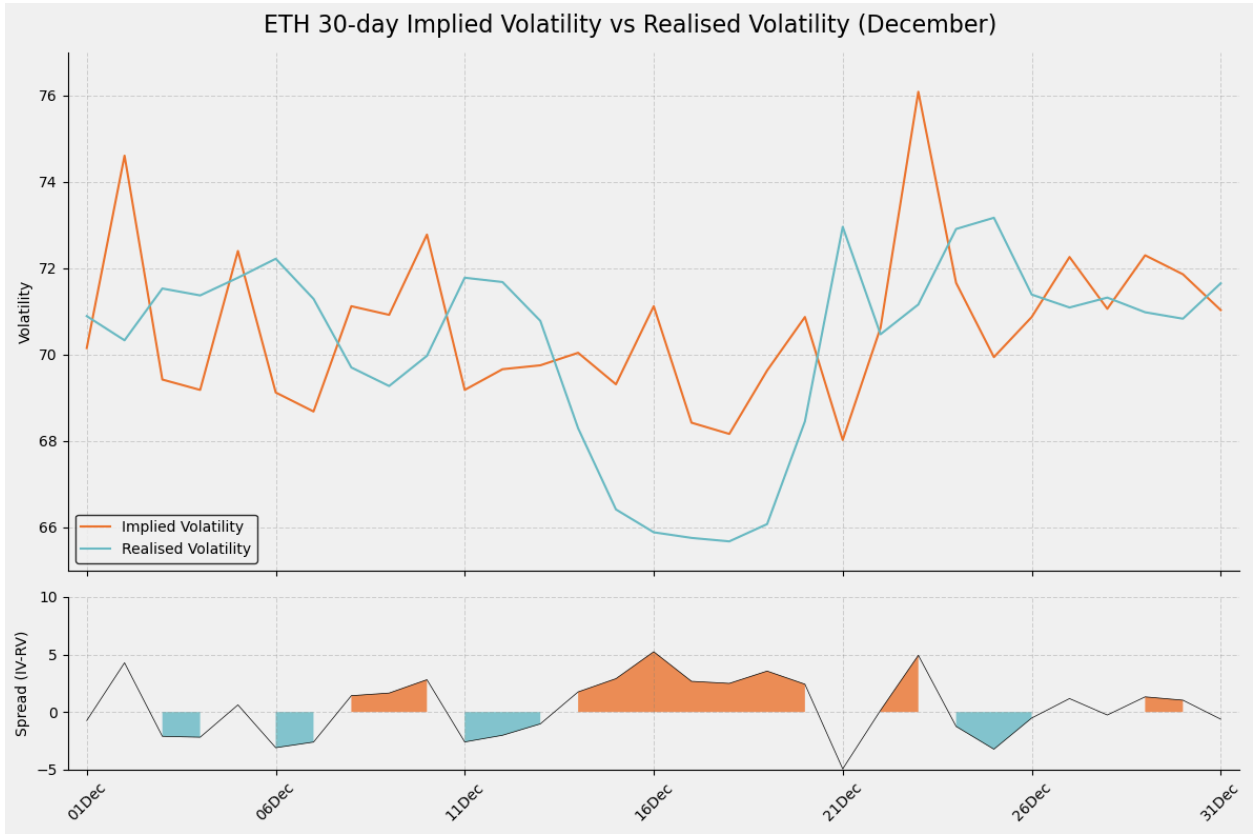
Source: Deribit via Laevitas, Presto Research

Figure 5.7a : BTC IV-RV



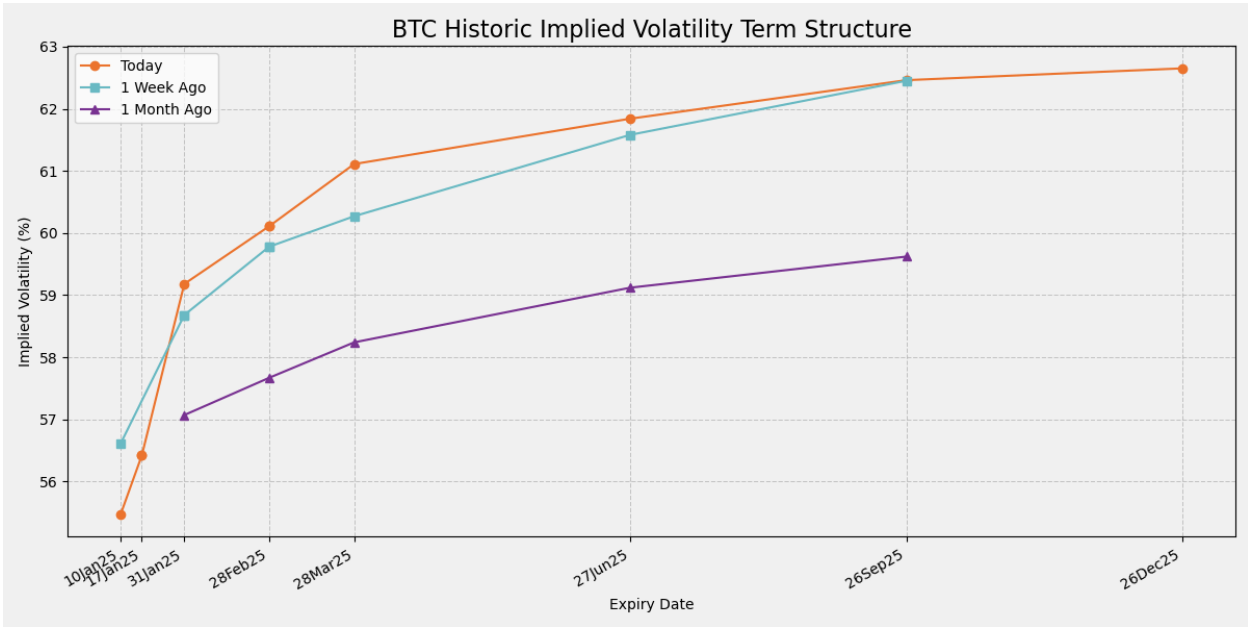
Source: Deribit via Laevidas, Presto Research

Figure 5.7b : ETH IV-RV



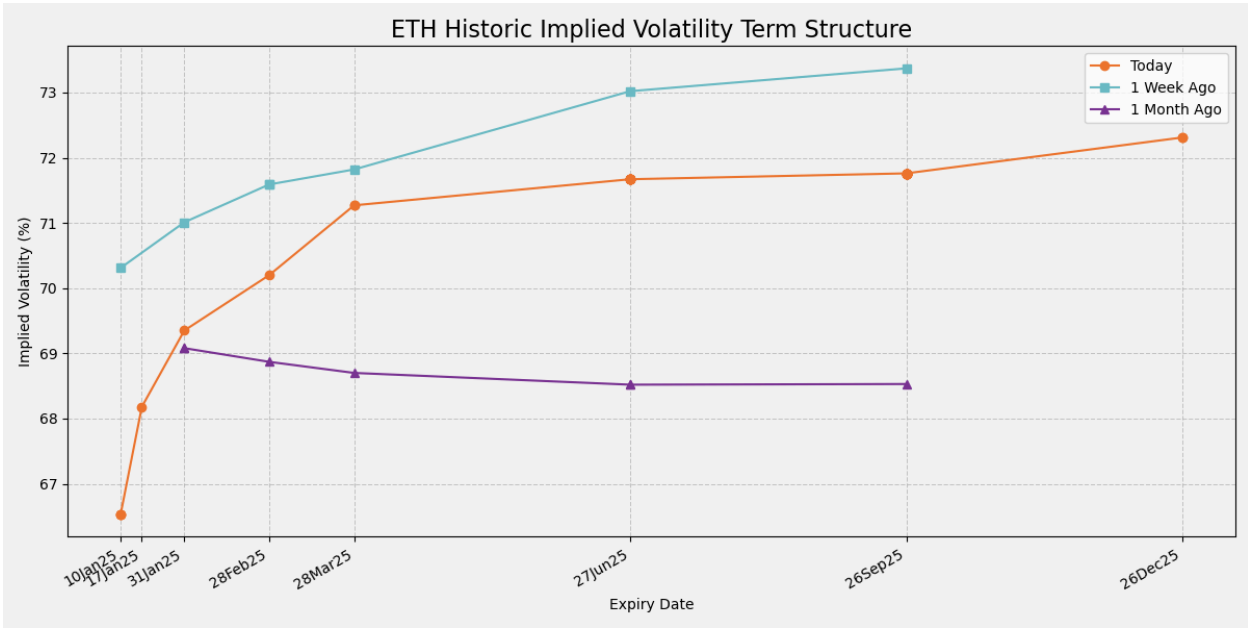
Source: Deribit via Laevidas, Presto Research

Figure 5.8a : BTC Term Structure



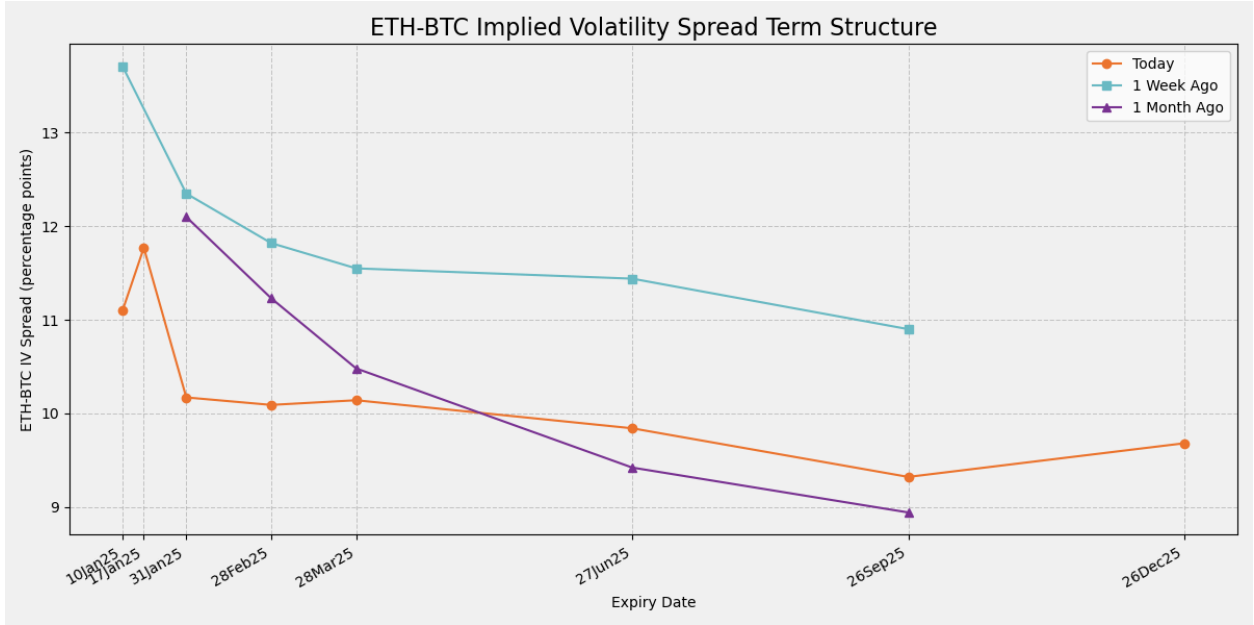
Source: Deribit via Laevitas, Presto Research

Figure 5.8b : ETH Term Structure



Source: Deribit via Laevitas, Presto Research

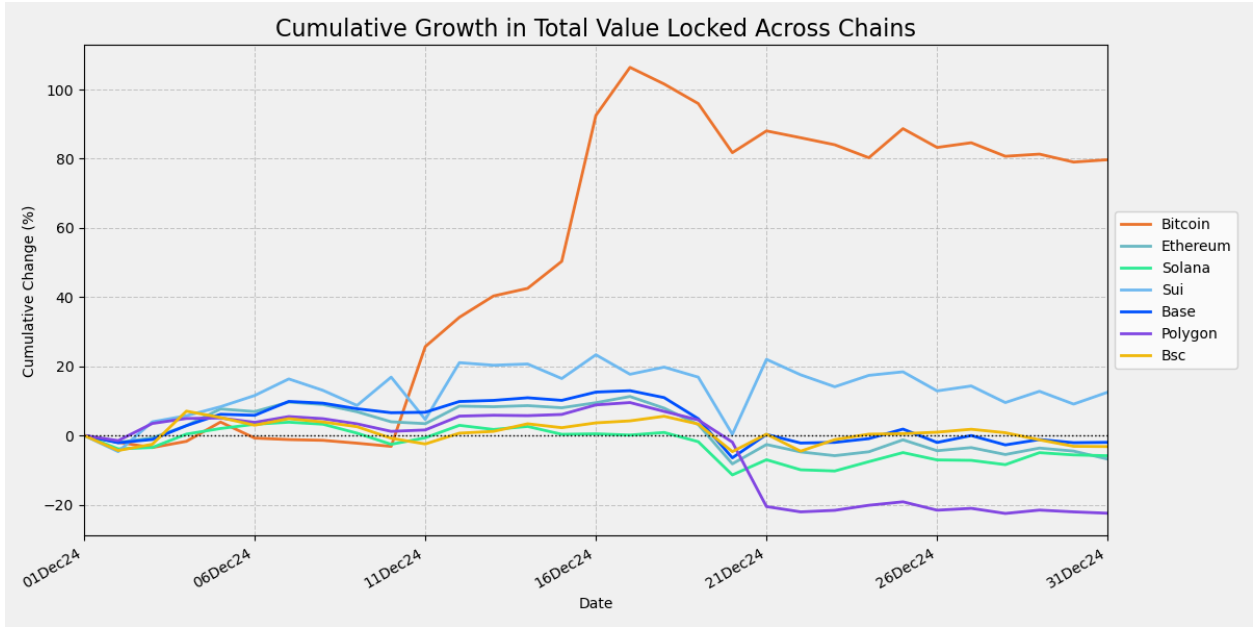
Figure 5.9 :ETH-BTC IV Spread



Source: Deribit via Laevitas, Presto Research

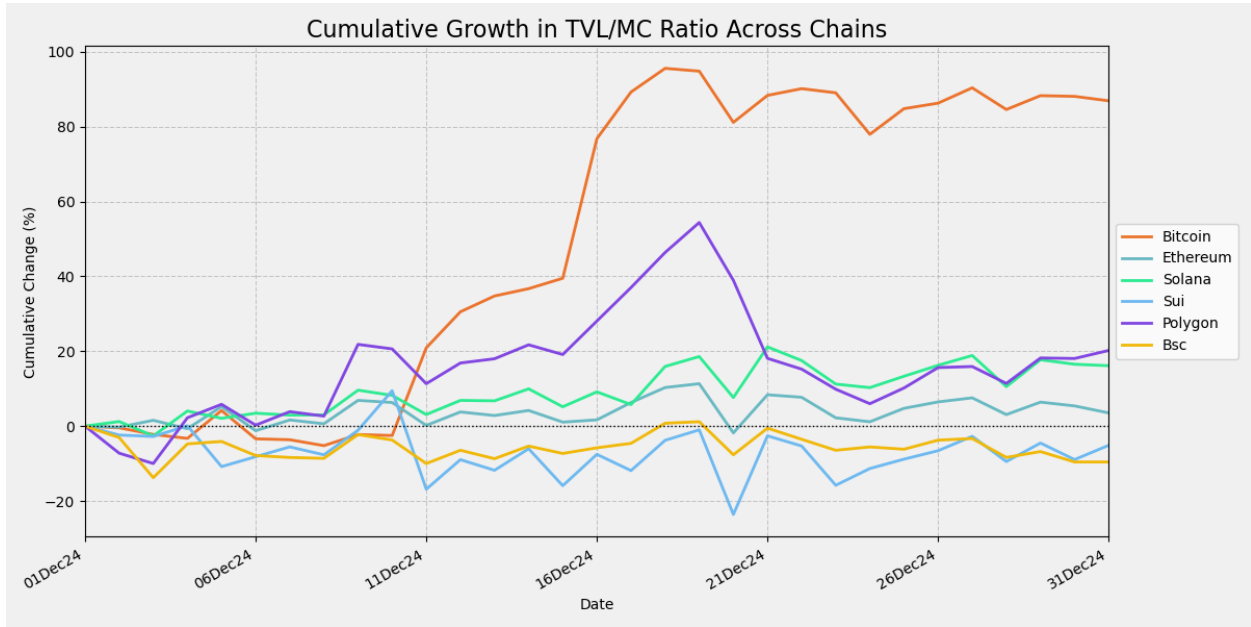
6. On-Chain

Figure 6.1: TVL \$ Change



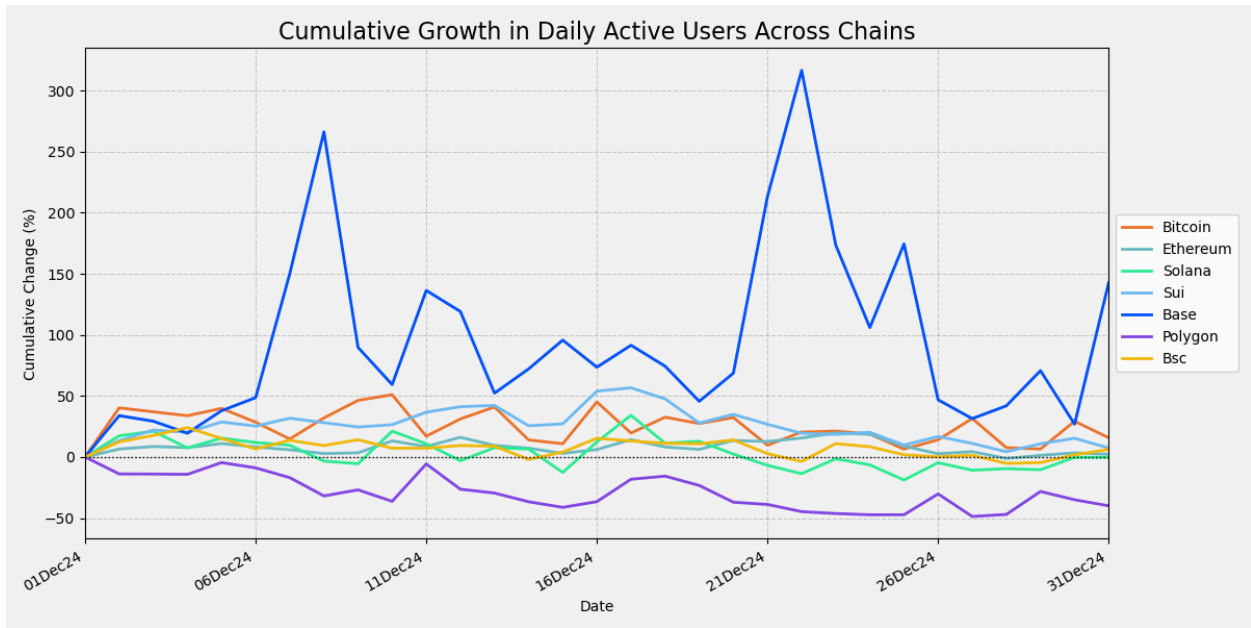
Source: Artemis, Presto Research

Figure 6.2: TVL/MC Ratio Change



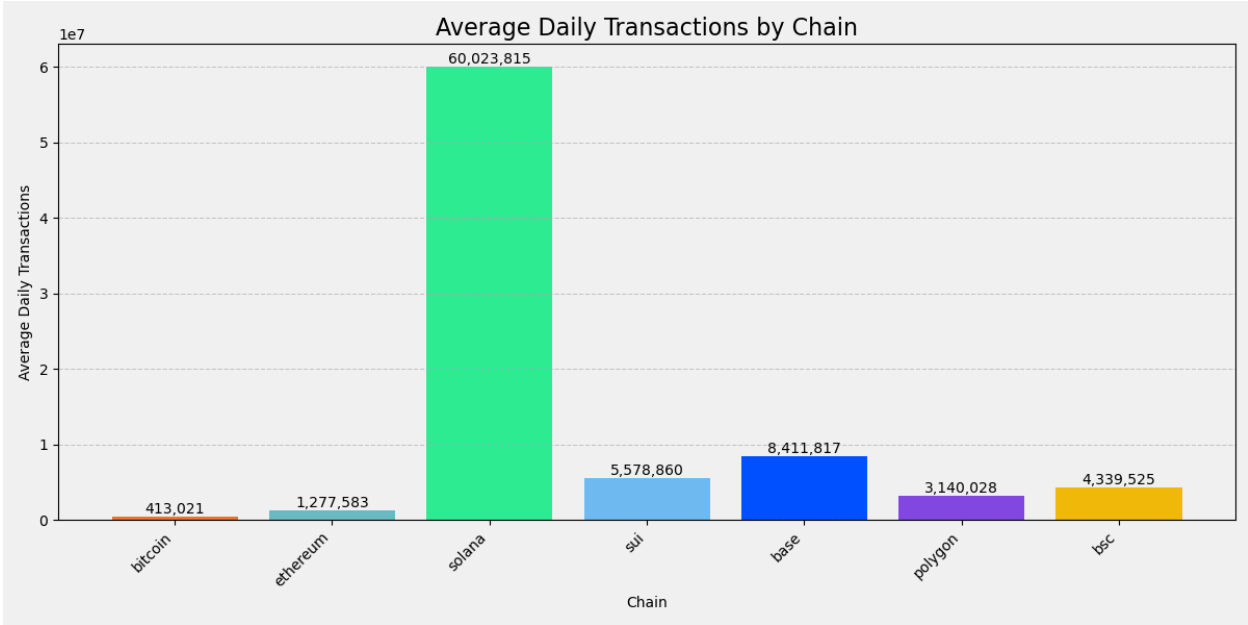
Source: Artemis, Presto Research

Figure 6.3: DAU Change



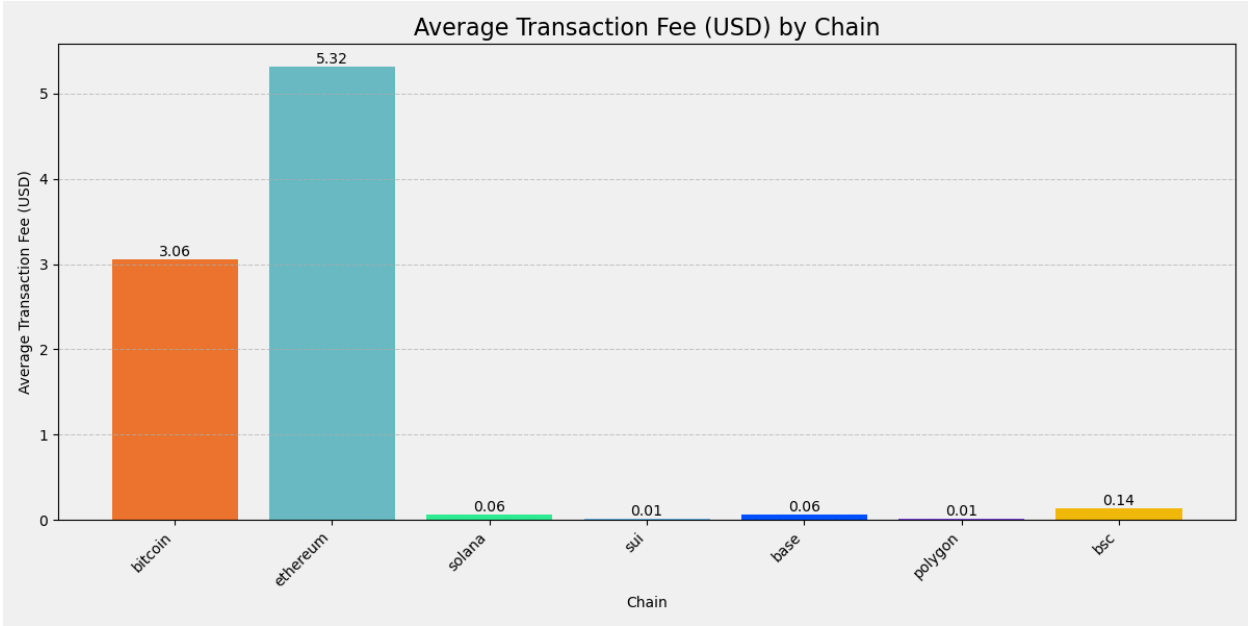
Source: Artemis, Presto Research

Figure 6.4: Average daily transaction count in December



Source: Artemis, Presto Research

Figure 6.5: Average daily transaction fee (USD) in December



Source: Artemis, Presto Research

About Presto

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