

# Weekly Crypto Market Wrap

8 December 2025



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## Week in Review

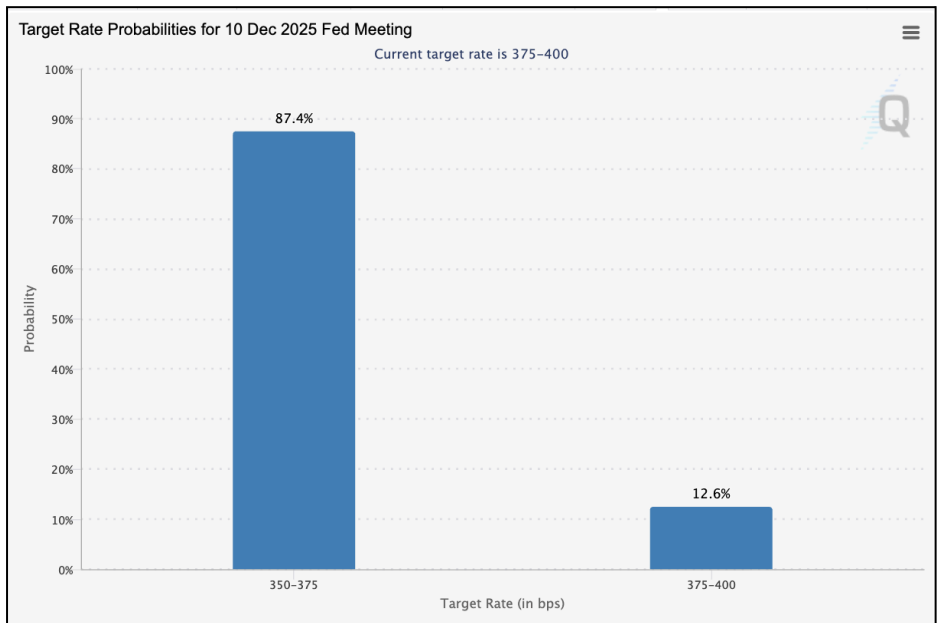
- [Euro Stablecoin](#) Market Doubles to \$680M A Year After MiCA
- [Ten Major EU banks](#) Unite to Launch Euro Stablecoin by Late 2026
- [Robinhood Markets](#) to Enter Indonesia via Acquisition of Brokerage and Licensed Crypto Trader
- [Bank of America](#) to Allow Wealth Management Clients Access to Crypto Allocations
- [French banking giant BPCE](#) to Launch In-app Crypto Trading



## Technicals & Macro

### Markets:

**Equities extend early-December gains as markets position for the final FOMC of the year**



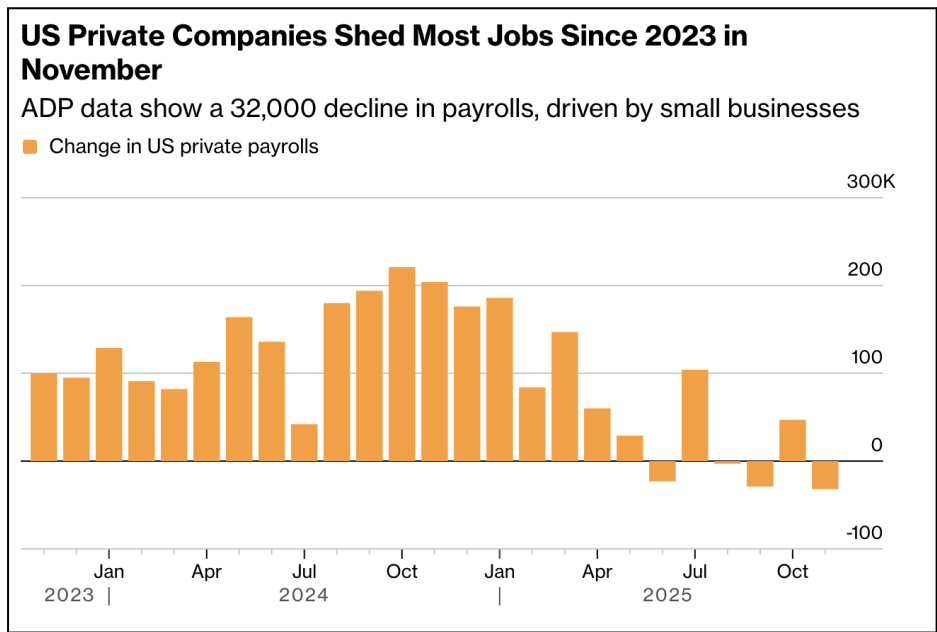
Source: CME FedWatch

Risk sentiment held firm into the start of FOMC week, with global equities trading in narrow ranges as the market prepares for Thursday's 25bp FOMC interest rate cut (6:00am AEDT). The debate

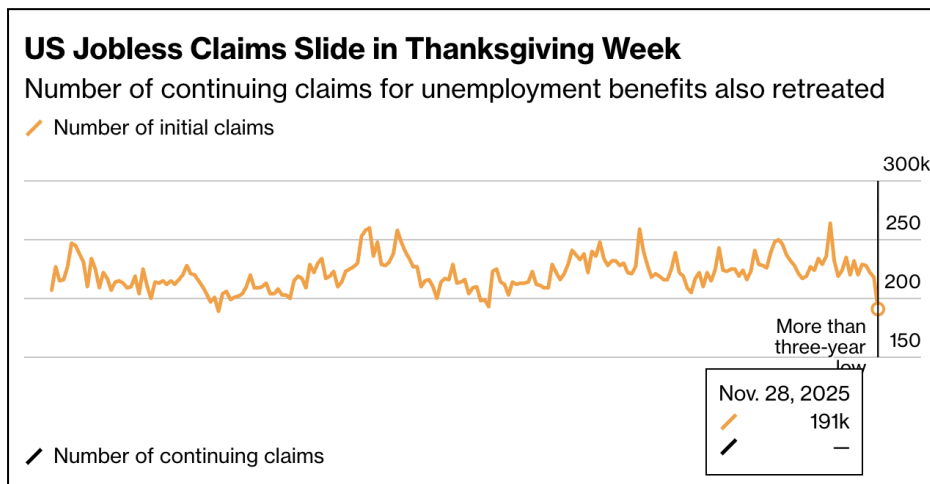
has shifted from the cut itself to the tone of the guidance. A “hawkish cut” (when a Central Bank cuts interest rates, but signals that it is still worried about inflation, limiting further immediate action) remains the main risk for long-end yields and equity valuations.

Major U.S. indices finished the first week of December higher, extending December’s gains. The Nasdaq led (+0.91%), followed by the Russell 2000 (+0.84%), while the S&P 500 posted a modest advance. Volumes have remained relatively light.

**Labour – Payrolls softening and claims still low**



In economic news, the ADP employment report showed a 32,000 decline in private payrolls during November - reversing October's (revised) +47,000, marking the largest monthly drop since March 2023.



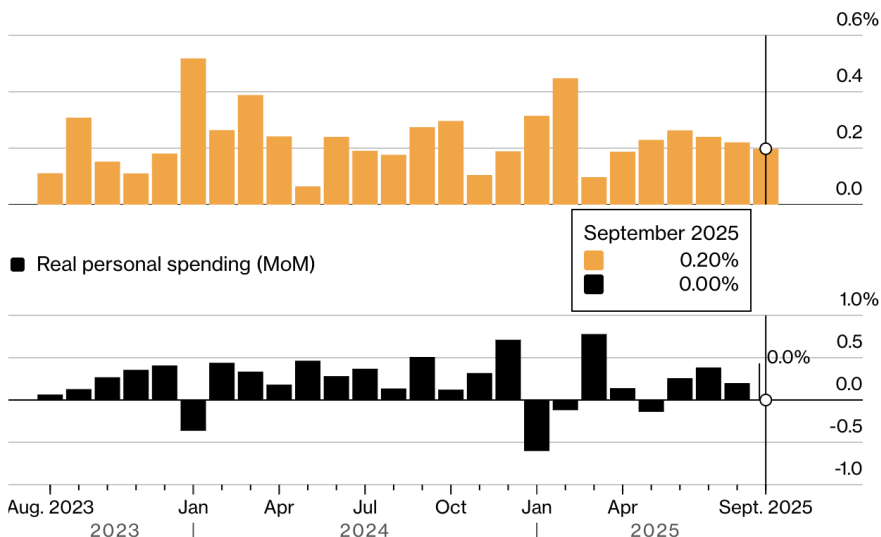
At the same time, initial jobless claims fell sharply to 191,000 (the lowest level since September 2022!). While it is unclear whether this conflicting labor market data can be attributed to more recent migration policy reform, it is unlikely to prove a barrier for the FOMC this week.

**September inflation little changed; consumer sentiment shows modest improvement**

## US Consumer Spending Stalled in September

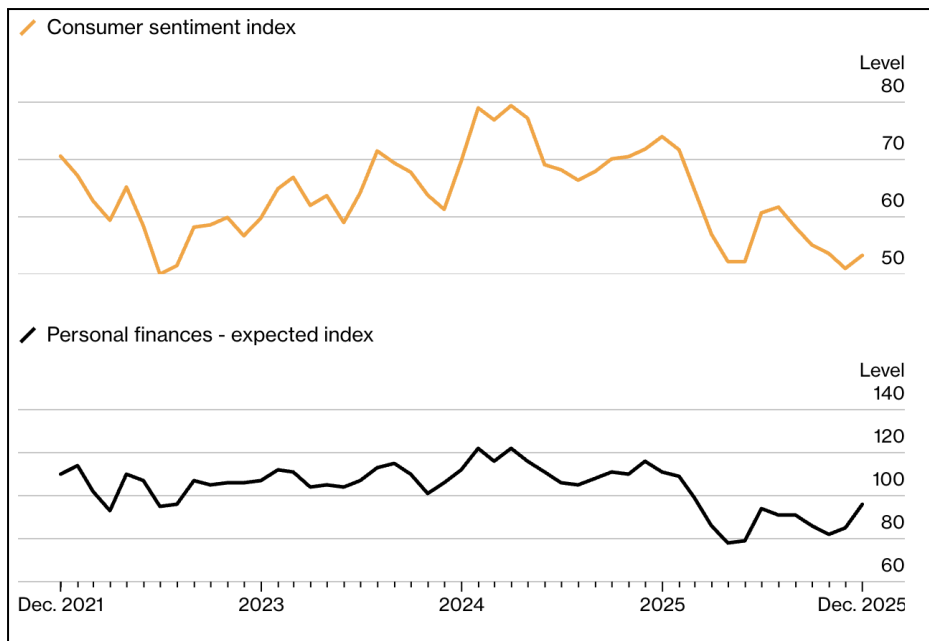
Inflation remained stubborn in report delayed by government shutdown

■ Core PCE price index (MoM)



Source: Bloomberg

Last week's US inflation data saw September PCE inflation rise 0.3% MoM (headline), while core PCE increased 0.2% MoM. Headline PCE inflation has remained 'sticky' and unchanged from the August reading, up 2.8% YoY. It must be noted that PCE inflation remains the FOMC's preferred measure for inflation. We continue to wait for the October release which remains delayed due to the U.S. government shutdown.



On the consumer front, the preliminary University of Michigan consumer sentiment index (prelim) ticked up to 53.3 for December (Nov: 51.0), helped by improved personal finance expectations. One-year inflation expectations eased within the survey to 4.1% - a four month downtrend and the lowest since January 2025.

**Asia trades cautiously higher into central bank week**

The MSCI Asia added 0.2% to start the week, echoing the muted tone across U.S. futures. With the Fed, RBA, SNB and BoC all convening this week, regional markets remain catalyst-constrained.

# China's equity narrative strengthens as flows turn



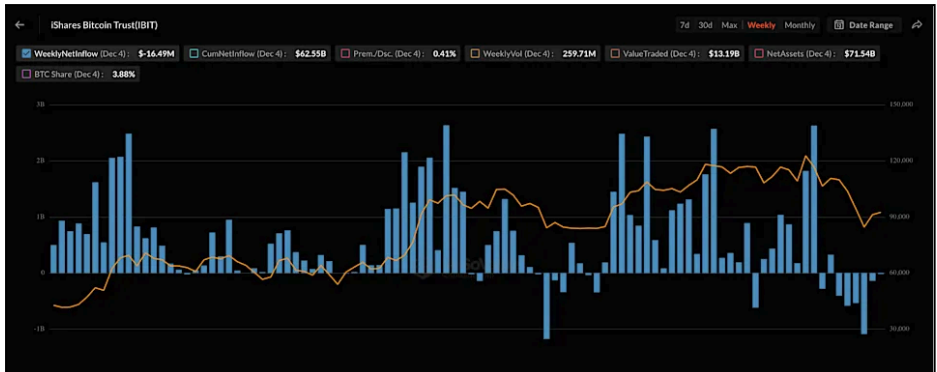
The MSCI China is up ~30% YTD, outperforming the S&P 500 by the widest margin since 2017 and adding around USD 2.4 trillion in market value.

## BTC/USD



Bitcoin remains under pressure following the Q4 drawdown that erased over USD 1 trillion from the cryptocurrency market cap. BTC fell as much as 4.4% on Friday to ~USD 88,000, slipping back toward the midpoint of the USD 80,000–100,000 range that has contained pricing for the past few weeks. BTC now accounts for almost 60% of total crypto market value.

## Bitcoin ETF Outflows underscore weak structural demand



Institutional demand remains soft. BlackRock's iShares Bitcoin Trust (IBIT) has recorded its longest streak of weekly outflows since launch, with roughly USD 2.7 billion redeemed over the five weeks to 28th November.

The persistent outflows sit awkwardly alongside relatively stable spot prices, reinforcing the picture of a range-driven market rather than one with strong incremental buyers.



For the first time in more than a decade, Bitcoin is on track to underperform the S&P 500 on a calendar-year basis. The decoupling from broader risk assets is notable given prior “crypto winters”, where drawdowns typically coincided with wider risk-off episodes.

Emir Ibrahim, Analyst



## Spot Desk

Markets have entered December navigating softening economic data, diverging central bank paths, and a growing rotation towards real assets. In the US, the story of the week centered on weakening activity data and rising conviction that the Federal Reserve (Fed) will deliver a 25bps rate cut at its upcoming meeting. Manufacturing contracted for a ninth straight month and labour market signals have softened, pushing the US dollar lower and lifting expectations for easier policy into early 2026. Equities responded positively, with US indices climbing back toward record highs. Commodities and metals outperformed as investors sought inflation hedges and positioned for a weaker dollar.

In Australia the economic picture is complex. Q3 GDP grew 0.4%, supported by robust business investment - particularly in data centre infrastructure, and resilient household spending on essentials. But the inflation pulse remains uncomfortably strong. Headline CPI (Q3) printed at 3.8%, with core CPI measures also remaining above the RBA's target band (3.3%). As a result, interest rate forward markets have materially steepened, and are now priced for a rate hike by November 2026! With such a significant change occurring to forward Australian yields, the AUD has climbed above US \$0.66. This

divergence in economic policy, relative to the US, has become a defining theme: Australia's tightening bias contrasts sharply with expectations of US easing - setting up volatility into year end.

Meanwhile, cryptocurrencies continue to face periods of heavy volatility. Bitcoins slide below US\$86k on risk off flows, leverage unwinds and renewed regulatory pressure was a tough way to begin December. Sentiment has now stabilised - as has pricing - however macro sensitivity remains elevated. The week ahead hinges on the Fed, incoming inflation data and evolving rate differentials. We expect these catalysts will define market sentiment into early 2026.

Flows across the OTC desk have broadly reflected the wider macro backdrop, with clients positioning for policy divergence and cross asset volatility. USDT/AUD flows have been skewed to the offer. We have also seen a clear uptick in crypto/non-USD pairs, particularly in EUR. Crypto activity has remained concentrated in BTC and ETH, while altcoin flow was somewhat muted and in smaller ticket sizes.

The OTC desk continues to offer tailored cryptocurrency liquidity solutions and 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

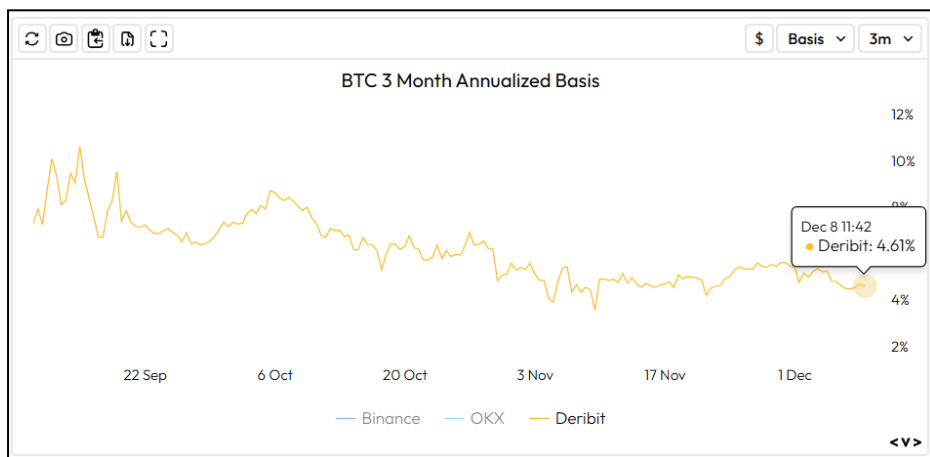


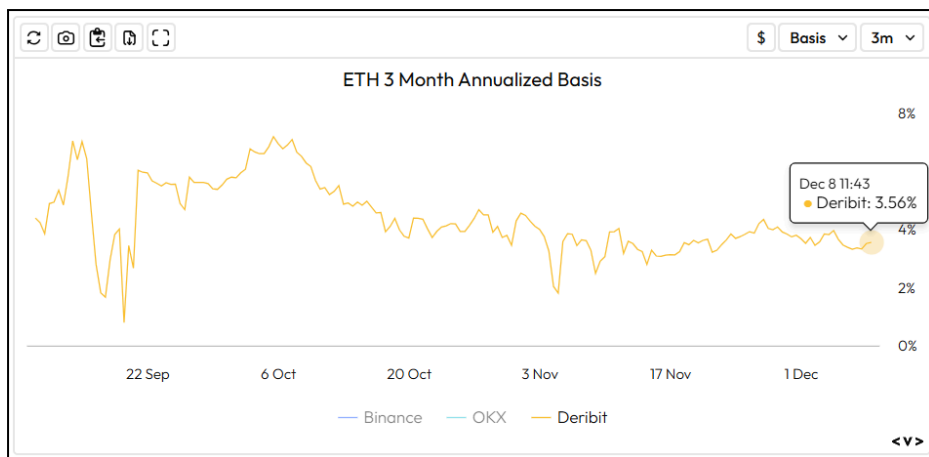
## Derivatives Desk

### WHOLESALE INVESTORS ONLY

Basis rates were flat this week - and have been for some time - suggesting they may have bottomed until the Fed cuts rates further. The 90-day annualized BTC basis sits near its yearly low at 4.61%, with ETH similarly subdued at 3.56%.

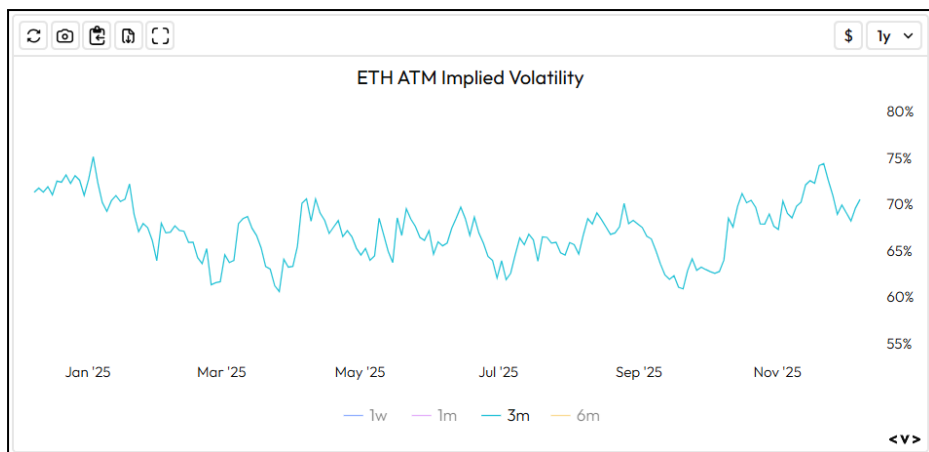
These levels offer historically low collateralized borrowing costs. For pricing or bespoke structures, please contact the derivatives desk.





Source: Velodata

Despite a challenging few months, selling pressure appears to have stabilised for now, although implied volatility remains elevated (see below). This environment may present opportunities for strategies that incorporate downside buffers (such as discount note structures) which can benefit if prices soften slightly or continue to edge higher.



Source: Velodata

As an example, a 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:

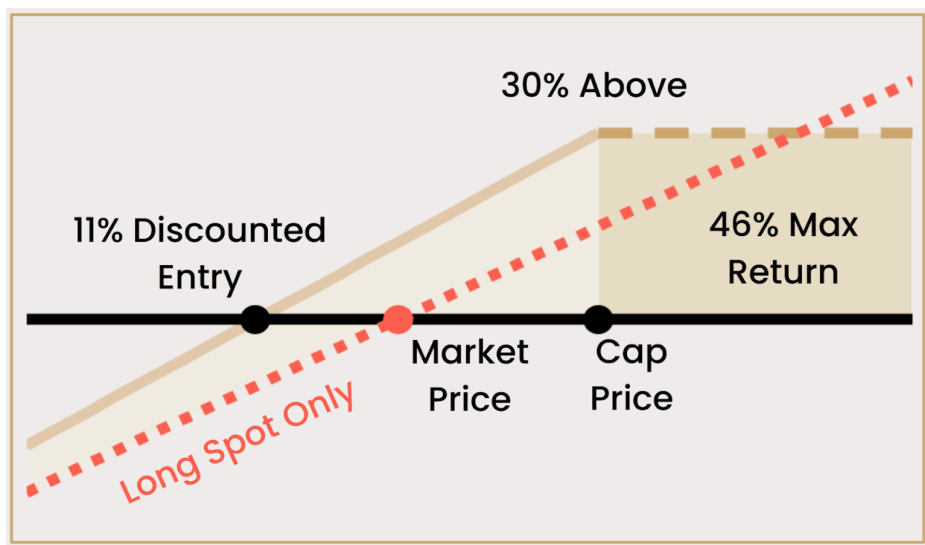
- **Instrument:** SOL Discount Note
- **Discount to Spot:** 11%
- **Cap Level:** 30% above current spot
- **Max Return:** 46.07% in USD
- **Expiry:** 26 June 2026

### 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:**

- This structure 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.

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## What to Watch

**MON:** Chinese Trade Balance (Nov)

**TUE:** RBA Announcement, US JOLTS (Oct)

**WED:** BoC Announcement, Chinese Inflation (Nov), US Employment Cost Index (Q3)

**THU:** FOMC Announcement, SNB (Swiss National Bank) Announcement, Australian Jobs Report (Nov)

**FRI:** UK GDP (Oct), German/French/Spanish Final CPI (Nov)

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