

Coinbase covers the ETH transaction fee by charging you a fee in terms of the token being traded. They also charge a small premium.

For example, see my deposit:

<https://etherscan.io/tx/0x764f93c522db1ae5b5f4bda1fc865e82fc584a502e0346fc1e9fd3a3faaf4cae>

Coinbase paid 0.00295125 ETH from their ETH reserves to cover gas (about \$4.31 at the time). On my end they charged me 0.10784108 NMR (about \$4.47 at the time). They keep the difference of 16 cents.

At the end of the day it depends on network traffic on the ETH blockchain. I've seen transaction fees as low as \$2 and as high as \$60, so just check at different times during the day to see if moving your crypto is worth it. And moving as much as you can in a single transaction is always best practice.