

Deep Dive: Solana DeFi

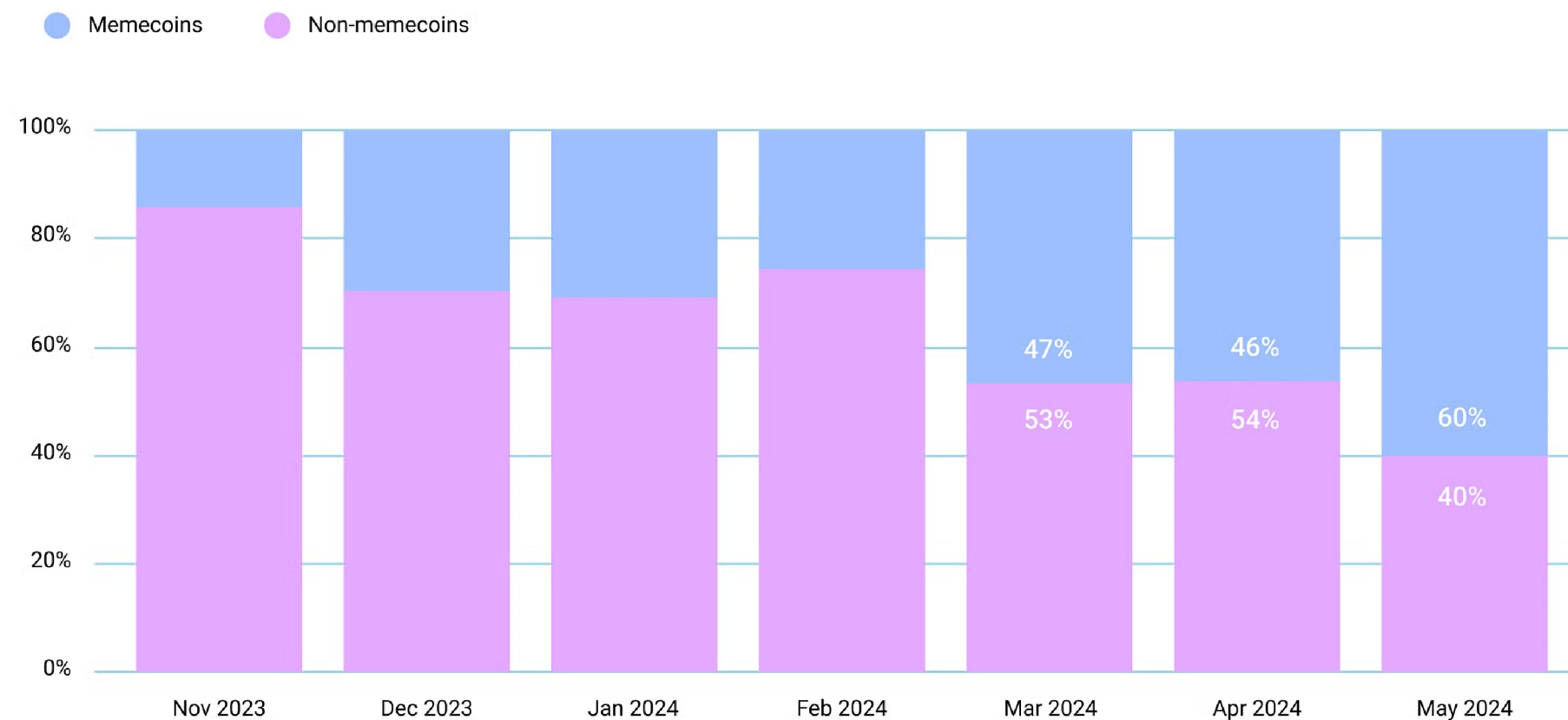
May 2024



1. Spot DEXes

For the first time ever, memecoin DEX volumes have surpassed those of all other tokens.

Memecoins vs Non-memecoins DEX Volume By % of Volume



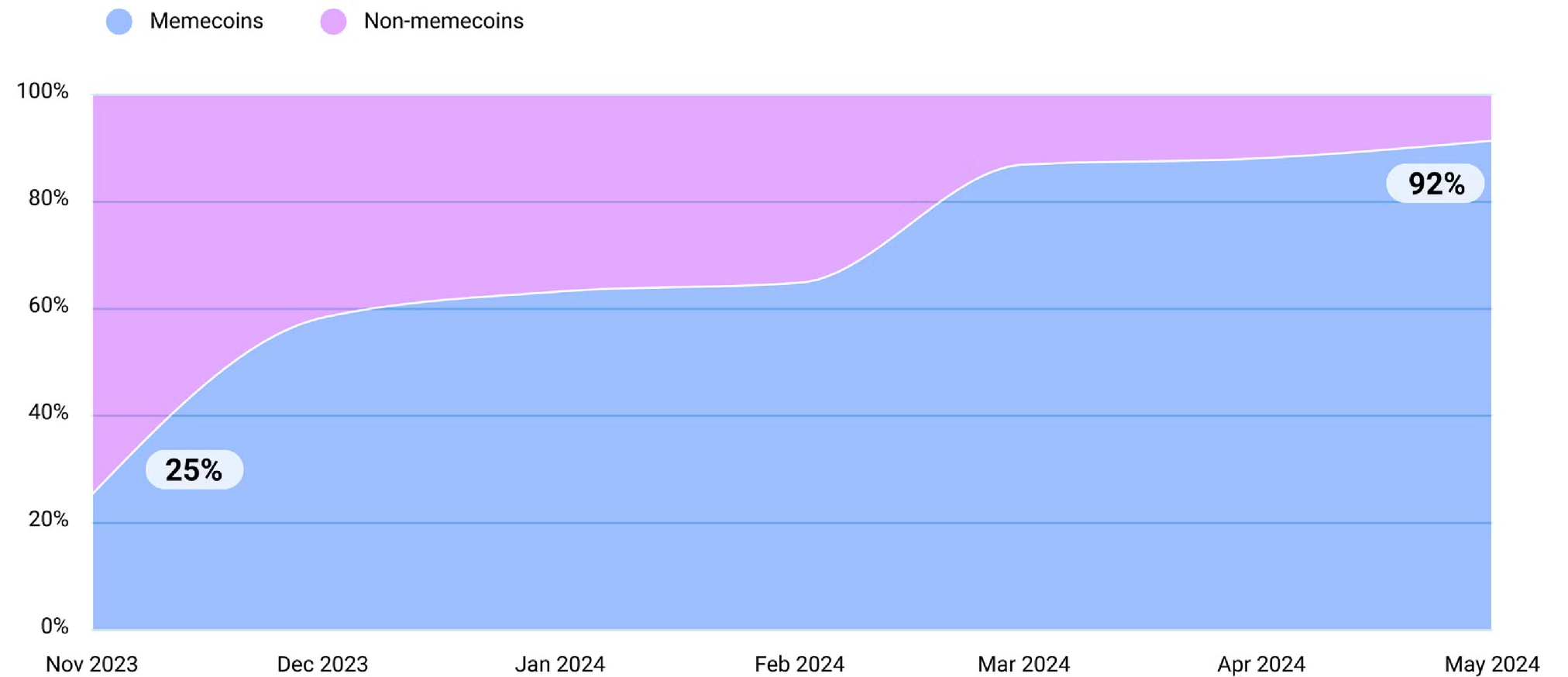
Note: This analysis categorizes tokens individually. The spot DEXes examined are limited to Raydium, Orca, Phoenix, Meteora, Lifinity, and Pump.Fun.

Nearly all Raydium swap volume now involves memecoins.

Emerging as a hub for memecoins, Raydium memecoin volume dominance jumped from 25% to 92% in the last seven months.

Raydium Memecoins vs Non-memecoins DEX Volume Distribution

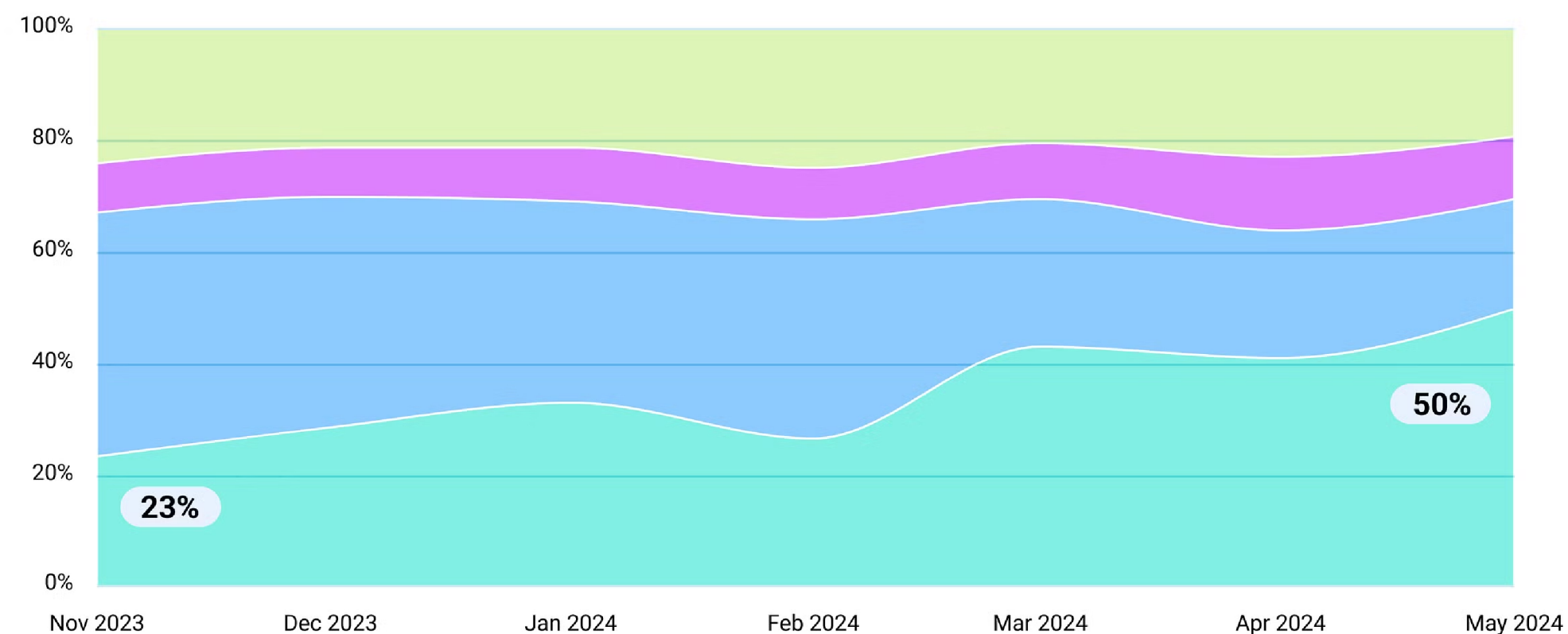
By % of Volume



Amid the memecoin frenzy, Raydium has become the top spot DEX by volume, surging to 50% market share in May.

Solana DEX Market Share By % of Volume

Raydium Orca Phoenix All Others



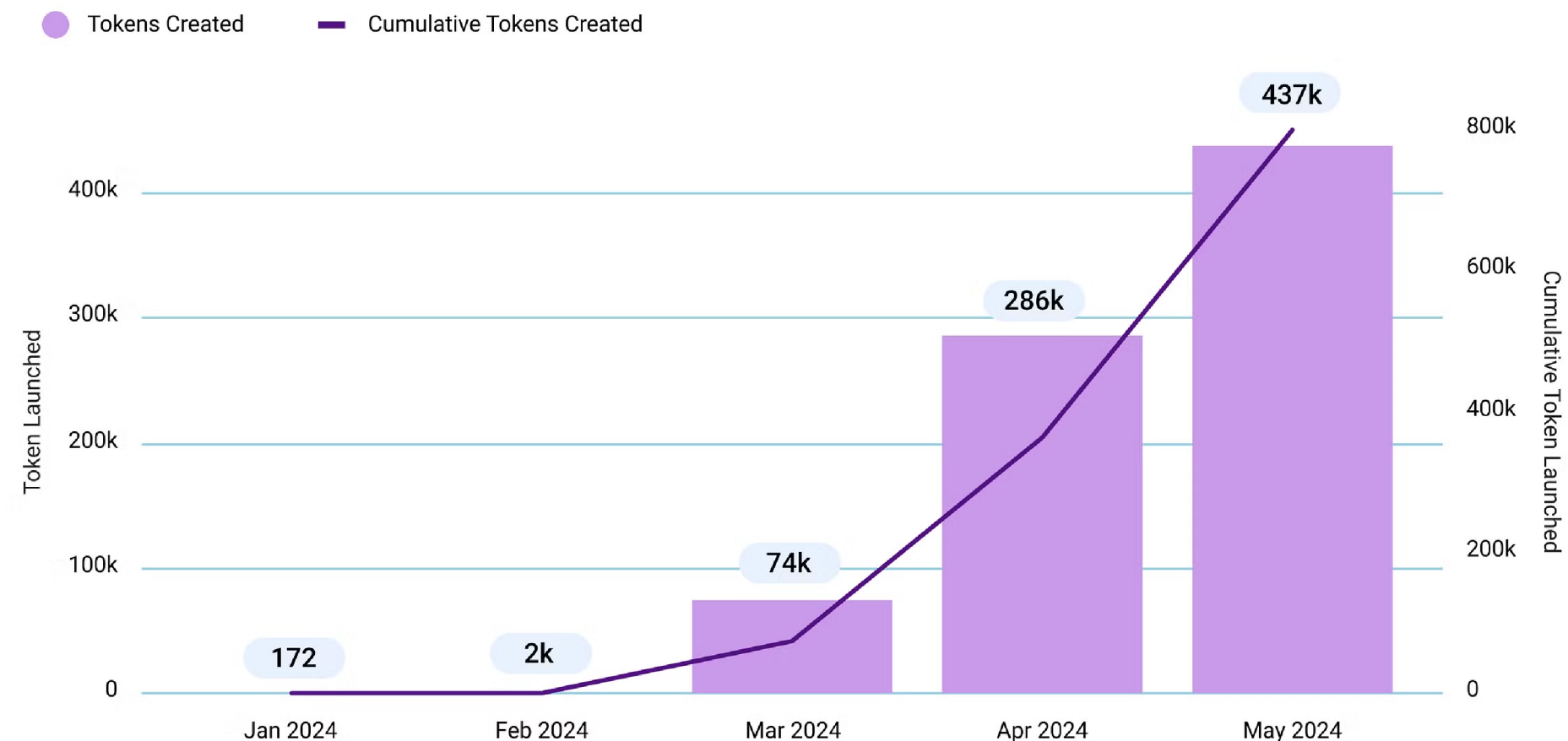
Fueling Raydium's volume, memecoin creation on Pump.fun showed no signs of slowing down.

YTD, almost 800k unique memecoins have been launched on the platform, hitting an ATH in May.

Successful memecoins on Pump.fun automatically transition to Raydium once the token reaches a market cap of \$69k.

Memecoins Launched on Pump.fun

By Month

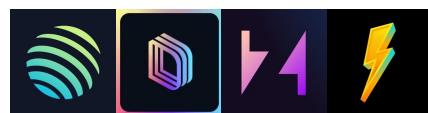


Memecoin reaches \$69k market cap:





2. Perpetuals

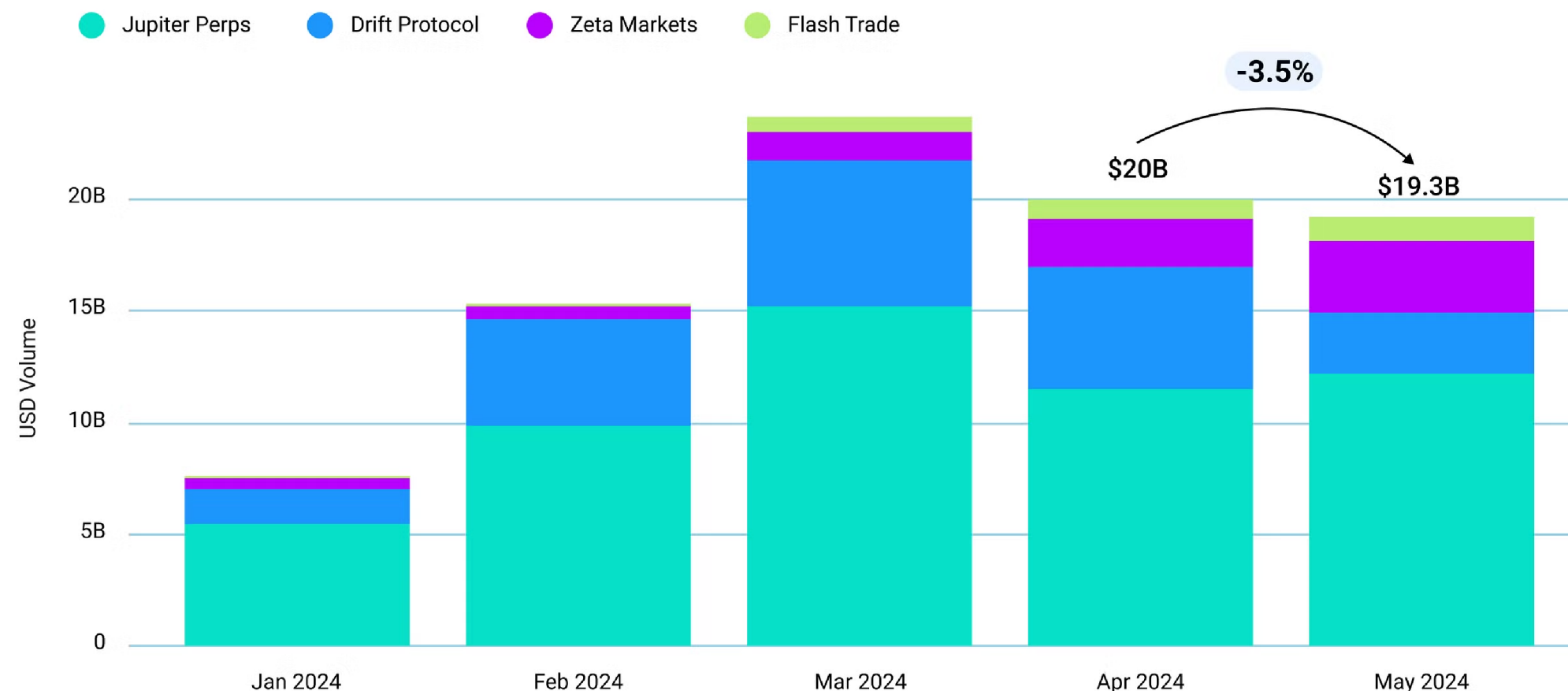


Perpetuals trading volumes held steady in May.

Jupiter Perps, Zeta Markets, and Flash Trade all saw a slight increase in volume.

Drift Protocol's volume decreased in May following their airdrop and TGE (May 16th).

Solana Perpetuals Volume By Platform



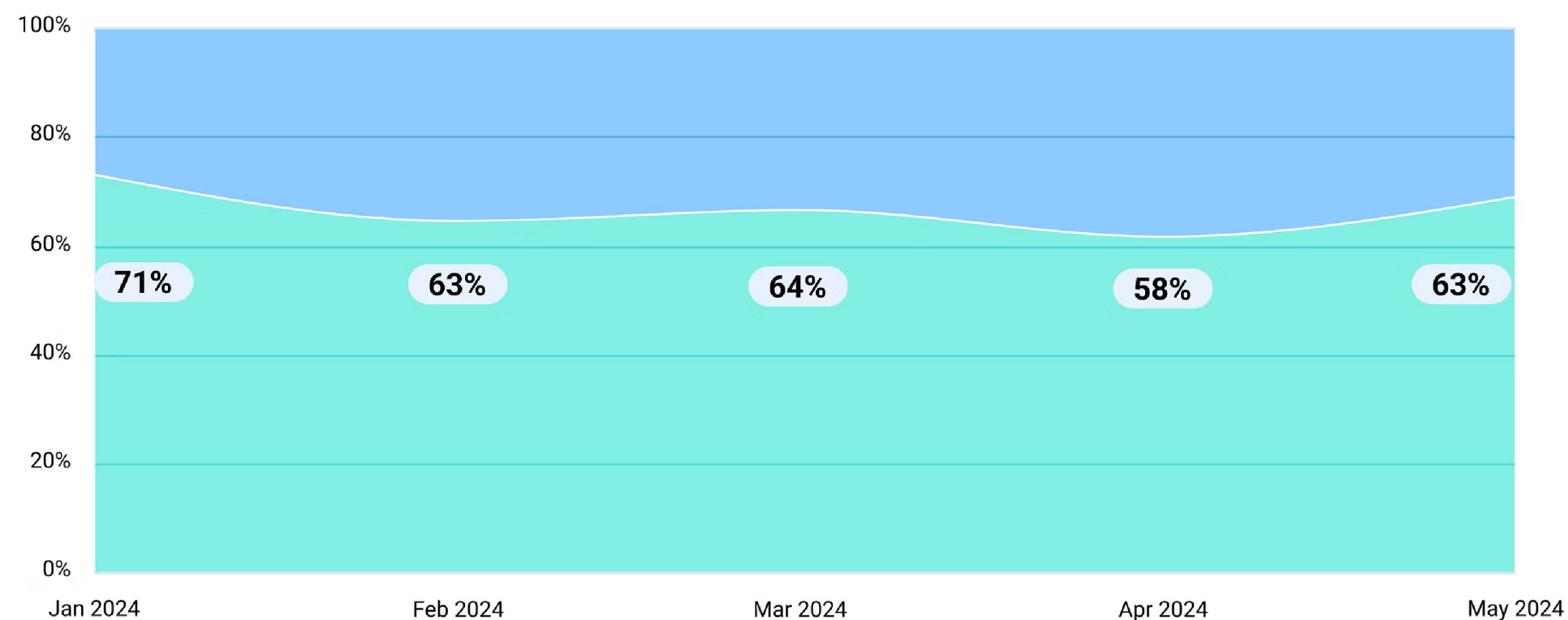
Note: This analysis is limited to the four largest Solana perps DEXes by volume.

Jupiter Perps - the leading perps protocol - has maintained a market share of over 50% each month in 2024.

Jupiter Perps Market Share

By % of Volume

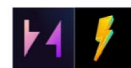
 Jupiter Perps  Other Solana Perps DEXes



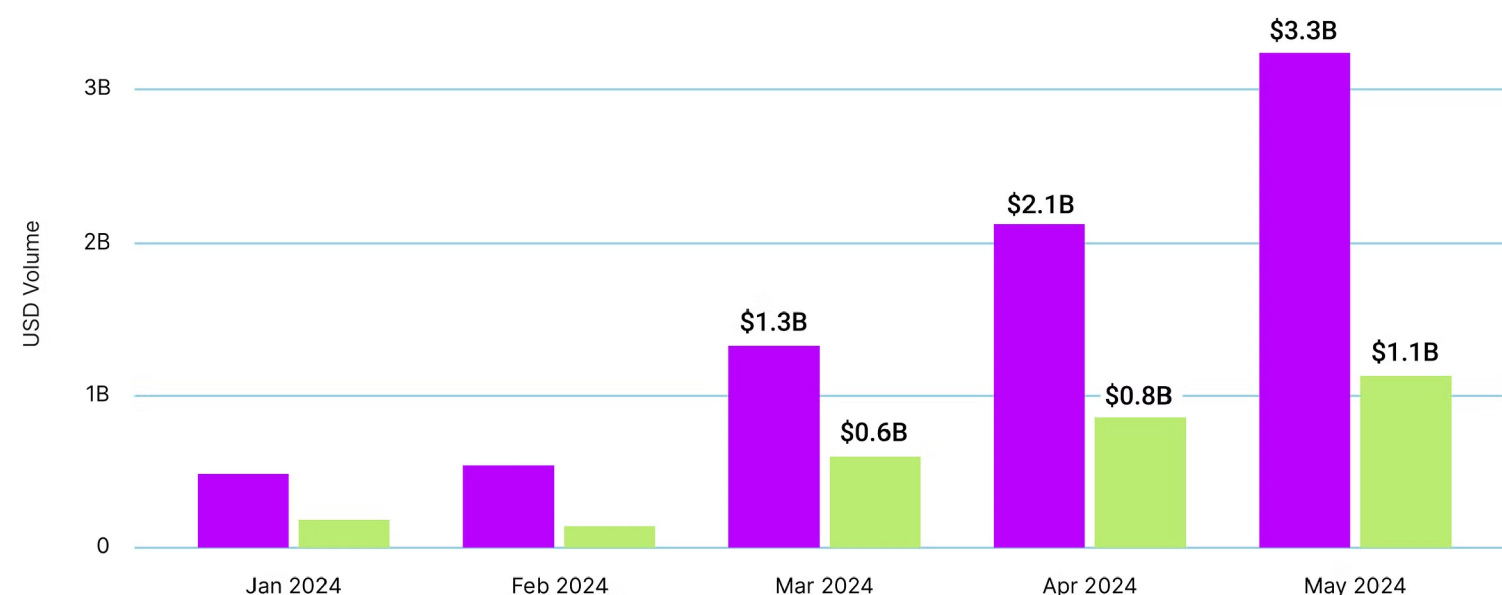


In May, Zeta Markets and Flash Trade both continued to grow their volumes.

Zeta Markets and Flash Trade Perps Volume
By Platform



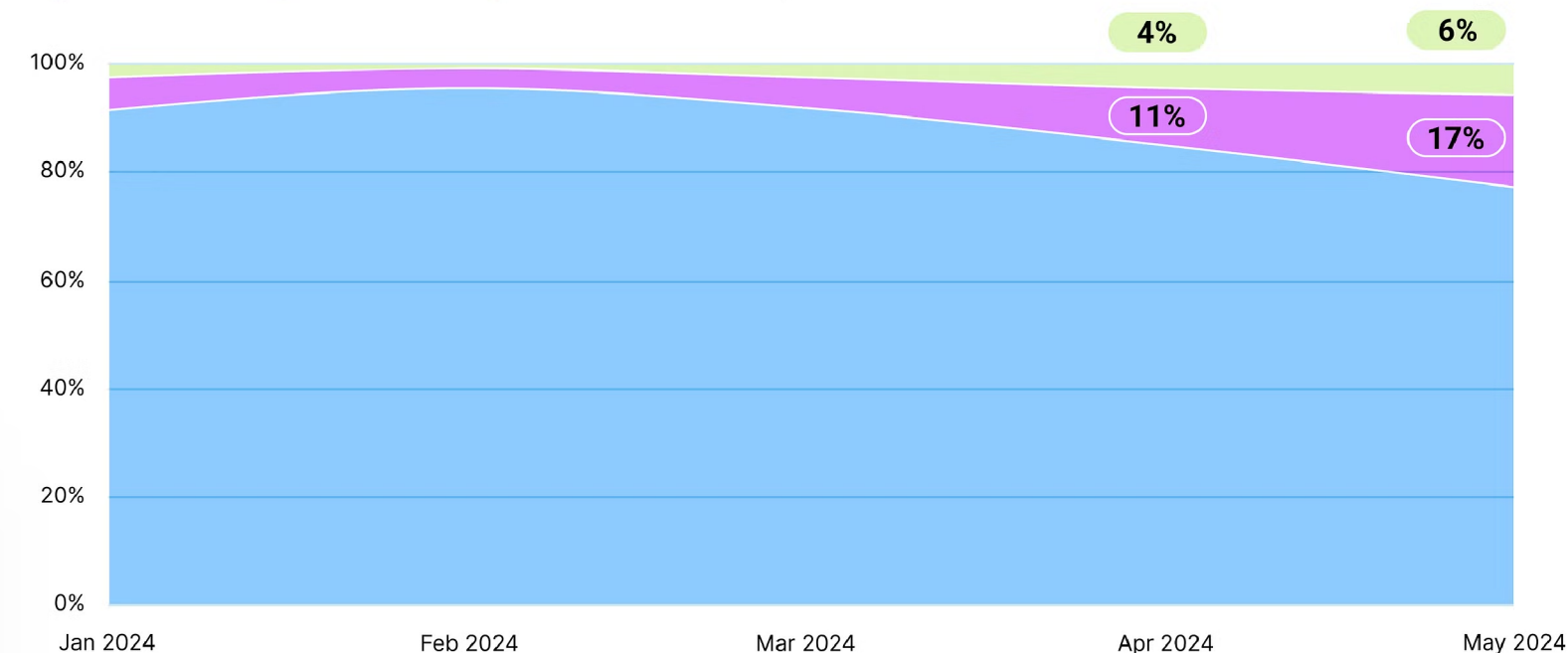
Zeta Markets Flash Trade



Zeta Markets and Flash Trade Perps Market Share
By % of Volume



Zeta Markets Flash Trade Other Solana Perps DEXes



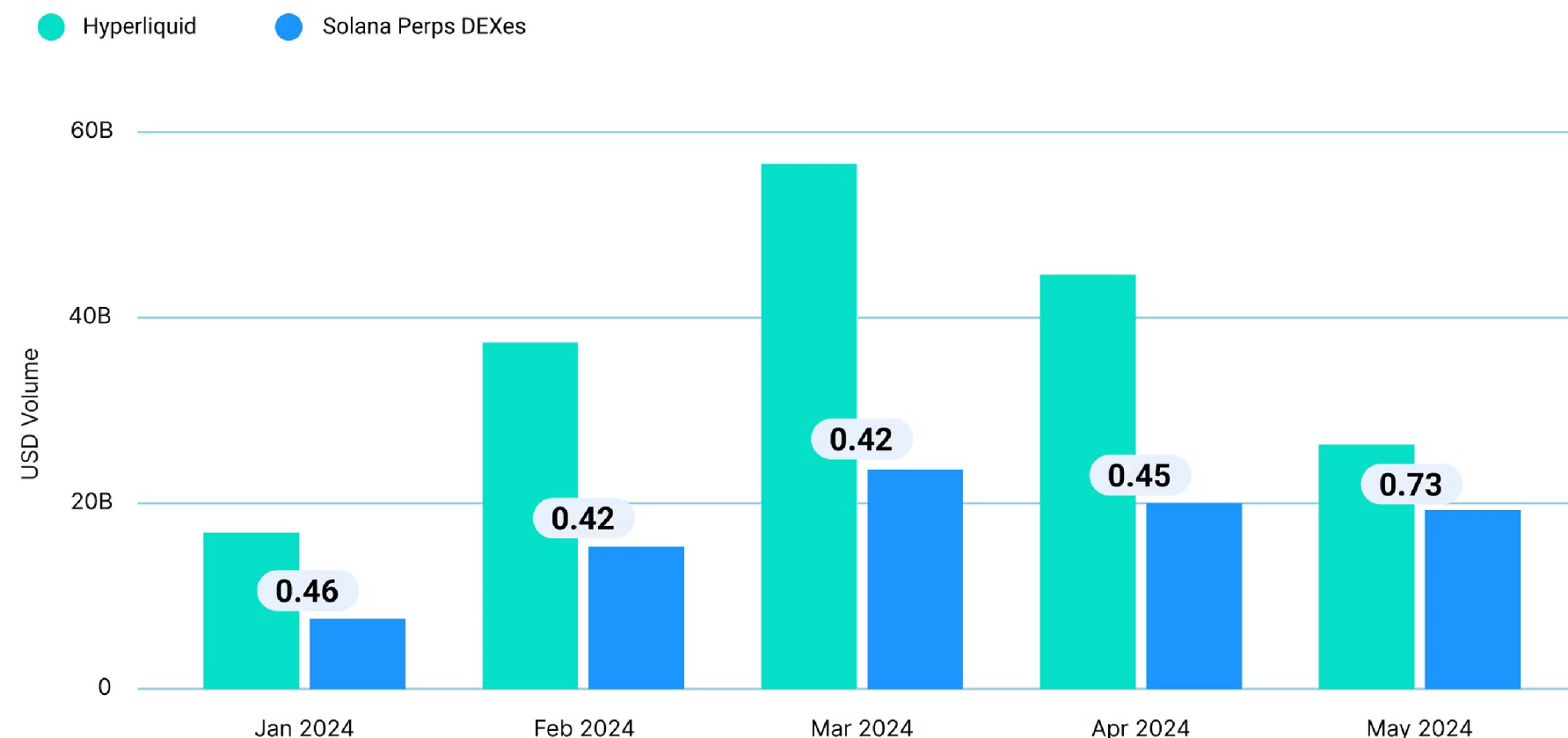
Zeta and Flash Trade have grown their market share in recent months to capture nearly a quarter of overall perps volumes.

Solana perps are catching up to Hyperliquid - the largest crypto perps DEX.

The gap between Hyperliquid and Solana perps has decreased since March, signaling a 'flipping' could be on the horizon.

Hyperliquid, the leading web3 perps DEX operating on its own blockchain - Hyperliquid L1 - also ended its rewards program in April.

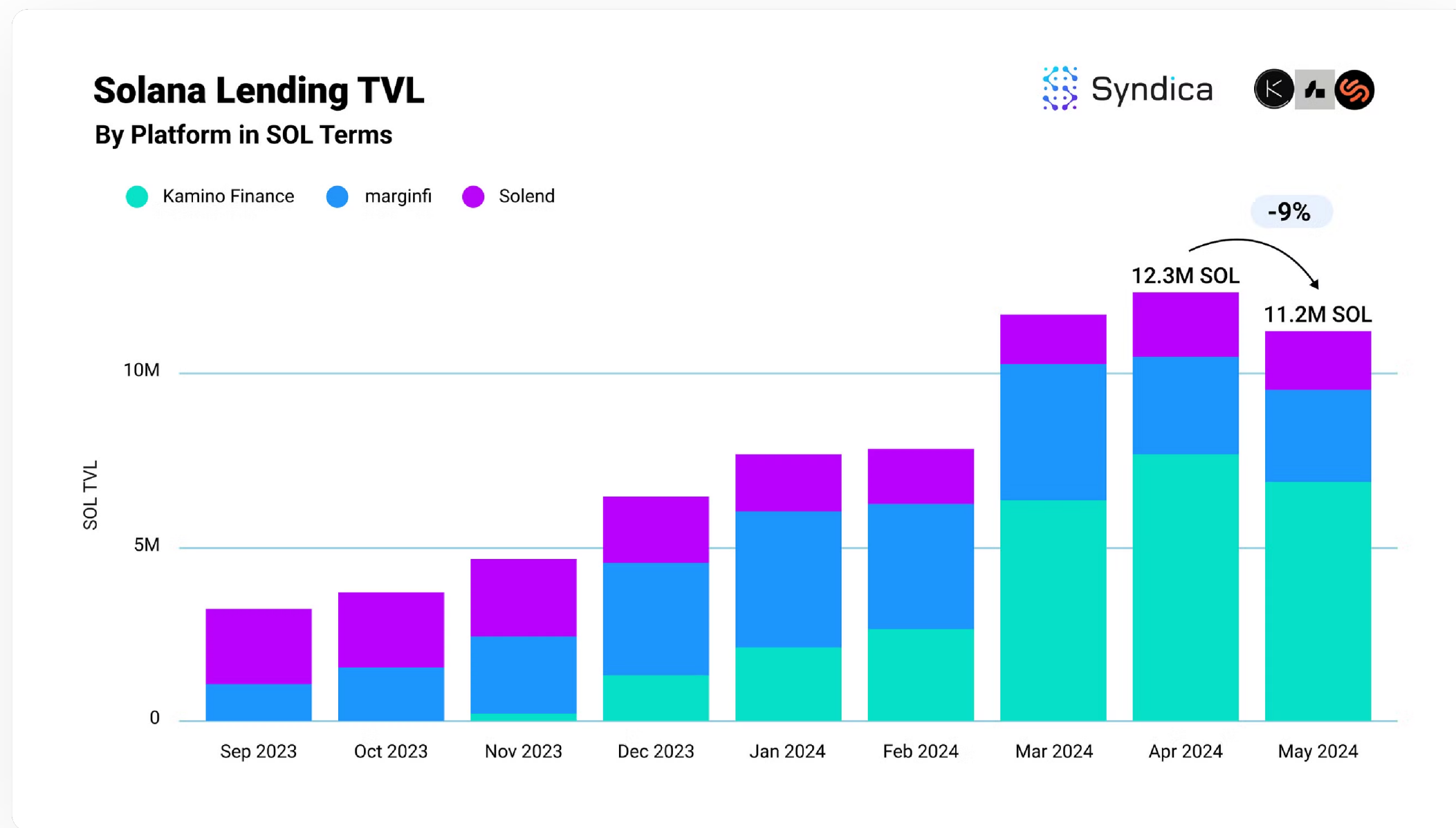
Difference Between Hyperliquid vs Solana Perps Volume
By Month





3. Lending and Borrowing

Lending protocol TVL seems to be stabilizing above 10M SOL.



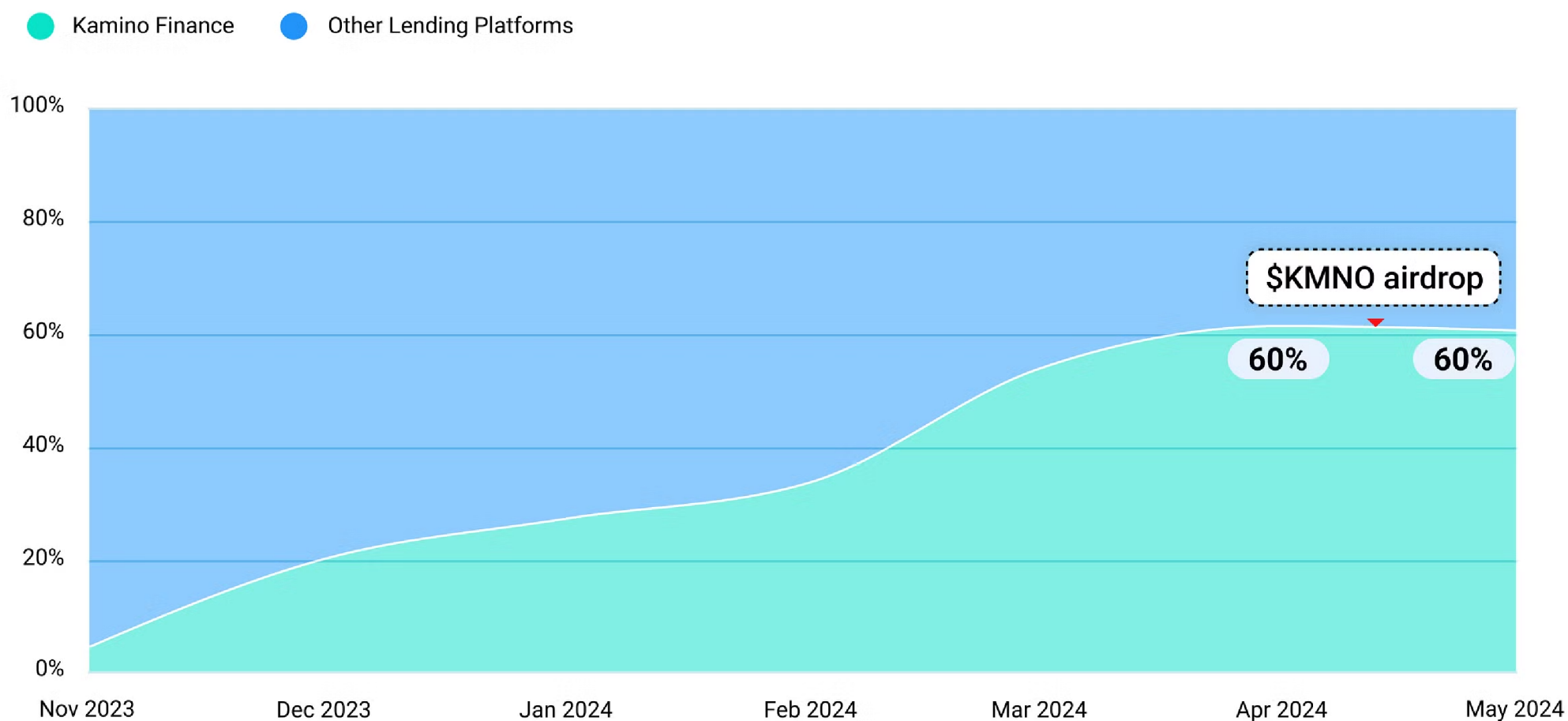
Note: This analysis is limited to the three largest Solana lending protocols by TVL.

Kamino Finance posted 60% market share for the second month in a row.

The protocol successfully held its leading position even after the April \$KMNO airdrop.

Kamino Finance Market Share

By % of Lending TVL





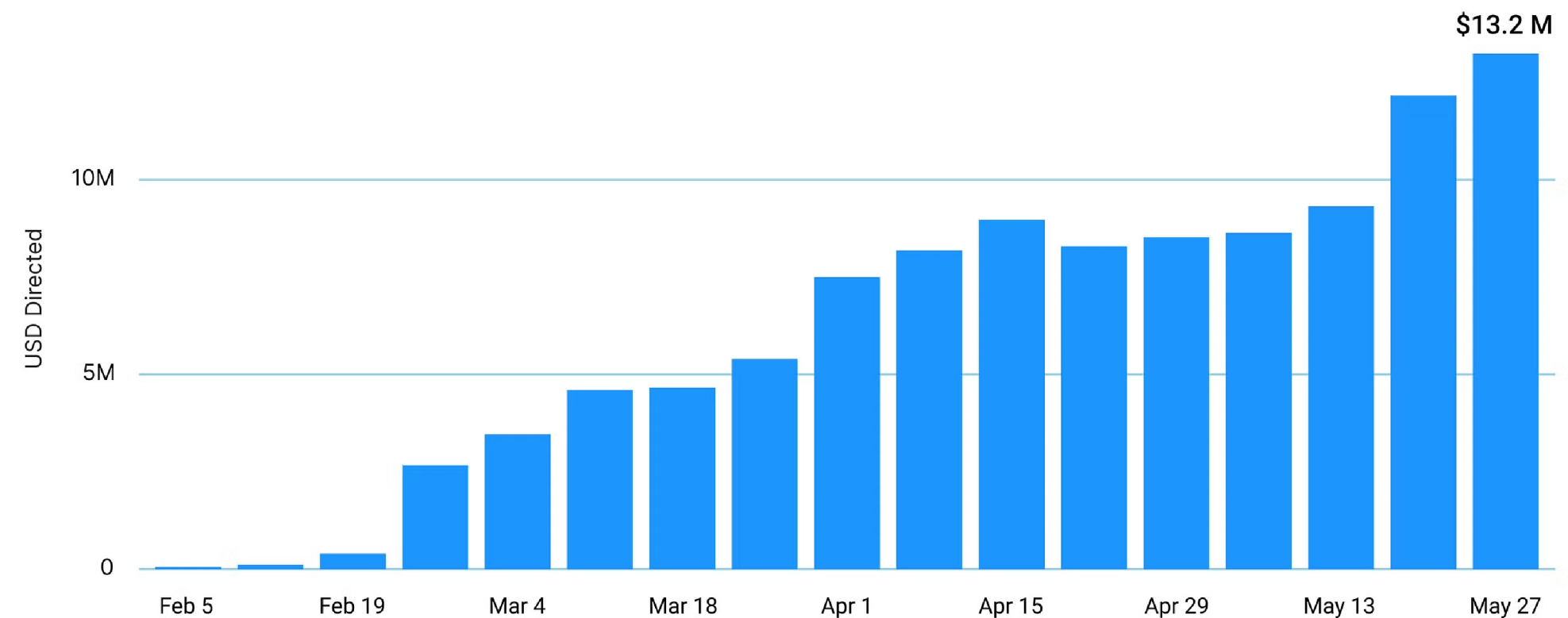
Lulo found product-market fit in the Solana lending market.

Lulo offers a DeFi savings account that optimizes users' funds across different lending protocols to optimize yields.

Lulo, the first (and top) lending aggregator on Solana, launched in February and has directed \$13.2M in total liquidity.



Liquidity Directed Through Lulo
By Week



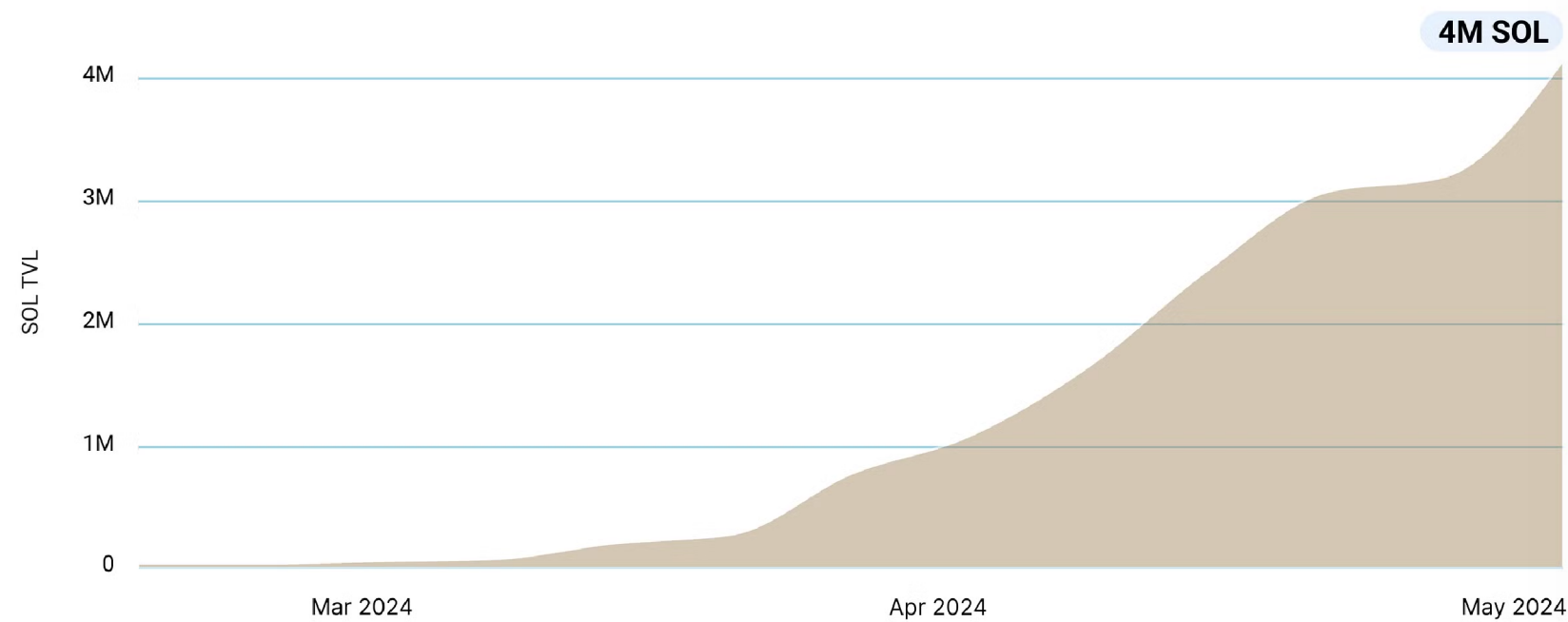


4. Liquid Staking

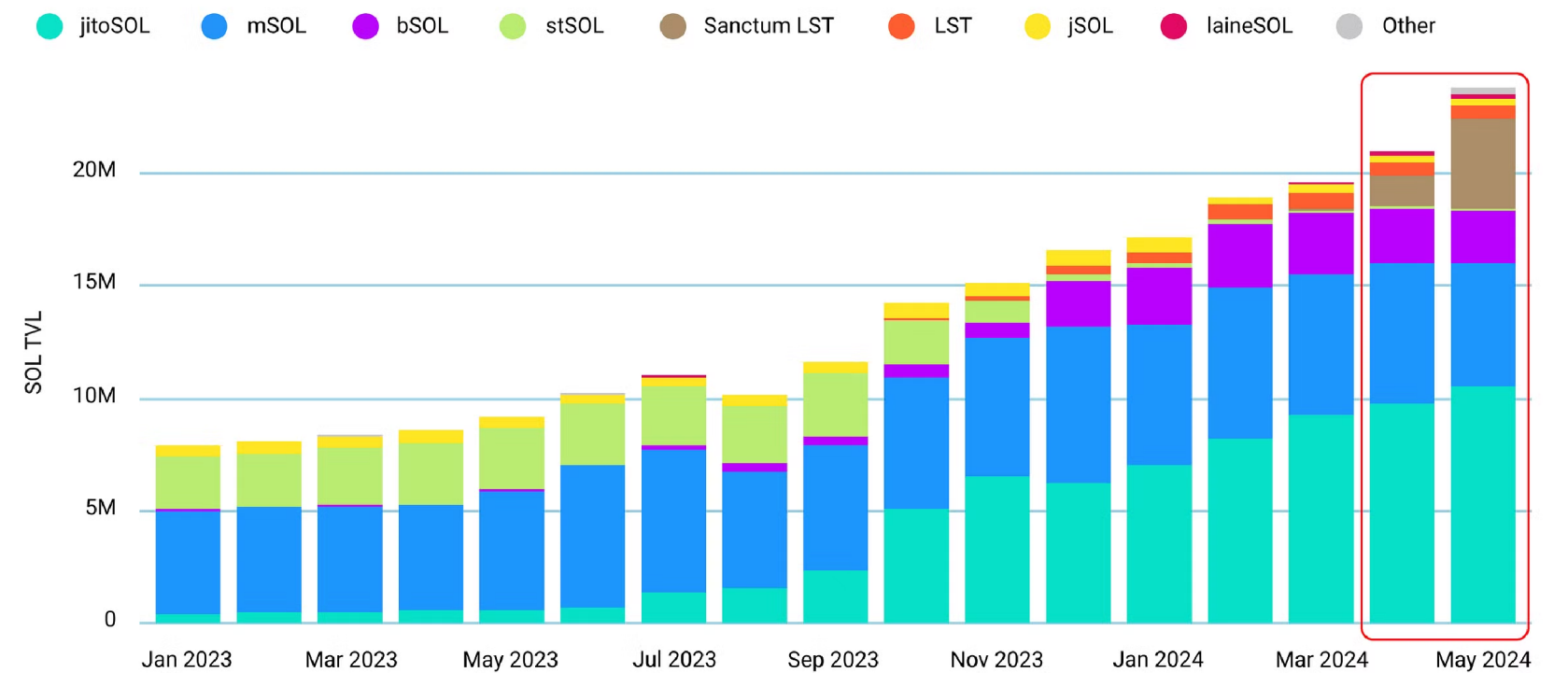
Sanctum LSTs have grown exponentially.

In May, Sanctum's LSTs eclipsed 4M SOL in TVL, pushing aggregate liquid-staked SOL past 20M.

Sanctum LST TVL
In SOL Terms

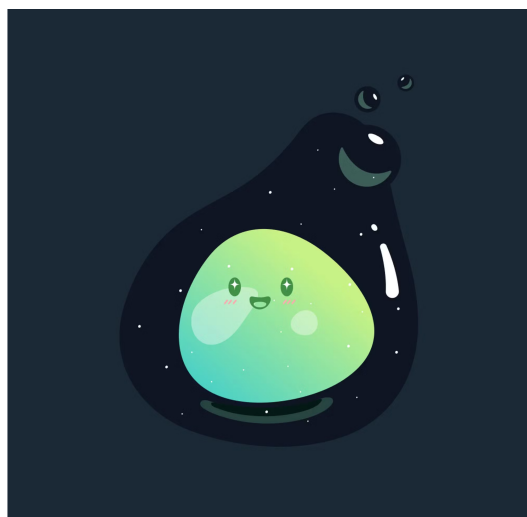


Solana Liquid Staking TVL
By Protocol in SOL Terms



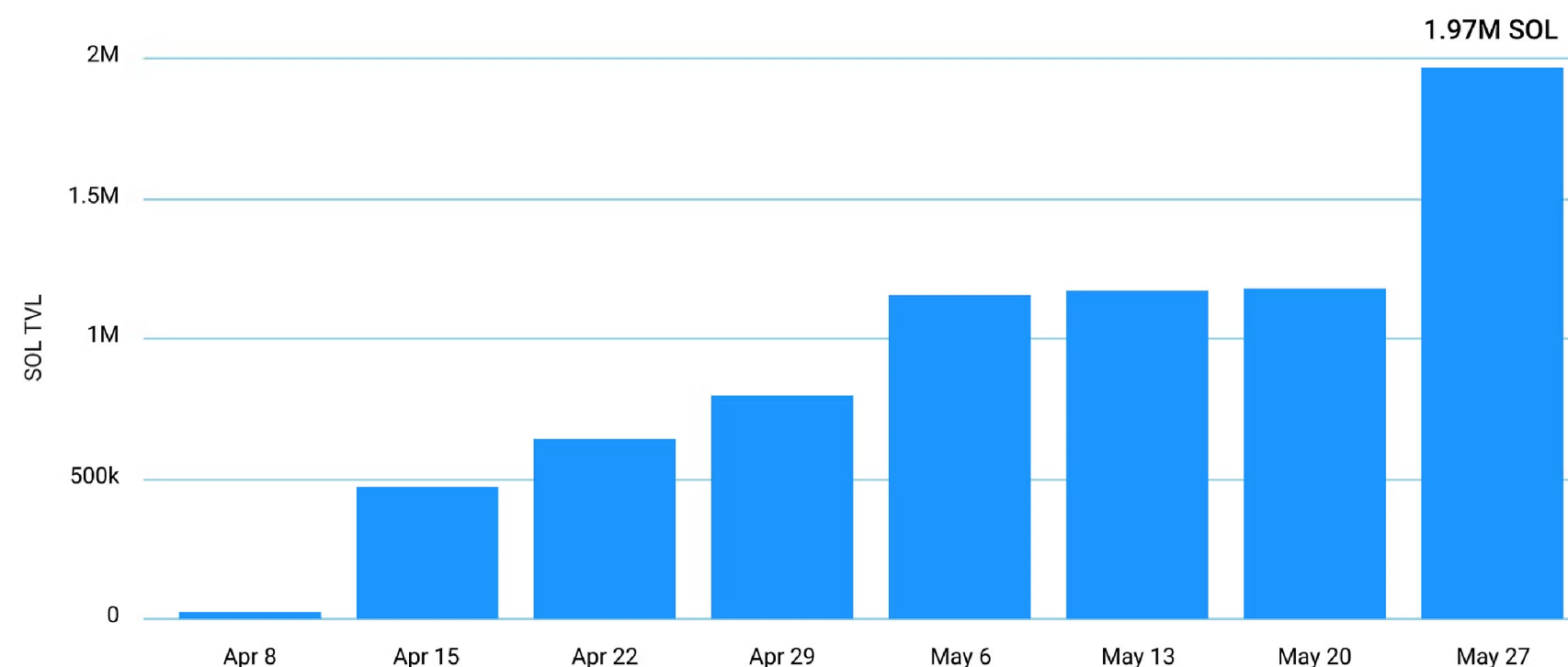
jupSOL is on the rise, achieving a TVL of nearly 2M SOL in just eight weeks.

Jupiter has added a delegation
of 100k SOL to the validator,
further boosting jupSOL's yield
while carrying zero fees and
100% MEV kickback.



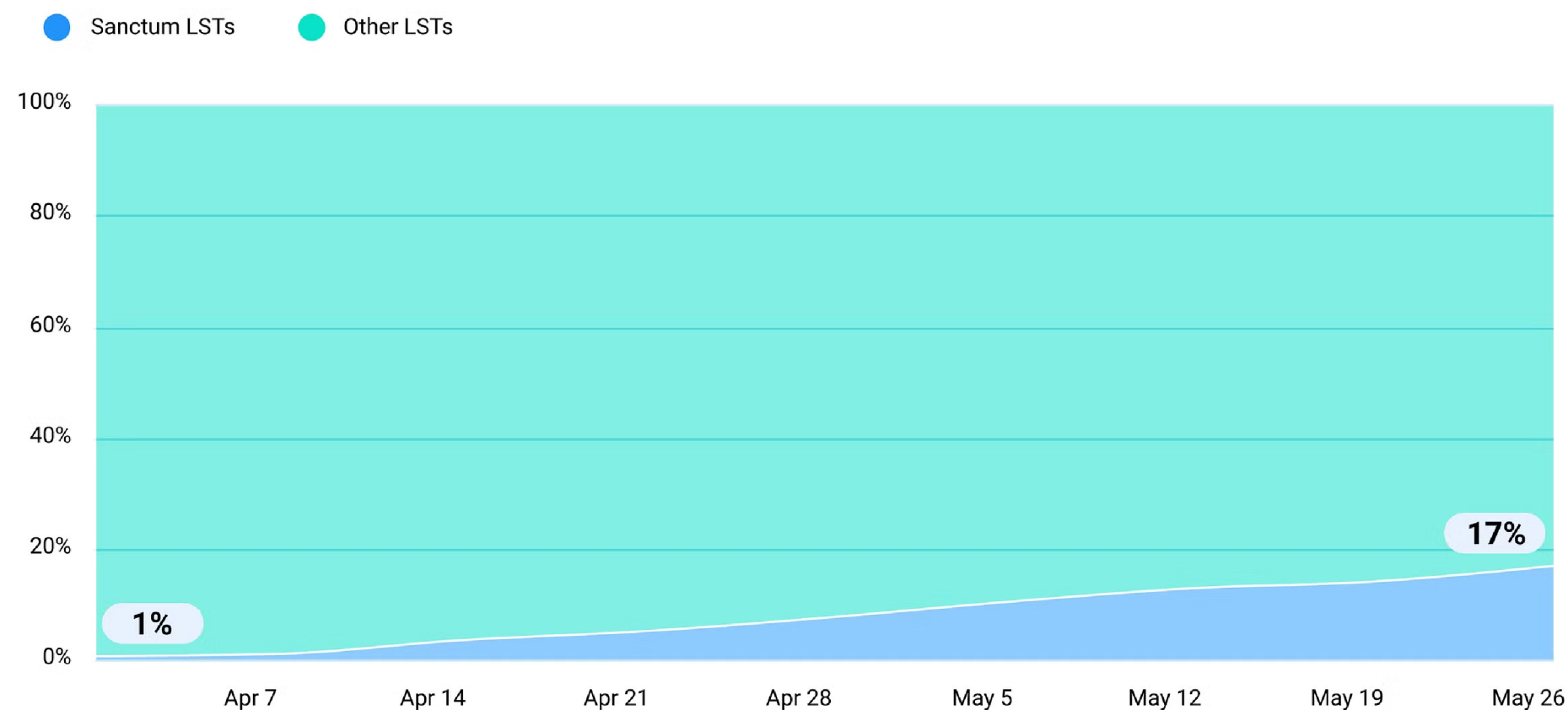
Jupitie - Pet owned in Sanctum
Wonderland for holding jupSOL.

jupSOL Liquid Staking TVL By Week



Sanctum has captured almost a fifth of the LST market in just two months.

Sanctum LST Market Share
By % of TVL

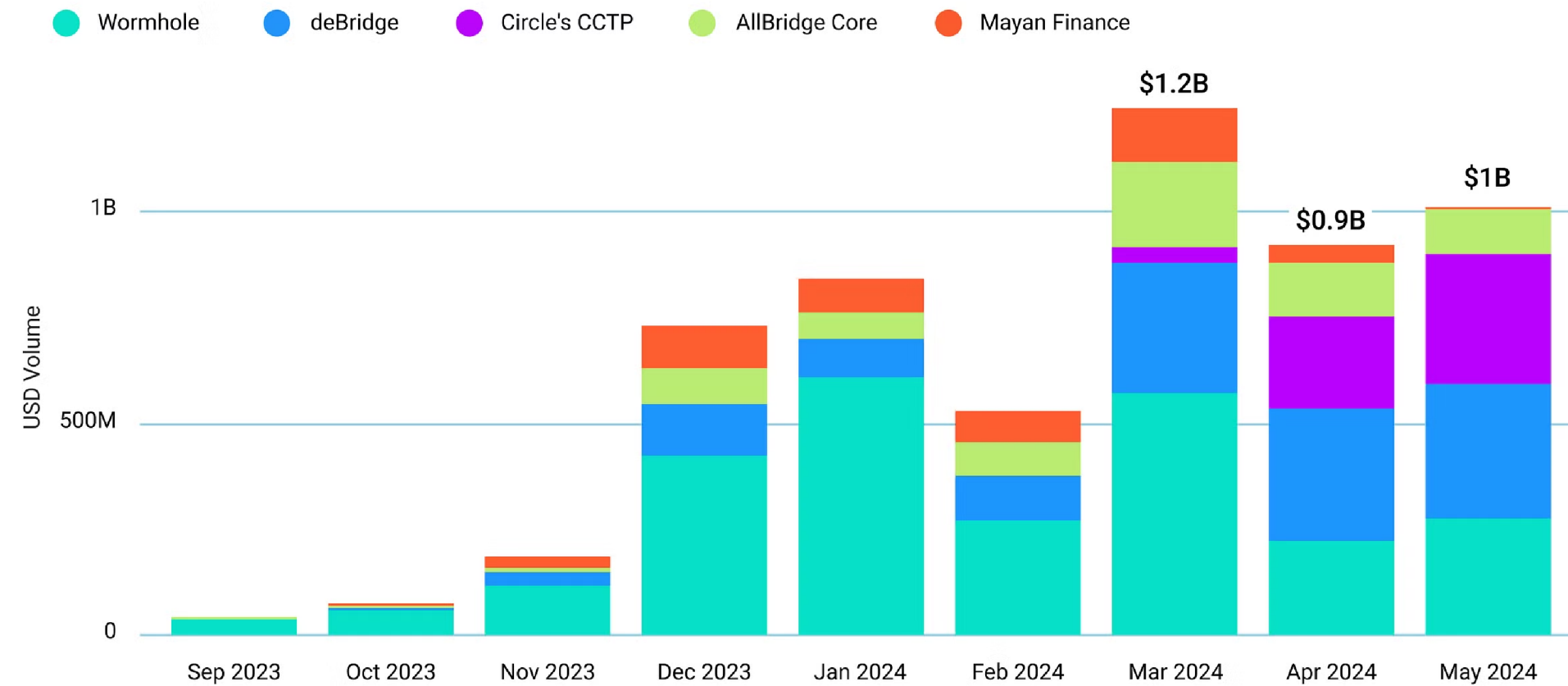




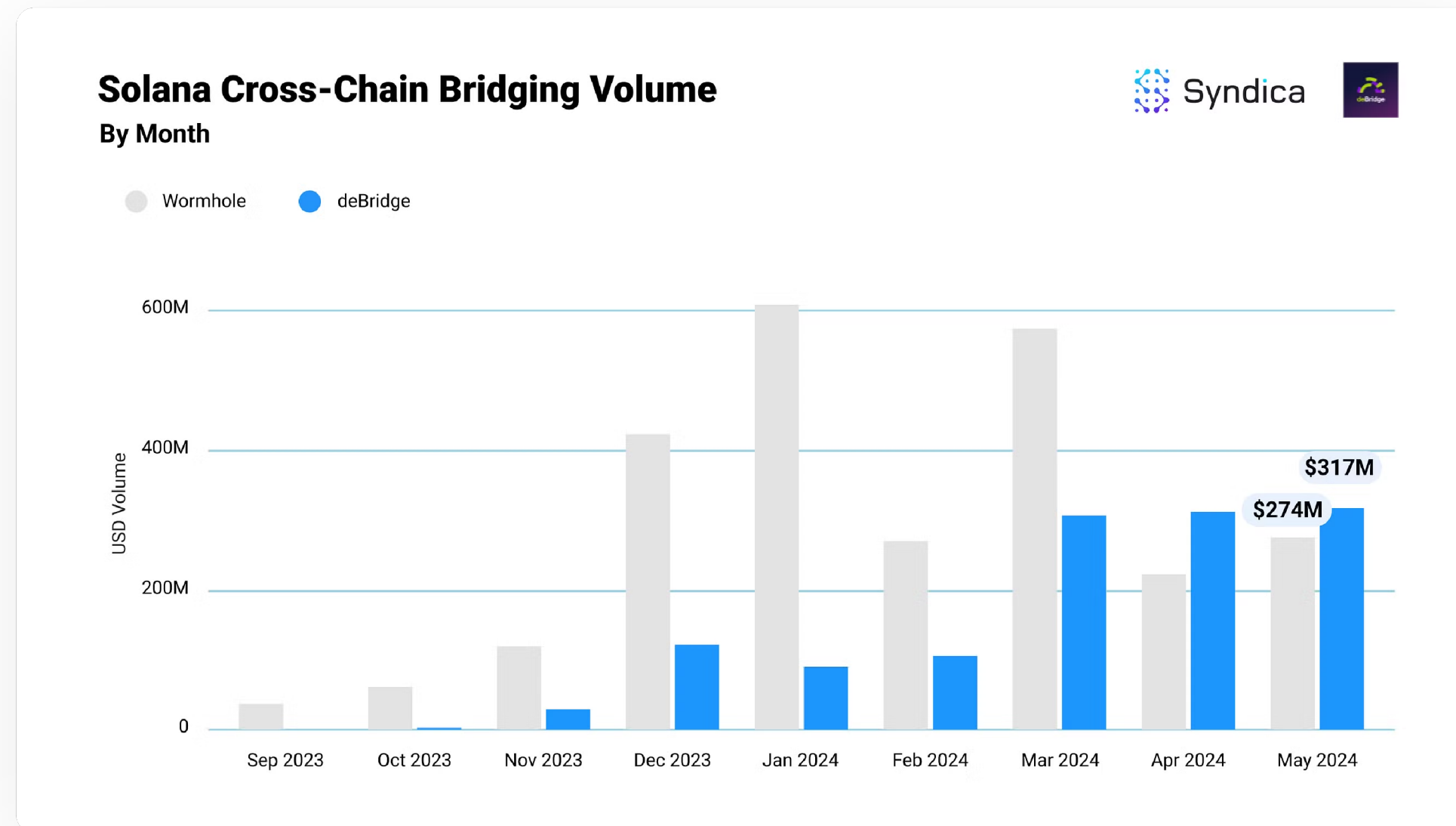
5. Bridges

Solana's bridging volumes rose slightly, recapturing the \$1B mark in May.

Solana Cross-Chain Bridging Volume In USD Terms



deBridge recorded another ATH and continued to lead the market in Solana bridging volume.



Note: This analysis is limited to deBridge and Wormhole, the two largest Solana cross-chain bridges by volume.



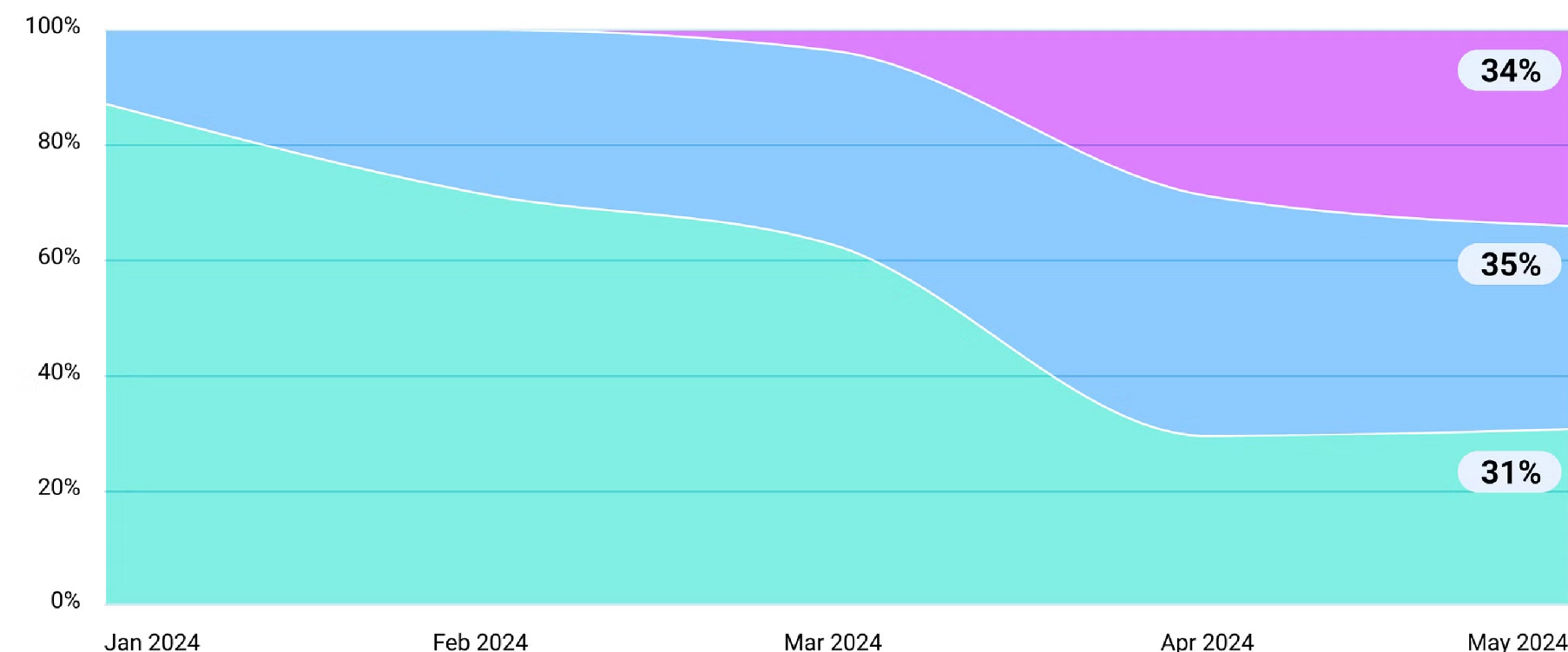
Circle's CCTP has quickly caught up to Solana's established bridges.

Solana's newest bridge, CCTP, has quickly captured market share comparable to that of existing market leaders.

Solana Cross-Chain Bridging Volume Market Share

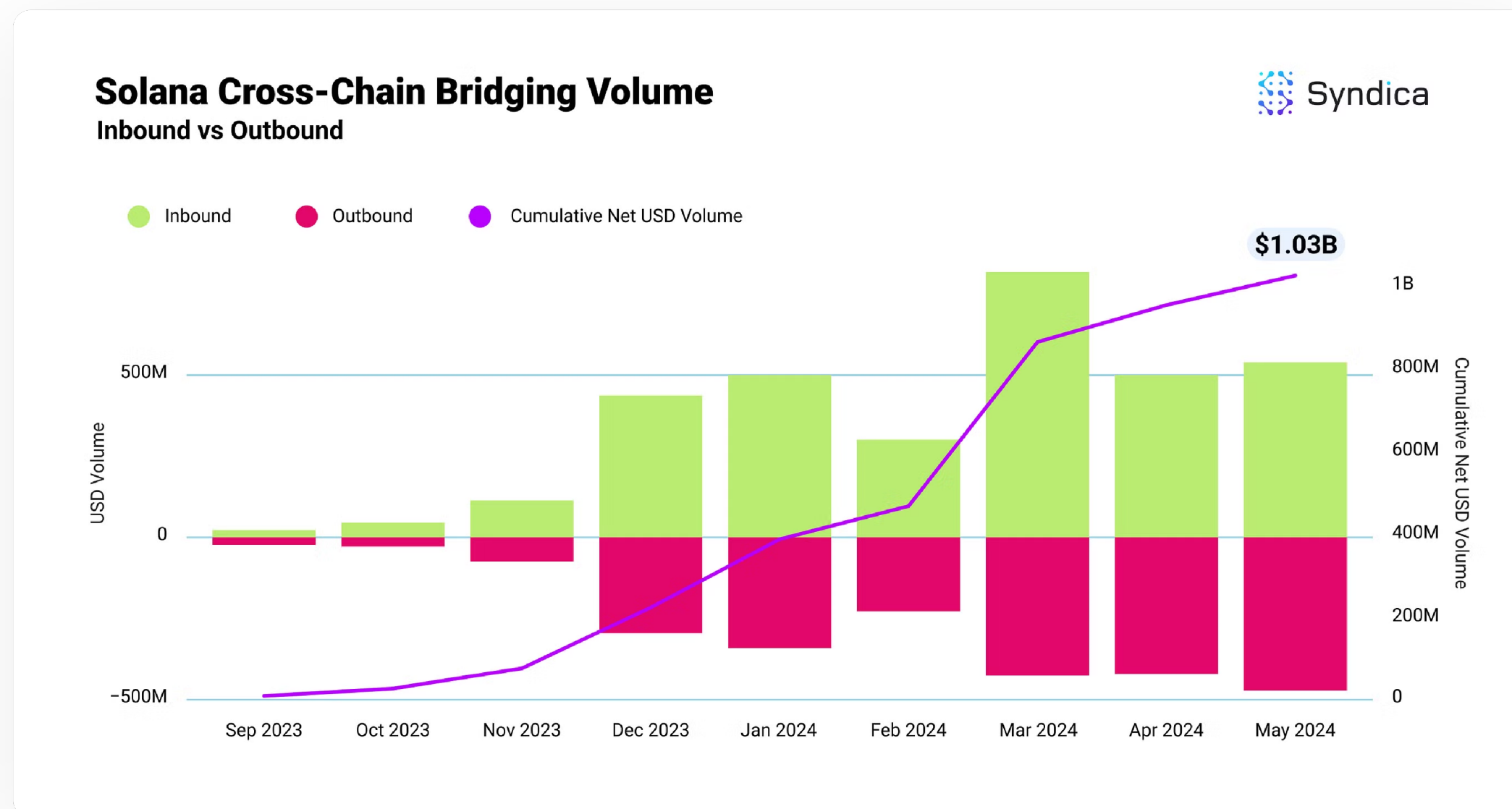
By % of Volume

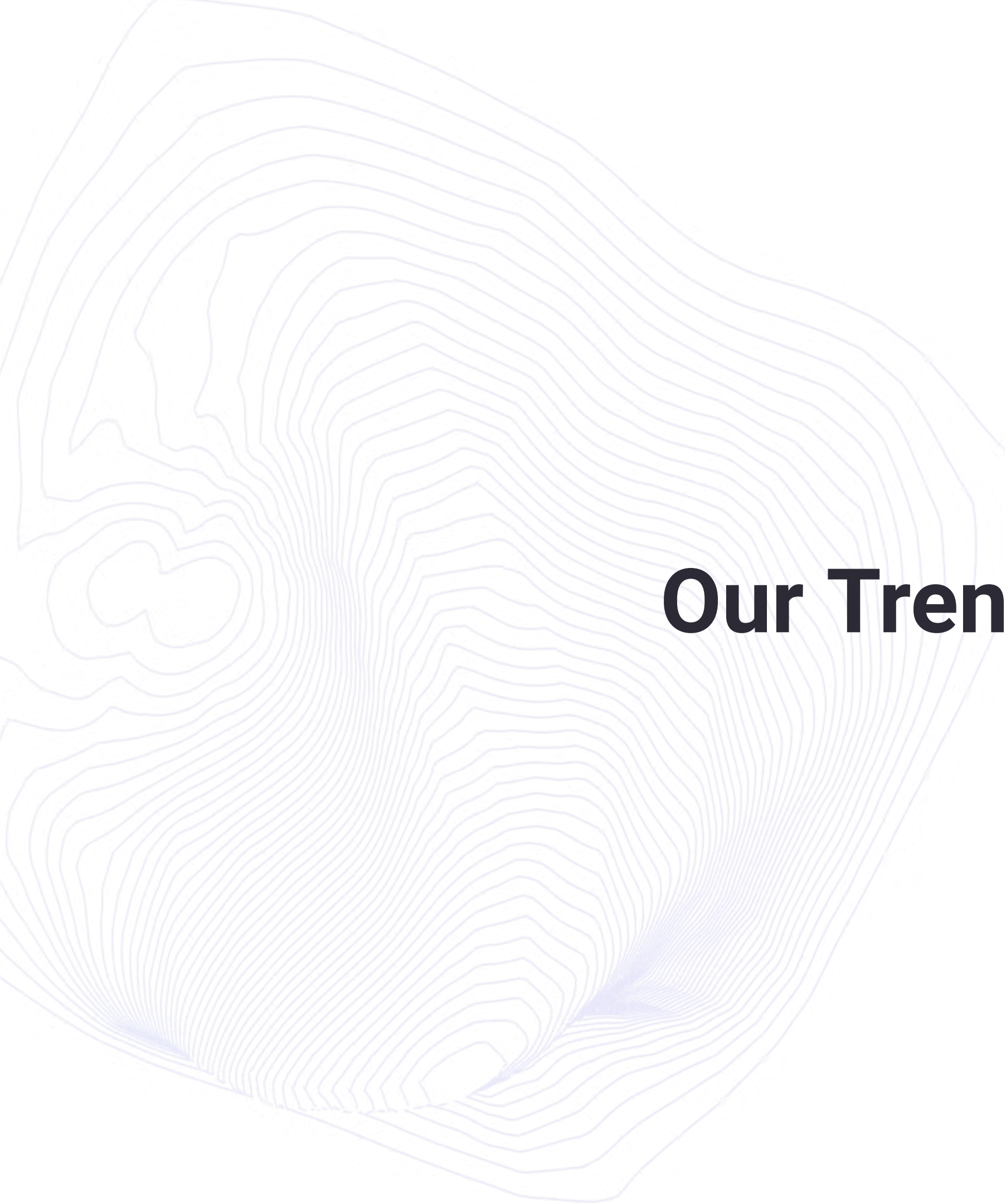
Wormhole deBridge Circle's CCTP



Solana has seen positive net bridging inflow for nine months in a row.

Over this period, \$1.03B has been bridged into Solana.





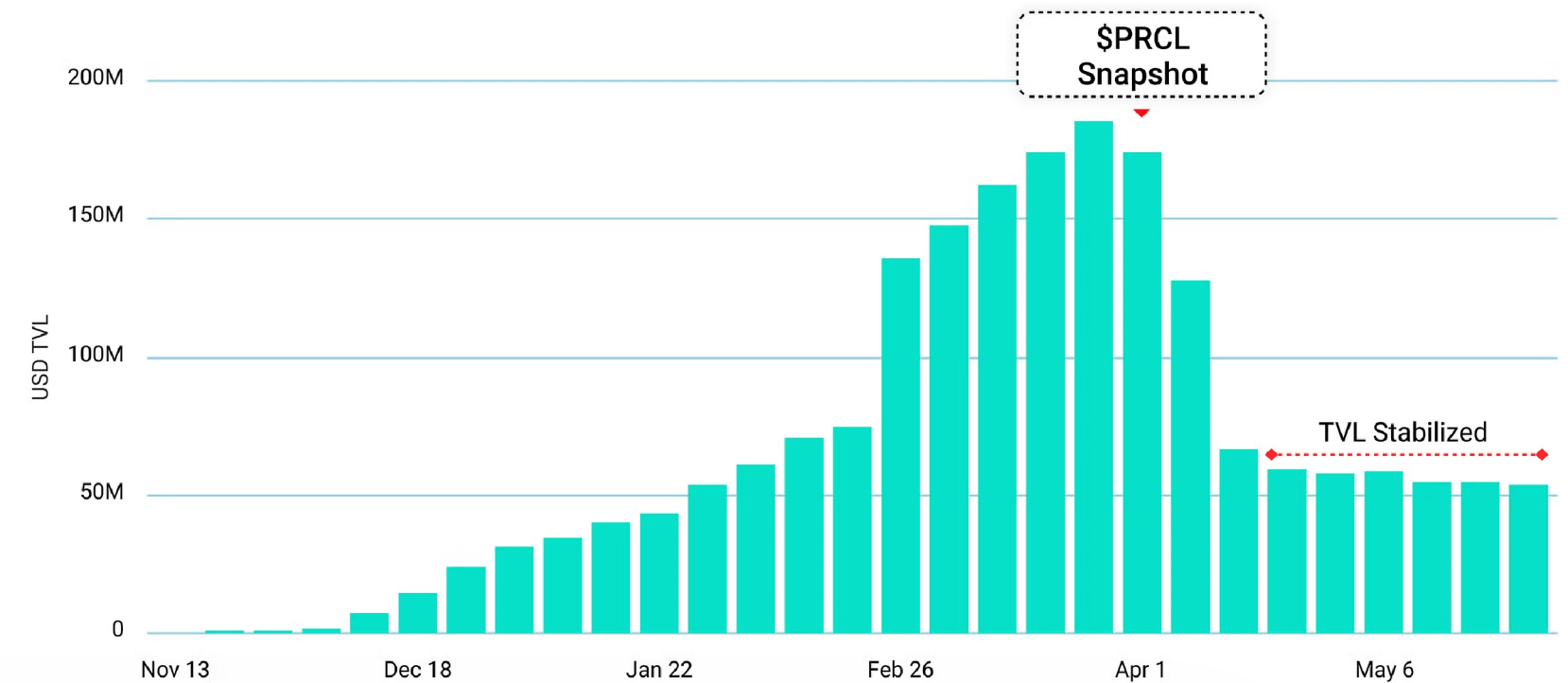
Our Trends to Watch

Parcl's TVL has stabilized post-\$PRCL snapshot.

Parcl, the decentralized real estate trading platform, saw a decline in its TVL following its first \$PRCL snapshot in March.

Fast forward to May, Parcl TVL seems to have found its footing in an organic user base.

Parcl TVL
By Week



Parcl Net Flow
By Week

