Reading a crypto quote across denominations

> **THE DENOMINATION TRAP**
>
> A crypto quote is a coin against something - dollars, a stablecoin, or another coin - and the something changes what the number means. A coin 'up 5%' against a falling stablecoin is up more in dollars; a coin pair moves when either leg does; and the deepest book is often the stablecoin pair, whose price is dollars only while the peg holds. Reading the quote means reading the denominator first.

Module 1 installed the venue-pair reflex. This lesson reads the pair - because crypto's conventions trap is the denominator, and it is a subtler trap than any pence or cents lesson before it.

The three denominators

Against a stablecoin: usually the deepest, most-quoted market - and 'dollars' only to the extent the stablecoin holds its peg; in the rare breaks module 8 examines, a stablecoin-denominated price is measuring against a moving stick.Against fiat: real dollars or currency through banking rails - the truest dollar price, often thinner than the stablecoin pair, and the on-ramp where the asset class meets the regulated financial system.Against another coin: a relative-value quote that moves when either coin moves - reading it as a directional view on one leg is the FX cross error, and the FX track's cross lessons apply verbatim.

The reading skill

Fix the base before the number means anything: a 5% move against a stablecoin that itself slipped 1% against the dollar is a 6% dollar move - the two-legged arithmetic the FX track built, now routine. Charts inherit the trap: a coin's dollar chart and its stablecoin chart differ by the peg's wander, usually invisibly, occasionally not - and a portfolio mixing bases is mismeasuring itself exactly as a pence-and-pounds spreadsheet did. Name the denominator, convert to one base, then read.

The tick and the precision

Crypto has no standard tick: each venue sets price precision per pair, and cheap tokens quote to many decimals while expensive coins quote to few - so 'a tick' is a venue-and-pair fact, and cross-venue depth comparisons must normalise it. The composite quote from module 1 is now complete: venue, pair, base currency, and the venue's own precision - four facts, read in that order, before the price is a fact at all.

Check your understanding

1. A coin rises 5% against a stablecoin that slipped 1% against the dollar. What is the dollar move?

a. 5%

b. About 6% - the two legs add, exactly as the FX track's cross arithmetic taught

c. 4%

Answer: b. The denominator moved too. Reading a stablecoin-denominated quote as a dollar price ignores the peg's wander - usually small, occasionally decisive.

2. Why is a coin-against-coin quote not a directional view on one coin?

a. Coin pairs are illiquid

b. It moves when either leg moves - a relative-value price; reading it as a one-leg view is the FX cross error, applied to crypto

c. Exchanges compute them incorrectly

Answer: b. Two moving legs, one quote. The FX track's cross lessons transfer verbatim - the pair's price is about the relationship, not either coin alone.