

Deposit to earn rewards



Sign up and deposit to receive up to **17,500 USDT** in bonuses.
Exclusive for new users only.

Get it now

Bybit Climbs CME to Become No. 2 Bitcoin Futures Exchange with Open Interest

Original:

<https://www.btcc.com/en-US/academy/research-analysis/bybit-climbs-cme-as-second-largest-bitcoin-futures-exchange>

One trader cites Bybit higher leverage limit, but other factors may at play, too, analysts say.

Bybit, a cryptocurrency exchange with more than 2 million registered users, has overtaken the Chicago Mercantile Exchange (CME) as the second-largest bitcoin futures exchange by open interest (OI), according to data from Skew.

Open interest is the total number of outstanding derivative contracts, such as options or futures held by market participants at the end of a day. Open interest measures the total level of activity in the futures market.

Bybit now has \$2.48 billion in BTC futures open interest, whereas CME has \$2.3 billion, according to Skew. Binance is still No. 1.

“Both retail and institutional investors tend to choose Bybit for its high liquidity, low spread and outstanding reliability when the battle between longs and shorts heat up,” said a Bybit representative.

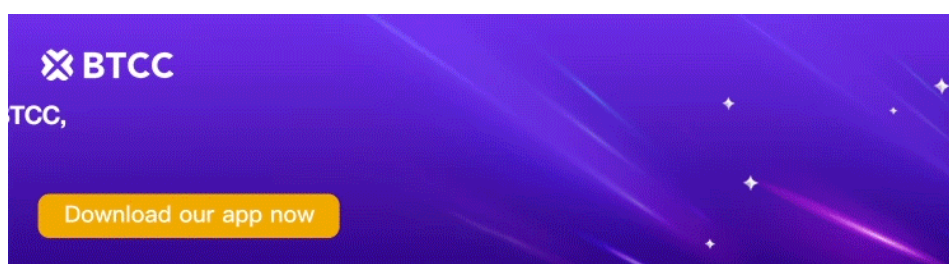
High Leverage of Bybit, High Risk

Mike Schwitalla, a senior trader at Crypto Finance AG, said one reason Bybit surpassed CME is that Bybit's leverage limits are much higher than CME's.

Matthew Dibb, Stack Funds' co-founder and chief operating officer, said that Bybit has become the go-to venue for high leverage trading of bitcoin futures.

"When Bybit's OI is increasing, it generally means that retail traders are using heavy margin to directionally trade," Dibb said in an interview.

"The other side of this is that in the event that there is a substantial liquidation day, Bybit usually has the highest number of traders and value liquidations of any exchange," he added.



[Download App for Android](#)

[Download App for iOS](#)

Speculation Abound- And Possibly Some Hot Trades

Joshua Lim, head of derivatives trading at Genesis Global Trading, said there's been a lot of speculation among traders over Bybit flipping CME in terms of open interest.

There was a large spike in BTC September futures that occurred on April 7, which has been unwound, according to Lim.

Open interest on the September futures got as high as \$1.9 billion, but now sits at \$677 million.

"Some traders were speculating that it was related to an exchange update that was rolled out to algo (algorithmic) market makers, and others were speculating that it was related to some kind of basis trade being executed," Lim said in a Telegram conversation.