

Weekly Crypto Market Wrap

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Week in Review

- Trump wins the [US election](#)
- BlackRock's [bitcoin ETF](#) has surpassed its gold ETF in net assets just months after debut
- Leading [stablecoin](#) firm Tether is looking to become a top player in the trading of commodities (oil), placing a \$45 million trade
- From November 4 to November 8, Bitcoin spot [ETFs](#) had a net inflow of US\$1.63 billion last week, BlackRock ETF IBIT had a weekly net inflow of US\$1.25 billion
- Analysts at [Animoca](#) Brands Research claim that Polymarket users will likely stick with the platform after its biggest draw — the U.S. presidential election — has concluded.
- Dune [acquires](#) a16z-backed smlXL to expand real-time blockchain data offering

Technicals & Macro

BTCUSD



Source: TradingView

Key levels

66,000 / 72,000 / 73,000, 77,000

What a week! Did everyone have an all-time high party somewhere in the world?

As the election played out and it became clear that Trump was a shoo-in, the move began, and didn't really take a breather until we smashed through all-time highs and beyond. I'm surprised we didn't see more buying prior to election day given the velocity at which the election odds were shifting. The prior week, the aggregated betting odds moved from Trump holding a slight lead, to Trump taking a convincing win in the race. The proprietary polls models (FiveThirtyEight, The Hill, Economist/Columbia) were less definitive - but were still supporting a Trump win.

In many ways this was an election about the unheard/silent voters - and betting apps are an anonymous way to bid from the silent majority. Betting

odds ended up being the right indicator on this occasion - but what really struck me was the black and latino vote that made up a substantial piece of Trump's win. The economy was the overarching theme, and it has definitely sparked renewed attention on the effect of inflation and the growing wealth divide in the US (and globally). People are looking for change, and Trump brings the hope of change.

Where does that leave us in markets? Long energy, banks, bitcoin hit the accelerator. Actually wall street broadly hit the accelerator, but the Trump trade outperformed. Cryptocurrency is in a unique position in this mix - Gary Gensler is getting 'fired', Ross William Ulbricht of Silk Road fame is being released, and we have Senator Cynthia Lummins Cummins screaming from the bleachers that the Strategic Bitcoin Reserve is going to be built.



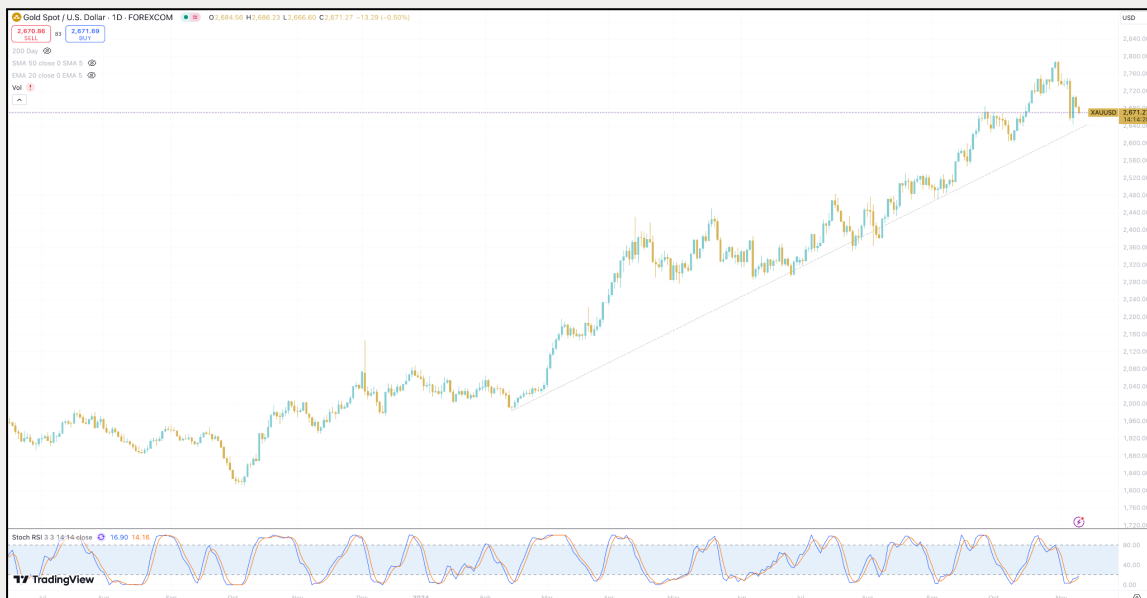
Source: X

The bill proposes that the US treasury acquire one million Bitcoin over five-years, which is around 5% of the fully diluted supply. The theory goes that the reserve will hedge against debasement of the US dollar and, over time, help the nation climb its way out of US\$35 trillion in US debt. It's a brazen approach, and one that may just work. Other sovereign nations are adopting BTC; the roadmap is there. Hell, they could just buy the ETF. Watch this space,

because stranger things have happened. If this goes through - or has any inkling of going through, I think the market front-runs like it's never front-run before. But let's walk before we run, Trump takes office on Jan 20th. The moves from here will be closely tied to his expected policy rollout, and any wild surprises we get along the way.

Broader market downside risks are centred around any policy hiccups in Trump's unscripted speeches and further escalation in the Israel / Iran conflict. The VIX is still historically less elevated given the conflict risk, and the crisis does have the potential to escalate, and fast.

Gold taking a breather on USD strength



With BTC's breakout, we are beginning to close the relative value market cap trade with gold. BTC at US \$1.6T, with Gold at US \$17T. Still a long way to go here, and notably the Blackrock BTC ETF now has more AUM than its gold ETF.

ETHBTC getting a little love



ETHBTC has found a nice base on the back of the risk moves. How far can we go higher? I'm not sure we go that much higher given the convexity around BTC and Trump taking office.

Be careful out there, and enjoy the fireworks.

Jon de Wet, CIO

Spot Desk

The Australian Dollar (AUD) has been under pressure, declining against the US Dollar (USD) due to the renewed strength of the USD following the election and latest FOMC meeting. Despite an improved risk sentiment, the US Dollar's dominance continues to weigh on the AUD, although the hawkish stance of the Reserve Bank of Australia (RBA) and expectations for further Chinese stimulus could offer support to the Aussie.

On the trading desk, there was a noticeable skew towards off-ramping as the AUD continued its decline. Meanwhile, major cryptocurrencies such as Bitcoin, Ether, and Solana remained in high demand, reflecting continued confidence in the broader crypto market, especially following Trump's victory.

The market is currently in a risk-on, with increased interest in altcoins. Notably, there has been significant selling of BNB, MPL, and SUI as traders took profits from recent gains. In contrast, POL saw increased buying activity. As Bitcoin's dominance eased, speculative buying in altcoins picked up.

Additionally, the desk continues to offer strong support for memecoin custody and OTC trading. We are well-positioned to provide competitive rates across major currencies, altcoins, memecoins, and stablecoin pairs against key fiat currencies, with T+0 settlement available for added convenience. For any specific inquiries, please feel free to reach out.

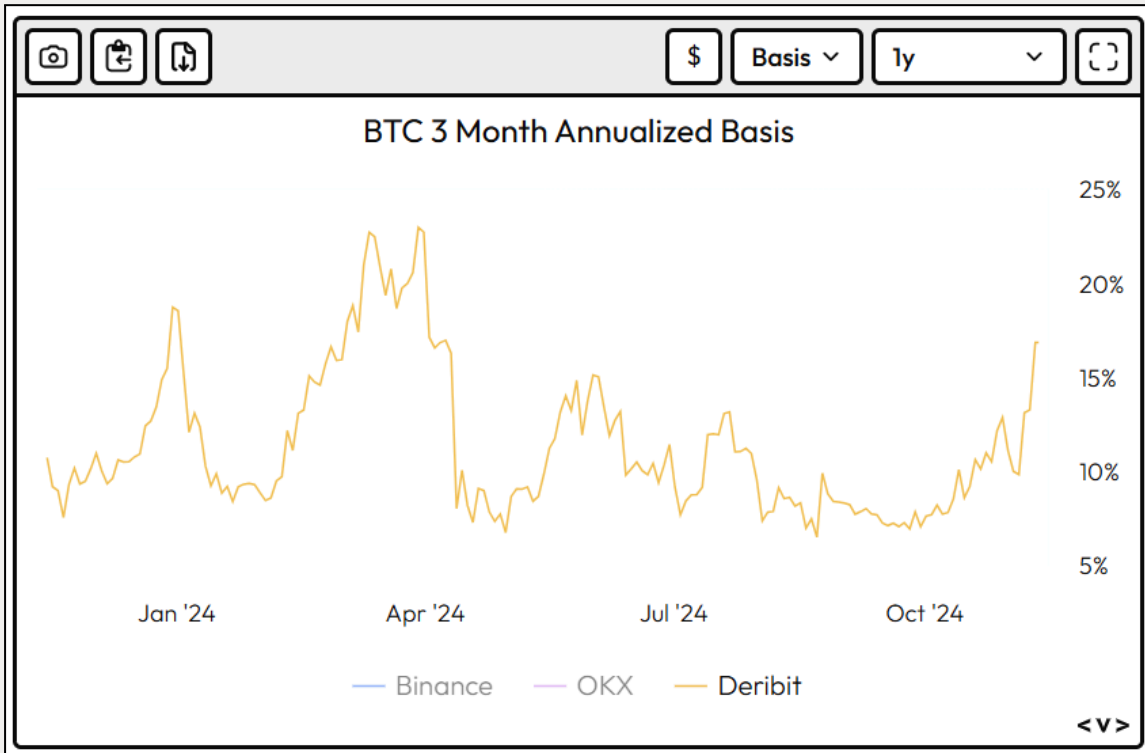
Arpit Beri, Trading Operations Manager

Derivatives Desk

WHOLESALE INVESTORS ONLY

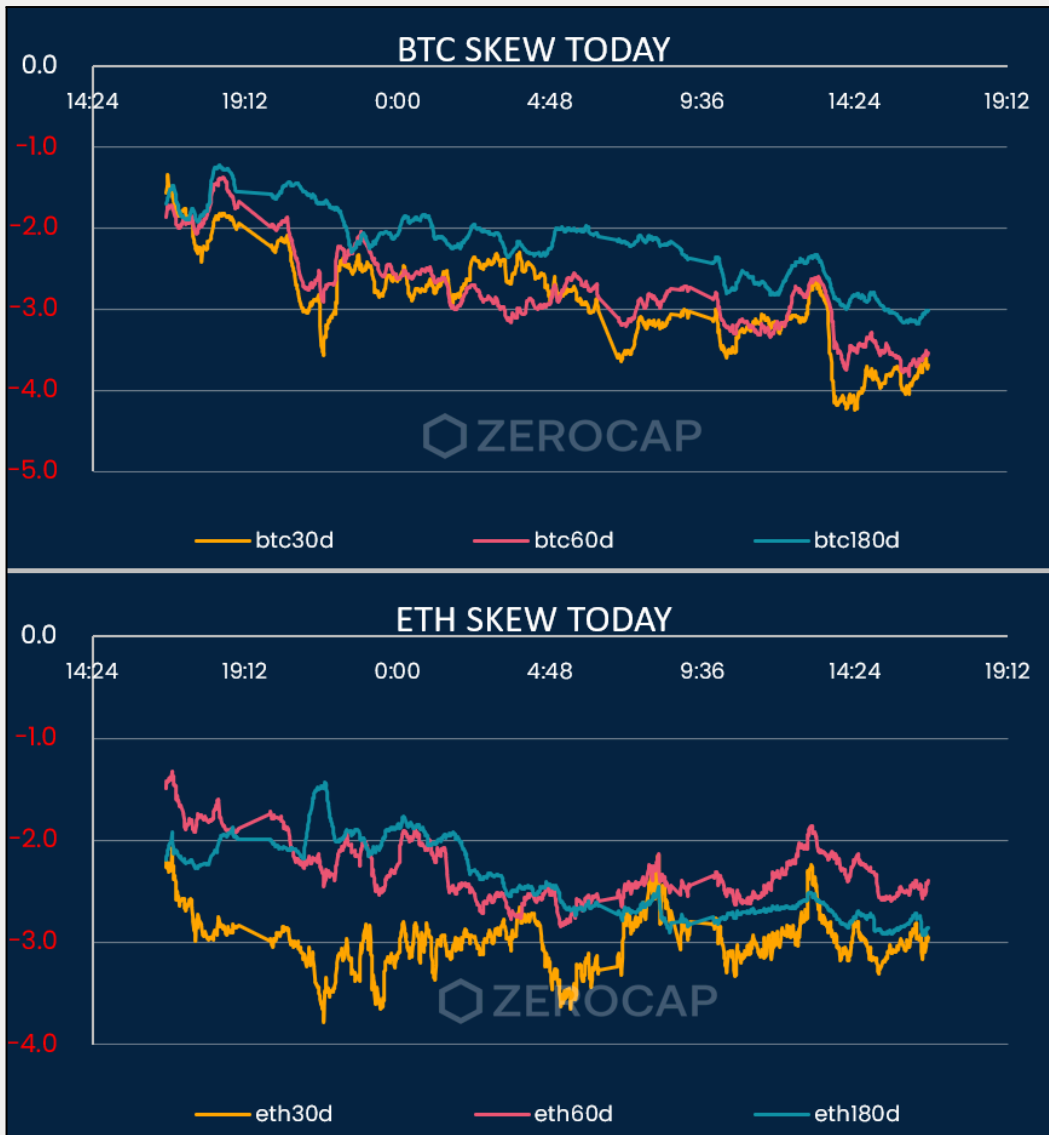
Basis rates on BTC and ETH are flying higher:

- BTC's 90-day annualised basis rate is up 600 bps (16.8%).
- ETH's is also up 470 bps (14.8%).



Source: Velo Data

Skew on BTC and ETH is heavily biased towards calls at the moment:



With basis rates elevated and skew towards the upside - covered calls are paying very attractive premiums at the moment. For investors with any large holdings in BTC/ETH or altcoins, they could look at trading covered calls expiring at the end of the year with strike prices 10%/20% above current spot price.

Hit the derivs team up for current yield rates and pricing!

Berkeley Cox, Derivatives Analyst

What to Watch

- **BOJ SOO (MON):** The BoJ will release the Summary of Opinions from its October 30th-31st meeting where it provided no major surprises as it kept the short-term policy rate at 0.25%, as expected, which money markets were pricing a 99% likelihood of ahead of the announcement
- **UK JOBS (TUE):** Expectations are for the unemployment rate in the 3M period to September to rise to 4.1% from 4.0%, whilst headline average earnings are expected to pick up to 3.9% from 3.8% on a 3M/YY basis
- **US CPI (WED):** The consensus looks for headline CPI to rise +0.2% M/M in October (prev. +0.2%), and the core rate is seen printing 0.3% M/M (prev. 0.3%)
- **AUSTRALIAN JOBS (THU):** The Australian labour force report is expected to show an addition of 25k jobs in October (vs 64.1k in September), with the unemployment rate seen ticking up to 4.2% from 4.1%, and the participation rate expected steady at 67.2%
- **JAPANESE GDP (THU):** GDP Q/Q for Q3 is expected to wane to +0.2% from +0.7% in Q2. Desks highlight that the Q2 “megaquake” and typhoon in August dampened economic activity
- **CHINESE ACTIVITY DATA (FRI):** Chinese Industrial Production is seen coming in steady at 5.4% (prev. 5.4%) whilst Retail Sales are expected at 3.8% (prev. 3.2%) and Urban Investments at 3.5% (prev. 3.4%)
- **UK GDP (FRI):** Expectations are for a 0.2% M/M pick-up in growth for September
- **US RETAIL SALES (FRI):** US retail sales data is due on Friday, whereby in September the headline came in at 0.4% M/M and Y/Y, with the retail control at 0.7%. In terms of recent commentary from retailers, Amazon management noted in its retail business it is seeing favourable trends in everyday essentials,

leading customers to build bigger baskets and shop more frequently, although mgmt. did say customers remain cost-conscious.

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* Index used:

Bitcoin	Ethereum	Gold	Equities	High Yield Corporate Bonds	Commodities	Treasury Yields
BTC	ETH	PAXG	S&P 500, ASX 200, VT	HYG	SPGSCI	U.S. 10Y

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