

# Uniswap vs. Curve: What's the Difference?

You may have heard of Uniswap, the decentralized finance (DeFi) protocol that enables users to earn cryptocurrency rewards by agreeing to not sell or trade their crypto holdings. But have you heard about Curve, another decentralized exchange that focuses only on stablecoins? Keep reading to understand how Uniswap and Curve compare.

	Uniswap	Curve
Currency	UNI	CRV
Year Founded	2018	2020
Focus	Peer-to-peer market making for Ethereum-based tokens <sup>1</sup>	Peer-to-peer market making for stablecoins <sup>2</sup>

## How Uniswap and Curve are the same

Uniswap and Curve are both automatic market makers, meaning that they enable the exchange of cryptocurrencies without any involvement by a central bank or other financial institution. Both can be considered as DEXs—decentralized exchanges.

Another way that Uniswap and Curve are similar is that both enable cryptocurrency holders to earn crypto rewards for providing liquidity to exchange. Staking your Ethereum-based cryptocurrency on the Uniswap platform can earn you UNI, just like staking your stablecoins on the Curve platform generates CRV.

## How Uniswap and Curve differ

Despite their similarities, Uniswap is much more widely known than Curve. That's because Uniswap can support the exchange of any Ethereum-based token, while Curve supports the exchange only of stablecoins. Whereas Uniswap is widely accessible by many cryptocurrency projects, Curve's focus on stablecoins makes its network more efficient.

Keep scrolling to understand more about how Uniswap and Curve differ.

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<sup>1</sup> Uniswap Docs. "[What Is Uniswap?](#)" Accessed Jan. 13, 2022.

<sup>2</sup> Curve.fi. "[StableSwap - Efficient Mechanism for Stablecoin Liquidity.](#)" Accessed Jan. 13, 2022.

## Transaction processing fees

Curve boasts a consistently low transaction fee of 0.04%.<sup>3</sup> Uniswap, operating on the Ethereum platform, can be affected by Ethereum network congestion—which drives up transaction fees. The fees vary to process Uniswap trades, although exchanges on the Uniswap platform are always more expensive than transactions via Curve.

Curve keeps its transaction processing fees low by enabling the direct exchange of stablecoins without the use of ETH, Ethereum’s native currency. For Uniswap to facilitate a stablecoin exchange such as trading USDT for USDC, it would first exchange USDT for ETH and then ETH for USDC. Curve users can exchange USDT for USDC directly, which significantly reduces the fee.

## Slippage

Curve users buying stablecoins can be reasonably assured that their orders will be filled at the prices they intend, meaning that there’s no price slippage. That’s because stablecoins generally have predictable prices that are pegged 1:1 to fiat currencies like the U.S. dollar.

Uniswap trades, by contrast, can experience slippage. If you use Uniswap to exchange one cryptocurrency with low price volatility for another with high price volatility, then you may be surprised by the final purchase price for the transaction. Liquidity variations among cryptocurrencies on the Uniswap platform can also contribute to problems of price volatility and slippage.

## Total Value Locked

Curve boasts more assets on its platform, meaning that its Total Value Locked (TVL) is higher than the TVL for Uniswap. At the time of writing, the analytics and rankings site DeFi Pulse [ranks](#) Curve’s TVL at \$14.65 billion, and the TVL of Uniswap at \$8.29 billion.

You may be wondering why Uniswap is better known but has a lower TVL. That again correlates to how Curve supports the exchange of only stablecoin assets, resulting in minimal or no price variations between what’s listed on the Curve platform and elsewhere in the market. Liquidity providers seeking safe homes for their assets are attracted to the stability of the Curve platform.

## Is Uniswap or Curve right for you?

Uniswap and Curve are two DeFi protocols with some important differences. The UNI token, in addition to having a broader range of applications, enables participation in the governance of the Uniswap platform. Curve has a narrower focus, but if you want to earn rewards for staking your stablecoins, then this lesser-known platform may be a solid choice.

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<sup>3</sup> Curve.fi. “[Curve FAQ](#).” Accessed Jan. 13, 2022.