Volume you can trust, and volume you cannot

> **REPORTED VOLUME**
>
> Crypto volume is scattered across venues of wildly varying integrity, and some report figures that do not reflect real trading. So the crypto volume lesson has two layers: the platform's standard relative-volume discipline, and a prior honesty question the other markets never had to ask - is this venue's reported volume real at all? Trust the aggregate of reputable venues; distrust any single number that flatters.

Every track has a volume lesson. Crypto's carries a burden the others did not: before asking what the volume means, the reader must ask whether the volume happened.

The honesty problem, first

Exchanges have historically reported volumes inflated by wash trading and incentive schemes - trades that occurred on the tape but not in economic reality. The mature market discounts the worst offenders, and reputable venues and aggregators publish adjusted figures, but the reader's first volume question is unique to this asset class: is this number from a venue whose volume means what it says? A single unknown venue's volume spike is not evidence of anything; the aggregate across established venues is.

Then the standard discipline

Relative, not raw: today against the coin's own recent average, across trustworthy venues - the equity track's normalisation, applied to the honest aggregate.Attention, not direction: elevated genuine volume says the market noticed something - flow, narrative, a liquidation cascade - never which way it resolves; the platform's standing volume lesson.The leverage caveat, crypto-specific: a volume spike can be a liquidation cascade - forced, mechanical trading with no view at all, module 1's fast layer printing on the tape as if it were conviction.

The composite read

Volume that means something in crypto: genuine, from reputable venues, elevated against the coin's own baseline, and not merely a liquidation print. Four filters where other markets applied one or two - the fragmentation-and-integrity tax on this particular reading. The habit: source volume from aggregators that adjust for the fakery, read it relative, and treat spikes as questions - who traded, real or forced - not answers. The tape lies more here than anywhere on the platform, and reading it honestly starts with knowing that.

Check your understanding

1. What volume question is unique to crypto?

a. Whether volume predicts price

b. Whether the reported volume is real at all - some venues have historically inflated figures with wash trading, so integrity comes before interpretation

c. Whether volume is rising or falling

Answer: b. The prior honesty question the other markets never faced. Trust the aggregate of reputable venues; a single flattering number is not evidence.

2. Why can a genuine volume spike still carry no directional information?

a. Spikes always reverse

b. It may be a liquidation cascade - forced, mechanical trading from the leverage layer, printing like conviction but expressing no view

c. Volume never carries direction

Answer: b. Module 1's fast layer on the tape. Even real crypto volume must be filtered for forced flow before it is read - four filters where other markets used one or two.