# Weekly Crypto Market Wrap

20 Oct 2025

ZEROCAP



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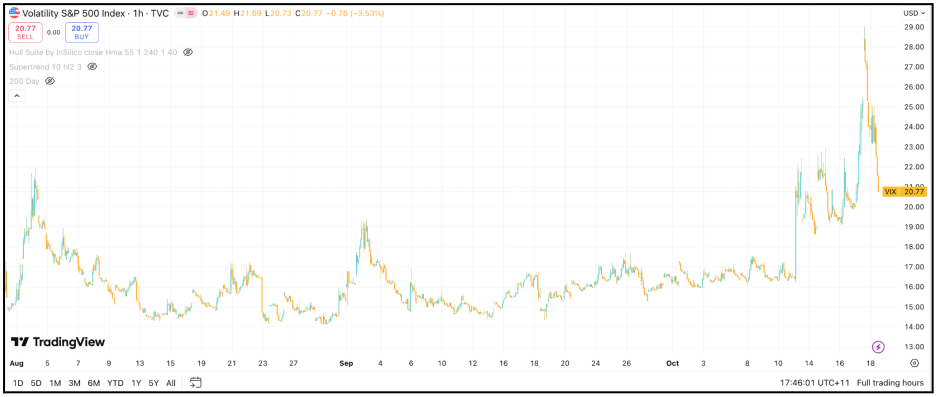
## 🗞️ Week in Review

- U.S. Bitcoin ETFs saw $1.23B in outflows in second-largest weekly outflows since debut
- Beijing instructs tech firms to halt stablecoin launches in HK.
- OpenSea announces SEA token launch in Q1 2026, with 50% allocated to OG users and 50% of revenue for token buybacks.
- Stripe and Paradigm-backed payments-focused blockchain Tempo raises $500M in Series A funding.
- Top crypto executives from Coinbase, Galaxy Digital, Uniswap set to meet Senate Democrats for a market structure roundtable.
- Ripple Labs leads efforts for a $1B XRP-focused digital asset treasury via SPAC.

# Technicals & Macro

## Markets




Source: CoinGlass

Risk sentiment steadied late last week as Trump confirmed an Oct 31 meeting with Xi in Seoul, easing tensions after the tariff-fueled selloff earlier this month. Equities clawed back losses, though volatility stayed high, the VIX briefly hit 29 - while Treasury yields eased and the USD softened for a third straight session.

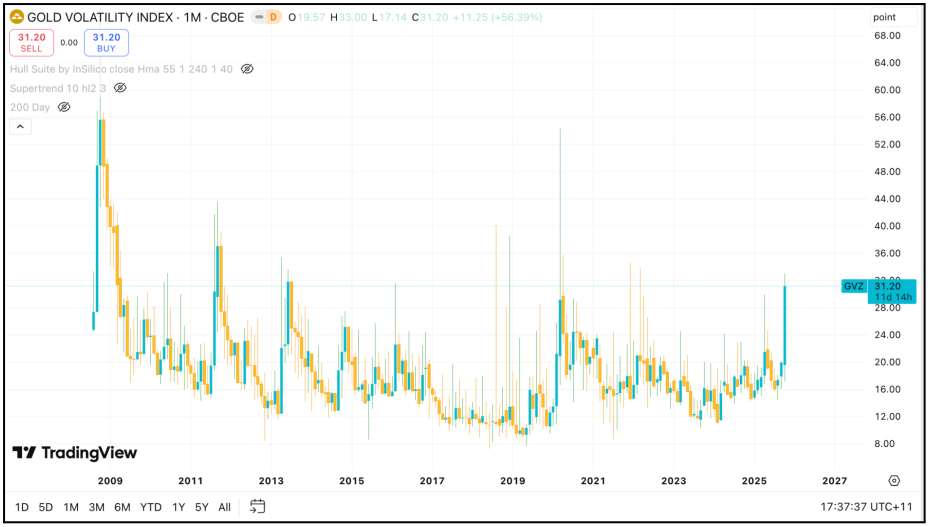
Gold extended its parabolic rally past $4,300/oz, adding ~$600B in market cap in days which pulled silver to near record highs. The yellow metal continues to act as the market's preferred hedge amid geopolitical uncertainty. Macro focus this week turns to US CPI and home sales data, alongside a barrage of Fed speakers ahead of the Oct 29 FOMC decision.

**When in doubt, zoom out..**

Source: TradingView

Bitcoin extended its corrective phase, dipping to $103.5k before a weekend bounce restored it to $109k (-4.1% WoW). ETH and SOL also softened, down ~3% each. The pullback followed a cascade of leveraged liquidations, nearly $1B on Friday alone, on top of the $20B wipeout the week prior.

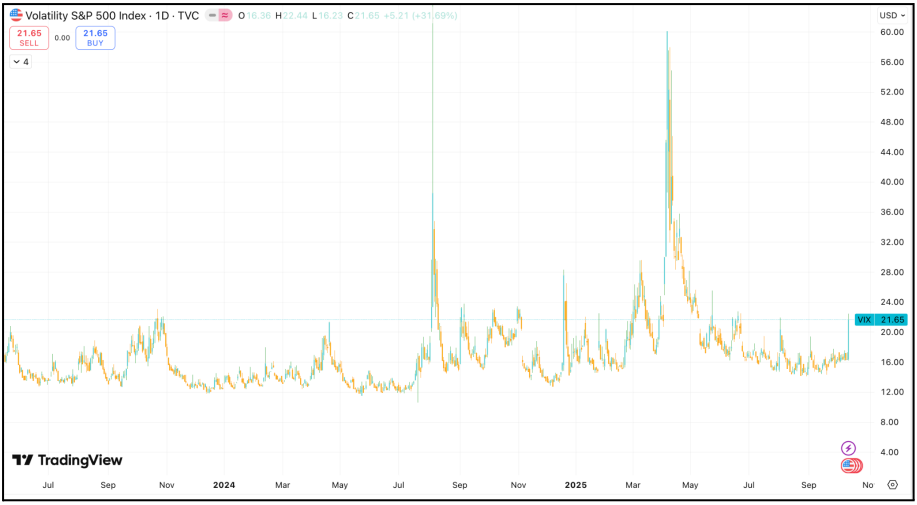
Despite the volatility, structure remains intact, BTC sits less than 15% off all-time highs. Bulls defended the $100k zone effectively, and with positioning flushed, there's scope for another push higher once macro tailwinds re-emerge.




Gold's relentless strength continues to spotlight the eventual convergence path for BTC. Gold volatility (GVZ) is ~31%, a 15-year high, showing that even "safe havens" are seeing speculative flows.

The divergence between gold's breakout and Bitcoin's consolidation highlights BTC's dual identity: still trading like a risk asset near-term, but ultimately set to benefit from the same structural bid into scarce, non-sovereign stores of value.

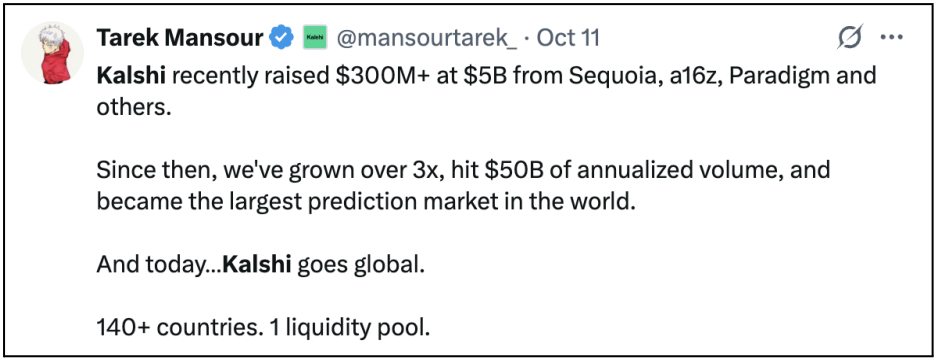
## The landscape elsewhere




Alts this time tracked BTC closely. SOL, ETH, and names like HYPE saw modest weekend rebounds but remained in accumulation zones. Liquidity across majors held firm post-liquidations, with funding rates normalising.

Elsewhere in DeFi, fundamentals remain solid. RWA tokenization surpassed $12B, led by Ondo and Centrifuge, while Aave ($23.6B TVL) and Uniswap ($60B monthly volume) anchor blue-chip activity.

Hyperliquid now dominates decentralised derivatives with ~80% market share post-liquidation, an ironic beneficiary of recent CEX stress.




In the backdrop, Institutional capital is also continuing flowing into crypto infrastructure:

- Kalshi raised $300M, co-led by Sequoia and a16z, valuing the platform at $5B.
- ICE (owner of the NYSE) acquired a >20% stake in Polymarket via a $2B investment at a $9B valuation.
- Tempo, an on-chain payments firm, closed a $500M round at a $5B valuation, backed by GreenOaks and Thrive Capital.

Despite everything going on, institutions are still doubling down on the rails powering the next cycle; on-chain markets, payments, and data infrastructure. Stay safe!

Emir Ibrahim, Analyst

## Spot Desk

Flows on the desk this week reflected a cautious tone across majors, though Ethereum (ETH) once again took centre stage - posting one of the highest volume weeks of the year and surpassing BTC in traded volume. Unlike the more bullish rotation seen during August's ETHBTC strength, this week's flows skewed heavily toward selling as traders de-risked in the wake of last week's record liquidations.

Despite steadying risk sentiment, market participants still appeared more wary overall reflecting in comparatively muted altcoin activity, with selective positioning in Aster (ASTER), Plasma (XPL), and Avalanche (AVAX) headlining the activity as clients tactically added or rebalanced exposure around names that have captured the lion's share of attention in the space over the past few weeks despite broader market softness.

Bitcoin (BTC) followed up a difficult week with another red weekly session as it continues to search for footing after last week's record $19 billion in liquidations, opening at 114,958 before bleeding to lows of 103,528 as U.S. spot Bitcoin ETFs recorded $1.23 billion in outflows -

the second largest since launch and a sharp reversal from the previous week's $2.7 billion inflows. ETH showed slight relative strength but ultimately traded in similar fashion, opening at 4,152 before dipping to 3,674 and recovering to close near 3,982. Spot Ethereum ETFs mirrored the pattern with a $311.8 million net outflow after a strong prior week. Both assets bounced into Sunday's session, but overall market tone remains fragile amid rising investor risk aversion tied to U.S.–China trade tensions and broader deleveraging.

FX markets spent the week in familiar ranges, with AUD/USD opening at 0.6512 and closing near 0.6490, including intraweek swings to highs of 0.6533 and lows of 0.6443 plus a sharp spike midweek as Australia's seasonally adjusted unemployment rate came in at 4.5% for September 2025 - above expectations and the highest level since November 2021. Desk flows in stablecoin pairs remained elevated, with USDT and USDC against AUD, USD, EUR, and NZD all well traded in both directions, while AUDD flows remained robust and skewed toward onramping.

Although price action was a strong focus amongst natives following the whipsaw of the week prior, news on the institutional front continues to roll in; Ripple are reportedly leading a $1 billion raise to launch a new XRP digital asset treasury via SPAC - potentially the largest of its kind - while Asia's early Ethereum backers, including Huobi's Li Lin, Fenbushi's Shen Bo, and HashKey's Xiao Feng, are looking to acquire a Nasdaq-listed firm to seed a $1 billion ETH-focused DAT, backed by Avenir Capital and regional investors such as HongShan.

Eleven days left in what has so far been a sluggish start to "Uptober" and the final quarter of the year - time will tell if the month's back half and the fabled Q4 can find its spark.

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.

Ben Mensah, OTC Trader

# 📈 Derivatives Desk

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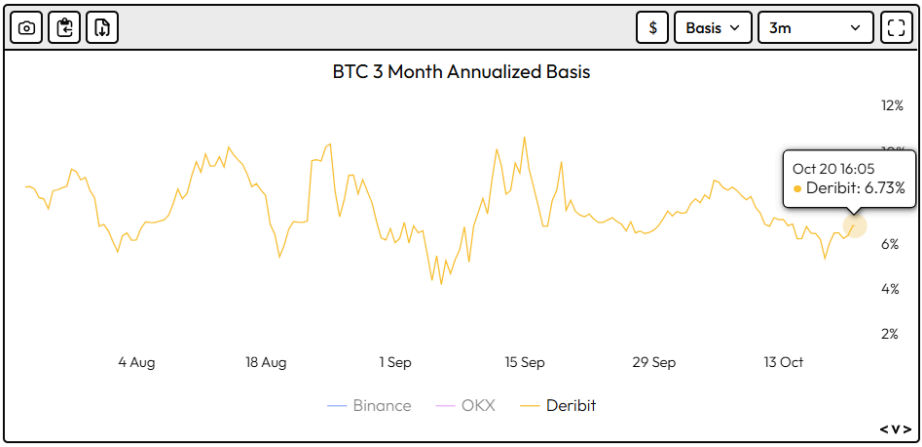
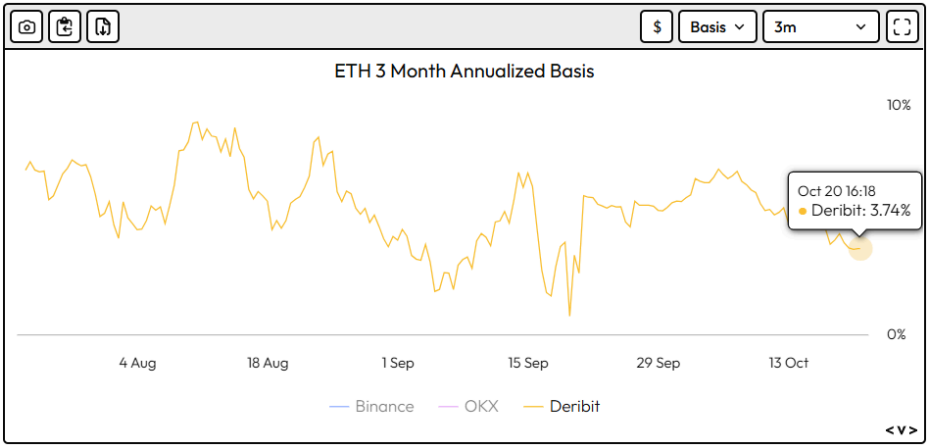
BTC and ETH basis rates are down slightly over the week again. BTC's 90 day basis rate is sitting at 6.73% and ETH's is at 3.74%.






Source: Velodata

Given lower spot prices and higher vols, we still like Discount Notes as an option for those who are cautiously optimistic.

For example, the SOL Discount Note provides investors with a defined-risk (favorable entry structure into SOL), by combining a discounted entry with capped upside participation.

**Proposed Structure:**

Instrument: SOL Discount Note

Discount to Spot: 11%

Cap Level: 30% above current spot

Max Return: 46.07% in USD

Expiry: 30 Jan 2026

**Payoff at Maturity:**

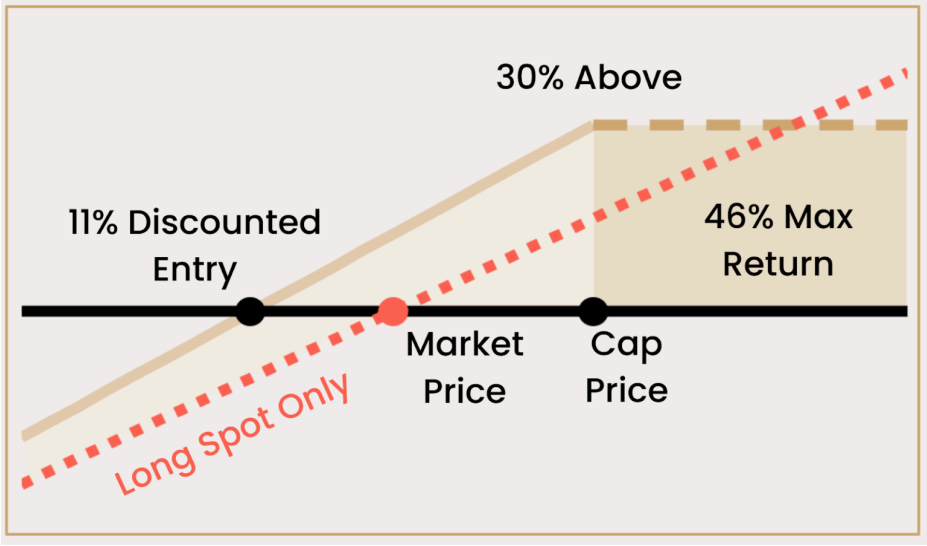
If SOL expires above the Cap Price, the investor earns 46.07% return in USD.

If SOL expires below the Cap Price, the investor acquires SOL at 11% below the current spot price.

**Rationale:**
Provides a strategic entry point into SOL at a material discount, well-suited for investors with a moderately bullish outlook.

Offers a defined upside of 46.07% in USD, attractive in an environment where SOL outperforms but does not experience a runaway rally.

Risk is limited to the initial investment, making this a measured approach to gain exposure to SOL's long-term growth potential.




**Risk Considerations:**

- **SOL Downside Risk:** If SOL falls materially below spot, investors still purchase at an 11% discount but may face mark-to-market losses.
- **Capped Upside:** Returns are limited to 46.07% in USD, which means investors forego gains if SOL rallies significantly beyond the Cap Price.
- **Market and Regulatory Shocks:** Unexpected macro events, regulatory changes, or liquidity shocks could drive SOL below the discounted purchase level.

**Why the Structure Makes Sense Now:**

- **Defined Risk/Reward:** Provides a discounted entry into SOL while still offering attractive capped USD returns.
- **Neutral-to-Bullish Alignment:** Suited for investors expecting stability or moderate upside in SOL, without the need for an outright spot purchase.
- **Favorable Macro Backdrop:** The Fed's rate-cutting cycle continues to provide tailwinds for risk assets, including crypto.
- **Institutional Interest:** Growing institutional inflows into SOL highlight conviction in its ecosystem, reinforcing the

structure's appeal.

Interestingly, John Bollinger — best known as the creator of the popular Bollinger Bands indicator — says that both Ethereum (ETHUSD) and Solana (SOLUSD) appear to be forming potential "W" bottom patterns. "It's going to be time to pay attention soon, I think," the veteran chart analyst noted in a recent social media post. Discount Notes could be a way to play this move.

Hit the derivs desk for pricing!

## 👀 What to Watch

**MON:** PBoC LPR, CCP 4th Plenum (20th-23rd), Chinese House Prices (Sep), Retail Sales (Sep) & Industrial Output (Sep), German Producer Prices (Sep), US Leading Index (Sep), New Zealand Trade (Sep)

**TUE:** NBH Policy Announcement, CCP 4th Plenum (20th-23rd), UK PSNB (Sep), Canadian CPI (Sep)

**WED:** CCP 4th Plenum (20th-23rd); UK CPI (Sep), Japanese Trade Balance (Sep)

**THU:** CBRT, BOK Policy Announcement, CCP 4th Plenum (20th-23rd), European Council (23rd-24th); US Weekly Claims, Existing Home Sales (Sep), EZ Consumer Confidence Flash (Oct), Canadian Retail Sales (Aug), Australian Flash PMIs (Oct)

**FRI:** CBR Policy Announcement, European Council (23rd-24th), Japanese CPI (Sep), UK Retail Sales (Sep), EZ, UK & US Flash PMIs (Oct), US New Home Sales (Sep)

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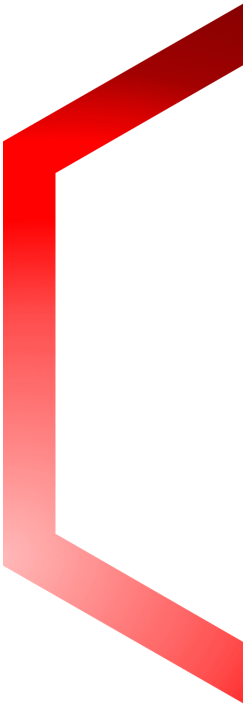
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