Gate Research

February Crypto Market Review

2025/02/01 - 2025/02/28

Gateway to Crypto

Summary

- In February, the total crypto market cap trended downward, dropping from $3.6T to below $3.0T by late month, signaling increased selling pressure.
- BTC fell from $100K, briefly dipping below $80K, while ETH plunged nearly 30% to around $2,200.
- Sui's active addresses grew 35.81%, reflecting ecosystem growth.
- Ethena remained resilient due to its unique mechanism and high yields. TRUMP token's on-chain volume dropped 86.9% to $5.3B.
- A hacker incident drove THORChain's volume to $860M, as stolen ETH from Bybit was converted to BTC for further transfers.
- Web3 saw 134 funding deals totaling $1.02B, down 6.4%, with CeFi and blockchain services leading at $301M and $223M. Security losses hit $1.676B, mostly from account breaches and contract flaws (53.3%).
- On March 5-6, 2025, ENA and RED token unlocks will reach 64% and 480% of circulating supply.

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Catalogue

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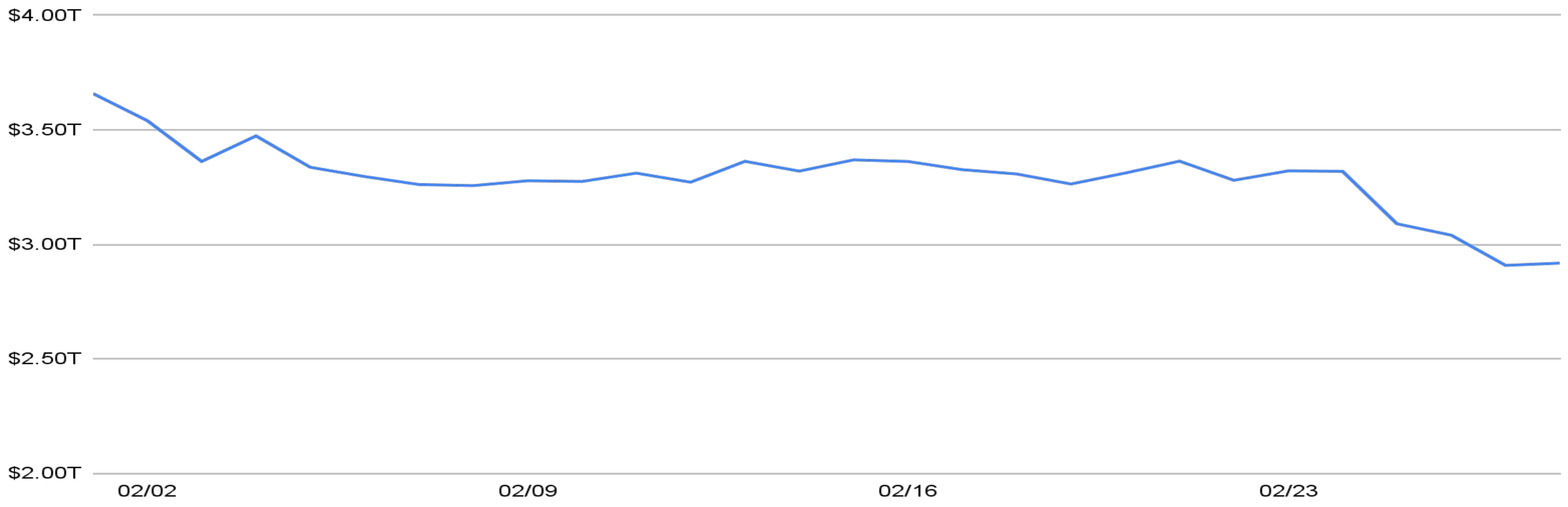
01 Market Performance

01 Crypto Market Cap Trend

In February, the total crypto market cap trended downward, declining from $3.6T at the start of the month. By late February, the drop intensified, falling below $3.0T, indicating increased selling pressure, possibly due to macroeconomic factors, regulatory policies, or market panic.

February Crypto Market Trends



Gate Research, Data from: CoinGecko

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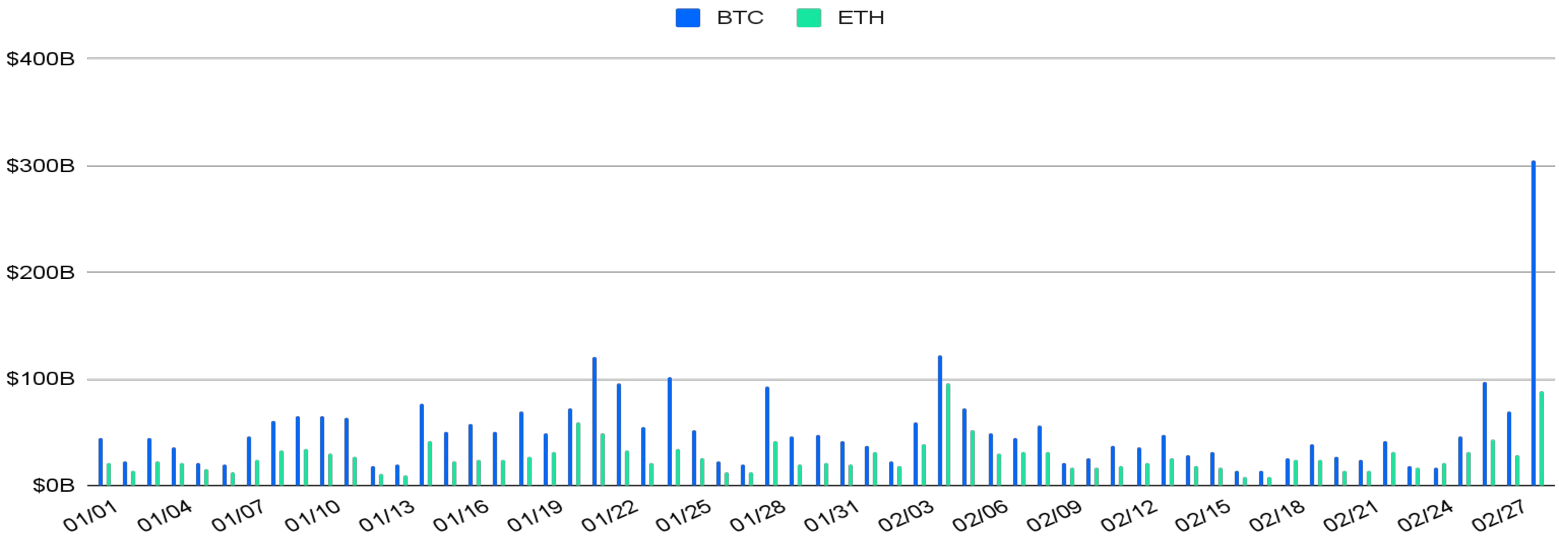
02 BTC and ETH Daily Trading Volume

BTC's average daily trading volume was $51.1B, down 4.12% from January, reflecting weakened market activity. Volume dropped significantly in mid-February, only surging during major price swings. ETH's average daily volume rose 13.51% to $29.4B, driven by increased price volatility.

Daily Transaction Volume of BTC and ETH



Gate Research, Data from: CoinMarketCap

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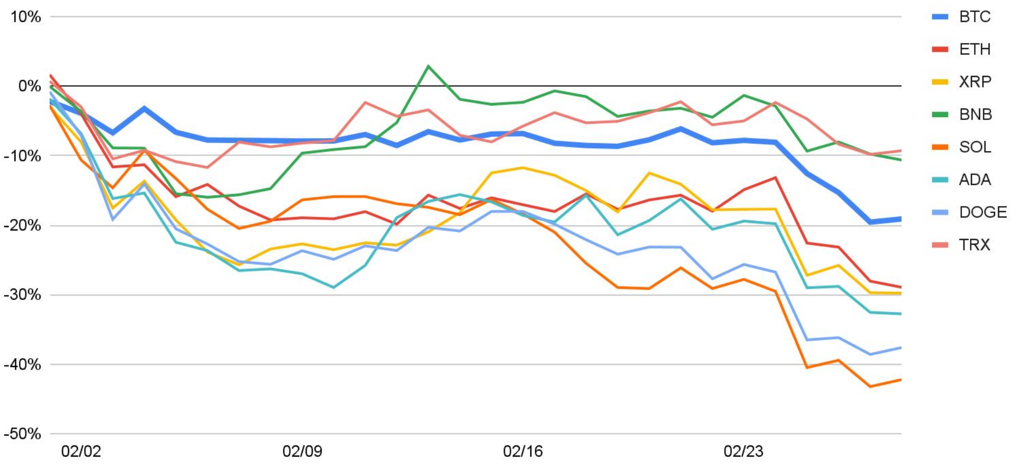
03 Top 8 Tokens by Marketcap - Investment Returns

In February 2025, the top 8 cryptocurrencies by market cap saw sharp declines. SOL (-42.23%) and DOGE (-37.61%) led losses, followed by ETH (-28.94%) and BTC (-19.10%), which remained relatively resilient. TRX had the smallest drop at -9.29%. Overall, the market experienced a significant correction with a bearish sentiment.

Top 8 Tokens February Performance



Token	Monthly Return
BTC	-19.10%
ETH	-28.94%
XRP	-29.77%
BNB	-10.63%
SOL	-42.23%
ADA	-32.76%
DOGE	-37.61%
TRX	-9.29%

Note: Investment return = (Current Price - Price at the Start of the Month) / Price at the Start of the Month

Gate Research, Data from: Gate.io

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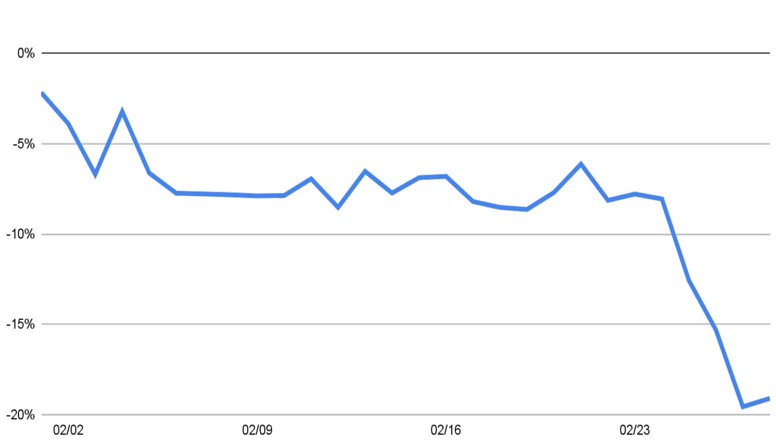
04 BTC Price Trend and Volatility

BTC exhibited a choppy downtrend, gradually falling from $100K. The decline intensified in late February, briefly dipping below $80K. Trading volume surged during the drop, indicating strong selling pressure. A slight rebound occurred at the end of the month, but overall weakness persists. Further observation of volume-price dynamics is needed to confirm potential stabilization.

Feb BTC Performance



Gate Research, Data from: Gate.io

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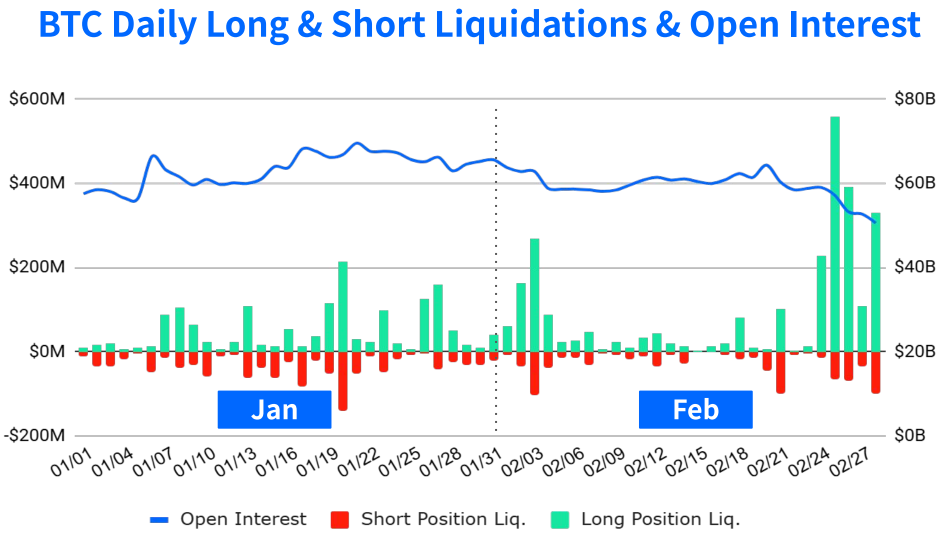
05 BTC Contract Liquidations & Open Interest

The BTC market saw high volatility, with total liquidations reaching $6.152B. Long liquidations accounted for $4.225B. Open interest averaged $59.4B, down 6.18% from January, hitting a low of $50.5B at the end of February, indicating reduced leverage and cautious market sentiment.



Feb BTC Performance
Long Liquidations $4.225B
Short Liquidations $1.927B
Total Liquidations $6.152B

BTC Open Interest	
AVG. $59.4B ▼ 6.18% (MoM)	
MIN. $50.5B (02/28)	MAX. $63.7B (02/01)

Gate Research, Data from: Coinglass

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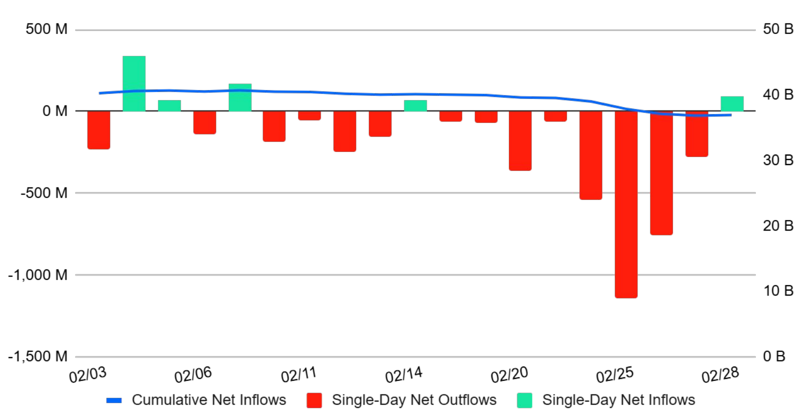
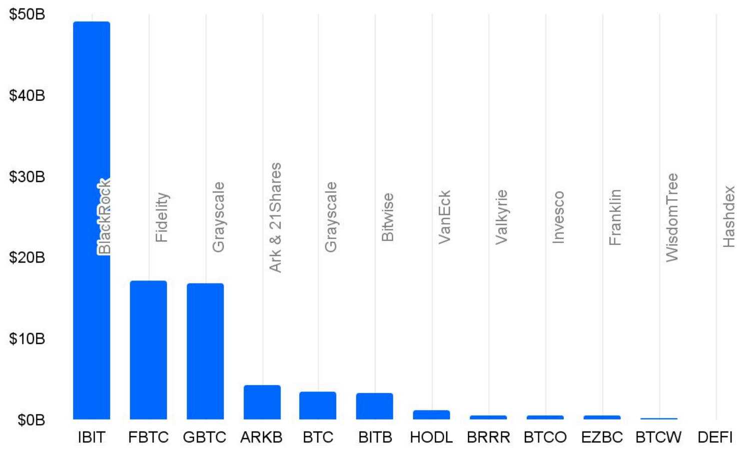
06 BTC ETF Daily & Cumulative Net Inflows

BTC ETFs experienced an overall net outflow trend in February, with a total net outflow of $3.3B for the month. Outflows accelerated notably in late February, likely exacerbated by BTC's continued price decline, further fueling market panic and prompting sustained ETF withdrawals.

BTC ETF Daily & Cumulative Net Inflow Trends



Issuer AUM



Gate Research, Data from: SoSoValue

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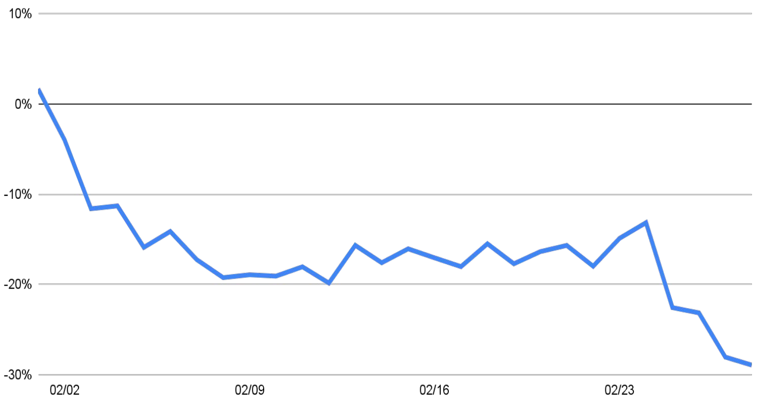
07 ETH Price Trend & Volatility

ETH remained around $3,200 in early February. On February 3, a long lower wick candlestick appeared, indicating sharp intraday volatility. After a rapid drop, prices quickly rebounded. However, worsening macro conditions and market sentiment led to a steep decline from late February, with ETH hitting a low of around $2,200, marking a nearly 30% monthly drop.

Feb ETH Price Volatility



Gate Research, Data from: Gate.io

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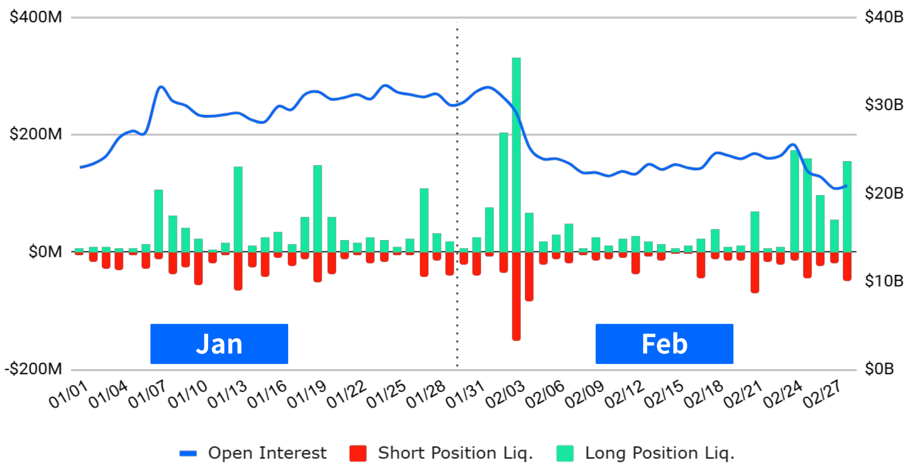
08 ETH Contract Liquidations & Open Interest

On February 3, the sharp ETH price drop triggered a large-scale long liquidation, followed by a significant decline in open interest, signaling noticeable market deleveraging. In total, February saw $2.503B in liquidations, with long liquidations at $1.723B and short liquidations at $780M, indicating stronger pressure on long positions.

ETH Daily Long & Short Liquidations & Open Interest



ETH Liquidations

Long Liquidations
$1.723B

Short Liquidations
$780M

Total Liquidations
$2.503B

ETH Open Interest

AVG.
$23.9B ▼ 18.30%(MoM)

MIN.	MAX.
$22.9B (01/01)	$31.9B (01/07)

Gate Research, Data from: Coinglass

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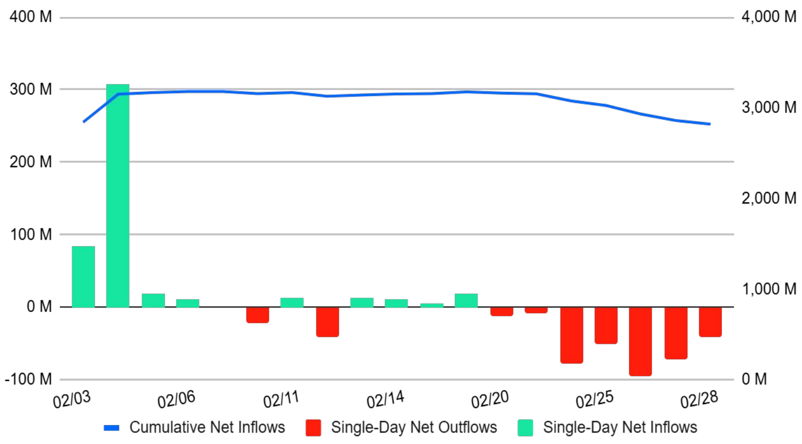
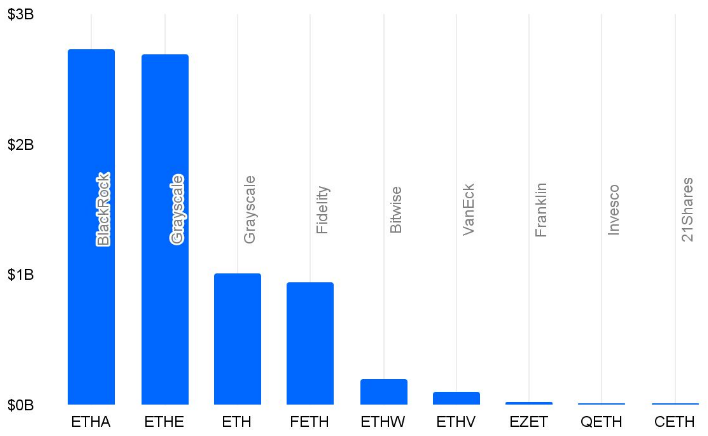
09 ETH ETF Daily & Cumulative Net Inflows

After a significant inflow at the beginning of the month, ETH ETF saw continuous outflows starting in late February, with a total net outflow of $23.74M for the month. While early February witnessed large inflows, outflows persisted afterward, intensifying in late February, reflecting a notable decline in market confidence.

ETH ETF Daily & Cumulative Net Inflow Trends



Issuer AUM



Gate Research, Data from: SoSoValue

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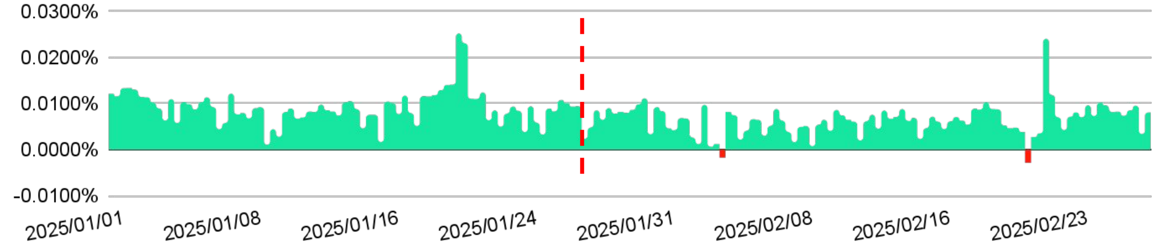
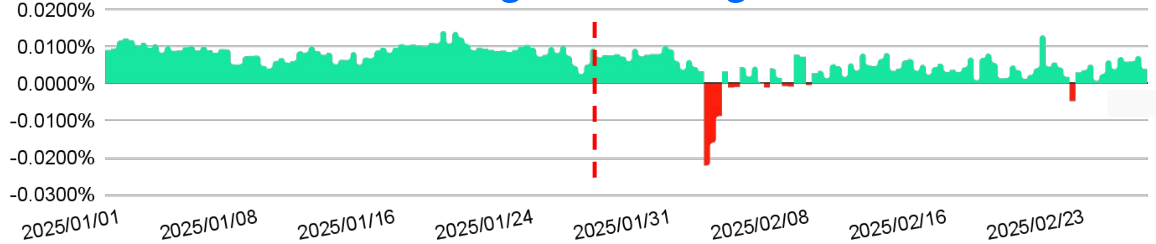
10 BTC & ETH Weighted Funding Rates

ETH ETFs saw significant inflows at the beginning of February but experienced sustained outflows from late month onward, with a total net outflow of $23.74M for the month. While early February saw large inflows, continuous outflows followed, particularly accelerating in late February, reflecting weakened market confidence.

BTC Weighted Funding Rate



ETH Weighted Funding Rate



BTC Funding Rate
MIN. (02/21) -0.0029%
MAX. (02/25) 0.0102%

ETH Funding Rate
MIN. (02/03) -0.0221%
MAX. (02/22) 0.0132%

Gate Research, Data from: Gate.io

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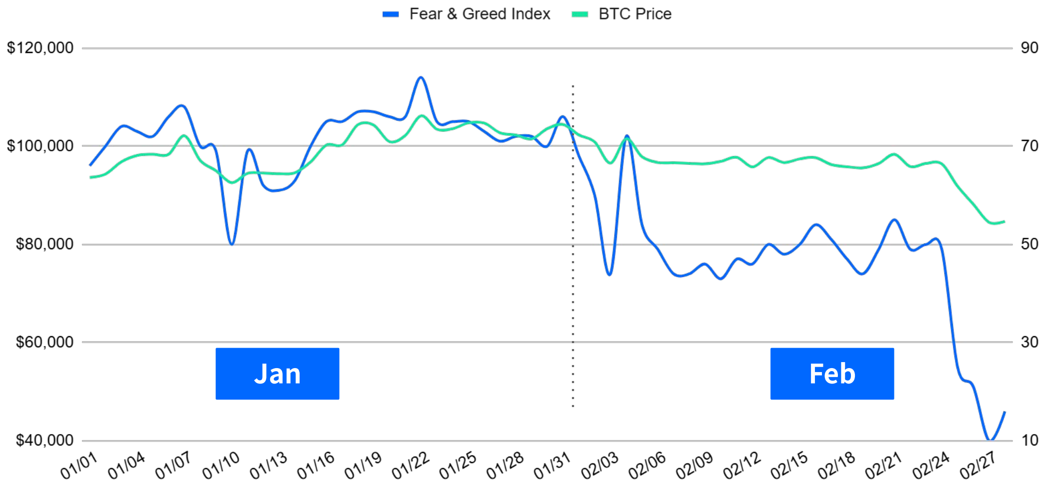
11 Fear & Greed Index

The Fear & Greed Index averaged 45.89 in February, down 35.97% from the previous month. It hit a low of 10, reflecting a sharp decline in market confidence and heightened panic, especially as BTC prices fell in late February.

Fear & Greed Index Trend



VIX Fear Index
AVG. 45.89 ▼35.97% (MoM)
MIN. (02/27) 10
MAX. (02/04) 72

Gate Research, Data from: Gate.io

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02 On-Chain Data

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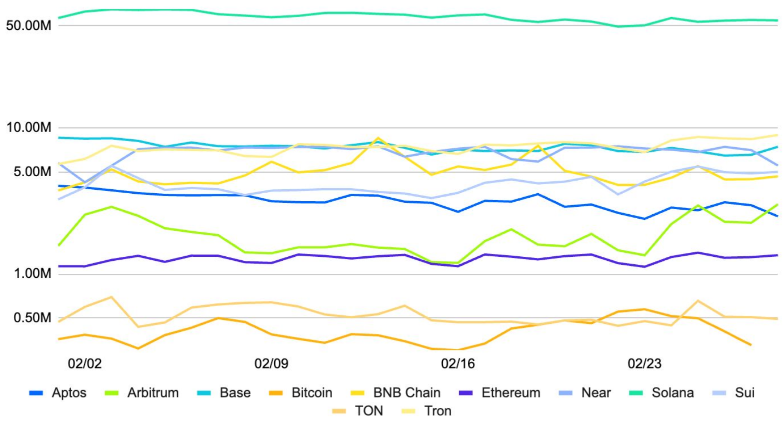
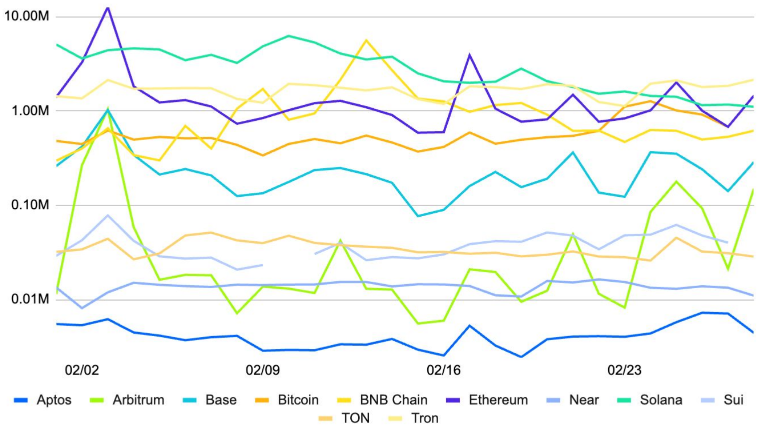
01 Major Blockchains: Transactions & Gas Fees

Solana's total transactions fell 10.4% MoM, averaging 57.8M daily transactions, with an average gas fee of $0.05 per transaction. The decline was mainly due to fading Meme coin hype, leading to lower trading activity.

Daily Transactions Trend by Network



Cumulative Daily Gas Fee Trend



Gate Research, Data from: Artemis

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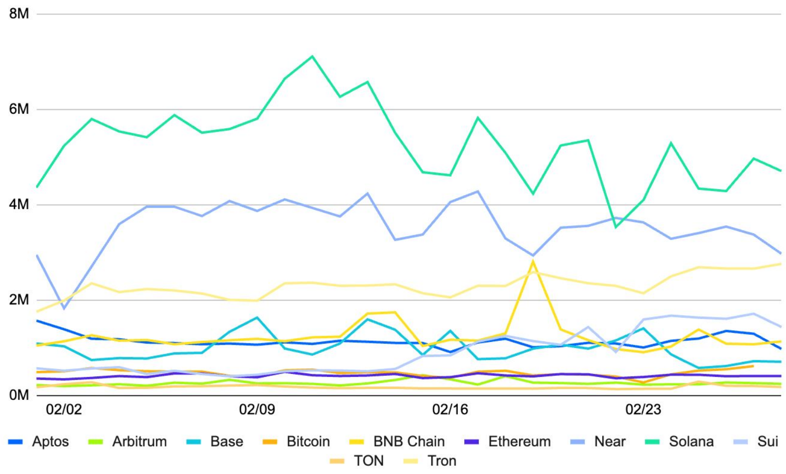
02 Major Blockchains: Active Address Overview

Active addresses across major chains remained stable. Solana, Near, and Tron had the highest daily active addresses. Sui stood out with a 35.81% MoM increase, highlighting ecosystem growth and user expansion.

Daily Active Address Trends by Network



Gate Research, Data from: Artemis

Blockchain Network	Jan Avg. Daily Active Addresses	Feb Avg. Daily Active Addresses	MoM Growth
Solana	6,394,087	5,299,643	-17.11%
NEAR	3,867,309	3,556,547	-8.03%
Tron	2,200,045	2,322,350	5.55%
Aptos	1,221,659	1,126,619	-7.78%
BNB Chain	1,193,756	1,259,156	5.47%
Base	1,207,708	997,448	-17.4%
Sui	679,523	922,895	35.81%
Bitcoin	497,537	479,957	-3.53%
Ethereum	410,682	418,640	1.93%
Arbitrum	331,131	269,678	-18.55%
TON	264,058	182,937	-30.72%

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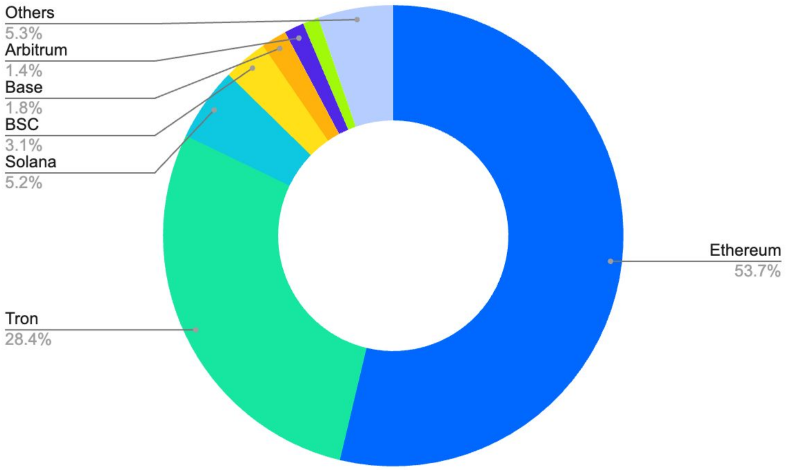
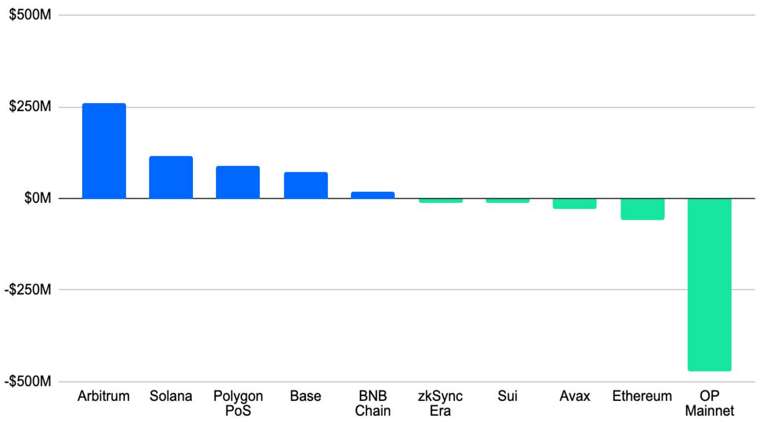
03 Major Blockchains: Stablecoins & Fund Flows

The total stablecoin market cap reached $224.1B, up 3.17% MoM, with Ethereum-based stablecoins accounting for 53.7% of the market. Arbitrum saw a $260M net inflow after significant outflows last month, while OP Mainnet recorded a $473M net outflow in February.

Monthly Net Inflows & Outflows



Stablecoin Market Share (End of February)



Gate Research, Data from: DefiLlama

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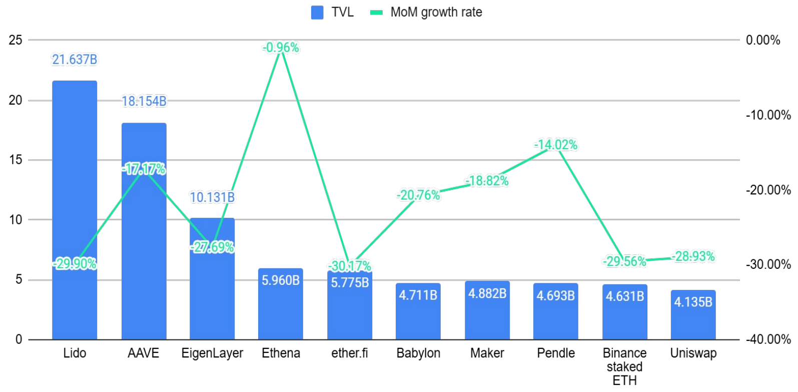
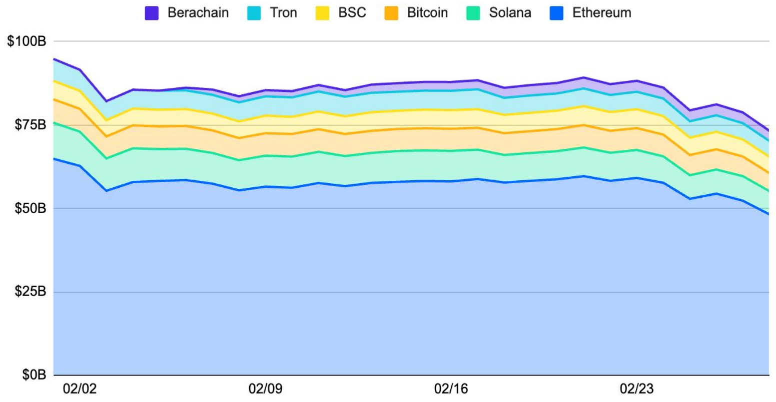
04 DeFi: Top 10 Protocols by TVL & Major Blockchains

Among the top 10 DeFi protocols, TVL declined over 10% MoM, except for Ethena, which only dropped 0.96% due to its unique mechanism, high yields, and safe-haven appeal.From a broader blockchain perspective, TVL saw a steep drop in late February. Ethereum TVL fell to $48.2B, with a 52.21% market share, marking a slight decline.

Top 10 DeFi Protocols by TVL



DeFi TVL Trends by Blockchain



Gate Research, Data from: DefiLlama

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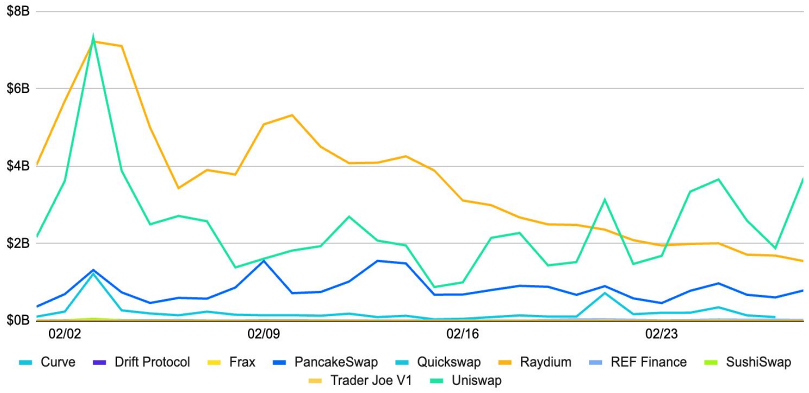
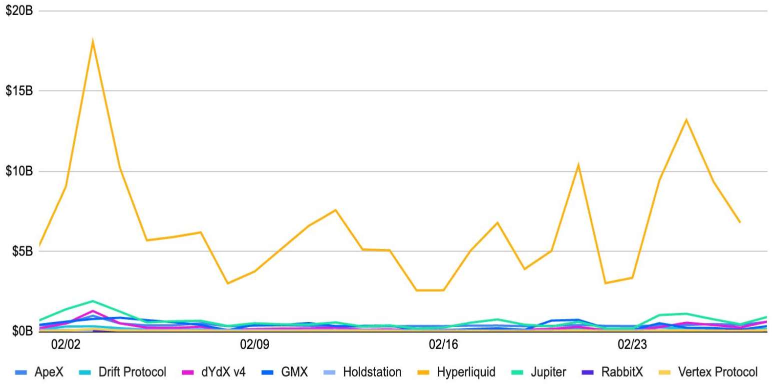
05 DeFi: DEX & Perpetual DEX Daily Trading Volume

In February, due to a weakening Solana ecosystem and declining Meme coin hype, along with Pump.fun's plan to launch its own AMM, Raydium's trading volume continued to decline. In contrast, Uniswap's volume steadily increased from mid-February, eventually surpassing Raydium to secure the top position. In the perpetual contract DEX sector, Hyperliquid maintained the highest trading volume, peaking at $18B for the month.

Feb DEX Daily Trading Volume



Feb Perpetual Contract DEX Daily Trading Volume



Gate Research, Data from: Artemis

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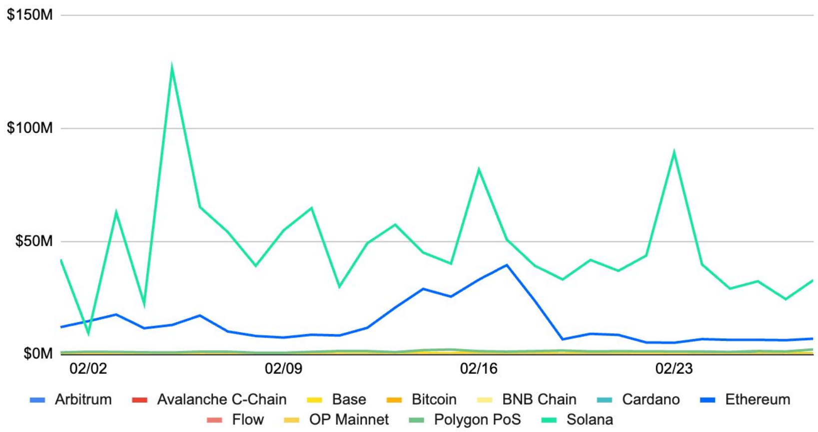
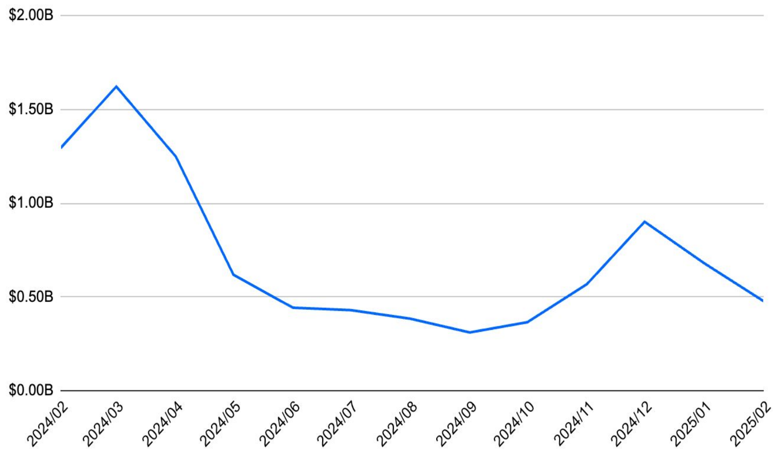
06 NFT: Trading Data & Cumulative Sales

Solana remained the most active NFT trading network, with an average daily volume of $470K and a monthly peak of $1.26M on February 5. After the market rebound in December 2024, NFT sales continued to decline in February, dropping to $477M.

Multi-Chain NFT Daily Trading Volume



NFT Monthly Sales Overview (Feb 2024 – Feb 2025)



Gate Research, Data from: Artemis

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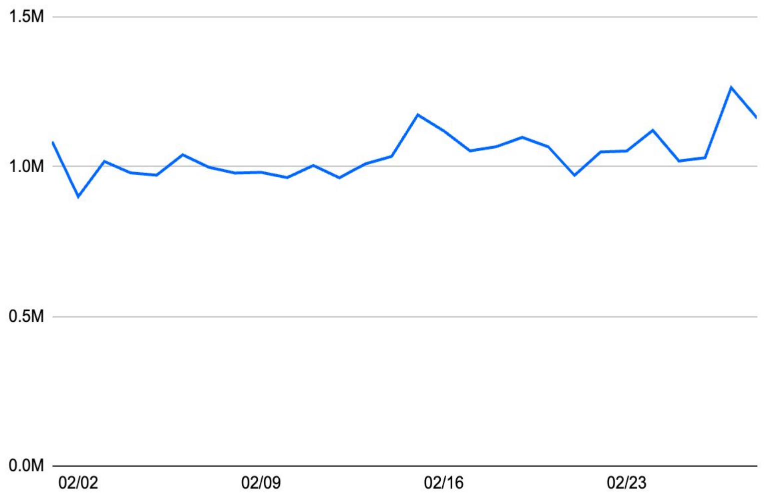
07 GameFi: User Trend Analysis

GameFi's daily active users fluctuated around 1.1M. KGeN maintained its lead in active addresses, showing steady growth. Meowtopia and CRYSTALS ranked among the top 10 GameFi projects, with address growth rates of 101.44% and 53.42%, respectively.

Top 10 GameFi Protocols by Monthly Active Wallets

Project	Active Addresses	MoM Address Growth	Transactions	MoM Transaction Growth
KGeN	4.27M	9.16%	6.8M	+5.47%
World of Dypians	2.8M	-11.15%	34.04M	+8.86%
STAN	2.07M	-5.88%	11.33M	+4.33%
Pixudi	1.78M	14.38%	11.27M	+44.29%
SERAPH: In The Darkness	1.49M	12.18%	6.01M	-19.01%
BoomLand	1.16M	-3.83%	2.44M	+8.01%
Sweat Economy	1.14M	-8.26%	10.11M	-3.14%
SpinCity	874.35k	-66.3%	1.23M	-61.83%
Meowtopia	829.89l k	101.44%	1.2M	+55.14%
CRYSTALS	758.47k	53.42%	750.82k	+51.19%

GameFi Daily Active User Trends



Gate Research, Data from: DappRadar

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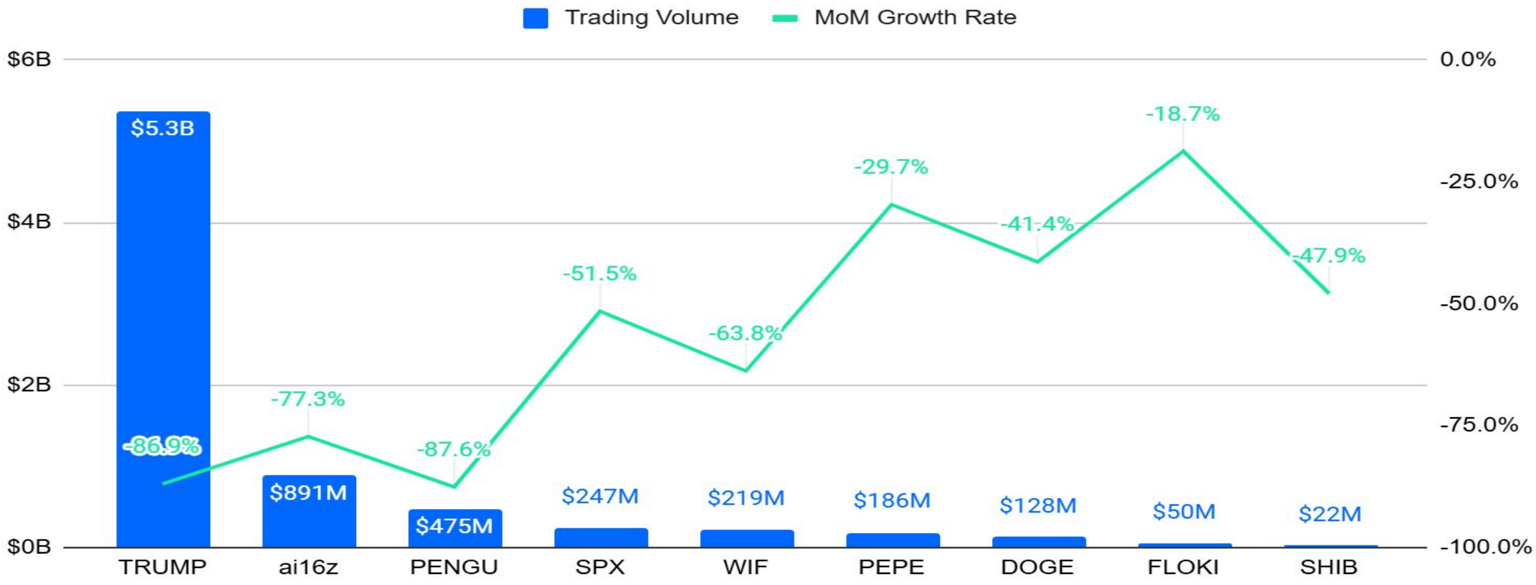
08 MEME: Top Tokens by On-Chain Trading Volume

Among major Meme coins, TRUMP token had the highest trading volume, but its on-chain volume dropped to $5.3B, with a monthly decline of 86.9%. The top 10 Meme coins saw varying degrees of volume and growth rate declines, indicating a cooling trend in the sector.



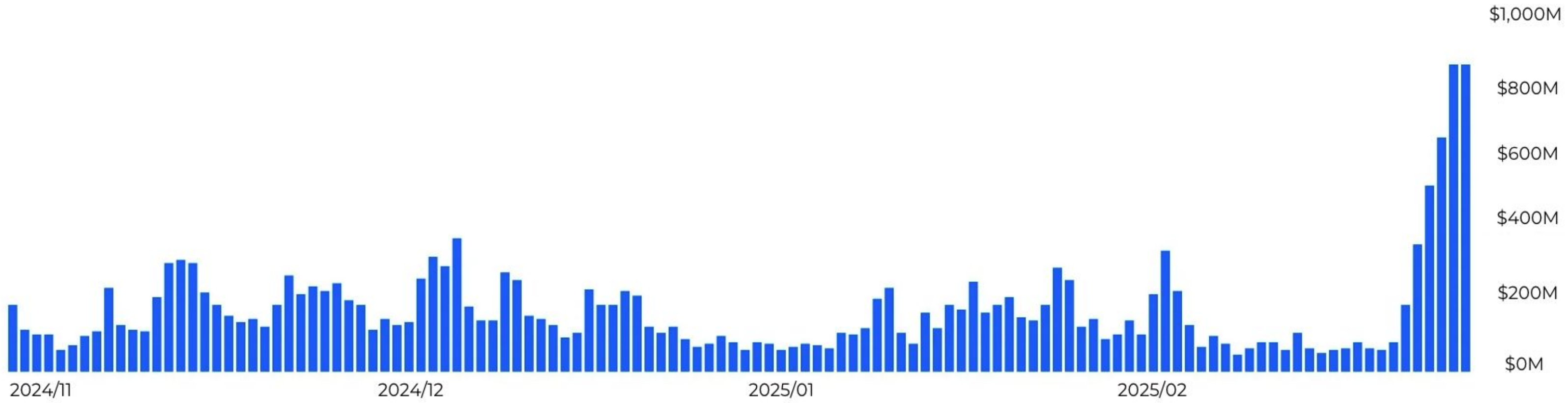
Gate Research, Data from: Dune

03 Hot Topics

01 THORChain Trading Volume Surges to $860M After Bybit Hack

Since February 22, THORChain's trading volume spiked to $860M, exceeding its daily average of $70M. Daily revenue also soared from $50K to $765K. This surge was linked to the Bybit hack, where attackers used THORChain to convert stolen ETH into BTC for further transfers.

THORChain Trading Volume



Gate Research, Data from: DefiLlama

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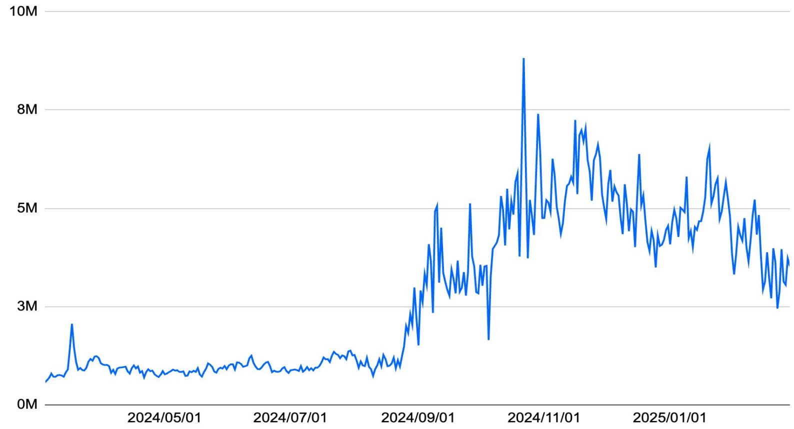
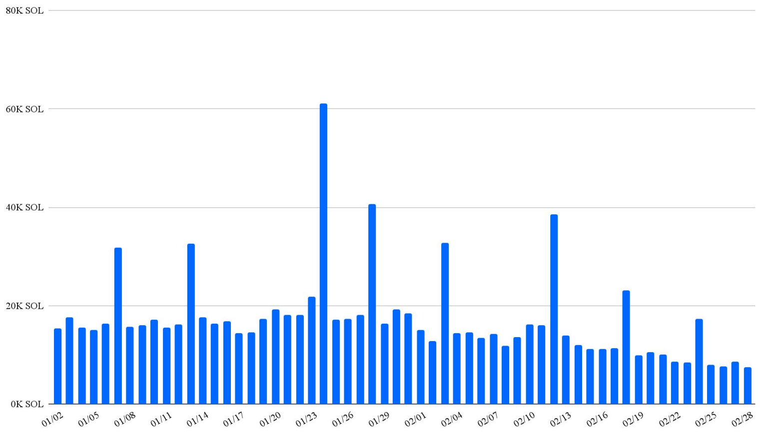
02 Solana Active Addresses Drop 50% to 3.28M

According to Dune data, Solana's active addresses fell to 3.28M, a 50.5% decline from the November 2024 peak of 6.63M. On-chain activity has steadily dropped since December, with a sharp fall in February. Pump.fun's protocol fees also plunged 87% from 61,017 SOL (Jan 24) to 7,442 SOL (Feb 28), reflecting a broader slowdown in Solana's ecosystem amid the crypto market downturn.

Solana Network Active Addresses



Pump.fun Protocol Fee Revenue



Gate Research, Data from: Dune

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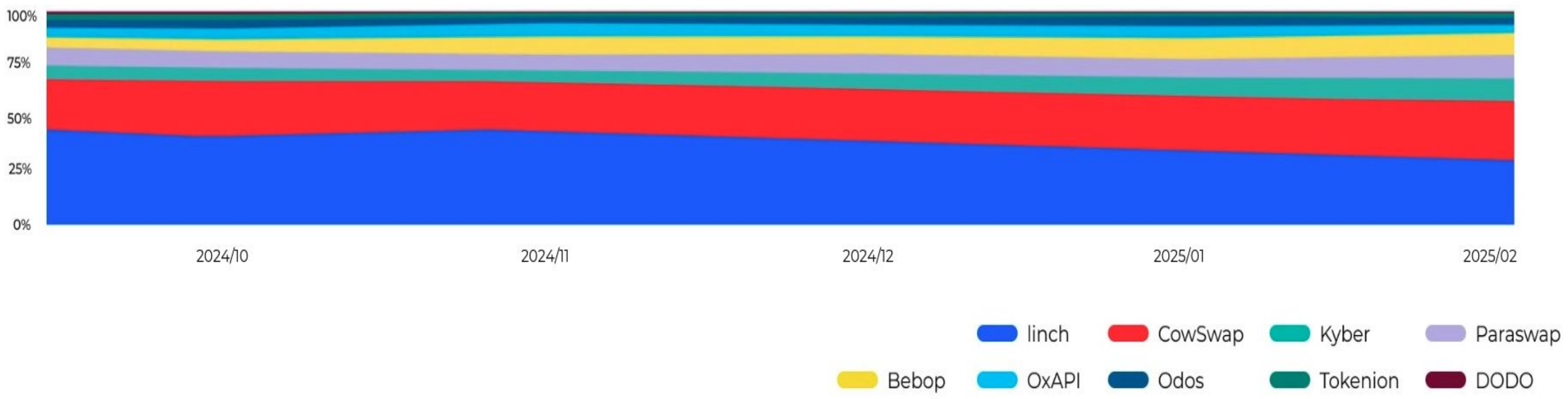
03 CoW Swap Challenges 1inch's Dominance in DEX Aggregation

CoW Swap's market share doubled to 26%, challenging 1inch, which dropped to 30%. Its "Coincidence of Wants (CoW)" mechanism reduces reliance on liquidity pools, lowering slippage and mitigating MEV risks. As institutional traders return, slippage optimization and competitive pricing for large trades will be key differentiators.

Ethereum DEX Aggregator Market Share



Gate Research, Data from : The Block

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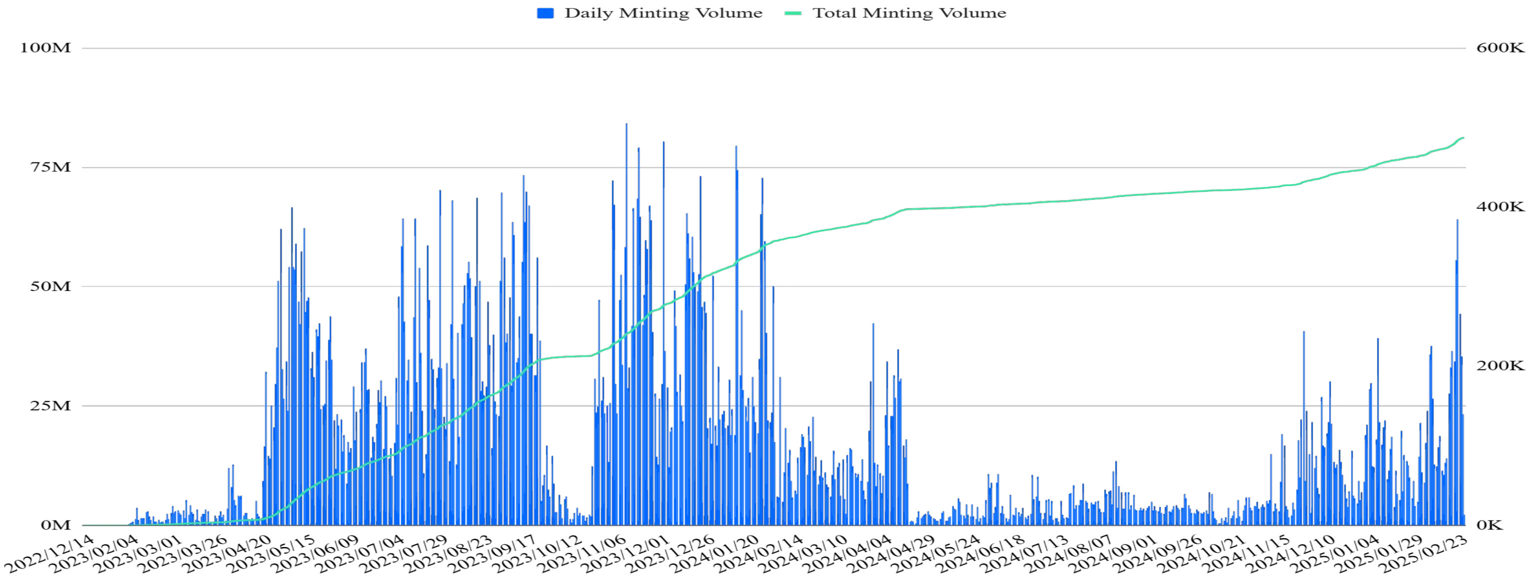
04 Bitcoin Ordinals Inscriptions Surpass 80M

Bitcoin Ordinals inscriptions have exceeded 80M, generating 7,016.49 BTC ($628M) in fees. By embedding data on-chain, Ordinals expand Bitcoin's utility for NFTs and digital content. However, concerns persist over their impact on block space and Bitcoin's core functionality. The evolution of Ordinals and potential Bitcoin protocol adjustments remain closely watched.



Gate Research, Data from: CoinGecko

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04 Funding Information

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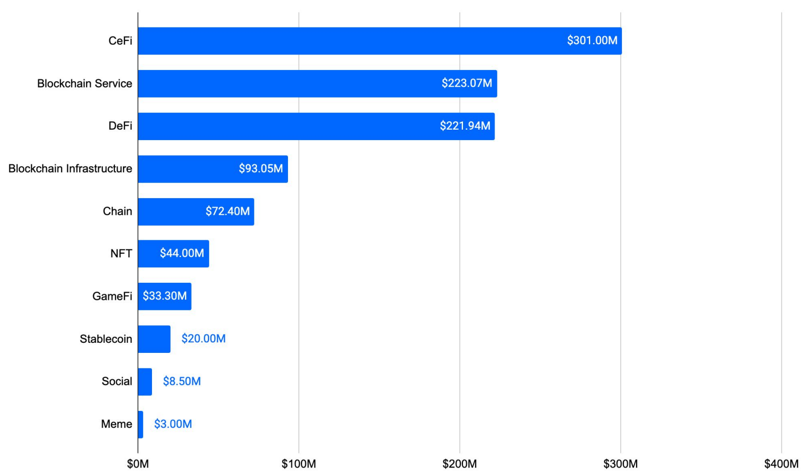
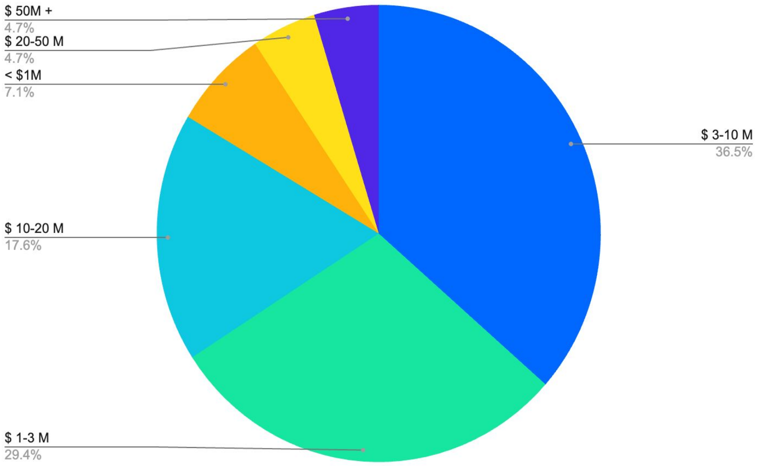
01 Web3 Funding Overview

According to CryptoRank data, the Web3 industry completed 134 funding deals in February, totaling $1.02B, marking a 6.4% month-over-month decline. The CeFi sector and blockchain services were the most active, securing $301M and $223M. Among disclosed funding rounds, 72.9% of projects raised less than $10M.

Web3 Project Funding Rounds Distribution



Web3 Project Funding Scale Distribution



Gate Research, Data from: CryptoRank

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02 Web3 Funding Overview

Fintech company Figure led February's funding rounds, securing $200M to enhance liquidity in the non-institutional mortgage market, making financing more accessible for lenders and increasing market stability.

Top 10 Funded Projects in February

Project Name	Round	Amount	Date	Overview
Figure	Undisclosed	$200.00M	02/28	A fintech company utilizing the Provenance blockchain for loan issuance, equity management, and payments.
Ethena (ENA)	Private Token Sale	$100.00M	02/24	An Ethereum-based synthetic dollar protocol offering a crypto-native currency solution independent of traditional banking infrastructure.
Bitwise	Undisclosed	$70.00M	02/25	A crypto asset management firm providing various cryptocurrency index and fund products to facilitate investor exposure to the crypto market.
Raise	Strategic Financing	$63.00M	02/26	A technology company focused on improving corporate financing efficiency with digital financing solutions.
Blockaid	Series B	$50.00M	02/18	A blockchain security firm providing smart contract auditing and blockchain security solutions to ensure the safety and reliability of blockchain applications.
HashKey Group	Undisclosed	$30.00M	02/14	A digital asset financial services group offering trading, asset management, and other services to drive blockchain and digital asset industry growth.
Taproot Wizards	Undisclosed	$30.00M	02/04	A project focused on the Bitcoin ecosystem, leveraging the Taproot upgrade to enhance Bitcoin's smart contract capabilities and privacy.
Plasma	Series A	$20.50M	02/13	A blockchain scaling solution provider focused on L2 technology to improve transaction speed, scalability, and reduce costs.
Ethena (USDe)	Undisclosed	$20.00M	02/26	USDe is a yield-generating stablecoin by Ethena, utilizing advanced financial engineering techniques like Delta hedging to ensure stability and scalability.
Cygnus Finance (CYGNUS)	Seed Round	$20.00M	02/18	A decentralized finance (DeFi) platform offering lending, trading, and yield aggregation services for a seamless DeFi experience.

Gate Research, Data from: CryptoRank

05 Security Incidents

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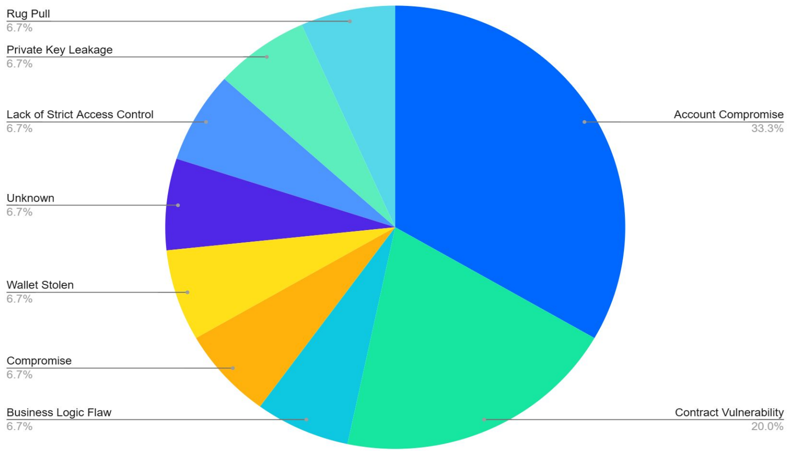
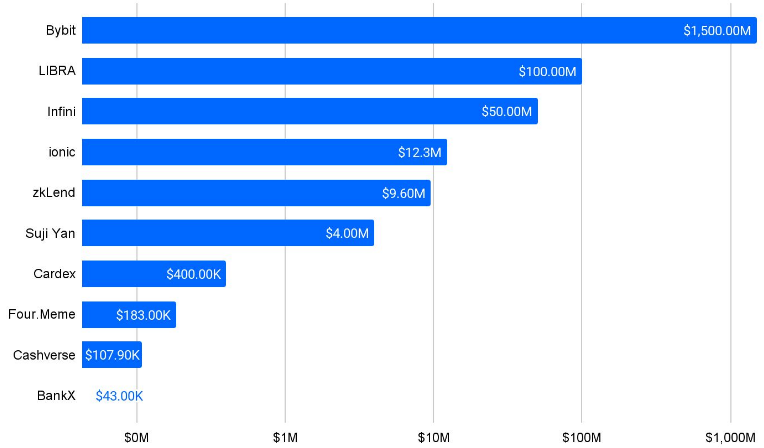
01 Web3 Security Incidents Overview

This month, Web3 saw 12 security incidents, with $1.676B in disclosed losses. 53.3% were due to account breaches and smart contract flaws. The most significant was the Bybit hack, where attackers manipulated Safe{Wallet} to bypass multisig and seize its Ethereum cold wallet, underscoring the need for stronger exchange security.

Security Incident Types by Share



Web3 Security Incident Losses



Gate Research, Data from: Slowmist

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02 Top Web3 Security Incident Losses

The following are major incidents with losses exceeding $10M, ranked by financial impact. Bybit's Ethereum cold wallet hack resulted in a record-breaking $1.5B theft, the largest single crypto heist in history. Stablecoin-focused bank Infini was also attacked, with hackers gaining control of an admin wallet and stealing nearly $50M.

Date	Project/Entity	Attack Details	Loss
02/21	Bybit	Hackers manipulated the Safe{Wallet} frontend, forging a signature interface to bypass Bybit's multisig mechanism and gain control of its Ethereum cold wallet.	$1,500.00M
02/15	LIBRA	Argentine President Javier Milei promoted the LIBRA cryptocurrency on social media, causing a price surge followed by a massive crash.	$100.00M
02/24	Infini	Hackers gained access to an admin wallet and stole nearly $50M in company funds.	$50.00M
02/05	ionic	Hackers used a counterfeit LBTC (Lombard BTC) as collateral for loans on the ionic platform.	$12.30M
02/12	zkLend	Flash loan attack exploiting an accumulator and a SafeMath division vulnerability.	$9.60M

Gate Research, Data from: Slowmist

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06 Upcoming Events

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01 Upcoming Token Unlocks

Below are tokens with unlock amounts exceeding $10M (data as of Feb 7, 2025). Notably, MELANIA is set to unlock on Feb 20, with 40.83% of its circulating supply, which may exert selling pressure. This unlock event warrants close attention.

Major Token Unlocks – March

Project	Market Cap	Circulating Supply	% Unlocked	Unlock Date	Unlock Value
ZEUS	$57.32M	167.52M	18.75%	2025/03/04	$10.81M
ENA	$1.22B	3.22B	64.52%	2025/03/05	$820.32M
RED	$31.92M	40M	480.23%	2025/03/06	$191.91M
JTO	$718.41M	299.68M	3.74%	2025/03/07	$27.12M
ENS	$756.53M	35.58M	4.14%	2025/03/08	$30.98M
CHEEL	$464.24M	56.81M	20.86%	2025/03/10	$96.81M
SEI	$1.14B	4.65B	4.88%	2025/03/15	$55.45M
ZKJ	$232.74M	112.52M	13.76%	2025/03/19	$31.96M
IMX	$1.22B	1.76B	1.39%	2025/03/21	$17.02M
TAO	$2.73B	8.41M	2.57%	2025/03/21	$70.48M
ID	$236.35M	898.11M	8.73%	2025/03/22	$20.66M
JUP	$1.96B	2.63B	7.66%	2025/03/27	$148.79M

Gate Research, Data from: Tokenmoist

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02 Upcoming Key Events and Conferences

In March 2025, the blockchain and cryptocurrency industry will host several major events covering key topics such as technological innovation and policy development. These events will take place across Asia, Europe, and the Americas.

Date	Event Name	Location	Description
03/02	Crypto Expo Europe 2025	Romania	A key event on crypto, blockchain, and Web3 in Eastern Europe.
03/05	Ethereum Prague Upgrade	Ethereum	Sepolia testnet to activate the Pectra upgrade; mainnet launch expected April 8.
03/07	White House Crypto Summit	USA	First U.S. government-led summit on crypto policy and regulation.
03/13	Amsterdam Blockchain Week 2025	Netherlands	A week-long event featuring blockchain and Web3 leaders.
03/17	CME to Launch SOL Futures	USA	CME to introduce Solana futures (pending regulatory approval).
03/18	Digital Asset Summit 2025	USA	Focused on digital asset trends and market developments.
03/19	Next Block Expo – European Blockchain Festival	Poland	A major blockchain and Web3 event in Central & Eastern Europe.
03/21	SEC Roundtable Series – Defining Securities	USA	Discussion on whether crypto assets qualify as securities.
03/26	Crypto Assets Conference 2025	Germany	Exploring blockchain, digital assets, and fintech innovation.
03/27	Wiki Finance Expo Hong Kong 2025	Hong Kong	Covers fintech and Web3 developments.
03/30	Southeast Asia Blockchain Week 2025	Thailand	A regional event on blockchain and Web3 trends.

Gate Research, Data from: ForesightNews

Data Appendix

P1 Market Performance

01 - CoinGecko, https://www.coingecko.com/en/global-charts
02 -CoinGecko, https://www.coingecko.com/en/global-charts
03 - Gate.io, https://www.gate.io/trade
04 - Gate.io, https://www.gate.io/trade/BTC_USDT
05 - CoinClass, https://www.coinglass.com/LiquidationData
06 - SoSoValue, https://sosovalue.com/assets/etf/us-btc-spot
07 - Gate.io, https://www.gate.io/trade/ETH_USDT
08 - CoinGlass, https://www.coinglass.com/LiquidationData
09 - SoSoValue, https://sosovalue.com/tc/assets/etf/us-eth-spot
10 - CoinGlass, https://www.coinglass.com/FundingRate
11 - Gate.io, https://www.gate.io/bigdata/homeindex

P2 On-Chain Data

01 - Artemis, https://app.artemisanalytics.com/chains
02 - Artemis, https://app.artemisanalytics.com/chains
03 - DefiLlama, https://defillama.com/stablecoins
04 - DefiLlama, https://defillama.com
05 - Artemis, https://app.artemisanalytics.com/chains
06 - Cryptoslam, https://www.cryptoslam.io/nftglobal?timeFrame=month
07 - DappRadar, https://dappradar.com/rankings/games?range=30d
08 - Dune, https://dune.com/queries/4675792/7781961

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Data Appendix

P3 Hot Topics

01 - DefiLlama, https://defillama.com/chain/Thorchain?volume=true
02 - Dune, https://dune.com/gate_research/solana-metrics
03 - Dune, https://dune.com/hashed_official/pumpdotfun
04 - The Block, https://www.theblock.co/data/decentralized-finance/dex-non-custodial/dex-aggregator-market-share
05 - Dune, https://dune.com/gate_research/bitcoin-metrics

P4 Funding Information

01 - CryptoRank, https://cryptorank.io/
02 - CryptoRank, https://cryptorank.io/

P5 Security Incidents

01 - slowmist, https://hacked.slowmist.io
02 - slowmist, https://hacked.slowmist.io

P6 Upcoming Events

01 - tokenomist, https://tokenomist.ai/unlocks
02 - Foresightnews, https://foresightnews.pro/calendar?date=20250301

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Gate Research is a professional organization specializing in blockchain industry research. It is dedicated to in-depth analysis of blockchain development trends, providing professional and forward-looking insights for industry professionals and blockchain enthusiasts.

With a mission to popularize blockchain knowledge, we aim to simplify complex technical concepts into accessible language. Through extensive data analysis and keen observation of market trends, we strive to present a comprehensive view of the blockchain industry, encouraging more people to understand and participate in this dynamic sector.

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