Weekly Crypto Market Wrap

7 July 2025

ZEROCAP

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🗞️ Week in Review

- Robinhood launched over 200 tokenized U.S. stocks and ETFs for EU users and plans to build an Arbitrum-based Layer 2 for real-world asset tokenization, alongside a major crypto staking and futures expansion in the U.S.
- The launch of the first Solana staking ETF in the U.S. saw $20 million in volume on its debut.
- Dormant Satoshi-era Bitcoin wallets from 2011 reactivated after 14 years, moving over 80,000 BTC (worth $8.6 billion) in coordinated transactions.
- TON Foundation launched a UAE Golden Visa program requiring $100,000 in staked TON.

Technicals & Macro

BTCUSD

Source: TradingView

Key levels

74,000 / 92,000 / 100,000 / ~110,000 / 112,000 (ATH)

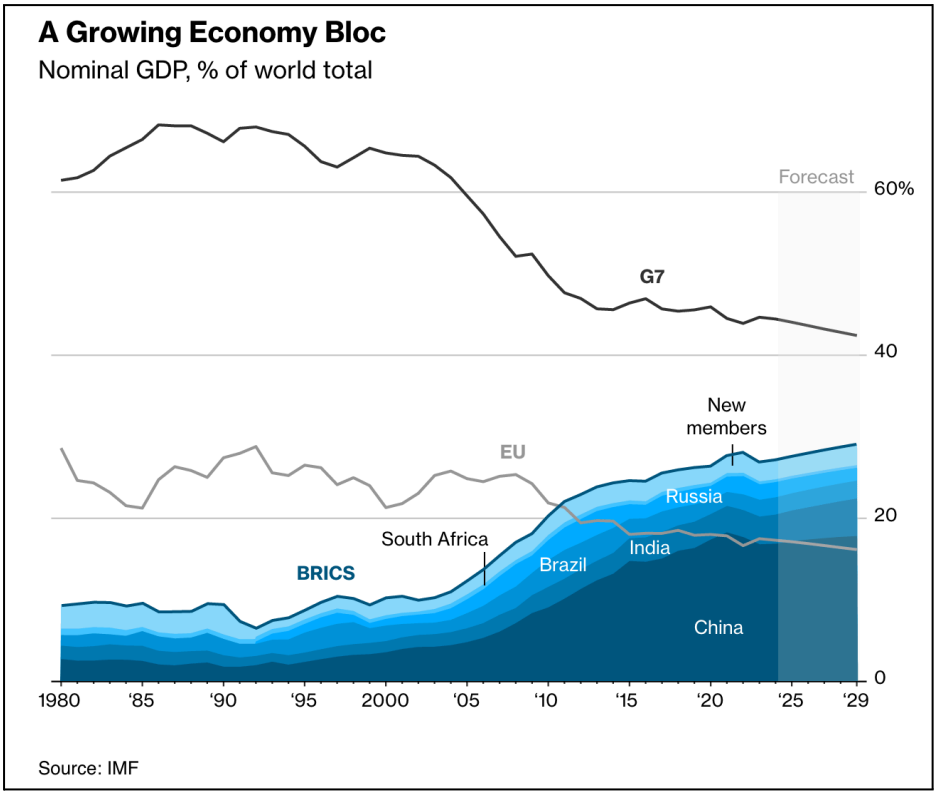
Stocks & uncertainty at highs.

Generally when this happens, something needs to give. Uncertainty needs to go down for keep stocks to keep up, or stocks need to give way for uncertainty to hold its line.

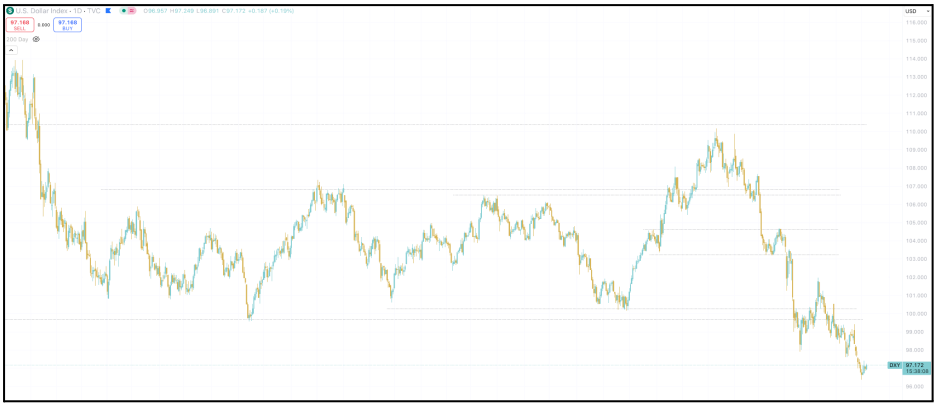
As I write, US equity futures are heading lower, with the S&P down 0.4%. Markets are battling tariff uncertainty with recent goldilocks data out of the US (solid employment, drop in wage inflation) which is distancing the States from the “S” word: stagflation. Until a few hours ago, it looked as if Trump would delay Tariff letters to fellow trading partners, but things are looking less certain after a quick unscripted comment from the President. Trump has also stated that any country supporting the BRICS Bloc would secure an additional 10% tariff. Couple this with the Iran-Israel truce quieter, but not out of the woods, and we have the making for risk reversion back in the range, at least until the tariff play is clearer tonight.

The BRIC Bloc comments are really telling in the current context. We are seeing massive growth in the Bloc’s contribution to global GDP, and significant control of key resources. BRICS countries (with the addition of Iran in the Bloc) produce over 40% of the world’s oil, and over 75% of rare earth metals globally. Your iphones, computers, dad’s car stereo. All coming outta the Bloc. It has power, and Trump is

genuinely concerned.



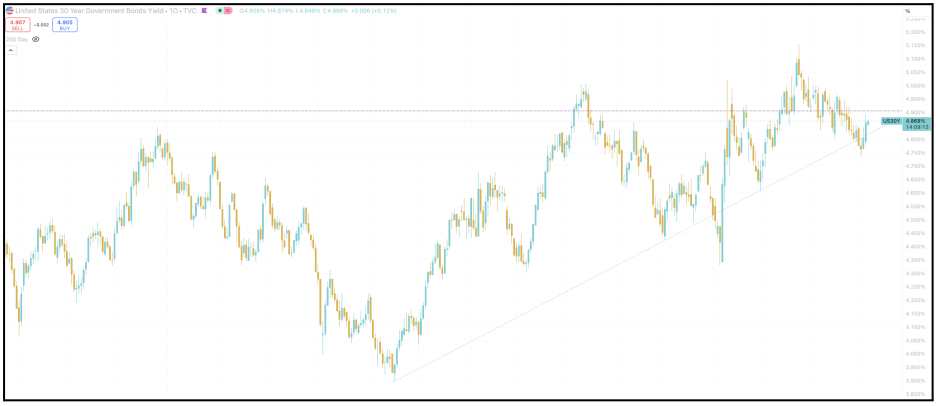
DXY



The dollar-index, despite the stellar employment data this week, is heading lower, which is not a great sign. There is a sell America ask questions later theme brewing in the greenback and bond markets, but we are not seeing the same sentiment spill into US equities. A hedge fund buddy of mine thinks this is because the S&P and Nasdaq are actually global markets that happen to be headquartered in America. Perhaps it's because the private sector controls US stock markets, where Trump has more control over the USD and treasury

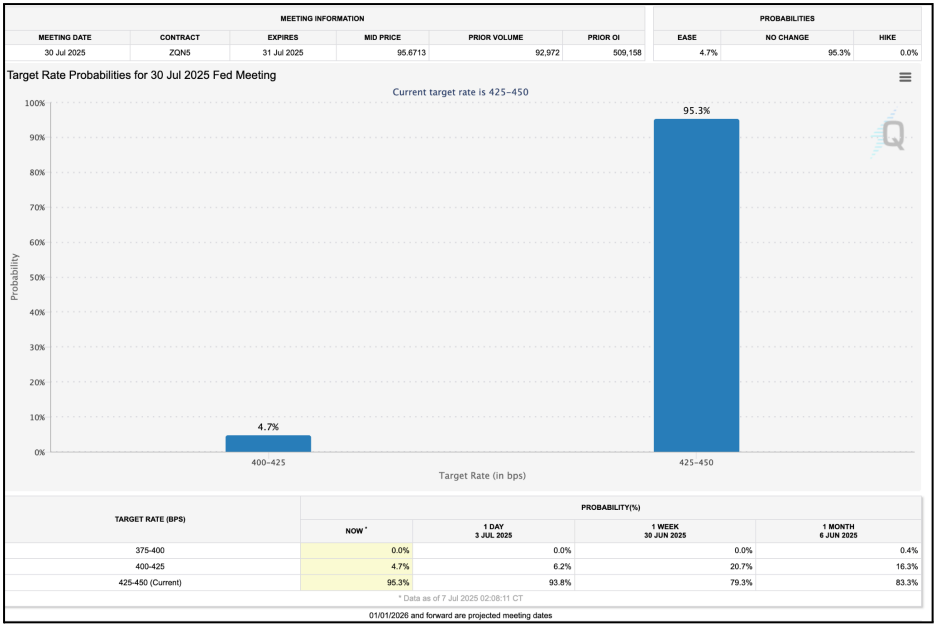
markets. Either way you cut it, there is a growing, but not yet embedded, crisis of confidence.

30Y Treasury Yield



And in the above context, the 30Y yield is still elevated historically, representing the new risk premium in the risk-free rate.

Fedwatch rate cut odds back in holding pattern



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	92,972	509,158	4.7%	95.3%	0.0%

TARGET RATE (BPS)	PROBABILITY(%)			
	NOW *	1 DAY 3 JUL 2025	1 WEEK 30 JUN 2025	1 MONTH 6 JUN 2025
375-400	0.0%	0.0%	0.0%	0.4%
400-425	4.7%	6.2%	20.7%	16.3%
425-450 (Current)	95.3%	93.8%	79.3%	83.3%

* Data as of 7 Jul 2025 02:08:11 CT

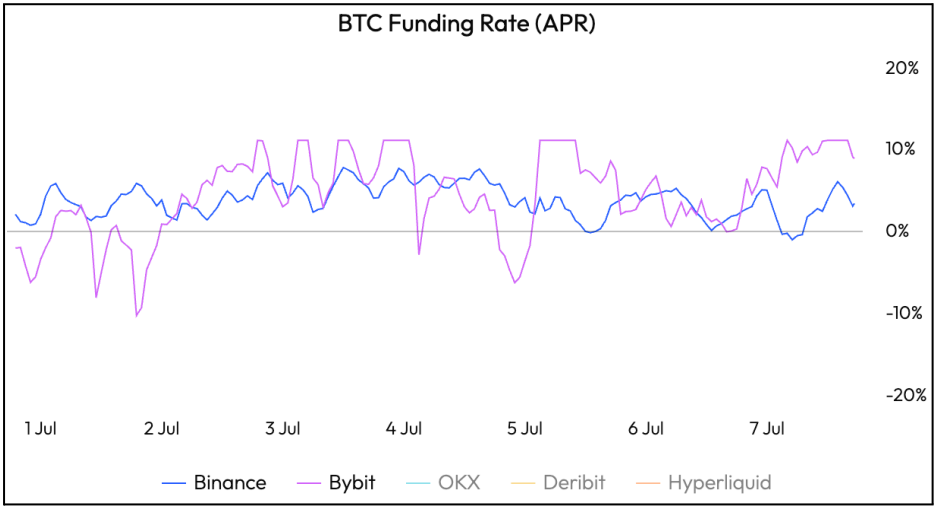
01/01/2026 and forward are projected meeting dates

Source: CME

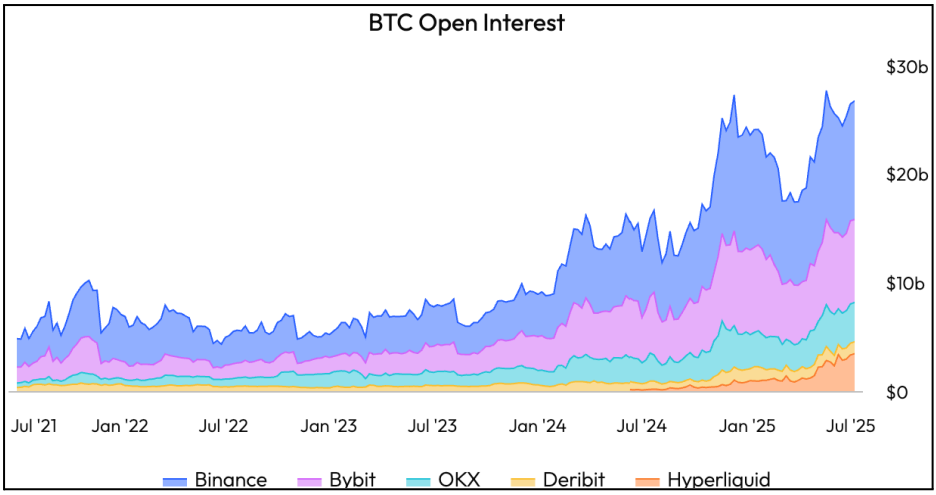
The Fed won't move until they are certain, or close enough. Futures pricing on the next meeting looks like a clear hold again, despite a

move to 75% odds post the employment figures last week, indicating that economic data is still centre stage on inflation.

Cryptoland is telling a different growth story this week. Bitcoin is back at highs, ETF flows solid (IBIT is making Blackrock more money that their S&P500 index (IVV) that has 6 x the AUM), and order flow data is presenting the case for a potential short-squeeze higher.



Source: Velodata



This crypto cycle has been a different beast. Perpetual funding rates have short interest at these levels, and open-interest is growing, albeit slowly. In the good ole' days, retail traders would be going nuts on leverage at these levels causing wild swings. The market is maturing, but this said, increasing shorts and open interest could see a short-squeeze higher.

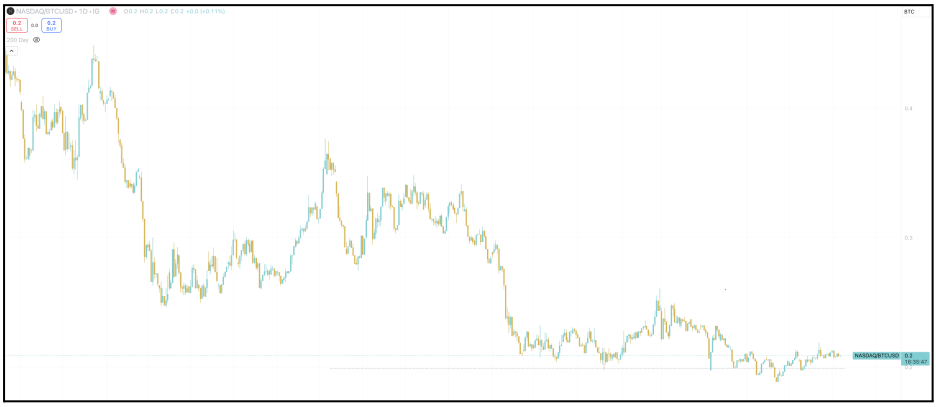
Not only this - but we are seeing on-chain metrics show close to USD $1B of BTC outflows from exchanges over the past 5-weeks, which historically has, at times, led to spot liquidity-crunches.

Even alts are getting some love, with Hyperliquid (+7.78%), Sui (+7.42%) and Pepe (+7.34%) up WoW, and a little meme coins resurgence with PENGU (+68.9%), BONK, and FARTCOIN leading gains. The caveat here is close to $800M of token unlocks this month, and still (in our view) a market that is primed for BTC upside.

Gold (still) holding the range

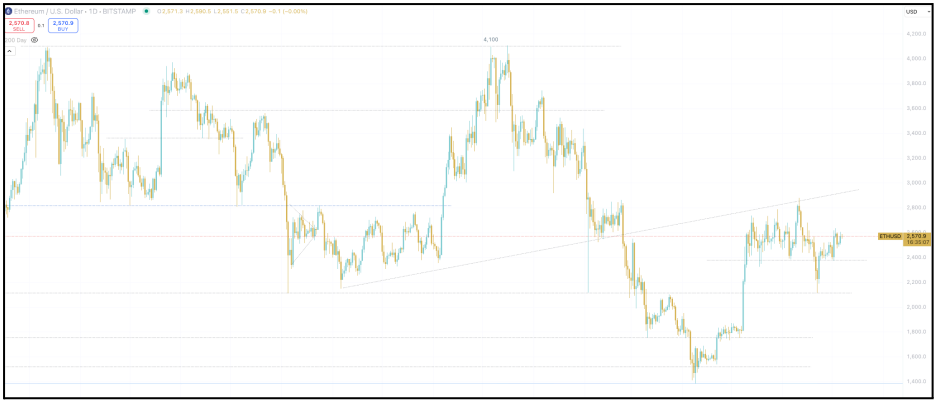
Gold still the favourite geo/political and inflation shock hedge in this market.

NASDAQ/BTCUSD

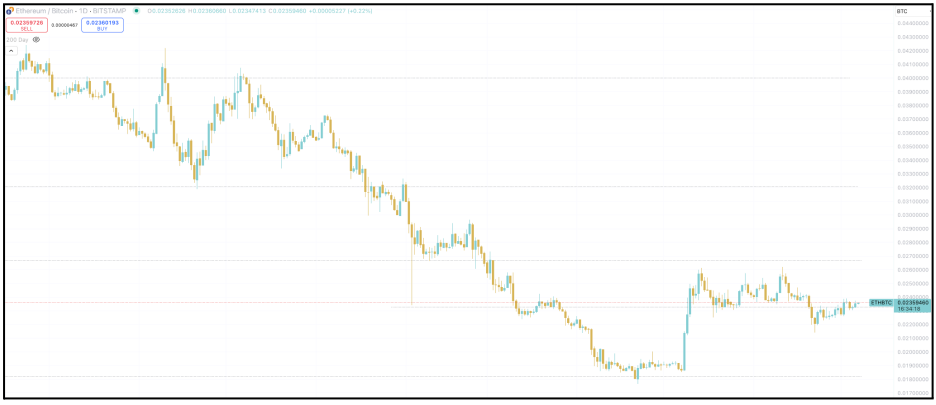


Interestingly Bitcoin has recently been correlating more with the Nasdaq and risk moves, despite me constantly calling for the “bearer” hedge trade.

ETHUSD



ETHBTC



ETH holding, holding.. do we go higher? SharpLink Gaming has just become the first public company to adopt ETH as primary treasury reserve asset with a USD $500M commitment. Perhaps this is the start of the ETH treasury play?

Strap in guys - it could be an interesting week with the market dynamics at play.

Stay safe out there!

Jon de Wet, CIO

Spot Desk

Last week's US employment was a key macro catalyst. The stronger than expected private payrolls (+147k vs +110k) and modest upward revisions broke the trend of downside surprises. Wage growth came in soft and the unemployment rate ticked down. This was a clean 'goldilocks' mix; solid labor strength without inflationary wage pressure. The Fed remains in 'wait and see' mode, and markets are pricing in that as July rate cut odds collapsed. The upcoming FOMC minutes (Wed) are unlikely to shift that narrative.

On the fiscal front, the passage of BBB confirms a strategy of attempting to outgrow the debt burden via tax-driven growth. That adds increasingly downward USD pressure and supports crypto's macro bid - especially BTC which continues to benefit from inflation hedge narrative alongside institutional bids.

Crypto flows reflected this macro regime: BTC held steady near $109k (+1.3% WoW), ETH +4.5% and SOL lagged slightly at +0.9%. Volatility remains the dominant structural story. Implied vols are grinding

lower, but realized is even lower, creating sustained variance risk premium across the curve.

Desk activity confirms this risk on tone, we saw a clear return of individual investor demand for BTC with consistent bids through the APAC and early London sessions. On the altcoin side, there was a noticeable pick up in client spot buying in TAO, GIZA, TRX and SOL which suggests selective risk on appetite beyond majors. In stables land, USDT/USD skewed heavily toward the bid while USDT/AUD flows were slightly skewed to the offer. At the height of the European summer trading window, we saw some EUR-based flows picking up in activity count, though volumes were light and mostly exploratory!

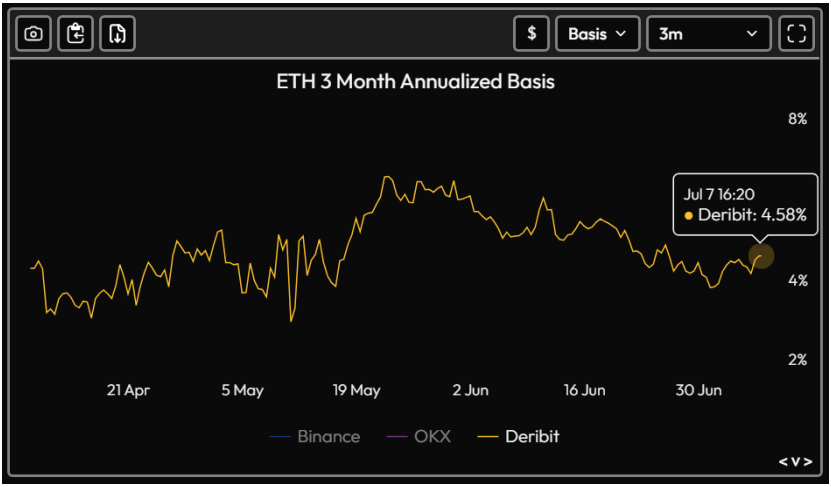
The OTC desk continues to offer tailored cryptocurrency liquidity solutions, offering competitive pricing across major coins, altcoins, and memecoins, paired with key fiat currencies. With T+0 settlement, we ensure seamless trading and settlement.

Emir Ibrahim, Analyst

📈 Derivatives Desk

WHOLESALE INVESTORS ONLY

BTC and ETH basis rates are trading slightly higher this week. We maintain a near-term bearish outlook on the basis rate, so now might be the time to sell the spread. BTC's 90-day basis is now at 5.55% on Deribit.



Source: Velo Data

Trade Idea:

Buy Dec 2025 150k BTC call options, delta-hedged.

Thesis:

BTC Vol hits its lowest level since October 2023!

Bitcoin volatility is currently trading below 40 (BTC DVOL Index). This is the lowest level since October 2023!

This offers an attractive entry point for long BTC vol exposure.

The upcoming macroeconomic calendar as well as crypto-specific catalysts, add further interest to the current entry point:

- **Upcoming Liquidity Tailwinds:** The US FOMC July rate cut odds have increased following the Federal Reserves more dovish June meeting. Currently, there are more than two 25bp cuts priced into the Federal Funds curve by year-end. Historically, easing liquidity conditions have been associated with capital flows into risk assets, including Bitcoin.

- **Regulatory Clarity:** Following bipartisan support in the US Senate for the GENIUS ACT (US Stablecoin Bill), U.S. regulators may soon look to offer a more constructive stance toward crypto banking.

- **Geopolitical Stabilization:** Recent signs of de-escalation in Middle East tensions support risk-on sentiment.

Trade:

Buy Dec 2025 150k BTC call options, delta-hedged.

This trade provides convex exposure to upside volatility for relatively low premium, while hedging directional risk. A sharp risk rally;

exogenous volatility repricing; or even a dip back to the lows could favour this trade.

Berkeley Cox, Derivatives Analyst.

👀 What to Watch

MON 7 JUL

- US Employment Trends (Jun): A forward-looking labour market gauge – relevant post-strong NFP.

TUE 8 JUL

- RBA Rate Decision: A 25bp cut to 3.60% is fully priced as inflation cools and the jobs market weakens. Soft CPI and surprise negative employment print in May support a dovish pivot. Markets watching tone on future cuts amid rising global trade uncertainty.
- RBNZ Rate Decision: Likely on hold at 3.25%. GDP upside and a recovering export sector support a pause, though RBNZ remains data-dependent.

WED 9 JUL

- “Liberation Day” Tariff Expiry (US): End of 90-day tariff suspension. Trump admin likely to announce sweeping reciprocal duties (10–70%) on 100+ countries. Risk-off if “worst offenders” are hit hard; markets not priced for escalation.
- EU–US Tariff Deadline: Deadline for a provisional deal to avoid 50% US tariffs on EU imports. Auto and semi sectors in focus. Risk of brinksmanship and headline volatility.
- US FOMC Minutes (Jun): Should reinforce “higher for longer” stance after strong jobs and sticky core PCE. Market has scaled back July cut hopes – minutes will show how close/dovish the debate really was.
- Chinese CPI/PPI (Jun): CPI still near 0%, PPI deflation >30 months. Limited global inflation pass-through, but any sign of reflation would support the AUD.

THU 10 JUL

- US Weekly Jobless Claims: After a firm NFP, focus returns to leading labour data.

- Chinese M2 & New Yuan Loans (Jun): Important for risk sentiment and AUD. Credit impulse has been weak – any pick-up may lift regional risk.

Emir Ibrahim, Analyst

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