

Weekly **Crypto** Market Wrap

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Week in Review

- Strategy (formerly MicroStrategy) [acquired](#) 430 more Bitcoin for \$51.4 million, bringing its total holdings to 629,376 BTC.
- Nakamoto Holdings [expanded](#) its Bitcoin treasury with a \$679 million acquisition.
- BitMine [surged](#) into top-20 most traded U.S. stocks after revealing an Ethereum treasury strategy.
- VanEck [filed](#) for a JitoSOL liquid-staked Solana ETF with the SEC on August 16.
- Aave has [launched](#) on the Aptos blockchain, marking its first move outside Ethereum-compatible networks.



Technicals & Macro

Markets



Source: TradingView

Powell's Jackson Hole speech set the bullish tone for macro last week - nodding toward a September rate cut and confirming the Fed is willing to lean into an easing cycle as labour-market risks build. Markets responded with a clear-risk on bid: equities printed fresh

highs, VIX collapsed to ~14 YTD lows, and rate cut expectations repriced sharply.



Source: CME FedWatch

The CME FedWatch now shows just a 1% probability of no cuts in 2025, while odds for 3x cuts by year-end surged from 17% to nearly

36%. The paradox however remains: inflation is running materially hotter now (2.7%) than when rates were higher this time last year, leaving questions over whether Powell risks cutting rate earlier than required. A dovish Fed chair in 2026 would certainly compound that risk. For crypto, this set-up only strengthens the medium-term bull case, particularly for BTC and gold as policy credibility erodes.

Bitcoin itself faded ~3% for the week, closing in around just shy of \$115k. Despite the macro tailwind, flows rotated elsewhere. Vols continue to compress with realised volatility drifting toward 2023 lows. The options market continues to price a pick-up volatility for BTC, as the \$150k price target is getting traction on the streets. Structurally, BTC is trading more like digital gold than a high-beta risk asset, we would expect to see a grind-higher price action, not a FOMO squeeze, unless a major catalyst (NFP, geopolitics, NVDA earnings) sparks fresh demand.

Ethereum hits an all-time high



Source: TradingView

ETH, by contrast, extended its outperformance. Yet again, the ETH/BTC ratio pushes higher placing ETH at all time highs of \$4900, continuing to grind higher in tandem with other risk-asset and tech stocks. ETH's realized volatility is trending higher while BTC's is being suppressed as previously mentioned. Institutions are also leaning into ETH's structural bid - ETF inflows, stablecoin settlement, and positioning into potential staked ETH ETF approvals. Options desks

are echoing the same - risk reversals are bid for calls across tenors, reflecting momentum chasing the upside.

SOL and Co. playing tag with ETH



Rotation into L1s remained firm. SOL rallied sharply, sitting at \$211 at the time of this writing. Solana is continuing to ride the same wave of ETF flows and “next-leg” narratives. Broader altcoin flows are being expressed via ETH and SOL vols - dealers seeing more juice in selling BTC premium to fund long ETH/SOL structures. We expect volatility

expressions to remain concentrated in these names rather than BTC for now, which gives more reason to stay safe out there!

Emir Ibrahim, Analyst



Selling pressure crept into the crypto markets early last week: Bitcoin, which had peaked above \$124K the week before, slid into the mid-110k range - trading near 115k by mid-week and testing a low around 113K amid profit-taking. The broader altcoin market mirrored BTC's early weakness before staging a sharp rally mid-week, with ETH stealing the spotlight as it pushed toward \$4,950 before easing back, while Solana consolidated around \$200 on firm DeFi volumes, but the real driver across risk assets was Powell's Jackson Hole speech,

FED Chair Powell's Jackson Hole Dovish comments buoyed markets and hinted at further evidence for a September rate cut, sparking a broad equity rally (SPX +0.53%, DJI +1.49%, NASDAQ -0.97%). Simultaneously, concerns about "fiscal dominance" grew as market participants questioned central bank independence under mounting government debt, prompting increased flows into emerging markets. Trade headlines included a new US - EU accord adjusting tariffs on industrial goods, and tech sentiment softened amid AI fatigue and regulatory scrutiny, impacting chipmakers and broader

tech equities. Against this backdrop, FX markets saw AUD/USD steady around 0.65.

Following the sharp mid-week rally in crypto, the spot desk noticed heightened activity across majors and stablecoins keeping trading reflective of market dynamics throughout the week. The Aussie Dollar attracted strong demand, with the desk recording one of its busiest weeks for AUD flow in months, driven particularly by activity in stablecoin/AUD pairs. Altcoin activity continues to remain heavily traded with large sell block orders coming in for both NEAR and ETH, while clients were offering other midcaps such as ALGO and SUI. Meanwhile, BTC flow was skewed towards the bid.

As we continue to grow our banking rails, we noticed a nice pick up in GBP, EUR and NZD volumes. Balanced off ramping of stables such as USDC and USDT into USD continues. Additionally, we have recently re-enabled our capabilities to trade AUDD pairs for same day settlement and have observed firm engagement from our clients.

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.

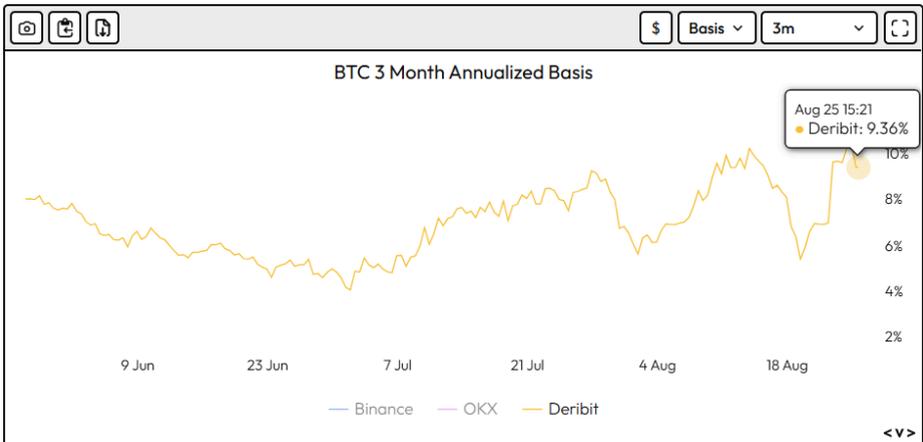
Oliver Davis, OTC Trader

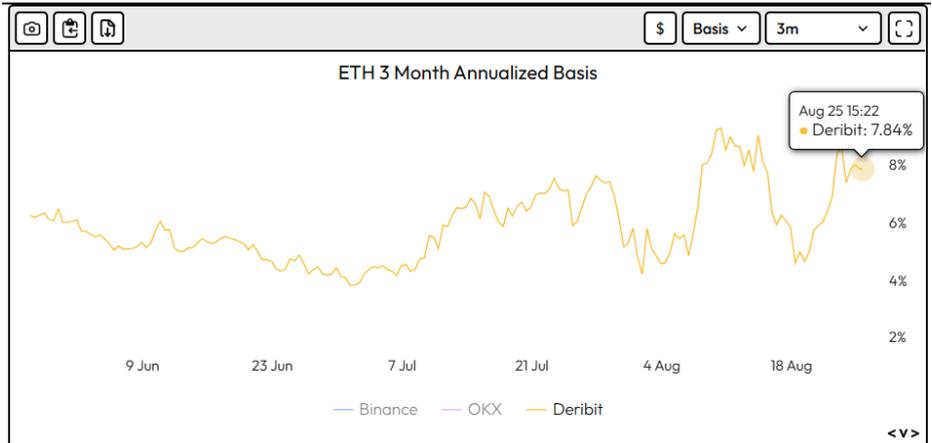


Derivatives Desk

WHOLESALE INVESTORS ONLY

BTC and ETH basis have bounced back to the local highs over the past week to 9.36% and 7.84%, respectively. They are both back at three-month highs.





Source: Velo Data

Trade Idea:

Buy 31DEC ETHBTC 0.06 strike Binary Call @ 14.5%

Pays out 1 if ETHBTC \geq 0.06 by expiry (7x return)

Implied probability: 14.5%.

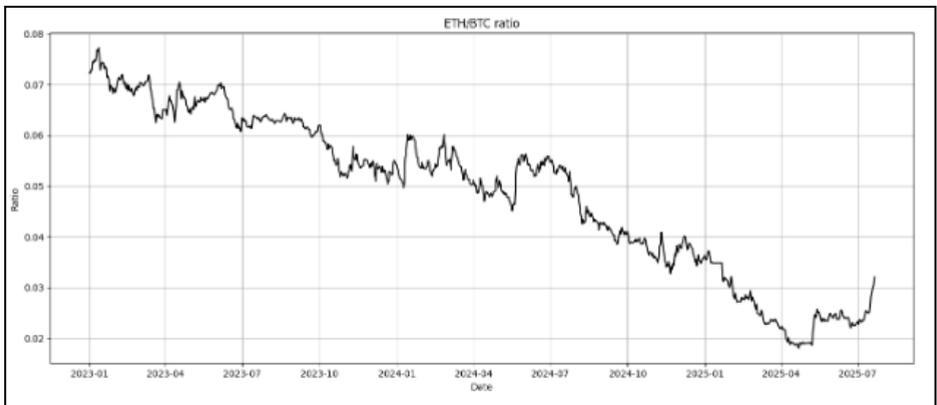
Thesis:

Ethereum (ETH) is showing increasing strength relative to Bitcoin

(BTC). We attribute the following inputs as being the significant drivers of ETH outperformance:

- Growing institutional interest in ETH, with corporate treasuries anecdotally reporting allocations into ETH (i.e. Sharplink Gaming, Bitmine and more).
- Anticipation of ETH ETF inflows (following on from the success of the BTC ETF; as well as the potential approval for staking of ETH ETFs). The combination of these factors, reviving the ETH "tech platform" narrative.
- The underlying price of BTC has most recently stalled below the all-time high (~\$123-124k) - technically building this level as a major resistance level. Further, Bitcoin continues to fade - has fallen from a high of 66% in June to 57.2% currently.

This sets up a relative value opportunity on ETHBTC.



ETH/BTC showing heavy momentum after rebound from April lows

Trade: Buy 31 Dec ETHBTC 0.06 strike Binary Call

This trade allows someone to express a view on ETH outperformance without taking on broad market beta, we prefer European-style ETH/BTC binary call options. This structure offers targeted exposure to relative strength in ETH over BTC, while mitigating noise from intraday volatility and broader risk-off moves.

Why Binaries?

- Simple payoff: Binaries offer a win or lose structure based on ETHBTC expiring above a level at expiry.
- Binaries provide a clear expression of outcomes around key levels which can be specifically chosen.

ETHBTC Historical Context:

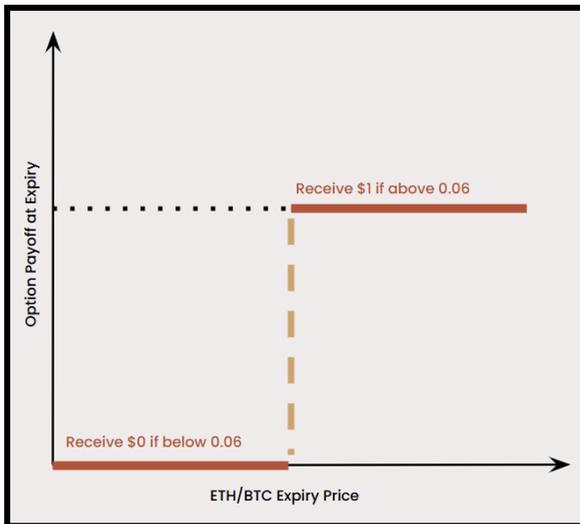
- ETHBTC has traded above 0.08 in past bull cycles.
- 0.06 = ~45% rally from here but still far below prior highs.
- Historically, ETH outperforms BTC in late bull stages due to:
 - More appetite for trades that are higher up the risk curve.
 - Increased altcoin beta spillover.

ETHBTC Spot Ref: 0.0418

31Dec ETHBTC 0.06 Binary Call Offered @ 14.5%:

- Pays out 1 if $\text{ETHBTC} \geq 0.06$ by expiry.
- Implied probability: 14.5%.
- Historical mean reversion suggests this is a realistic upside, especially in ETH-led rallies.

Payoff Chart



Risk Considerations:

- If BTC breaks ATH and ETH fails to follow, ETHBTC may stay suppressed.
 - Weak ETF inflows.
 - Broader crypto risk-off = drags both.
-

What to Watch

MON: PBoC MLF, UK Summer Bank Holiday, German Ifo (Aug), US National Activity (Jul)

TUE: RBA Minutes, Riksbank Minutes, NBH Announcement, US CaseShiller (Jun)

WED: Australian CPI (Jul), Swiss Investor Sentiment (Aug)

THU: ECB Minutes, Swiss GDP (Q2), EZ Sentiment Survey (Aug), US GDP 2nd Estimate (Q2), US PCE (Q2)

FRI: Japanese Tokyo CPI (Aug), Japanese Activity Data (Jul), German Retail Sales (Jul), French Prelim CPI (Aug), Spanish Flash CPI (Aug), German Unemployment (Aug), US PCE (Jul), Canadian GDP (Q2), University of Michigan Final (Aug)

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