

Weekly **Crypto** Market Wrap

2 March 2026



ZEROCAP.COM

AUSTRAC REGISTERED DIGITAL CURRENCY EXCHANGE SERVICE PROVIDER DCE100635539-001
Zerocap Pty Ltd ABN: 99 164 874 597

Zerocap is a market-leading digital asset firm, providing **trading, liquidity and custody** to forward-thinking institutions and investors globally. To learn more, contact the team at hello@zerocap.com or visit our website www.zerocap.com

This is not financial advice. As always, do your own research.

Week in Review

- Geopolitical risks shock global markets as [U.S.-Iran tensions escalate sharply](#) with strikes in the Middle East
- U.S. spot Bitcoin ETFs snap a five-week outflow streak with [US\\$787m in net inflows](#); Ethereum ETFs added US\$80.2m.
- [Vitalik Buterin proposes execution layer changes](#) for Ethereum; addresses long-term scalability bottlenecks.
- [Barclays explores blockchain-based settlement tools](#) as banks prepare for projected trillion-dollar stablecoin growth.
- Hong Kong to [issue its first stablecoin issuer licenses](#) next month, advancing its digital asset regulatory framework.
- Jack Dorsey's Block (\$XYZ) [cuts roughly 40% of staff](#) as it pivots toward a leaner, AI-focused operating model.



Technicals & Macro

Markets

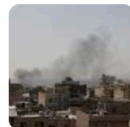


CNN

February 28, 2026 — US-Israeli strikes on Iran

Supreme leader killed: US President Donald Trump crossed "a very dangerous red line" after Iran's supreme leader Ali Khamenei was killed in...

7 hours ago



For much of the past quarter, markets were digesting AI concentration risk, private credit rumblings and stretched equity valuations. Over this weekend, that narrative shifted decisively. Escalating U.S.-Iran tensions have reintroduced geopolitical risk as the primary macro driver.

This week's ADP (Wednesday) and Non-Farm Payrolls (Friday) reports would typically dominate positioning, particularly given the recent -900k revision to 2025 payrolls. For now, however, geopolitical

developments appear to be overshadowing traditional macro catalysts.

Crude



Source: TradingView

Oil remains the immediate transmission channel of geopolitical risk. Crude surged sharply following strikes on Iran, with WTI pushing into the mid \$70s and Brent spiking aggressively before retracing. The

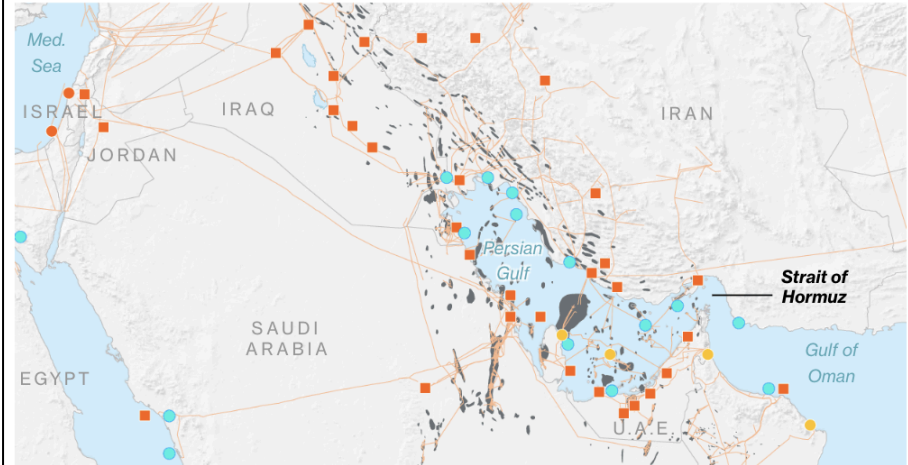
move reflects not only Iran's ~3.3mb/d production but, more critically, the vulnerability of the Strait of Hormuz - the transit route for roughly 1/5th of global crude and significant LNG flows.

Iran produces roughly 3.3mb/d, but the greater systemic risk lies in geography. Around 20% of global crude and significant LNG volumes pass through the Strait of Hormuz. While Iran has not formally closed the waterway, tanker traffic has slowed, reported maritime incidents have increased, and insurance costs are rising. Even without an official shutdown, effective supply tightens when vessels reroute or hesitate.

Oil Refineries and Terminals in the Middle East

About a fifth of the world's oil passes through the Strait of Hormuz

- Oil refinery, gas processing plant
- Oil, gas field
- Oil terminal
- Oil, gas pipeline
- LNG export terminal



Source: US Central Intelligence Agency, US Department of Energy

Importantly, OPEC+ had just agreed to resume incremental output increases. That supply response may cushion price spikes, but it does little to offset short-term disruption risk if shipping flows remain impaired.

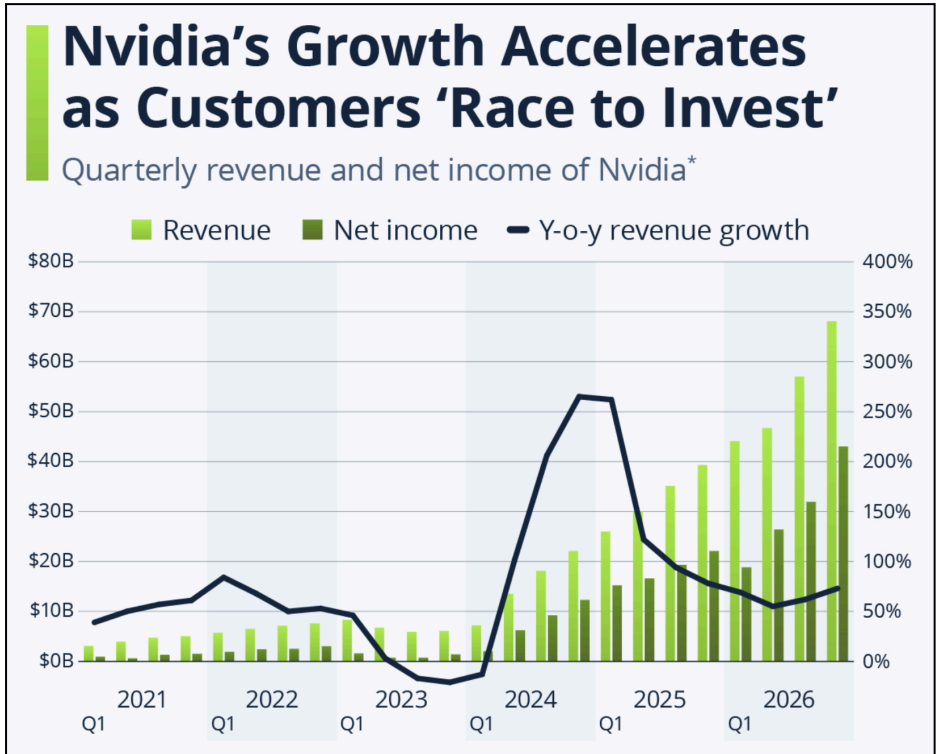
Historical Oil Price Performance During Conflicts

War/Conflict	Day 1	1 Week Later	1 Month Later	6 Months Later
Russia-Ukraine (Feb 2022)	+7.8%	+15.5%	+9.2%	+11.5%
Iraq War (Mar 2003)	-1.5%	-9.0%	+1.5%	+5.2%
9/11 Attacks (Sep 2001)	+1.2%	-11.0%	-28.0%	-5.0%
Gulf War (Aug 1990)	+3.9%	+24.1%	+45.0%	-10.0%

Source: Substack (DiviStock Chronicles)

Markets are now starting to warn that Brent crude could move back toward the US\$90 (38% chance by end of March) barrel range if tensions escalate further.

Equities



Source: Nvidia

In equities, the already fragile backdrop meets geopolitical shock. The post-NVDA earnings reaction exposed some fatigue in the AI complex despite strong headline results. Profit taking, questions around hyperscaler capex sustainability, private credit rumblings and concerns over forward returns on invested capital had already triggered rotation.



The S&P 500 is exhibiting a sustained bearish divergence, historically resolved only after an RSI reset into oversold territory. This technical fragility is now colliding with geopolitical escalation.

DXY - the structural chart to watch

Beyond oil, DXY is another macro chart markets are closely monitoring. A long-term trendline drawn from 2011 lows have now been broken. Since the initial breakdown, the dollar has entered a retest-and-consolidation phase.



The key question is whether this represents the start of a broader structural down-turn or merely a temporary deviation within a longer-term uptrend. February failed to deliver confirmation, leaving price action inconclusive. March, however, could prove decisive, validating the breakdown or negating it. A sustained reversal in the dollar would ripple across commodities, global liquidity conditions,

and leadership within risk assets. Until this retest resolves, markets are holding their breath.

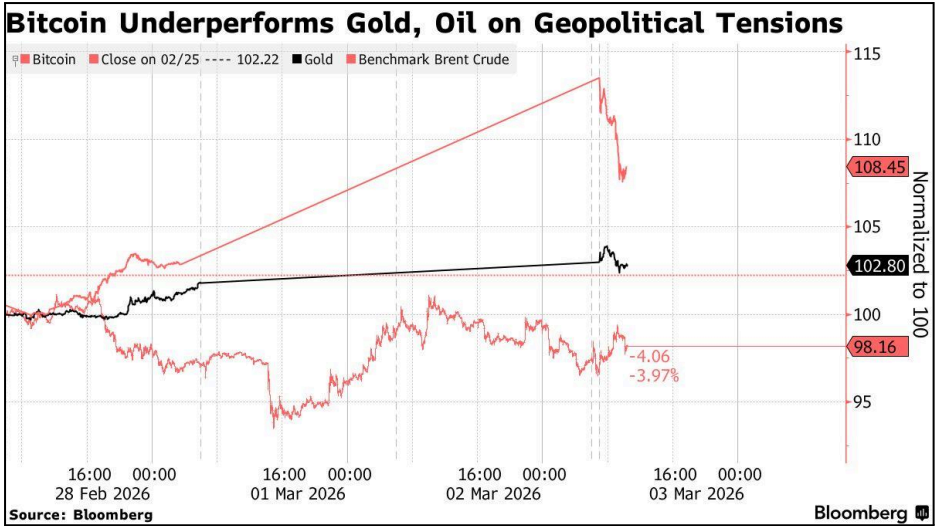
Gold

Gold, to little surprise, has drifted back toward record levels as safe-haven demand re-emerges: Historically, the pattern varies:

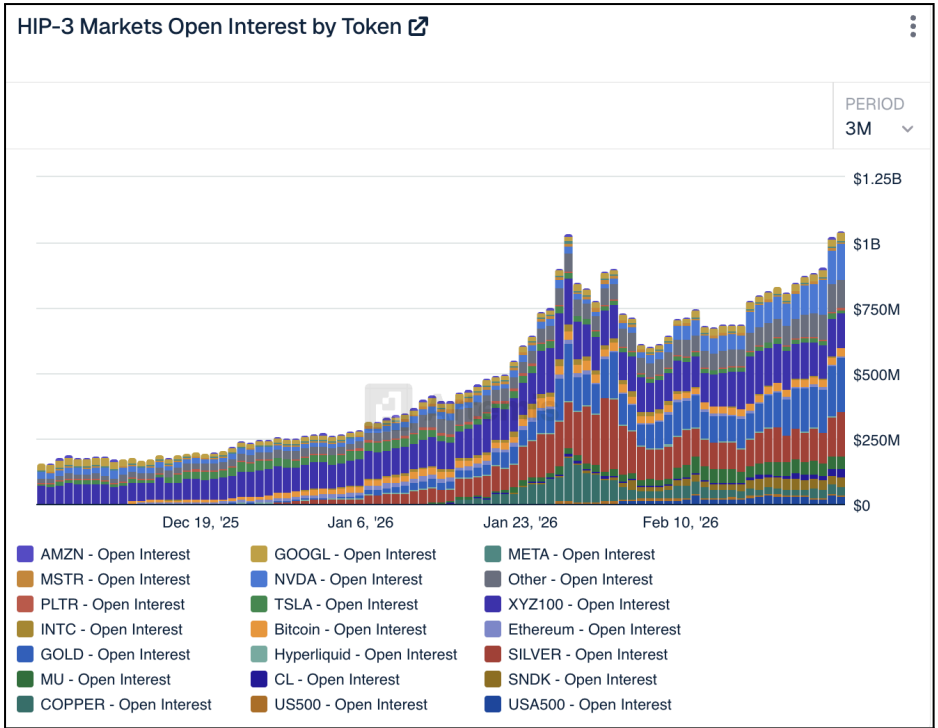
Historical Gold Performance During Conflicts				
War/Conflict	Day 1	1 Week Later	1 Month Later	6 Months Later
Russia-Ukraine (Feb 2022)	+3.4%	+2.1%	+0.5%	-3.2%
Iraq War (Mar 2003)	-1.0%	-2.5%	-1.2%	+8.1%
9/11 Attacks (Sep 2001)	+0.8%	+4.9%	+1.5%	+3.8%
Gulf War (Aug 1990)	+2.9%	+5.3%	-1.1%	-7.5%

If escalation proves contained, gold's fear premium could fade quickly. Though if conflict broadens or shipping disruption persists, gold likely remains structurally supported.

Crypto



With markets trading 24/7, digital assets absorbed the initial US-Iran escalation over the weekend. Bitcoin initially sold off on headline, then staged a cautious rebound following reports as markets started to digest news developments. As of Monday Asia hours, BTC is sitting roughly unchanged from Friday, hovering around the mid USD\$60k range.



More structurally for the industry, over the weekend, perpetual swaps tied to commodities surged on Hyperliquid, reinforcing the platform's role as an around-the-clock macro venue when traditional markets were shut. We saw traders using the crypto-DEX platform to

express views on oil, metals and US equities in real time as events unfolded in the Strait of Hormuz.



Bloomberg  @business · Mar 1



Crypto traders flocked to the **Hyperliquid** exchange to hedge commodities as the conflict between the US, Israel and Iran erupted

That structural shift is becoming harder to ignore; crypto venues have long functioned as an off-hours read through for global risk, but the expansion into commodity and equity-linked perps signal a broader ambition. Macro-packed weekends like this reinforce the argument that round-the-clock price discovery is not just a novelty but a functional upgrade, particularly in environments where geopolitical risk events escalate outside of traditional market hours.

And while Bitcoin did not attract traditional safe-haven flows - BTC did act as the most liquid proxy for broader risk during the initial shock, stabilising once positioning adjusted. Within the current environment, that does reinforce the current role that BTC has amongst other assets, which still behaves as high-beta macro liquidity play rather than a hard-asset hedge. At the same time, the growth in on-chain commodity perps highlights the real-world use

case of how digital venues are increasingly embedded in the global macro plumbing. We think that there's still so much to be excited about.

Stay safe, and happy trading!

Emir Ibrahim, Analyst



Spot Desk

Client dynamics on the desk this week exhibited a tentative recovery in risk appetite yet continued caution in asset selection, as volumes remain concentrated in majors and altcoin breadth stays absent. Bitcoin (BTC) volumes skewed strongly to the bid despite the volatile macroeconomic and geopolitical backdrop for risk, with persistent accumulation across a variety of durations and algorithmic execution types the main story. Ethereum (ETH) skewed the other direction, as the desk saw it sold against fiat crosses as well as block trading at size against the ETH/BTC pair. Solana (SOL) remained almost exclusively bid, while Ripple (XRP) was uncharacteristically sold in a skew that has continued into the new week. Despite the weekend's landscape-shifting US-Iran conflict developments, these flow dynamics have so far persisted into today's Asia session with a resolute aggregate bid amongst clients.

In price action, it was a relatively choppy week for majors defined by a lack of sustained trend development as macroeconomic and geopolitical instability kept rallies in both directions quickly-faded and sensitive to headline risks. Bitcoin opened at US\$67,643, initially

showing a stable response to the previous weekend's tariff announcements before sharply selling off on Monday's Asia open into weekly lows at US\$62,510 in an aggressive move that saw "panic hedging" spike IV's and temporarily blow downside volatility (put skew) out. An equally swift recovery followed to test highs near the US\$70,000 zone that has capped upside in the recent period - powered by US\$588M in 24-hour short liquidations as open interest built on negative funding rates was unwound. Ethereum mirrored the move, following a Monday sell-off with an 11% rally on Wednesday as price action remains similarly contained within the larger \$1,750/\$2,140 range that has defined the post-liquidation period after early February's down move.

Five straight weeks of ETF outflows were bucked as U.S. Spot BTC ETFs notched \$787M in inflows; combined with a resilient price action response to the weekend news, the tape is starting to show some potential early indications of a market that has already deleveraged and is now finding robust underlying spot demand in the chaos. With commodities and oil both well bid; tonight's U.S equities cash open offers the next best view of whether the crypto stability reflects true strength or a market still in wait-and-see mode for the reaction across broader risk.

The story for AUD/USD last week was emblematic of the year so far; better bid on the back of persistent structural drivers in widening yield differentials and central bank policy divergence as critical data prints continue to validate the RBA's recent hawkish shift. Last week's RBA trimmed mean CPI print notably came in hotter-than-expected with a 3.4% year-on-year price level increase as of January, with analysts now forecasting a high probability of a cash rate increase to 4.1% by the May meeting.

The weekend's developments have so far provided a catalyst for reversion from recent outperformance in AUD/USD as a risk-correlated cyclical; the pair opened the week down almost 1%, gapping from 0.7103 to 0.7045 over the weekend as safe-haven currencies outperformed. Looking ahead, it's a quieter week for domestic data releases, while Friday's U.S. Nonfarm Payrolls and unemployment figures headline overseas prints. Nevertheless, we would definitely expect geopolitical developments to be in the driver's seat for risk assets and FX this week.

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.

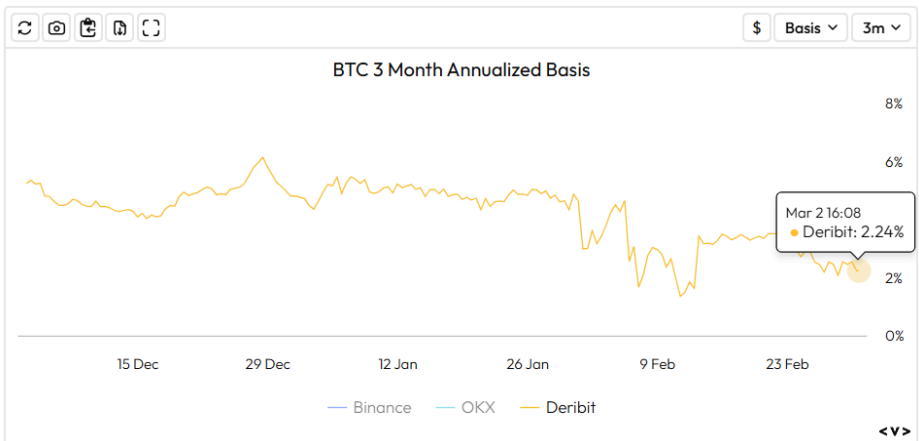
Ben Mensah, Trading Analyst

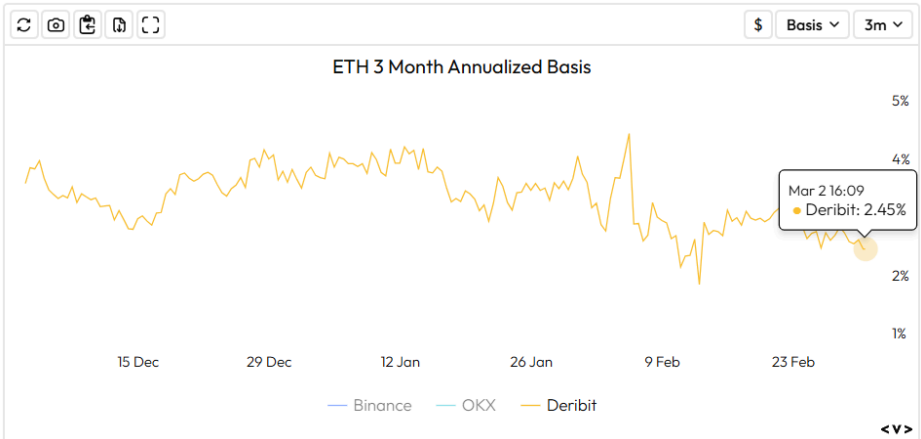


Derivatives Desk

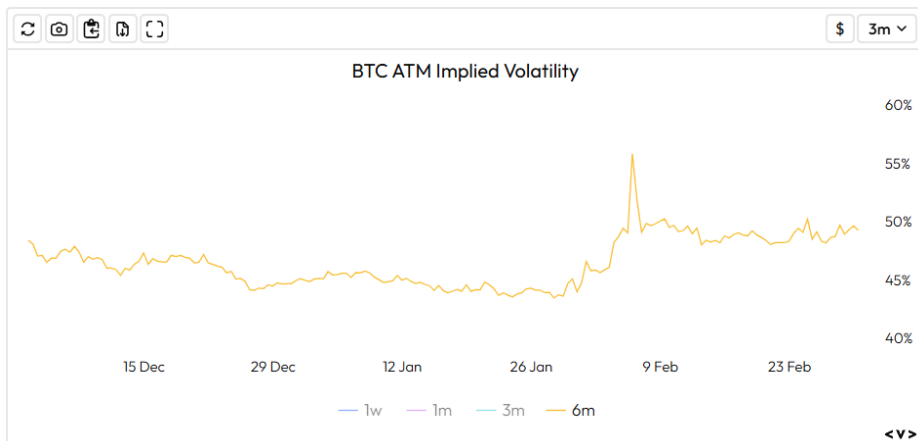
WHOLESALE INVESTORS ONLY

Basis Rates on both BTC and ETH have seen heavy declines in the last week. BTC's 3-month Rate is down 90 bps to 2.24% p.a. ETH's is down 48 bps to 2.45%.





BTC's ATM Implied Volatility remained remarkably stable over the weekend despite the significant geopolitical escalation in Iran. This decoupling suggests the market is entering a bottoming phase, making Yield Entry Notes an ideal strategy for harvesting volatility premium while building a position by selling BTC's downside.



Source: Velodata

This Week's Trade Idea – BTC Yield Entry Notes

Yield Entry Note sample terms:

For a 1-month BTC Yield Entry Note with 60k Strike Price one can generate 2.5% Yield (~30% annualised). There are two possible outcomes at expiry:

- BTC expires above 60k: investment paid back in cash + earns 2.5% yield (~30% annualised, paid in cash).

- BTC expires below 60k: investment used to buy BTC at 60k + earns 2.5% yield (~30% annualised, paid in BTC).

What to Watch

TUE: EA Inflation Rate YoY, JP Unemployment Rate

WED: AU GDP Growth Rate QoQ, JP Consumer Confidence

THU: AU Balance of Trade

FRI: US Non Farm Payrolls, US Unemployment Rate, US Retail Sales

Disclaimer

This material is issued by Zerocap Pty Ltd (Zerocap), a Corporate Authorised Representative (CAR: 001289130) of Gannet Capital Pty Ltd (GC) AFSL 340799.

Material covering regulated financial products is issued to you on the basis that you qualify as a “Wholesale Investor” for the purposes of Sections 761GA and 708(10) of the Corporations Act 2001 (Cth) (Sophisticated/Wholesale Client), or your local equivalent.

This material is intended solely for the information of the particular person to whom it was provided by Zerocap and should not be relied upon by any other person. The information contained in this material is general in nature and does not constitute advice, take into account financial objectives or situation of an investor; nor a recommendation to deal. Any recipients of this material acknowledge and agree that they must conduct and have conducted their own due diligence investigation and have not relied upon any representations of Zerocap, its officers, employees, representatives or associates. Zerocap has not independently verified the information contained in this material. Zerocap assumes no responsibility for updating any information, views or opinions contained in this material or for correcting any error or omission which may become apparent after the material has been issued. Zerocap does not give any warranty as to the accuracy, reliability or completeness of advice or information which is contained in this material. Except insofar as liability under any statute cannot be excluded, Zerocap and its officers, employees, representatives or associates do not accept any liability (whether arising in contract, in tort or negligence or otherwise) for any error or omission in this material or for any resulting loss or damage (whether direct, indirect, consequential or otherwise) suffered by the recipient of this material or any other person. This is a private communication and was not intended for public circulation or publication or for the use of any third party. This material must not be distributed or released in the United States. It may only be provided to persons who are outside the United States and are not acting for the account or benefit of, “US Persons” in connection with transactions that would be “offshore transactions” (as such terms are defined in Regulation S under the U.S. Securities Act of 1933, as amended (the “Securities Act”). This material does not, and is not intended to, constitute an offer or invitation in the United States, or in any other place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation. If you are not the intended recipient of this material, please notify Zerocap immediately and destroy all copies of this material, whether held in electronic or printed form or otherwise.

Disclosure of Interest: Zerocap, its officers, employees, representatives and associates within the meaning of Chapter 7 of the Corporations Act may receive commissions and management fees from transactions involving securities referred to in this material (which its representatives may directly share) and may from time to time hold interests in the assets referred to in this material. Investors should consider this material as only a single factor in making their investment decision.

Contact Us

Zerocap is a market-leading digital asset firm, providing **trading, liquidity and custody** to forward-thinking institutions and investors globally. To learn more, contact the team at hello@zerocap.com

