

TVL Correlation Analysis: Ethereum vs Solana vs Cardano

Comprehensive Analysis of Total Value Locked Relationships and Market Dynamics

Data as of July 2025 | Analysis Period: January 2024 - July 2025

Executive Summary

Market Leader

Ethereum

87.83% Market Share
\$65.04B TVL

Fastest Growth

Solana

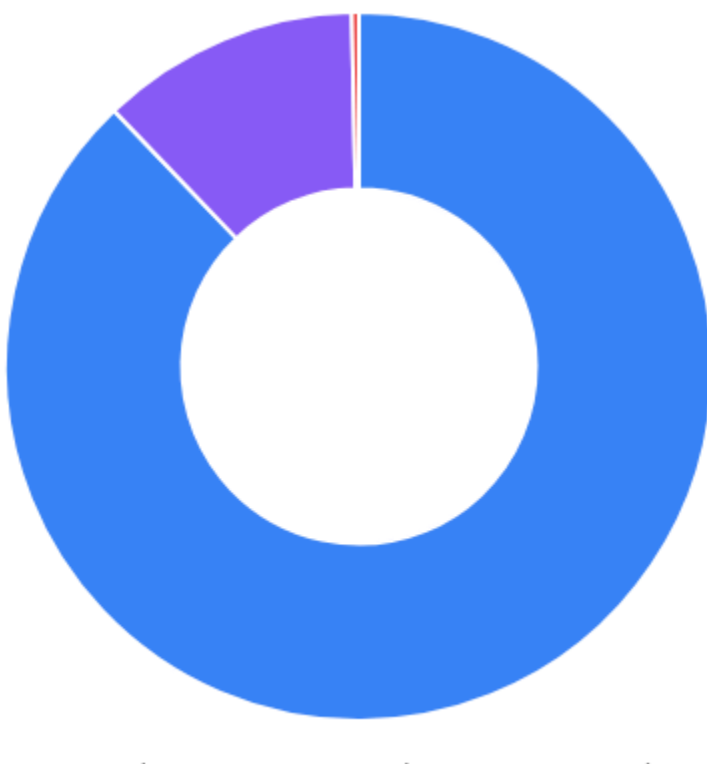
486% YoY Growth
\$8.77B TVL

Emerging Player

Cardano

62.2% YoY Growth
\$0.24B TVL

Current TVL Distribution (July 2025)



Ethereum Solana Cardano

♦ **Ethereum**

\$65.035 billion

87.83% market dominance

Maintains overwhelming market leadership with mature DeFi ecosystem and institutional adoption

⚙️ **Solana**

\$8.768 billion

11.84% market share

Strong second position with explosive growth and high-performance infrastructure

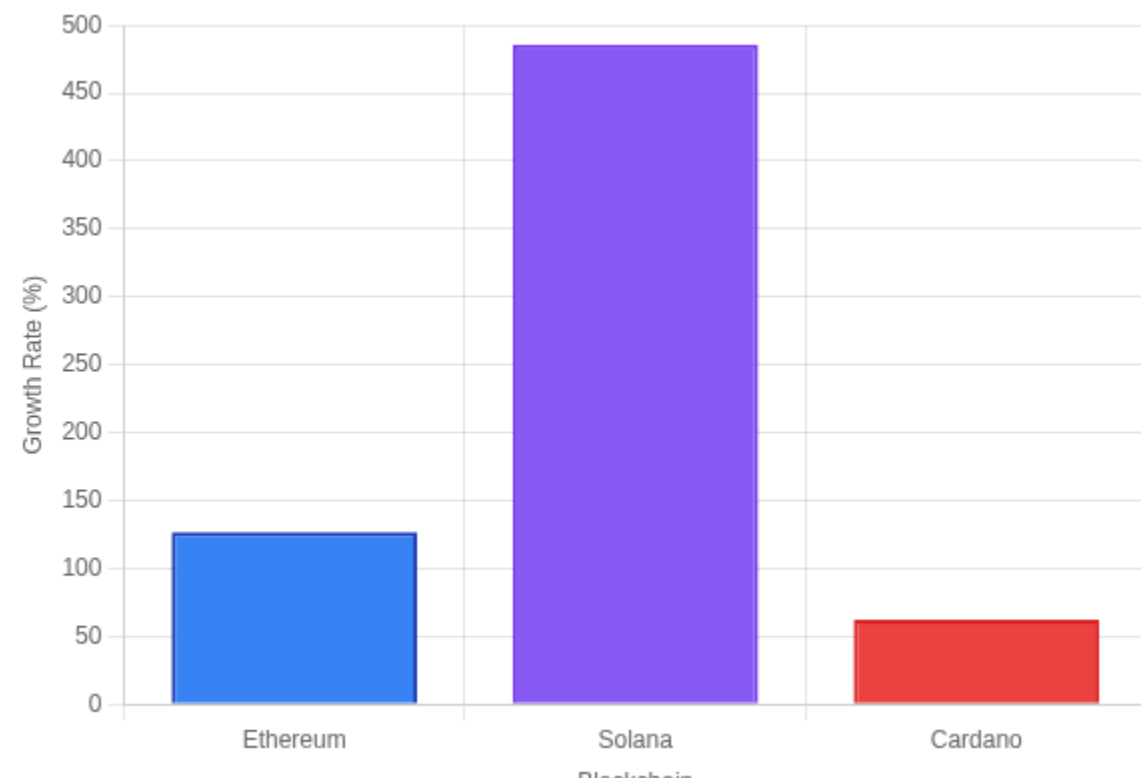
♥️ **Cardano**

\$240.13 million

0.32% market share

Smaller but growing presence with methodical approach to DeFi development

2024 Growth Performance Analysis



Key Growth Insights

⬆️ **Solana leads growth** with exceptional 486% YoY increase, demonstrating strong ecosystem expansion

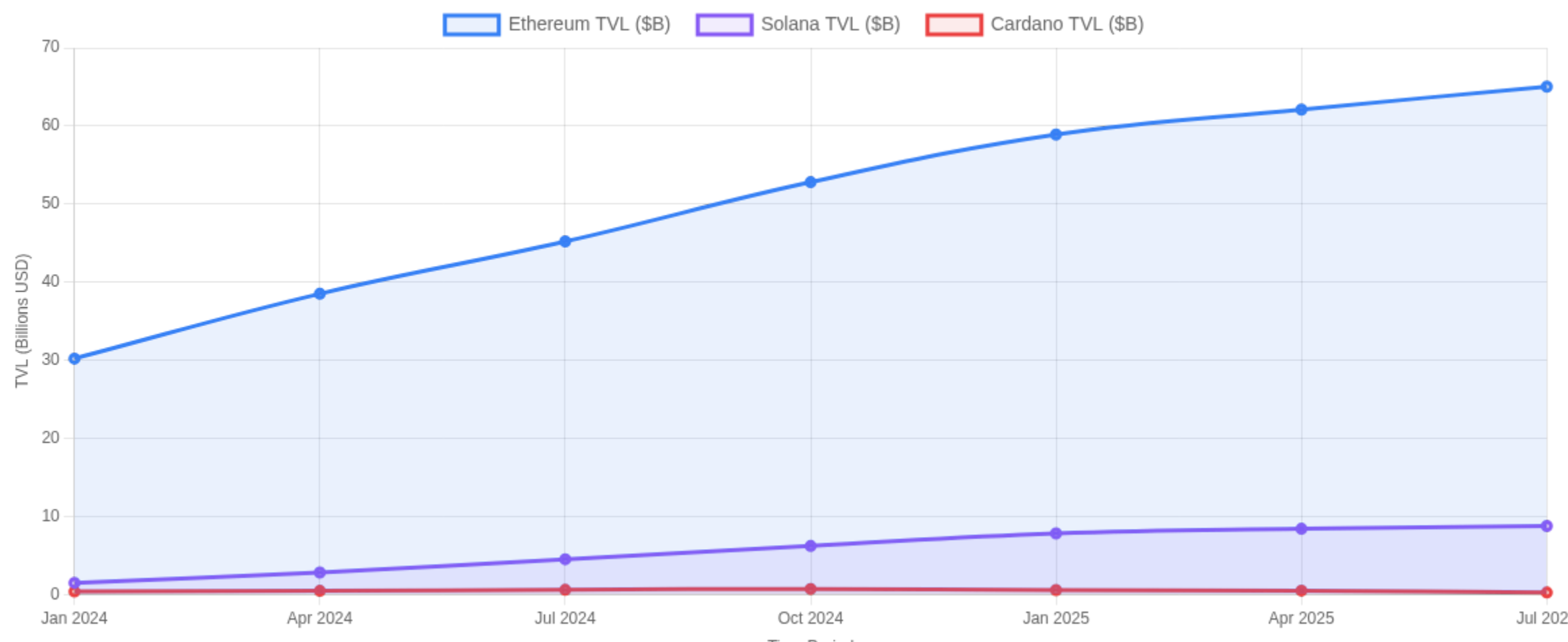
🏗️ **Ethereum shows stability** with solid 126.7% growth while maintaining market dominance

♥️ **Cardano demonstrates potential** with 62.2% growth despite smaller absolute TVL

Growth Pattern Analysis

Solana's exceptional growth indicates strong momentum in high-performance DeFi applications, while Ethereum's steady growth reflects mature market stability. Cardano's moderate growth suggests building momentum in its developing ecosystem.

TVL Historical Trends (2024-2025)



2.15x

Ethereum Growth Multiple

5.97x

Solana Growth Multiple

0.65x

Cardano Current vs Peak

Correlation Matrix Analysis

Correlation Heatmap

Blockchain	Ethereum	Solana
Ethereum	1.00	0.90
Solana	0.90	1.00
Cardano	-0.30	-0.46
vs Others		
		-0.46

Strong Positive Correlation

Ethereum ↔ Solana: 0.90

Very strong positive correlation indicates synchronized growth patterns, suggesting these ecosystems may benefit from similar market conditions and investor sentiment.

Negative Correlations

Cardano ↔ Ethereum: -0.30

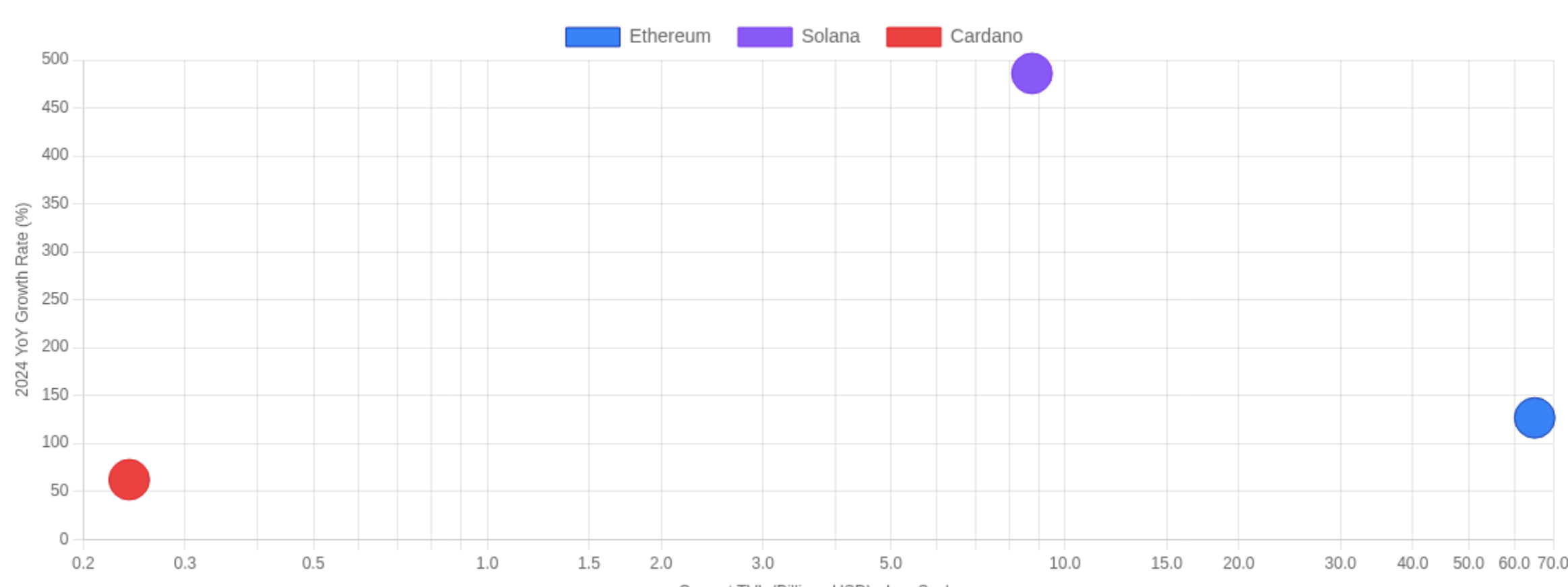
Cardano ↔ Solana: -0.46

Negative correlations suggest Cardano may be following different market dynamics or development cycles compared to the other two networks.

Diversification Insight

High ETH-SOL correlation suggests limited diversification benefits between these two, while Cardano offers potential portfolio diversification due to its different correlation pattern.

Competitive Positioning Matrix



Market Leader

Ethereum

Dominant TVL with steady growth. Established institutional presence and mature DeFi ecosystem.

Strong Challenger

Solana

Explosive growth with significant market presence. High-performance infrastructure attracting new projects.

Niche Player

Cardano

Smaller market presence but methodical growth. Focus on sustainability and academic approach.

Strategic Insights & Recommendations

For Investors

Conservative Portfolio

70% Ethereum, 25% Solana, 5% Cardano

Focus on market leader with some growth exposure

Balanced Portfolio

50% Ethereum, 35% Solana, 15% Cardano

Balanced approach with diversification benefits

Growth Portfolio

30% Ethereum, 50% Solana, 20% Cardano

Higher growth exposure with increased volatility

For Developers

Multi-Chain Strategy

Consider deploying on both Ethereum (for liquidity) and Solana (for performance), with Cardano as a longer-term strategic option as the ecosystem matures.

Technical Considerations

Ethereum offers mature tooling and large user base. Solana provides high throughput and low costs. Cardano focuses on formal verification and sustainability.

Market Outlook & Projections

Short Term (6-12 months)

- Ethereum maintains dominance with steady growth
- Solana continues rapid ecosystem expansion
- Cardano builds momentum with new protocols
- Strong correlation between ETH-SOL persists

Medium Term (1-2 years)

- Solana may capture 15-20% market share
- Ethereum scaling solutions impact TVL
- Cardano ecosystem reaches critical mass
- Cross-chain protocols gain significance

Long Term (2+ years)

- Multi-chain ecosystem becomes standard
- TVL growth driven by institutional adoption
- Specialized chains for different use cases
- Regulatory clarity drives massive growth

Risk Assessment Matrix

Risk Factor	Ethereum	Solana	Cardano
Network Outages	Low	Medium	Low
Scalability Issues	Medium	Low	Medium
Ecosystem Maturity	Low	Medium	High
Regulatory Risk	Medium	Medium	Low
Market Volatility	Medium	High	High

Key Conclusions

Market Dynamics

- Ethereum maintains clear market leadership with 87.8% TVL dominance
- Solana shows exceptional growth momentum (486% YoY) and strong correlation with Ethereum
- Cardano operates in different market dynamics with negative correlation to others
- Total DeFi TVL across these three chains exceeds \$74 billion

Strategic Implications

- High ETH-SOL correlation limits diversification benefits between these chains
- Cardano offers unique portfolio diversification due to different correlation patterns
- Multi-chain strategies recommended for both investors and developers
- Market maturation suggests continued institutional adoption ahead

Investment Disclaimer

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