Weekly Crypto Market Wrap

10 August 2026

ZEROCAP

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🗞️ Week in Review

- U.S. spot Bitcoin ETFs notch US$853.5M in inflows; Ethereum ETFs added US$244.9M in their fifth straight positive week.
- Trump Media and Crypto.com end partnership as both companies shift priorities; CRO trades slightly lower on the news.
- Senate delays Clarity Act vote until after August recess; pushes crypto market structure legislation into September.
- Cloudflare begins rolling out stablecoin wallet handles for AI agents, with funding and payment features to follow.
- Bitcoin’s BIP-110 supporters split onto a minority chain; only 2.53% of blocks signal support as the main network continues ahead.

Technicals & Macro

Markets

Zerocap — Trading and macroeconomic update, 10 August 2026 (Australia EOD)

The US economy shed 23,000 jobs in July against expectations for a gain near 80,000, and markets removed a September hike from the curve. The S&P and Nasdaq closed at records with the strongest weekly gains since April. Monday's session is already qualifying that read: Iran has declined direct talks, Brent is back above $84 after a 5% three-session rally, and the 10yr is edging higher again.

CRYPTO (MON 9:45AM JKT)

ASSET	LEVEL	CHG WK
BTC	~US$65,100	+3.7%
BTC+ETH ETFs drew $1.1B, best inflow week since April		
ETH	~US$1,915	+2.7%
Balchunas ties the ETF run to the Coldcard exploit		

FX (RBA 4PM FRI)

PAIR	LEVEL	CHG WK
AUD/USD	0.7029	+0.8%
Official RBA fixing. TWI 65.3		
EUR/USD	~1.152	-0.3%
USD/JPY	~158.3	+0.8%
GBP/USD	~1.343	~flat
DXY	~100.2	~flat

RATES AND VOL

US 10yr	4.66%	-6bp
Fell on jobs, +1bp Mon as crude rallies		
US 30yr	~5.15%	off 2007 high
Sept hike	off the table	post-NFP

EQUITIES (FRI AUG 7 CLOSE)

INDEX	CLOSE	CHG WK
S&P 500	7,757.64	+3.6%
Record close. Best week since April. Above 7,700 first time		
Nasdaq	26,690.62	+5.2%
Record close. SOXX +7% on the semiconductor recovery		
Dow Jones	54,036.93	+3.0%
+152pts Fri. Record close Tuesday		
Russell 2000	~3,090	+3.9%
ASX 200	~9,220	+1.8%
Nikkei 225	~55,400	+2.2%
Kospi	~7,350	+4.3%
DAX	~24,700	+2.5%
FTSE 100	~10,650	+1.4%

Breadth was constructive rather than concentrated: 336 S&P advancers against 167 decliners, and roughly two-to-one on both the NYSE and Nasdaq. The participation rate fell to 61.4%, down 0.7pp year to date on an outflow of nearly 1.4 million people, which is why unemployment declined to 4.1% despite the job losses. SpaceX +19% on the week. Trade Desk -18.1%, Seagate -8%, Western Digital -5.4% on guidance. Friday Dow leaders: CRM +2.47%, NVDA +2.33%, HON +2.28%.

COMMODITIES

ASSET	LEVEL	CHG WK
Brent (Mon)	US$84.46	-7% wk
Slid early on talks, then rallied 5% across 3 sessions		
WTI (Mon)	US$78.84	-6% wk
Sept contract, +0.84% Monday		
Gold	~US$4,220/oz	+1.0%
Copper	~US$12,600/t	+1.6%
Iron ore	~US$105/t	+1.0%

WHAT TO WATCH

US CPI Wed
The other half of the Fed's problem. An upside surprise undoes Friday's dovish repricing.

Hormuz terms
Iran seeks to exclude US and Israeli vessels and levy fees; the US wants unrestricted transit. Sixth month of the conflict.

ETF flow follow-through
Whether the $1.1B week extends into a second is the cleanest test of whether institutional demand has genuinely re-engaged.

Jackson Hole Aug 27-29
Still the primary Fed signalling channel ahead of the Sept 15-16 FOMC.

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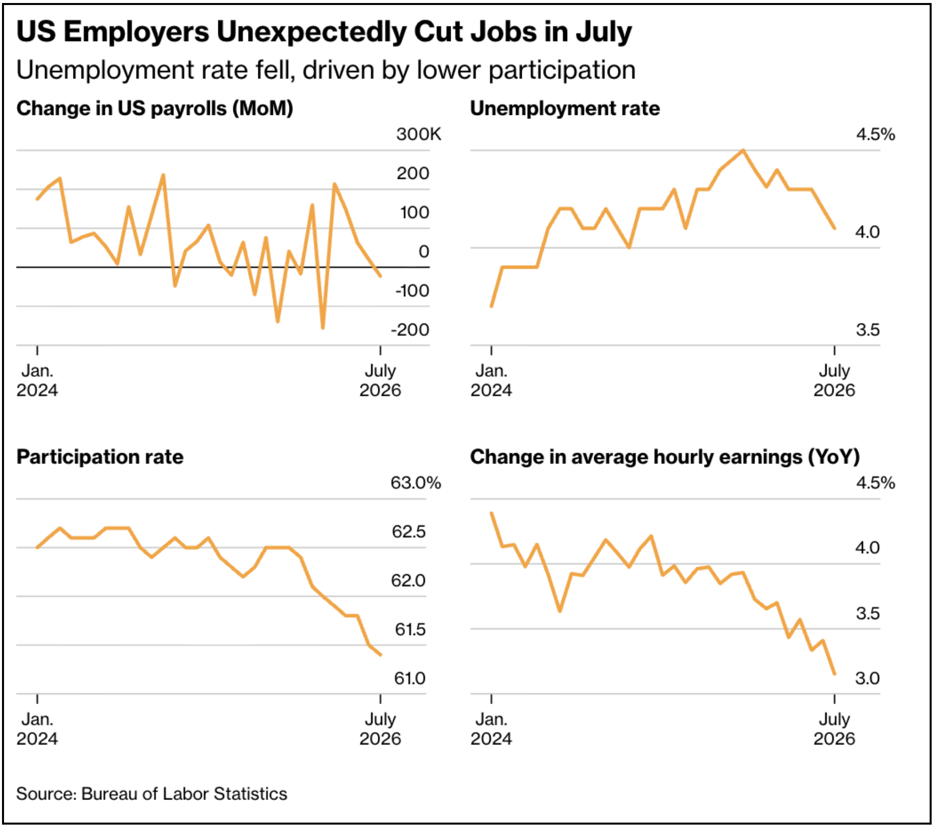
Last week's US labour market data marked the clearest turning point in the policy debate since the June FOMC. July nonfarm payrolls fell 23,000 against a Bloomberg consensus gain of approximately 80,000, the first outright decline in employment this cycle and a miss of around 100,000. Markets responded by removing a September rate increase from the forward curve, Treasury yields declined across the curve, and the S&P 500 closed at a record high to complete its strongest week since April.



We would caution against reading the report as unambiguously soft. The unemployment rate declined to 4.1% from 4.2%, but the improvement was driven entirely by weaker labour-force participation: the participation rate fell to 61.4%, down 0.7 percentage points year to date, reflecting an outflow of almost 1.4 million people from the labour force. A falling unemployment rate driven by labour-force exit rather than stronger employment carries very different policy implications, and several FOMC members could reasonably interpret the headline as evidence of continued labour-market stability. That distinction is particularly relevant given that three officials dissented in favour of a hike at the July meeting, with several subsequently reiterating that preference.

The early Monday session is already qualifying the dovish interpretation. Iran has declined direct negotiations with the US, with spokesman Baghaei confirming there is no immediate plan for talks and that Tehran remains engaged only with Oman over arrangements surrounding the Strait of Hormuz. Brent has risen 1.1% to US$84.50, extending a gain of more than 5% over the past three sessions, while Treasuries have retraced part of Friday's rally, with the 10-year yield around 4.66%, up 1bp. The dollar has also firmed. In our view, the two sessions are pricing opposing scenarios: Friday discounted a Federal Reserve increasingly unconstrained by inflation, while Monday is repricing an energy complex that could make the inflation outlook materially more difficult. Wednesday's CPI release is therefore the arbiter. Westpac's observation that uncertainty remains elevated as the Iran conflict enters its sixth month remains the appropriate framing.

Fixed Income

Treasury yields initially declined following the weaker-than-expected payrolls report but have since partially retraced. The 10-year Treasury yield sits at 4.66% this morning after rising 1bp alongside higher crude prices, though it remains approximately 6bp lower on the week. The 30-year yield has also retreated from the 5.25% level reached the previous Friday, its highest since 2007, following what markets interpreted as a hawkish hold at the July FOMC meeting.

The structural issue we identified last week remains unresolved. The long end continues to price an elevated term premium against a Federal Reserve that has withdrawn forward guidance and remains demonstrably divided, with three dissents in favour of tightening at the July meeting and several officials subsequently reiterating that view. A single soft employment print is sufficient to reinforce expectations that the tightening cycle is complete, but not enough to restore the policy credibility that the long end is discounting. This helps explain why the 30-year yield remains materially above its level at the start of the quarter despite Friday's rally. The tension into Wednesday is straightforward: labour-market data argue that the tightening cycle is complete, while the energy complex suggests inflation could reaccelerate. CPI will determine which signal the front end weights more heavily. Jackson Hole on 27–29 August remains the primary signalling channel ahead of the 15–16 September FOMC.

Cryptocurrency

Digital assets performed well over the week, with the flow data proving more instructive than the price action. Bitcoin trades near US$65,000 this morning, up approximately 3.7% over the week, while Ethereum is around US$1,917, up approximately 2.7%. BTC traded as high as US$65,144 on Friday following the employment release, while ETH reached US$1,929. The catalyst was unambiguously macro: a Federal Reserve increasingly priced out of further tightening reduces the opportunity cost of holding non-yielding assets, which we have identified as the binding constraint on the asset class since June.

The more significant development was the reversal in fund flows. Spot Bitcoin and Ether ETFs attracted a combined US$1.1 billion over the week, the strongest inflow week since April, despite relatively subdued market volumes. The combination suggests a more deliberate allocation bid rather than a broad retail-driven move. Bloomberg's Eric Balchunas has also linked part of the recent Bitcoin ETF demand to the Coldcard wallet exploit, noting that several Bitcoin funds have recorded daily inflows since the incident. If that relationship persists, it represents a genuinely novel driver worth monitoring: a self-custody security incident may be directing some holders toward regulated investment wrappers, partially reversing the preference for direct ownership that characterised earlier phases of the institutional adoption cycle.

Date	Total	IBIT	GBTC	FBTC	ARKB	BITB
Total	*$913.2m*	*$889m*	*-$181.9m*	*-$114.6m*	*$101.9m*	*$54.5m*
Aug 7 '26	$101.7m	$86.7m	$0m	$41m	$1.9m	$2.1m
Aug 6 '26	$137.6m	$128.3m	$7.5m	$11.2m	$0m	$1.7m
Aug 5 '26	$244.4m	$196.8m	$0m	$11.3m	$37.6m	$10.6m
Aug 4 '26	$211.5m	$170.3m	$0m	$19.6m	$9.2m	$8.7m
Aug 3 '26	$170.1m	$111.4m	$0m	$33.4m	$2.1m	$2.8m
Jul 31 '26	-$265.4m	-$122.7m	-$52.6m	-$54.8m	-$17.5m	-$17.8m
Jul 30 '26	$233.1m	$183.4m	$0m	$15.5m	$1.5m	$20.7m
Jul 29 '26	$32.1m	$89.8m	$0m	-$43.1m	-$14.6m	$0m
Jul 28 '26	-$49.7m	-$54.8m	$0m	$0m	$0m	$0m
Jul 27 '26	-$11.6m	-$8.8m	$0m	-$2.8m	$0m	$0m
Jul 24 '26	-$240.1m	-$212.2m	$0m	-$27.9m	$0m	$0m
Jul 23 '26	-$225.1m	-$202.5m	$0m	-$5.6m	-$4.3m	-$7m

Source: Velodata

This also recontextualises the prior week's data. The US$61.5 million of outflows in the week to 31 July, including the US$265 million redemption on 31 July, are increasingly consistent with the conclusion of the broader AI-led deleveraging episode rather than the start of a structural institutional exit. The concurrent recovery across the semiconductor complex provides some support for that interpretation, although it remains too early to conclude that the rotation has fully run its course.

On regulation, market attention has returned to the CLARITY Act and its potential asset-classification implications, with XRP generally viewed as having some of the greatest potential upside in percentage terms. On enforcement, the founder of MyTrade was fined US$10,000 in relation to bots used to wash trade 60 cryptocurrencies, with the Department of Justice citing an explicit intent to cause losses to other market participants. The case is modest in scale but consistent with the broader tightening of market-integrity enforcement observed since the March exchange sanctions.

Technically, Bitcoin has reclaimed the US$62,000–65,000 range from which it was rejected a week ago. Holding above US$65,000 would bring the mid-June peak at US$67,250 into focus, with US$69,000 the level required to confirm a broader regime change. Initial support sits at US$63,050, followed by the US$61,400 shelf. Ethereum holding above US$1,900 keeps US$2,029 in view. The setup into this week is more balanced than at any point over the past month: the macro constraint has eased materially and institutional flows have turned positive, but Wednesday's CPI arrives against an energy complex that has rallied more than 5% over three sessions. An upside inflation surprise would therefore risk reintroducing the rate pressure that

Friday's employment report removed. We are monitoring three variables in order of importance: whether the US$1.1 billion inflow week extends into a second, Wednesday's CPI relative to the renewed rise in crude, and the Hormuz negotiating terms, where the gap between the Iranian and US positions remains the largest uncertainty in the macro outlook.

Emir Ibrahim, Analyst

🖥️ Spot Desk

Digital assets traded through a relatively muted week, with price action remaining contained within the ranges established following the early-June downside impulse. Volatility continued to compress toward multi-year lows, with BTC DVOL around 35%, while crypto remained comparatively resilient despite renewed cross-asset volatility elsewhere. Rates were the notable exception, with the fallout from Fed Chair Warsh's withdrawal of forward guidance continuing to exert upward pressure on long-end yields.

Bitcoin (BTC) ground modestly higher as institutional participation showed signs of firming. US spot Bitcoin ETFs attracted approximately US$853M of weekly inflows, alongside US$244M into US spot Ethereum (ETH) ETFs, marking a meaningful reversal from the persistent redemptions of recent months and suggesting institutional demand is beginning to re-engage at current levels.

Desk activity was consistent with the firmer institutional tone. BTC recorded one of its strongest net buying skews of the year, driven by larger-ticket flows, while ETH also saw meaningful net buying across mixed crosses. This represents a notable shift from recent weeks, when clients had generally reduced exposure into strength rather than added. Breadth beyond the majors remained limited, however, with Solana (SOL) and Paxos Gold (PAXG) participation muted. Litecoin (LTC) selling linked to client treasury rebalancing was the primary outlier across longer-tail flows.

In FX, AUD/USD strengthened from 0.7044 to 0.7063, with most of the move concentrated in Friday's New York session after July payrolls fell by 23k against expectations for an 80k increase, while a further 103k of downward revisions pushed Treasury yields and the .DXY lower. The move partially unwound the rate premium that had built across US markets under Warsh's reduced-guidance framework and reinforced the increasingly two-sided nature of the Fed reaction function. The near-term outlook for AUD remains supported by relatively restrictive domestic policy, but increasingly sensitive to US labor-market data, global yields and broader cyclical risk sentiment. Domestically, attention now turns to Tuesday's RBA decision, with markets pricing effectively no probability of a cut and consensus centered on a hold at 4.35%.

Stablecoins again dominated desk volumes, with both USDT and USDC heavily off-ramped into USD, reinforcing the continued preference for operational dollar liquidity despite the improvement in directional crypto flows. Demand for alternative Australian-dollar rails remained robust, with AUDM and AUDD both seeing strong on-ramping activity, while AUD itself carried a strong net selling skew as participants used the firmer currency to buy crypto and USD-denominated stablecoins. Elsewhere, EUR was significantly offered, while NZD was bought in size alongside more modest GBP demand.

The OTC desk continues to provide tailored cryptocurrency liquidity solutions and competitive pricing across major digital assets, stablecoins, selected altcoins and key fiat currency pairs. With T+0 settlement capability, the desk continues to facilitate efficient execution and settlement across client flows.

Ben Mensah, OTC Trader

📈 Derivatives Desk

WHOLESALE INVESTORS ONLY

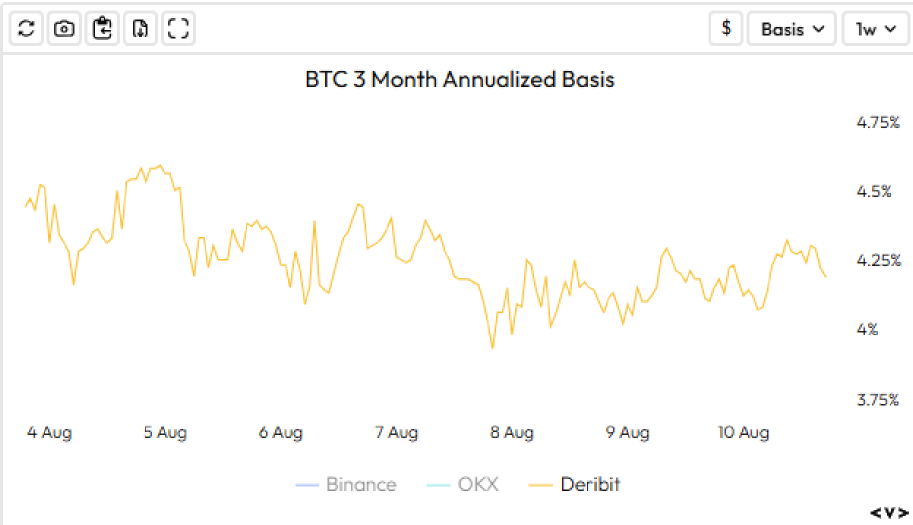
The crypto derivatives complex has continued to stabilise, with improving institutional flows, a mixed US labor market report and a reduction in near-term geopolitical risk, supporting a more constructive market backdrop. While spot markets remain relatively range-bound they are now at the 'top' of their most recent ranges. This has improved the underlying structure of cryptocurrencies - in both the spot and options markets. With BTC and ETH ETF flows returning, institutional participation is becoming a more meaningful source of marginal demand. This has occurred despite elevated long-end yields, suggesting the market is beginning to absorb a more restrictive rates environment and is now exhibiting less sensitivity to benign BTC and ETH funding markets (3 month forward rates of circa 4.25% for BTC and 2% for ETH).

Volatility markets continue to reflect this improvement. Front-end BTC implied volatility has compressed back into the mid-30% range, pricing a lower probability of an imminent disorderly move.

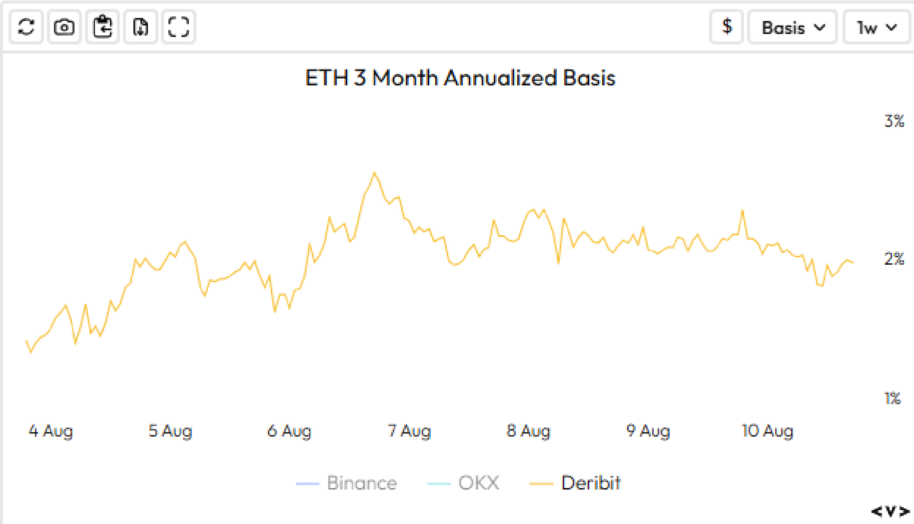
Downside protection remains available without an extreme risk reversal premium. This is healthy, and the combination of lower implied volatility and improving spot flows is consistent with a market gradually rebuilding risk appetite.

As highlighted last week, it is still thought that the principal constraint to higher prices remains the US rates complex (and as a derivative, crude oil pricing). FOMC Fed Chair Warsh appears to be using reduced forward guidance to shift more of the policy-path uncertainty into the long end. This has resulted in more term premium and higher real yields, despite the Fed remaining on hold. In effect, the bond market is doing the tightening work for the Fed without another policy-rate increase. A very clever approach. Risk allocators become more comfortable that rates will remain on hold, while policy tightening is gently applied to risk assets. This transmission is particularly relevant through the US mortgage market, where 30-year mortgage rates are closely linked to longer-dated Treasury yields.

Overall, derivatives markets are becoming increasingly constructive beneath the surface. Perpetual future funding rates have normalised, implied volatility has dropped, carry remains positive and institutional spot demand is improving. A further moderation in yields would provide a meaningful catalyst for broader crypto participation; conversely, another rise in term premium would likely keep BTC-led institutional demand intact while limiting higher-beta positioning.



Source: Velodata



Source: Velodata

👀 What to Watch

Tue: RBA Interest Rate Decision

Wed: US Inflation Rate YoY, KR Unemployment Rate

Thu: UK GDP Growth Rate YoY, US PPI MoM

Friday: RBA Gov Bullock Speech, US Retail Sales MoM

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