Weekly Crypto Market Wrap

28 July 2025

ZEROCAP

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🗞️ Week in Review

- Bitcoin demonstrated strong resilience by absorbing a $9 billion sell-off from Galaxy Digital, quickly recovering.
- SharpLink Gaming made headlines by acquiring 77,210 ETH (worth $295 million), bringing its total Ethereum holdings to 438,017 ETH.
- XRP experienced a sharp 15% price drop after a large whale sell-off on Upbit, triggering $90 million in liquidations.
- Crypto payments are gaining mainstream traction in gaming, travel, and daily purchases, with a Bitget survey showing diverse regional and generational adoption.
- JPMorgan is exploring crypto-backed loans.

🏛️ Technicals & Macro

BTCUSD

Source: TradingView

Something's cooking.

On the back of last week's big news flows on both fronts of positive regulatory development and ongoing corporate treasury adoption - BTC and Co. took the week to digest these headlines, taking its breath in a measured move. Bitcoin cooled off after its run, holding the range and working off some of the frenzy, while Ethereum quietly took the lead, grinding higher with consistent strength.

Sentiment remains firmly risk-on, call it greed, but the controlled kind. Dips are bid, flows are steady, and conviction is clearly high. It's the kind of tape where players are leaning long but not getting reckless, profit-taking on strength, rebalancing on weakness, and letting momentum do the work.

BTC has spent the past week in a holding pattern after tagging fresh highs, consolidating between $115k-$120k amid waves of macro headlines and altcoin outperformance. Vols spiked mid week as Galaxy confirmed the sale of 80,000 BTC from the Satoshi era - the largest notational sale in history - which briefly pushed BTC to $115k. Markets however absorbed the move in quick fashion, with bulls reclaiming the range by day's end. The fact that BTC held through a $9B liquidation shows you how far we've come with respect to its growing maturity and structural bid - those are major league numbers.

Macro sentiment turned risk-on late in the week following US-EU trade agreements, shelving tariff fears ahead of the awaited 1 August deadline. The S&P broke to new highs, and BTC followed, retesting top of range as mentioned. Meanwhile, political pressure on the Fed continues to mount. Powell gave little away in his latest remarks, but with September now the market's base case for the first rate cut, the setup remains supportive.

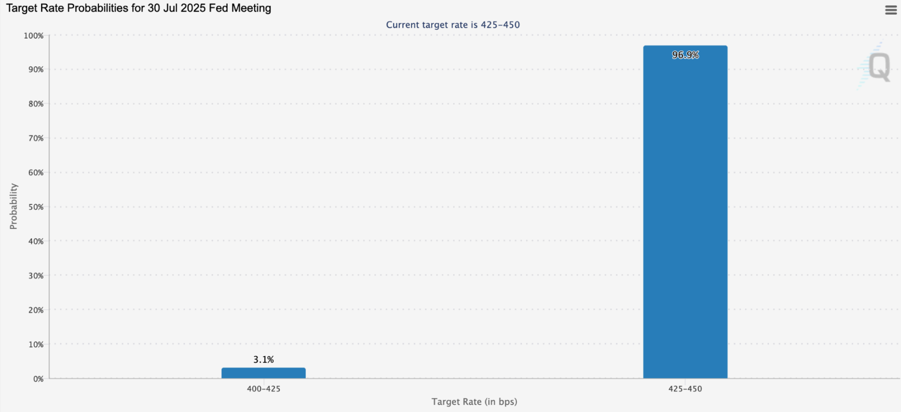
Elsewhere in the space things are positive. Trump Media added $2B in BTC to its balance sheet, Ethereum ETFs saw their strongest inflows since launch ($3.1B in a single day), and new SEC Chair Paul Atkins declared ETH "not a security", a regulatory pivot that's already shifting flows. While BTC remains steady, capital rotation is underway. Altseason signals are building as BTC dominance trends lower and the total altcoin market cap breaks higher.

As I said, things are definitely cooking - expect fireworks in the coming week as markets brace for the final Fed decision before September. Although, markets are pricing in clear hold at this stage.

30 Jul25 | 17 Sep25 | 29 Oct25 | 10 Dec25 | 28 Jan26 | 18 Mar26 | 29 Apr26 | 17 Jun26 | 29 Jul26 | 16 Sep26 | 28 Oct26 | 9 Dec26

MEETING INFORMATION						PROBABILITIES		
MEETING DATE	CONTRACT	EXPIRES	MID PRICE	PRIOR VOLUME	PRIOR OI	EASE	NO CHANGE	HIKE
30 Jul 2025	ZQN5	31 Jul 2025	95.6713	46,265	476,180	3.1%	96.9%	0.0%

Target Rate Probabilities for 30 Jul 2025 Fed Meeting



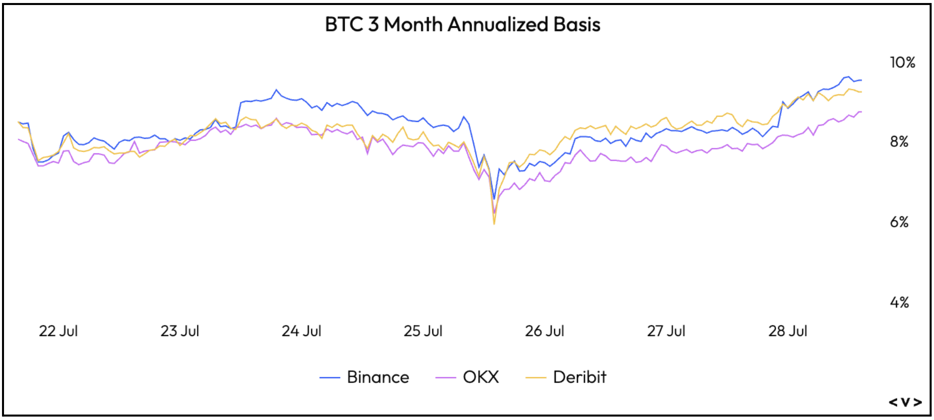
TARGET RATE (BPS)	PROBABILITY(%)			
	NOW *	1 DAY 25 JUL 2025	1 WEEK 21 JUL 2025	1 MONTH 27 JUN 2025
400-425	3.1%	4.1%	4.1%	18.6%
425-450 (Current)	96.9%	95.9%	95.9%	81.4%

* Data as of 28 Jul 2025 05:25:41 CT

01/01/2026 and forward are projected meeting dates

Source: FedWatch

Basis grinds higher



Source: Velodata

The BTC basis continued to climb this week, nearing 10% across major venues. The brief flush on the 25th, triggered by Galaxy's $9B BTC sale, was quickly absorbed, and the basis snapped back quickly, reinforcing the structural bid underneath the market.

We're now seeing healthy premiums return to the curve as directional conviction builds and spot supply continues to tighten. On-chain data points to declining exchange reserves, and with ETH and SOL leading the charge on the spot side, it's likely a good portion of positioning here reflects both outright longs and rotation hedges.

With macro volatility picking up next week, short-dated gamma is still underpriced relative to the pace of spot and basis. Derivatives markets are telling us buyers are back and leaning in.

ETHUSD

In last week's spot section I wrote that with the way things are structured, altcoin season could be an imminent event (to some extent). This week saw this begin to happen.. Ethereum led early, notching 13/15 green days and reaching the $3900 levels as of this writing - the highest since early 2025.

It’s no secret anymore that institutional demand is a key driver here, notably spot ETH ETFs seeing record inflows (a $3.1b day) and the regulatory shift under new SEC Chair Paul Atkins - who once declared ETH ‘not a security' - has fuelled confidence and flows alike.

SOLUSD

But the rotation didn't stop at ETH. Solana exploded mid-week, gaining over 8% in a single session - the biggest move in nearly a month - backed by ETF talks/activities, TVL growth and user momentum. Further down the risk curve, names like SUI and Hyperliquid posted outsized returns, confirming that capital is rotating into higher-beta names Still, it hasn't been a one-way traffic; Thursday's rejection at $120k triggered a sharp alt pullback. ETH dropped 3%, SOL fell 8%, and several others saw 5–7% drawdowns. That's typical in the early stages of altseason: when Bitcoin stalls or sells off, alts tend to react harder. But the key takeaway is resilience. Most of the leaders have already bounced, and the altcoin season index continues to grind higher.

Momentum is now with ETH and SOL, but breadth is widening. With BTC dominance breaking trend and altcoin market cap making higher highs, the rotation looks real. We're in the stage of the cycle where strength in alts could be used to build core BTC exposure and for the sharp, there's opportunity in laggards gearing up to catch up.

Stay safe out there!

Emir Ibrahim, Analyst

🖥️ Spot Desk

Bitcoin traded within a 5% range of $114,750–$120,250, peaking mid-week before selling off on Friday after an early BTC pioneer sold 80k BTC through Galaxy Digital. ETH continues to show strength driven by an estimated $1.85 billion in ETF inflows, signaling growing institutional interest. On the macro side, the ECB held steady on July 24 — no surprises there — but markets were tuned in for any hawkish lean given how sticky inflation's been. The People's Bank of China maintained the 1Y and 5Y LPRs at 3% and 3.5% respectively, following a robust 5.2% YoY GDP growth in Q2. Meanwhile, in the US, 10Y yields saw a slight increase, generally holding around 4.37–4.38% throughout the week, as traders somewhat reduced their expectations for rate cuts. That said, markets displayed a clear risk-on tone: equities moved higher, crypto held firm, and trade optimism helped buoy sentiment. Still, safe-haven demand persisted—borrowing demand, gold bids, and bond yields suggested underlying caution as geopolitical and trade tensions remained top of mind.

The desk noticed somewhat balanced Aussie dollar flows throughout the week with a modest left hand side skew. Crypto majors BTC and ETH flow was bid up by our clients although we observed compressed volumes compared to the previous week. On the alt side, we saw decent buy flow in SEI, AVAX and XRP while sells were concentrated in ALGO, ATOM, and THETA. EUR and GBP flow picks up as we continue building out our multicurrency capabilities for same day fx delivery. We continued to see strong offramp demand of stables into USD, with large clips in USDT and USDC crossing the desk, resulting in the desk being consistently axed to sell stables from 6pm - 12am AEST Monday - Friday. Feel free to hit up the OTC desk through the live chat on the Zerocap portal any time to discuss any enquiries surrounding our axes!

The OTC desk continues to offer tailored cryptocurrency liquidity solutions, offering competitive pricing across major coins, altcoins, and memecoins, paired with key fiat currencies. With T+0 settlement, we ensure seamless trading and settlement.

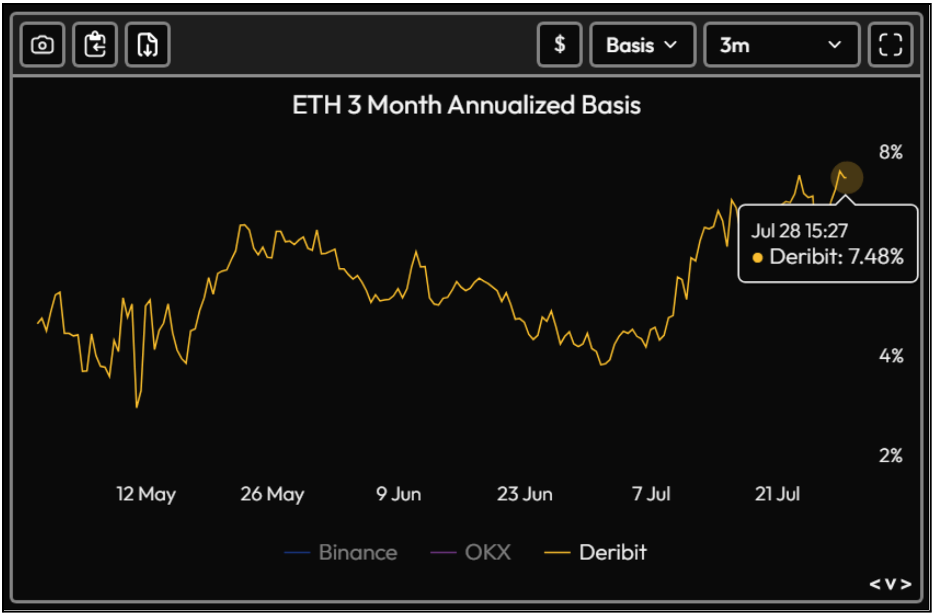
Oliver Davis, OTC Trader

📈 Derivatives Desk

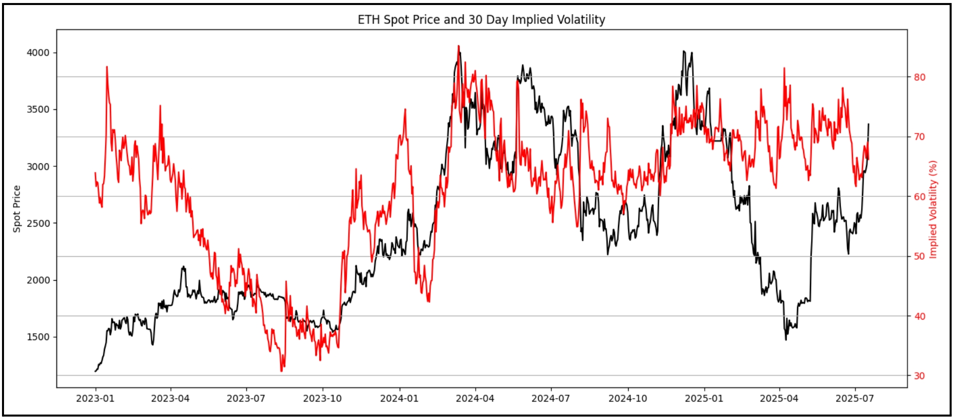
WHOLESALE INVESTORS ONLY

BTC and ETH basis rates have continued to rise over the past week. BTC's 90-day annualised basis now stands at 9.18%, while ETH's has risen to 7.48%. It will be interesting to watch whether this outperformance of the basis rate continues. If so, spread traders are in for a treat.


Basis
3m
BTC 3 Month Annualized Basis
Jul 28 15:26
Deribit: 9.18%
8%
6%
4%
2%
12 May
26 May
9 Jun
23 Jun
7 Jul
21 Jul
Binance
OKX
Deribit


$
Basis
3m
ETH 3 Month Annualized Basis
8%
4%
2%
Jul 28 15:27
Deribit: 7.48%
12 May
26 May
9 Jun
23 Jun
7 Jul
21 Jul
Binance
OKX
Deribit

Trade Idea: Sell ETH Volatility if ETH reaches 4k



Thesis:

In the past we have seen ETH IV spike to 75+ after ETH has reached 4k. This has been a historically great level to sell volatility at.

Trade: Sell 2-Month $5,000 ETH Calls

This trade seeks to capitalize on an implied volatility (IV) spike that is likely to occur if ETH breaks above the $4,000 level, a key psychological and technical threshold. By selling out-of-the-money (OTM) $5,000 calls with two months to expiry, ETH holders can monetize their position by collecting a premium that equates to an annualized yield of ~20%, while maintaining upside exposure up to $5,000.

This strategy aligns with a moderately bullish view expecting ETH to grind higher but remain below its all-time high (~$4,900) in the near term. It also benefits from volatility sellers taking advantage of rich call pricing driven by breakout anticipation.

👀 What to Watch

A macro-packed week ahead with pivotal updates across inflation, growth, trade, and policy settings. All eyes on the FOMC (Wed), Aussie CPI (Wed), US PCE (Thu), US Jobs Report (Fri), and the escalating US–China and EU trade front.

Monday: US Dallas Fed Index, German GfK Confidence. US–China trade talks kick off in Stockholm – outcome may decide whether triple-digit tariffs snap back from August 12th. Treasury's Q3 borrowing estimates also due.

Tuesday: US Consumer Confidence and JOLTS. Risk sentiment will be sensitive to headlines out of Stockholm and tariff rhetoric.

Wednesday: The main event – FOMC expected to hold at 4.25–4.50%, but watch for dissent from Waller and Bowman pushing for cuts. Markets will be laser-focused on Powell's press conference and political pressure from the Trump camp. Also on deck: BoC rate decision, US GDP (Q2), PCE (advance), ADP employment, Aussie CPI

(Q2), German retail sales, and EZ GDP. The US Treasury will release its Quarterly Refunding schedule.

Thursday: Pivotal inflation prints – US Core PCE expected at +0.3% MoM, alongside Chinese PMIs, Aussie retail sales, German and French CPI, and Canadian GDP. BoJ decision looms large – no change expected, but guidance on JGB taper and election aftermath will be closely parsed.

Friday: US Jobs Report likely to show slowing momentum (102k est., UR 4.2%), ISM Manufacturing, and final EZ CPI and PMIs. Crucially, the White House's August 1st tariff deadline hits – with major implications for global trade if no deals are struck.

Markets will be watching for a dovish pivot from Powell, CPI and PCE confirmation of softening inflation, and clarity on the Treasury's funding path. With volatility skewed to the upside, surprises this week could move markets hard.

Emir Ibrahim, Analyst

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