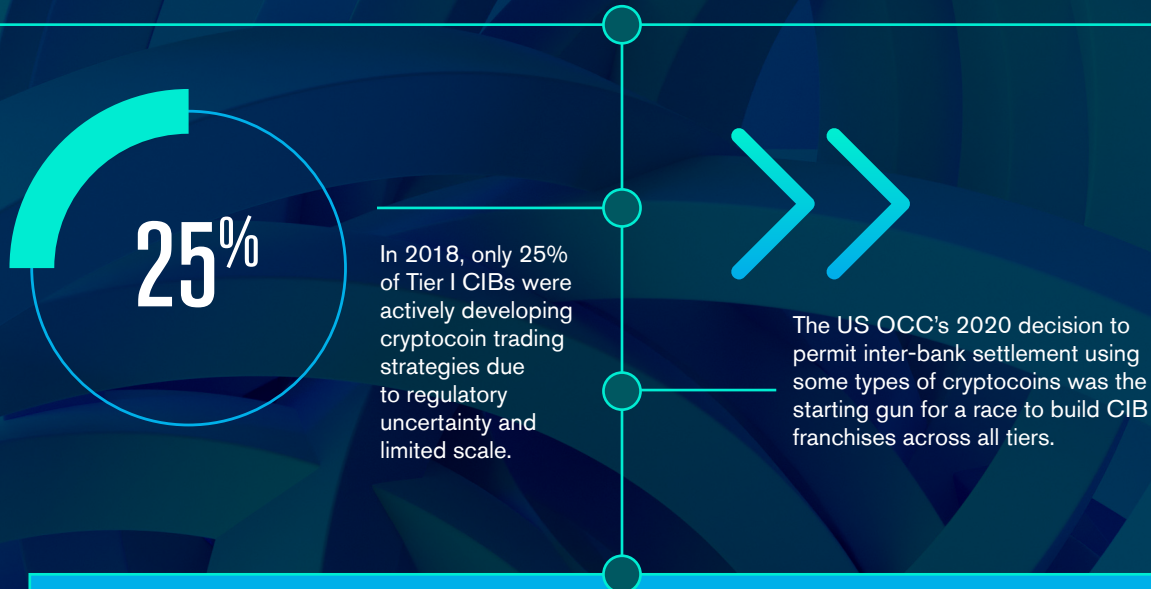


TRENDS IN FX TRADING 2021

CRYPTO ANTE PORTAS

As FX markets continue their evolution toward an all-to-all market structure, a new product group that originates in A2A may yet be bolted onto existing FX franchises: cryptocurrencies. Despite the comparatively small size of the cryptocurrency market and, to date, limited demand among the core corporate and institutional client segments of commercial and investment banks, the race has begun to build credible sellside business models in this space.



GreySpark believes 5 business models for sellside cryptocurrency trading are feasible in the medium-to-long-term:

- Model 1: Indirect Exposure Provision
- Model 2: In-house Exchange Model
- Model 3: Institutional Agency Trading Model
- Model 4: Principal Trading Model
- Model 5: Hybrid Trading & Prime Brokerage Model

Each of these business models carries with it particular challenges associated with operating within the cryptocurrency space that are both technological and operational. Nonetheless, GreySpark believes there is a feasible path to achieving each of these within the context of a CIB FX trading franchise.

For more information please visit:
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