

# Weekly **Crypto** Market Wrap

4 August 2025



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## Week in Review

- The White House is set to release its first Digital Asset Report, outlining plans for a potential Strategic Bitcoin Reserve and broader crypto integration into U.S. financial systems, amid growing political support and international adoption efforts .
- PayPal launched "Pay with Crypto" and Coinbase integrated with Samsung Pay, expanding mainstream crypto payment options and reflecting ongoing efforts to drive adoption in the U.S. and Canada
- JPMorgan Chase and Coinbase announced a partnership to enable direct bank-to-wallet connections for Chase customers.



# Technicals & Macro

## Markets



Source: TradingView

Nothing like a little chop.

Put it in the books, July closed out with global equities logging their fourth straight monthly gain, but clear signs of fatigue are starting to show. The S&P 500 spent each day of the week fading off the open and stretching daily trading ranges - amongst a broadly supportive

earnings backdrop, although noting that over 90% of earnings announcements mentioned tariffs. Non-profitable tech is up nearly 7%, and meme stocks have ripped higher closing on aggregate at 8%+ for the month (looking at you, American Eagle). Seasonally though, it's usually a soft August-September ahead, and the market's posture is starting to reflect that.

Bitcoin was no exception. After shrugging off the largest BTC sale (80K BTC) in history last week without too much struggle, BTC pushed to 120K USD. But just as momentum built, geopolitics pulled the rug with Trump cutting Russia's ceasefire deadline from 50 days to 10, threatening secondary sanctions (China), and deploying nuclear subs to Eastern Europe. Risk-off responded across the board. Crude spiked, equities reversed and BTC rolled over. Technically, \$120k resistance held for the third time, and that was enough for the bears to pounce. BTC fell back toward \$114k, tagging \$112k intraday.

This has been reflected in a week of outflows from the BTC ETFs after a multi-week streak of heavy inflows. And until flows return, BTC likely chops lower until some fresh macro conviction keeps it buoyant.

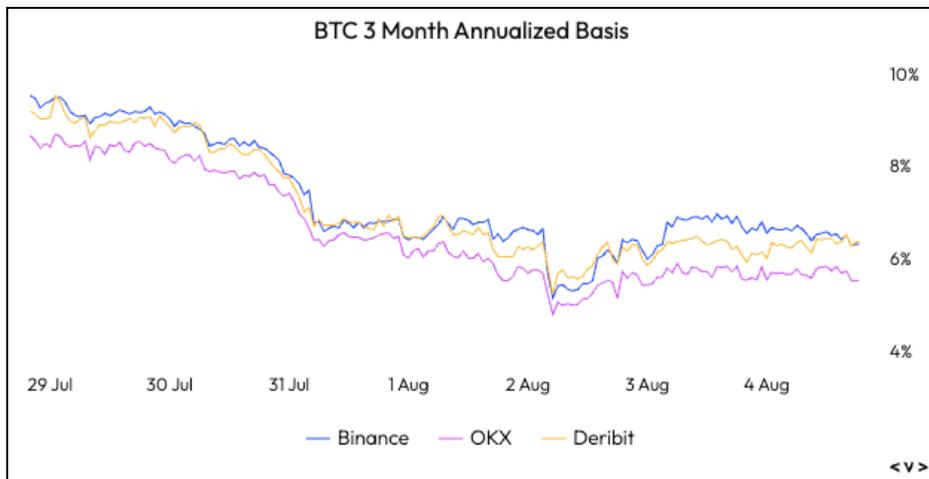
## **Basis tapers on the price action**

## ETF flows

Table ▾ 1m ▾ 					
Date ▾	Total	IBIT	GBTC	FBTC	ARKB
<i>Total</i>	<i>\$4.53b</i>	<i>\$4.95b</i>	<i>-\$377.6m</i>	<i>-\$126.1m</i>	<i>-\$314.1m</i>
Aug 1 '25	-\$812.3m	-\$2.6m	-\$66.8m	-\$331.4m	-\$327.9m
Jul 31 '25	-\$114.8m	\$18.6m	-\$9.2m	-\$53.6m	-\$89.9m
Jul 30 '25	\$47.1m	\$34.4m	\$0m	\$0m	\$0m
Jul 29 '25	\$80m	\$157.6m	-\$49m	\$0m	-\$8.2m
Jul 28 '25	\$157.1m	\$147.4m	\$0m	\$30.9m	-\$17.4m
Jul 25 '25	\$130.8m	\$92.8m	-\$50.5m	\$10.2m	\$30.3m
Jul 24 '25	\$226.7m	\$32.5m	\$0m	\$106.6m	\$0m
Jul 23 '25	-\$85.8m	\$142.6m	\$0m	-\$227.2m	-\$9.8m
Jul 22 '25	-\$68m	\$0m	\$7.5m	\$0m	-\$33.2m

Source: VeloData

## Basis tapers on the price action



Source: Velodata

The BTC basis compressed steadily this week, falling from near 9% down to ~6% across major venues. The unwind reflects a clear reduction in outright long positioning as conviction wavered post ETF outflows and escalating geopolitical tensions. Still, the curve remains upward sloping which suggests some structural demand remains in place. With implied vols still soft, and macro catalysts

ahead, short-dated gamma remains underpriced - and buyers could step back in quickly.

## TOTAL2 (Market Cap minus BTC) - Altcoins running thinner



The breakdown in BTC triggered a flush in alts.. Over \$1B in long liquidations hit the market over the weekend. ETH briefly reclaimed \$3,900 but failed to hold, retracing back significantly. The damage was sharper elsewhere. SOL, SUI, Hyperliquid - all down 20%+ from recent highs.

# ETHBTC



ETH dominance slipped slightly against BTC. It's a defensive rotation back to size, and while Sunday saw some altcoin engulfing candles, there's little sign of trend change just yet. ETH is holding strong in the short-term on a relative basis. All in all, our end of year BTC at 200K USD forecast still holds, but it could be a volatile Aug and Sep.

Stay safe out there!

Emir Ibrahim, Analyst



Altcoin activity this week saw a particular focus on the treasury darlings of late - ETH, SUI, and TAO - where we saw significant two-way flows as they continued to attract ongoing institutional and corporate treasury interest. Mill City's announcement of plans to acquire up to \$500M worth of SUI in partnership with the SUI Foundation added fuel to the fire, while total ETH treasury holdings surpassed \$10B across more than 60 companies. HYPE retained its place as the dominant force in DEX perp trading, while MNDE, ALGO, and XLM emerged as additional popular directional plays on the desk.

More broadly, the past week's session marked a bruising stretch for risk assets; with markets forced to digest a wave of key macro developments out of both the U.S. and Australia. The Fed held rates steady for a fifth consecutive meeting (4.25% - 4.50%) followed by Friday's shock NFP print - with massive downward revisions for May and June culminating in the firing of Bureau of Labor Statistics commissioner Erika McEntarfer just hours later. The result was a

sharp spike in volatility, a selloff in US equities, and a dramatic move in EURUSD - where the desk is now facilitating active liquidity across stables, tokens, and fiat pairs.

This rippled across all markets as the Australian dollar (AUD) had one of its weakest weeks this year, sliding from 0.65745 to a low of 0.64182. Bitcoin (BTC) followed suit over the week, dipping from highs of 119,800 to lows of 112,005 before finally finding its footing into the weekend session. \$223M in net outflows from crypto investment products ended a 15-week inflow streak, reflecting dented risk sentiment with BTC products seeing \$404M in outflows, while ETH-based products bucked the trend with \$133M in inflows, underscoring the growing divergence between the two in recent weeks - take your pick!

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.

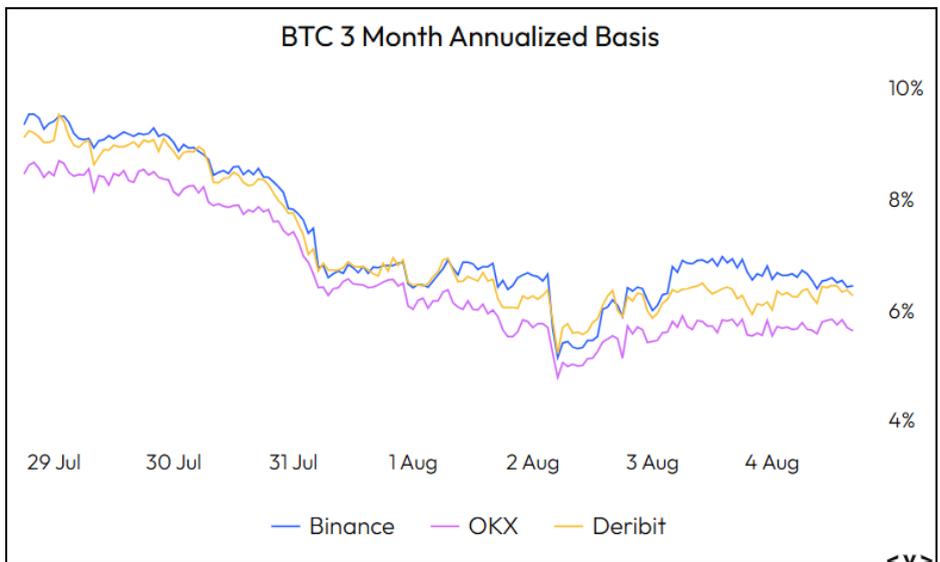
Ben Mensah, OTC Trader



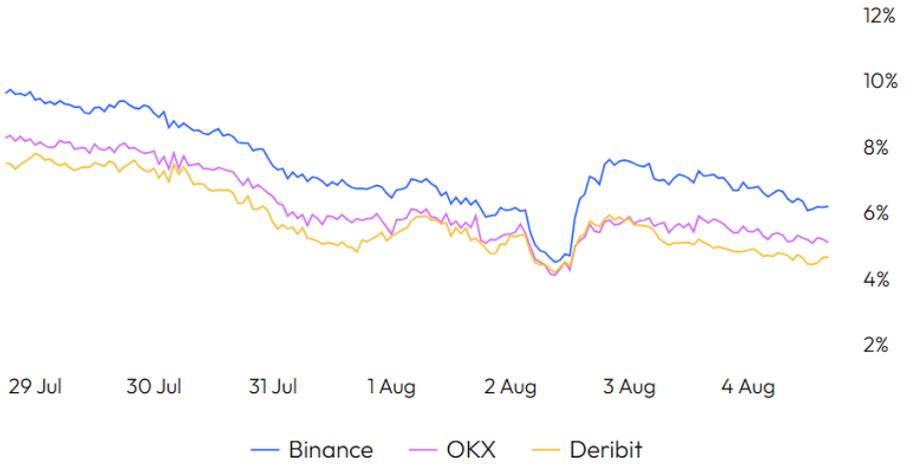
## Derivatives Desk

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BTC and ETH basis rates declined over the past week to 6.26% and 4.66%, respectively, as both assets saw a gradual pullback in price.

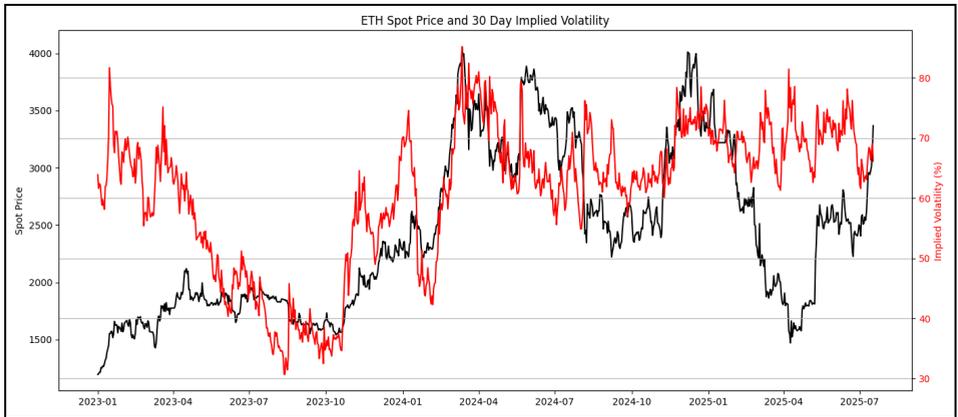


### ETH 3 Month Annualized Basis



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**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.

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## What to Watch

### **Week Ahead: 4–8 August 2025**

A heavy week of macro with central banks, trade data, and jobs all in focus.

The headline risk kicks off Sunday with OPEC+, where members are expected to confirm the final tranche of output restoration. Possibly trimming the September hike from 548k bpd. Traders will watch compliance talk closely amid rising crude volatility.

- Tuesday's ISM Services PMI will be key. Flash data showed a strong bounce to 55.2, but underlying strength is uneven and inflationary pressures are rising. A hot read here could reignite stagflation fears.

- New Zealand jobs data (Tuesday) is expected to show further labour market weakness, adding to the RBNZ's easing case though wage pressures remain sticky. Inflation expectations (Thursday) will add colour on how aggressive they can get.
- China's July trade data (Thursday) will offer a read on global demand and domestic activity. ING expects both exports and imports to slow, a miss here would hit sentiment, especially with the US-China trade truce set to expire next week.
- BoE (Thursday) is widely expected to cut 25bps to 4.00%, with the tone likely to stay cautious given sticky services inflation and softening growth. Markets are looking for guidance on gilt sales and hints around the September path.

Macro volatility is creeping back in with plenty of potential catalysts to move rates, FX, and of course, crypto.

Emir Ibrahim, Analyst

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