Weekly Crypto Market Wrap

29 Sep 2025

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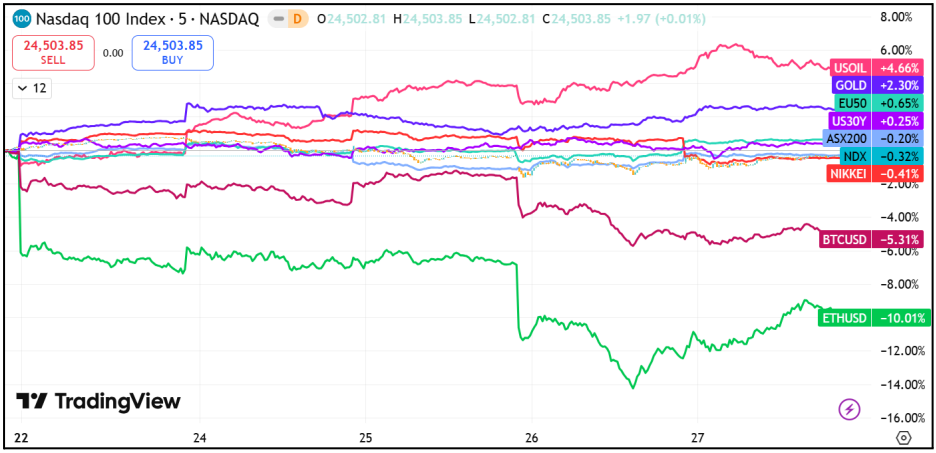
🗞️ Week in Review

- Tether targets a $500B valuation with plans to raise up to $20B.
- China halts RWA tokenization in Hong Kong, casting doubt on the sector's future.
- Vanguard explores offering third-party crypto ETFs to its $10T client base.
- Coinbase lists AUDD and XSGD, its first AUD and SGD stablecoins.
- Australia launches AUDM, its first fully licensed AUD-backed stablecoin.
- Kraken in talks to raise funds at $20 billion valuation.

Technicals & Macro

Markets



Source: TradingView

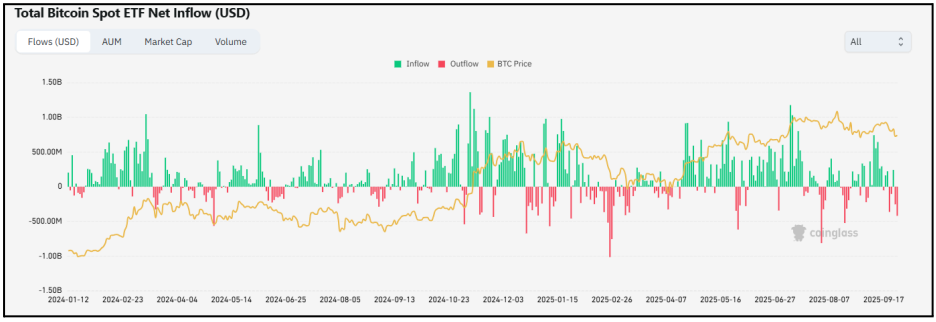
Markets limped out of September with familiar scars: higher yields, a stubborn dollar and another round of crypto deleveraging.

On the macro front last week, Q2 GDP revised to 3.8% annualised and CORE PCE stuck at 2.9%, just enough to remind traders that the "higher-for-longer" story isn't going away as Fed speakers piled on

with hawkish rhetoric. Bond markets responded in kind, with yields pressing higher, and equities fading into month-end, despite still hovering near records. Globally, Eurozone and Asian bourses fared better, and Australian shares finally squeezed out a positive week, helped by resources, though CSL and healthcare were whacked by Trump's pharmaceutical tariff announcement. Gold and base metals pushed higher and oil firmed.

The real drama came from cryptocurrency markets. Nearly $3 billion in leveraged positions were flushed in just four days, including $1.7 billion in a single session - the heaviest liquidation day in six months.

BTC broke under $109k, dragging ETH sub $3.9k and SOL below $200 as liquidation cascades fed on themselves. The washout coincided with a record $22.6 billion BTC options expiry centered around $112k, where bears forced spot through key strikes and triggered another wave of long liquidations.



Source: Coinglass

ETF flows showed the tug-of-war: IBIT and ARKB enjoyed midweek inflows, only to be followed by heavy outflows from FBTC. Ethereum ETFs continue to leak capital as ETH gets caught in short-term pressure. As a result, broader alts were caught in the downdraft, though names with narrative tailwinds like CZ-backed ASTER

bounced hard - serving as a reminder that conviction capital still finds a home even in stressed tape.

By the weekend, crypto had stabilised: BTC recovered back toward $112k, alts found some relief, and sentiment clawed its way out of “extreme fear” territory.

Bitcoin Monthly returns(%) coinglass

BTC | Daily returns(%) | Weekly returns(%) | Monthly returns(%) | Quarterly returns(%)

Time	January	February	March	April	May	June	July	August	September	October	November	December
2025	+9.29%	-17.39%	-2.3%	+14.08%	+10.99%	+2.49%	+8.13%	-6.49%	+3.2%			
2024	+0.62%	+43.55%	+16.81%	-14.76%	+11.07%	-6.96%	+2.95%	-8.6%	+7.29%	+10.76%	+37.29%	-2.85%
2023	+39.63%	+0.03%	+22.96%	+2.81%	-6.98%	+11.98%	-4.02%	-11.29%	+3.91%	+28.52%	+8.81%	+12.18%
2022	-16.68%	+12.21%	+5.39%	-17.3%	-15.6%	-37.28%	+16.8%	-13.88%	-3.12%	+5.56%	-16.23%	-3.59%
2021	+14.51%	+36.78%	+29.84%	-1.98%	-35.31%	-5.95%	+18.19%	+13.8%	-7.03%	+39.93%	-7.11%	-18.9%
2020	+29.95%	-8.6%	-24.92%	+34.26%	+9.51%	-3.18%	+24.03%	+2.83%	-7.51%	+27.7%	+42.95%	+46.92%
2019	-8.58%	+11.14%	+7.05%	+34.36%	+52.38%	+26.67%	-6.59%	-4.6%	-13.38%	+10.17%	-17.27%	-5.15%
2018	-25.41%	+0.47%	-32.85%	+33.43%	-18.99%	-14.62%	+20.96%	-9.27%	-5.58%	-3.83%	-36.57%	-5.15%
2017	-0.04%	+23.07%	-9.05%	+32.71%	+52.71%	+10.45%	+17.92%	+65.32%	-7.44%	+47.81%	+53.48%	+38.89%
2016	-14.83%	+20.08%	-5.35%	+7.27%	+18.78%	+27.14%	-7.67%	-7.49%	+6.04%	+14.71%	+5.42%	+30.8%
2015	-33.05%	+18.43%	-4.38%	-3.46%	-3.17%	+15.19%	+8.2%	-18.67%	+2.35%	+33.49%	+19.27%	+13.83%
2014	+10.03%	-31.03%	-17.25%	-1.6%	+39.46%	+2.2%	-9.69%	-17.55%	-19.01%	-12.95%	+12.82%	-15.11%
2013	+44.05%	+61.77%	+172.76%	+50.01%	-8.56%	-29.89%	+9.6%	+30.42%	-1.76%	+60.79%	+449.35%	-34.81%
Average	+3.81%	+13.12%	+12.21%	+13.06%	+8.18%	-0.14%	+7.60%	+1.12%	-3.23%	+21.89%	+46.02%	+4.75%
Median	+0.62%	+12.21%	-2.30%	+7.27%	+9.51%	+2.20%	+8.20%	-7.49%	-3.12%	+21.20%	+10.82%	-3.22%

Looking ahead, the October setup feels familiar: September delivered its flush, wiping out excess leverage and resetting sentiment.

“Uptober” is the crypto cliché, and the conditions are there with cleaner positioning, intact structural bid for BTC, and equities outside the US still holding up. Macro will be the swing factor as we wait for US jobs data this week.

Stay safe!

Emir Ibrahim, Analyst

Spot Desk

Activity in spot markets this week has been mixed, with clear trends persisting in stablecoin and fiat flows. USDT/AUD trading was skewed to the buy side, highlighting persistent demand for USDT given the recent strength of Australian dollar offering what the market is perceiving to be a favourable rate to sell AUD. Off-ramping activity into USD has been relatively balanced between USDT and USDC, though there is a modest skew in favour of USDC - we have noticed that the market structurally is pricing in wider on the bid side for USDC/USD whereas USDT/USD has been balanced, emphasising subdued demand for USDC. Meanwhile, AUDD flows have remained steady and consistent throughout the week.

Interest in fiat currency outside the major USD pairs is rising, with EUR and NZD flows trending upwards, pointing to an increase in client demand for diversification and hedging, particularly in non-USD exposures.

The broader crypto market faced selling pressure last week, mirroring flows across our OTC desk. Notable selling has occurred in BTC, HYPE, and BNB, but despite this, there were smaller block order buys in BTC and ETH, suggesting selective accounts are taking advantage of the dip to accumulate at lower levels. Looking forward, limit sell orders and TWAPs are being placed in large-mid cap alts, positioning for a potential October rally despite current weakness.

Overall, flows suggest a cautious but opportunistic tone. While selling dominates the broader crypto landscape, there is underlying accumulation in majors. Stablecoin flows remain active, with USDC gradually gaining share, while EUR and NZD activity highlights growing diversification.

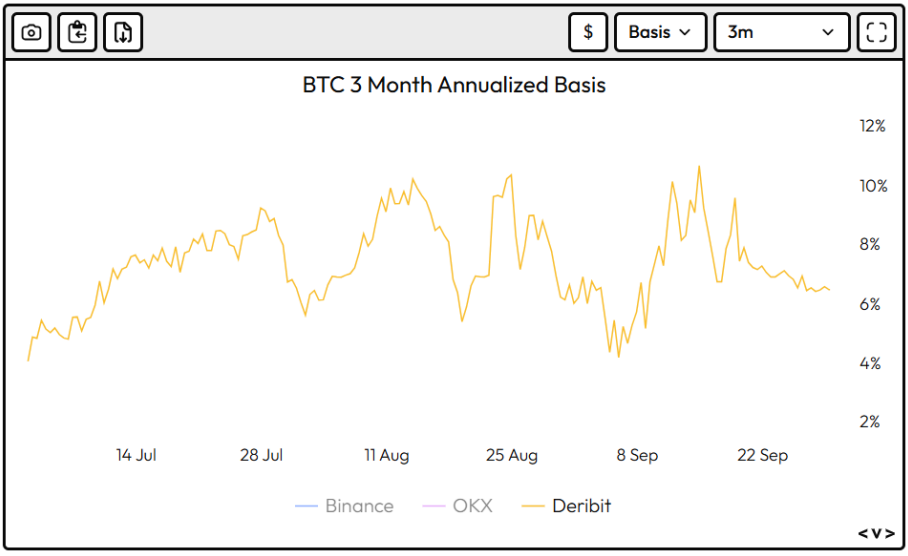
The OTC desk continues to offer tailored cryptocurrency liquidity solutions, offering competitive pricing across majors, stablecoins, and altcoins, paired with key fiat currencies. With T+0 settlement, we ensure seamless trading and settlement.

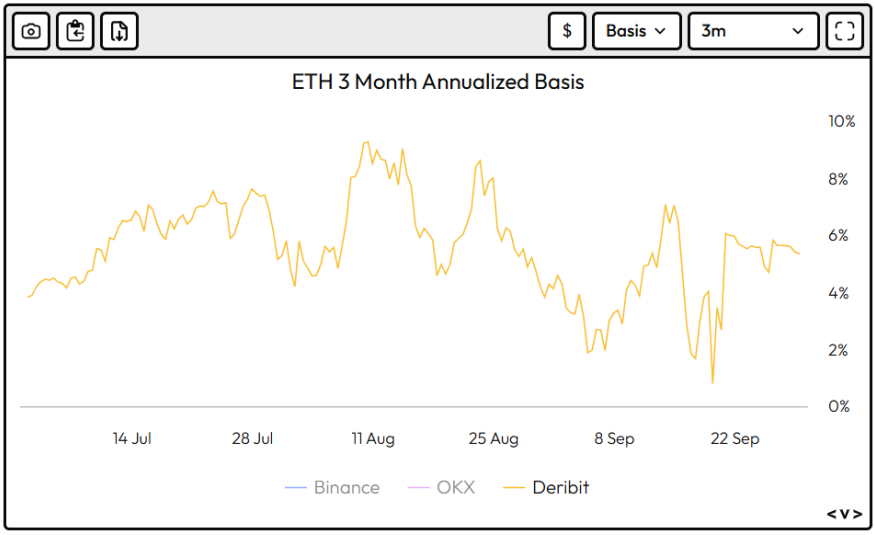
Oliver Davis, OTC Trader

📈 Derivatives Desk

WHOLESALE INVESTORS ONLY

BTC and ETH basis rates continued to decline over the week, with BTC falling to 6.45% annualised and ETH to 5.3%.





Source: Velo Data

With near-term macro risks remaining elevated, including a potentially weak payroll report, a looming government shutdown, and ongoing geopolitical tensions. Crypto markets have mirrored this uncertainty, highlighting a near-term defensive environment.

Against this backdrop, the 80 / 120 zero-cost collar offers investors a way to hedge BTC exposure: protecting against a ~20% drop while

allowing participation in moderate upside over the next 90 days. The trade captures attractive downside protection without an upfront cost — a timely tactical hedge in a volatile macro and crypto landscape.

Proposed Structure:

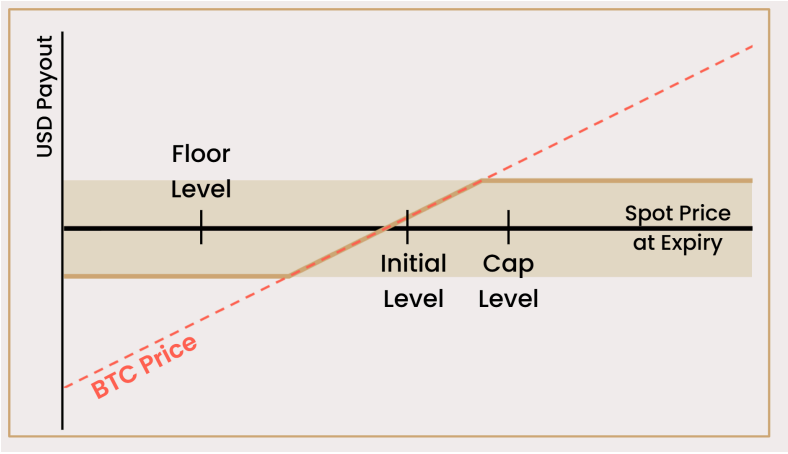
- **Instrument:** BTC 80/120 Zero-Cost Collar
- **Tenor:** 90 days
- **Floor Level:** 80% of current spot
- **Cap Level:** 120% of current spot
- **Cost:** Zero premium

Payoff at Maturity:

- If BTC settles between 80% and 120% of the spot price, the investor maintains full exposure at no cost.
- If BTC **falls below 80% of spot**, **losses are protected** below the floor — exposure is effectively limited.
- If BTC **rallies above 120% of spot**, **upside is capped** at the 20% gain.

Rationale:

- Provides **near-term downside protection**, well-suited for investors cautious of near-term volatility but unwilling to liquidate holdings.
- Locks in a **defined risk/reward profile** at no upfront premium, allowing participation in moderate upside while mitigating sharp drawdowns.
- Particularly relevant in an environment where BTC has shown strong gains and investors may wish to **hedge recent profits**.



Risk Considerations:

- **Capped Upside:** Investors forgo any gains beyond 120% of spot, which may be significant if BTC enters a sharp rally.
- **Residual Downside:** While losses are contained below the 80% floor, investors still face drawdowns down to that level.
- **Market Dynamics:** Collar effectiveness depends on implied volatility levels; shifts in option pricing may impact attractiveness if reset in future.

Why the Structure Makes Sense Now:

- **Defined Hedge:** Offers protection against a 20%+ correction without the need for premium outlay.
- **Tactical Positioning:** Allows investors to hold BTC exposure while crystallizing a clear risk/return band for the next 90 days.
- **Portfolio Discipline:** Useful for investors seeking to protect near-term gains while maintaining longer-term bullish exposure.

👀 What to Watch

TUE: RBA Announcement, BoJ Summary of Opinions, Japanese Retail Sales (Aug), Chinese Official and Caixin PMIs Final (Sep), UK GDP (Q2), French CPI Prelim (Sep), German CPI Prelim (Sep), EZ Sentiment Survey (Sep).

WED: RBI Policy Announcement; Japanese Tankan (Q3), US, EZ & UK Final Manufacturing PMI (Sep), EZ Flash HICP (Sep), US ADP (Sep), ISM Manufacturing (Sep).

THU: Swiss CPI (Sep), EZ Unemployment (Aug), US Challenger Layoffs (Sep), Weekly Claims, Factory Orders.

FRI: Japanese Unemployment (Aug), Turkish CPI (Sep), EZ & UK Composite PMIs (Sep), EZ Producer Prices (Aug), US NFP (Sep), ISM Services (Sep).

SAT: Japanese LDP Leadership Election

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