

Deposit to earn rewards

Sign up and deposit to receive up to **10,055 USDT** in bonuses.
Exclusive for new users only.

Get it now

[PDF Database Document] - BTCC Cryptocurrency Exchange

Original:

<https://www.btcc.com/en-US/academy/guide/what-is-slippage-in-crypto-a-beginners-guide-2025-update>

What is Slippage in Crypto? A Beginner's Guide (2025 Update)

If you've ever swapped tokens on Uniswap, PancakeSwap, or MetaMask, you've probably seen a strange term: "slippage tolerance."

But what is slippage in crypto? Why does it matter? And how can you avoid losing money because of it?

In simple terms, slippage in crypto refers to the difference between the price you expect to pay for a crypto trade and the actual price you pay. It's especially common in decentralized exchanges (DEXs) due to fast-changing prices and low liquidity.

In this article, we'll explain crypto slippage in plain English, show you how it works, and give tips on how to reduce it.

[Trade on BTCC Now](#)

/ You can claim a welcome reward of up to 10,055 USDT

What Is Slippage in Crypto?

Slippage occurs when a cryptocurrency's price changes between the time you place a trade and the time it executes. This can cause you to:

- Pay more than you intended when buying
- Receive less than expected when selling

In Traditional Markets vs Crypto:

- In traditional stock markets, slippage is rare due to stable liquidity and tight spreads.
- In crypto, especially on DEXs like Uniswap, slippage is common due to high volatility and variable liquidity.

How Does Slippage Work in Crypto Trading?

Let's walk through a simple slippage in crypto example:

You want to buy 1 ETH using USDT on a DEX. At the time of placing the trade, the price is \$2,000. But by the time your transaction is confirmed on the blockchain:

- The price of ETH moves to \$2,020 due to volatility.
- You end up buying 1 ETH for \$2,020, not \$2,000.

This \$20 difference is slippage.

[Trade on BTCC Now](#)

/ You can claim a welcome reward of up to 10,055 USDT

What Is Slippage Tolerance in Crypto?

Slippage tolerance is the maximum % difference you're willing to accept between the expected and actual trade price.

For example:

- If you set slippage tolerance to 0.5%, and your trade moves more than that, the transaction will fail.
- If you set 5% slippage, the transaction will go through even if the price moves up or down by 5%.

Common Slippage Tolerance Settings:

Type of Trade Recommended Slippage Tolerance

Stablecoin swaps 0.1% - 0.5%

Major crypto tokens 0.5% - 1%

Low liquidity tokens 2% - 10%

Meme coins / NFTs 10% - 20% (if needed)

Slippage in Crypto Example (Real-World)

Let's say you want to buy SHIBA INU (SHIB) on a DEX:

- You input: Buy 100,000,000 SHIB for 500 USDT
- The DEX shows: "Expected rate 200,000 SHIB per \$1"

However, because SHIB is highly volatile and the liquidity pool is shallow:

- The transaction executes at 190,000 SHIB per \$1
- You receive 95,000,000 SHIB, not 100M
- You lost 5M SHIB due to slippage

This is why setting your slippage tolerance correctly is crucial.

Why Does Slippage Happen in Crypto?

Slippage in crypto trading can happen for several reasons:

1. High Volatility

Crypto prices change quickly. If your transaction takes a few seconds, the price may have moved already.

2. Low Liquidity

Some tokens have low trading volumes. A large order may drain the liquidity pool and cause a big price change.

3. Front-Running Bots

On public blockchains like Ethereum, bots scan the mempool and copy trades with higher gas fees to profit from slippage.

4. Large Trade Sizes

If your trade is too big relative to the liquidity pool, it can move the market, causing slippage.

[Trade on BTCC Now](#)

/ You can claim a welcome reward of up to 10,055 USDT

Is High Slippage Bad in Crypto?

Generally, yes. High slippage means:

- You're overpaying or getting fewer tokens
- You're losing money per trade
- It can indicate low-quality tokens or poor liquidity

However, some high-slippage trades are necessary, especially for:

- Buying small-cap tokens
- Participating in token launches
- NFT minting using ETH or MAGIC

In those cases, slippage is a trade-off for access.

What Is Acceptable Slippage in Crypto?

It depends on the token, platform, and urgency. Here's a general guide:

Situation Acceptable Slippage

Stablecoins (e.g. USDT to USDC) 0.1% - 0.3%

Large-cap coins (e.g. BTC, ETH) 0.3% - 1%

Medium liquidity tokens 1% - 2%

Meme coins / volatile assets 3% - 10%

NFT-related token swaps 5% - 15%

If you're not in a rush, try to keep slippage under 1%.

How to Avoid Slippage in Crypto

Here are smart ways to reduce or eliminate slippage when trading crypto:

1. Use High-Liquidity Pairs

Trade only on popular pairs (like ETH/USDT or BTC/USDC) on major DEXs or CEXs.

2. Trade Smaller Amounts

Break large trades into smaller ones to avoid draining the pool.

3. Choose the Right Time

Avoid trading during high volatility (e.g., after big news or announcements).

4. Set Slippage Tolerance Carefully

Use the minimum necessary tolerance to avoid failed transactions or front-running.

5. Use CEXs for Big Orders

On centralized exchanges (like Binance or Coinbase), slippage is usually lower due to better order books.

Bonus Tip: Use DEX Aggregators

Platforms like 1inch, Matcha, or Paraswap compare prices across DEXs and offer the best route with the lowest slippage.

If you're trading tokens that aren't highly liquid, these tools can save you a lot of money.

Frequently Asked Questions (FAQs)

What is slippage in crypto?

Slippage in crypto is the difference between the expected price of a trade and the actual price at which it's executed.

Why does slippage happen in crypto?

Slippage happens due to volatility, low liquidity, large trade sizes, or front-running bots.

What is slippage tolerance?

Slippage tolerance is the maximum % difference you're willing to accept in trade execution before the transaction fails.

How do I reduce slippage in crypto?

Use small trades, trade during low-volatility periods, set low slippage tolerance, and use high-liquidity platforms.

Is high slippage bad?

Yes. High slippage leads to financial loss and usually signals poor liquidity or market manipulation.

Conclusion: Mastering Slippage in Crypto

Understanding slippage is essential for safe and profitable crypto trading.

Whether you're using Uniswap, PancakeSwap, or MetaMask, always check your slippage settings, especially when trading volatile or low-cap tokens.

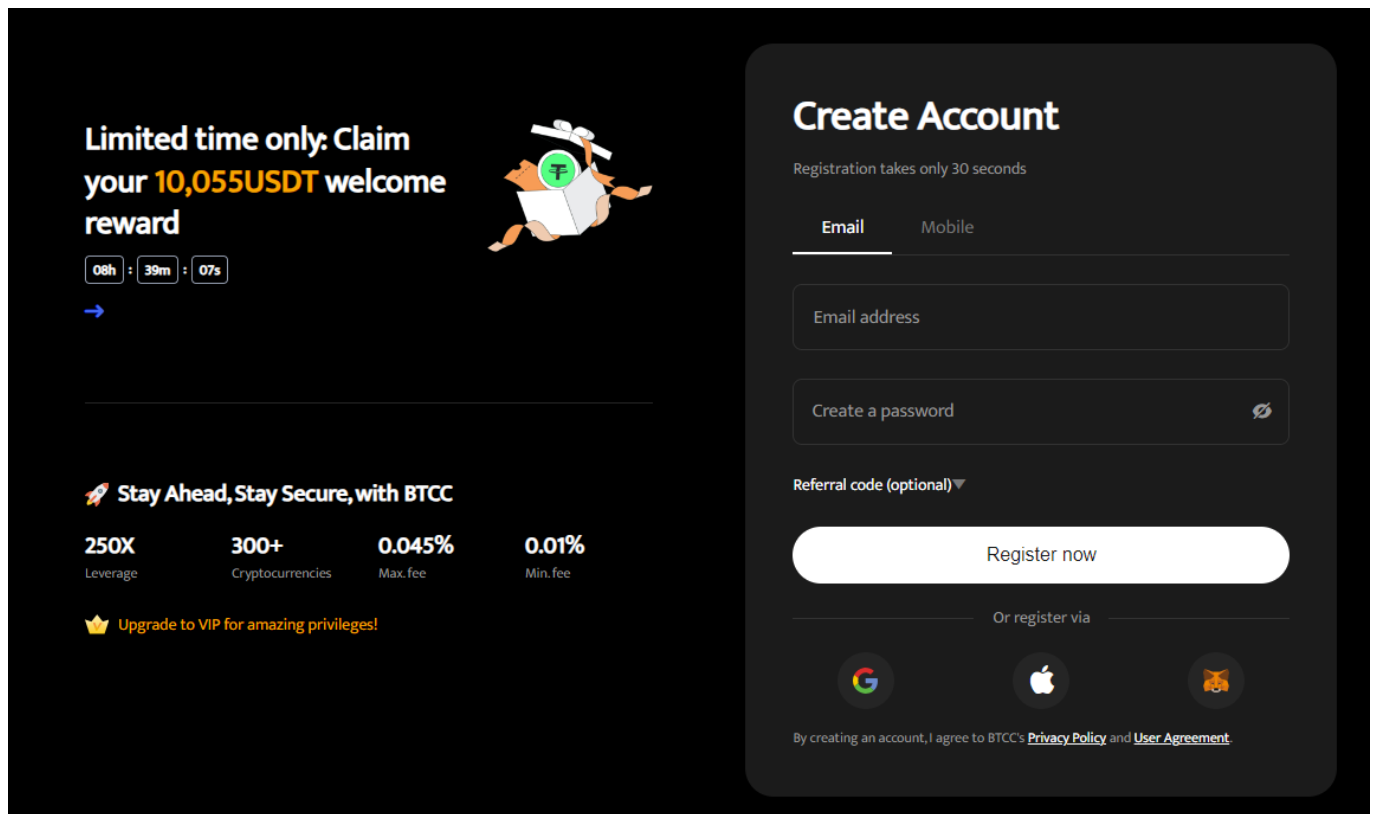
By following the tips in this guide, you'll avoid common mistakes and protect your crypto assets from unnecessary losses.

How to Trade Crypto on BTCC?

This brief instruction will assist you in registering for and trading on the BTCC exchange.

Step 1: Register an account

The first step is to hit the "Sign Up" button on the BTCC website or app. Your email address and a strong password are all you need. After completing that, look for a verification email in your inbox. To activate your account, click the link in the email.



Step 2: Finish the KYC

The Know Your Customer (KYC) procedure is the next step after your account is operational. The main goal of this stage is to maintain compliance and security. You must upload identification, such as a passport or driver's license. You'll receive a confirmation email as soon as your documents are validated, so don't worry—it's a quick process.



Step 3. Deposit Funds

After that, adding money to your account is simple. BTCC provides a range of payment options, such as credit cards and bank transfers. To get your money into your trading account, simply choose what works best for you, enter the amount, and then follow the instructions.

- **Fiat Deposit.** Buy USDT using Visa/Mastercard (KYC required).
- **Crypto Deposit.** Transfer crypto from another platform or wallet.

Fund Your Account



I don't have crypto assets



Fiat Deposit

Fund your account with USDT using
Visa/Mastercard



P2P

Buy and sell cryptos with flexible payment
methods and 0 transaction fees.



I have crypto assets



Crypto Deposit

Get the deposit address for BTC,ETH,or any
other crypto and deposit via the blockchain.



Step 4. Start Trading

If you wish to follow profitable traders, you might go for copy trading, futures, or spot trading. After choosing your order type and the cryptocurrency you wish to trade, press the buy or sell button. Managing your portfolio and keeping track of your trades is made simple by the user-friendly interface.



Look more for details: [How to Trade Crypto Futures Contracts on BTCC](#)

BTCC FAQs

Is BTCC safe?

Based on its track record since 2011, BTCC has established itself as a secure cryptocurrency exchange. There have been no reports of fraudulent activity involving user accounts or the platform's infrastructure. By enforcing mandatory know-your-customer (KYC) and anti-money laundering (AML) procedures, the cryptocurrency trading platform gives consumers greater security. For operations like withdrawals, it also provides extra security features like two-factor authentication (2FA).

Is KYC Necessary for BTCC?

Indeed. Before using BTCC goods, users must finish the Know Your Customer (KYC) process. A facial recognition scan and legitimate identification documents must be submitted for this process. Usually, it is finished in a few minutes. This procedure has the benefit of strengthening the security of the exchange and satisfying legal requirements.

Because their accounts will have a lower daily withdrawal limit, those who do not finish their KYC are unable to make deposits. It should be noted that those who present a legitimate ID without a facial recognition scan will likewise have restricted withdrawal options.

Is There a Mobile App for BTCC?

Indeed. For users of iOS and Android, BTCC has a mobile app. The exchange's website offers the mobile app for download. Since both the web version and the mobile app have the same features and capabilities, they are comparable.

Will I Have to Pay BTCC Trading Fees?

Indeed. BTCC levies a fee for trade, just like a lot of other centralised exchanges. Each user's VIP level, which is unlocked according to their available money, determines the different costs. The BTCC website provides information on the charge rates.

Can I Access BTCC From the U.S?

You can, indeed. According to its website, BTCC has obtained a crypto license from the US Financial Crimes Enforcement Network (FinCEN), which enables the cryptocurrency exchange to provide its services to investors who are headquartered in the US.

According to BTCC's User Agreement document, its goods are not allowed to be used in nations and organisations that have been sanctioned by the United States or other nations where it has a licence.

BTCC Guide:

- [How to Trade Crypto Futures Contracts on BTCC](#)
- [BTCC Guide-How to Deposit Crypto on BTCC?](#)
- [What is Crypto Futures Trading - Beginner's Guide](#)
- [What is Leverage in Cryptocurrency? How Can I Trade at 100X Leverage?](#)
- [BTCC Review 2024: Best Crypto Futures Exchange](#)

Crypto Buying Guides:

- [How To Buy Bitcoin \(BTC\)](#)
- [How To Buy Picooin](#)
- [How To Buy Ethereum \(ETH\)](#)
- [How To Buy Dogecoin \(DOGE\)](#)
- [How To Buy Pepe Coin \(PEPE\)](#)
- [How To Buy Ripple \(XRP\)](#)

Crypto Prediction:

- [Ethereum \(ETH\) Price Prediction 2024, 2025, 2030 — Will ETH Reach \\$10,000?](#)
- [Ethereum Price Prediction 2024, 2025, 2030: How High Can ETH Go in 2024?](#)
- [Bitcoin \(BTC\) Price Prediction 2024, 2025, 2030 — Is BTC a Good Investment?](#)
- [Ripple \(XRP\) Price Prediction 2024, 2025, 2030 — Will XRP Reach \\$1 After SEC Lawsuit?](#)
- [Pi Coin Price Prediction 2024,2025,2030 — Is Pi Coin a Good Buy?](#)
- [Pepe \(PEPE\) Price Prediction 2024, 2025, 2030 - Will PEPE Reach \\$1](#)