



## WHAT IS LIQUIDITY IN CRYPTO?



## **Crypto Liquidity**

In cryptocurrency, liquidity refers to how quickly and easily you can buy or sell a digital asset without causing a significant change in its price. A highly liquid market means plenty of buyers and sellers, so transactions can happen swiftly and at stable prices. Credit: <a href="mailto:changelly.com">changelly.com</a>







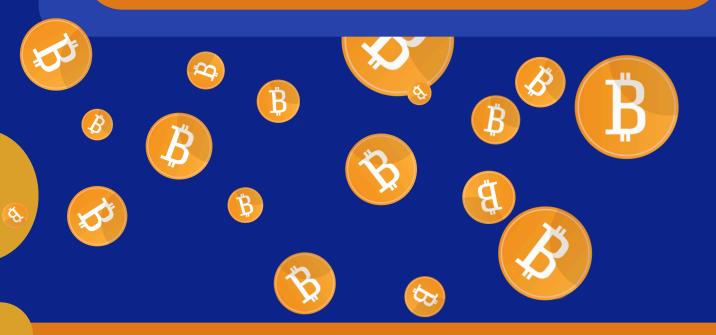








- Price Stability: Liquid markets are less prone to drastic price swings, making them more predictable.
- Reduced Risk: Easier trading reduces the risk of slippage, where you get a different price than expected. Credit: Coinculture.com





## **Bunny Tip:**



Think of liquidity like a bustling farmers' market. If you're selling carrots, a crowded market means you'll find a buyer quickly at a fair price. But if the market's empty, you might wait longer or settle for a lower price.

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