Weekly Crypto Market Wrap

28 September 2026

ZEROCAP

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

- US spot bitcoin ETFs took in $998.95 million on 21 September, their largest single session of 2026 and strongest day since October 2025, led by BlackRock's IBIT at $381.4 million, with ether funds adding $270 million the same day.
- Weekly bitcoin ETF inflows reached $2.39 billion through 25 September, exceeding the previous 2026 weekly record of $1.92 billion set in August and extending a seven-session buying streak.
- The ECB activated Pontes to settle tokenised assets in central bank money via TARGET Services, with Deutsche Bank, Santander, Société Générale and the EIB among thirteen participants onboarded at launch.
- Australian employment rose 39,500 in August against a 20,000 forecast, with participation lifting to 67.1% and unemployment ticking up to 4.6%.
- CBA and ANZ shifted to forecast a September RBA hike, aligning all four majors on a 25bp move to 4.60%, the highest cash rate since 2011.

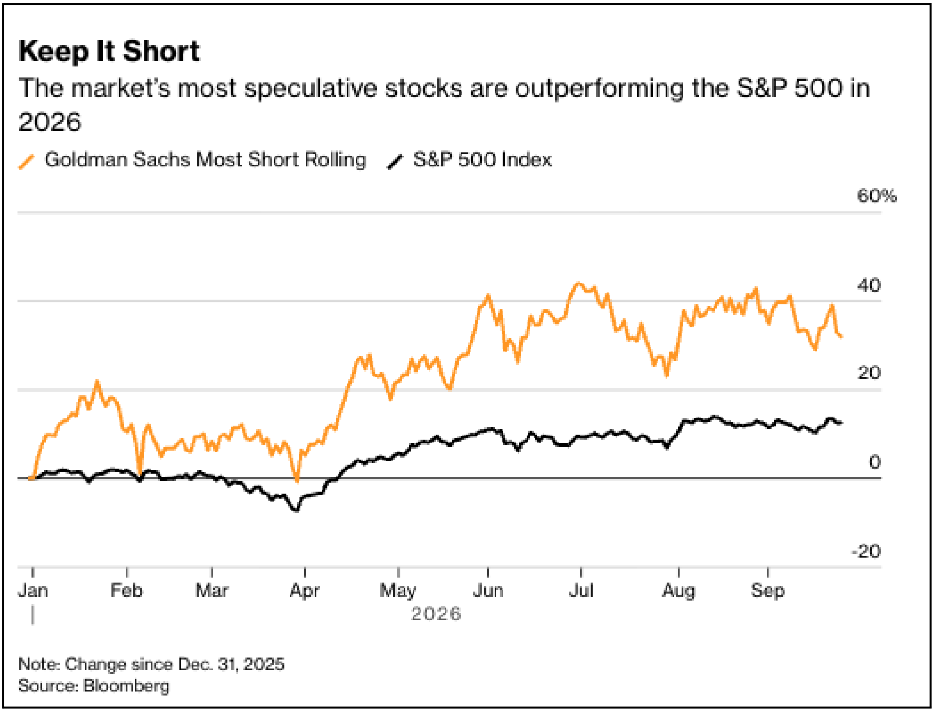
🏦 Technicals & Macro

Markets

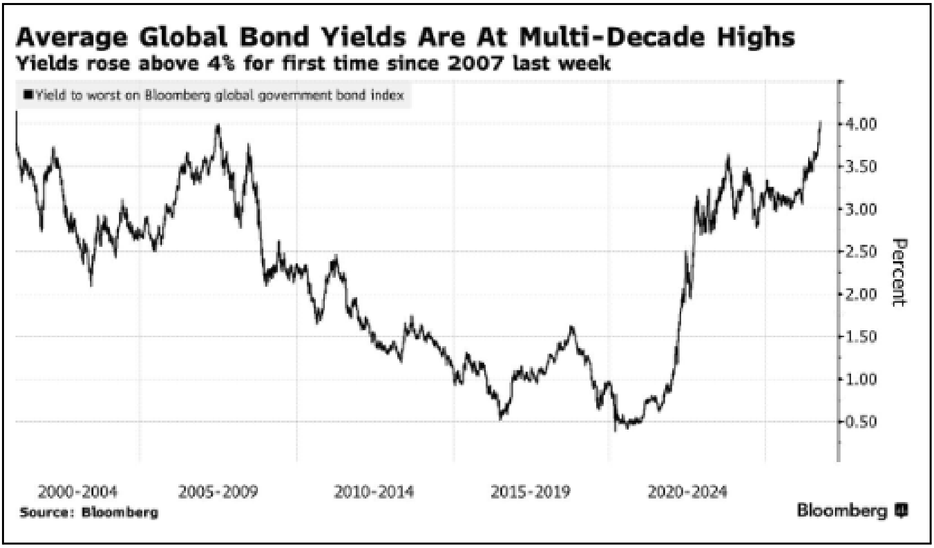
Two forces pulled in opposite directions last week, and risk assets sided with the constructive one. The US 10-year yield climbed to 5.18 percent on Friday, its highest since the global financial crisis, as a global bond selloff, firm US activity data and renewed oil strength kept further central bank tightening in view. Against that, equities and crypto both finished higher, supported by a record week of Bitcoin ETF demand, easing oil through most of the week and a modestly constructive Trump-Xi summit. The US-China trade truce was extended to 10 January, which removed a near-term tail risk even if the two-month extension fell short of the six months many had expected.

The weekend has already tested that optimism. Trump rejected Iran's proposal to reopen the Strait of Hormuz within seven days in exchange for lifting the naval blockade and unfreezing assets, and the Wall Street Journal reports he has told aides that US strikes are likely to resume after the November midterms. Brent has rebounded 1.7 percent to US$106.14 this morning. Trump has said he expects negotiators to re-engage this week, so the diplomatic channel remains open, but the market is once again pricing a longer conflict.

US equities recorded a solid week despite the move in yields. The S&P 500 rose 1.2 percent to 7,743.41, within 0.7 percent of its August record, while the Nasdaq Composite gained 2.1 percent to 27,068.72 on the back of a 3.1 percent Friday rally in information technology. The Dow added 0.3 percent to 51,828.62, snapping a three-week losing streak with a 479-point gain on Friday.



The Russell 2000 was the exception, falling 0.8 percent as small caps continued to absorb the rate pressure most directly. The divergence between large-cap technology and small caps is the clearest expression of the current regime: investors are prepared to hold earnings growth through higher yields, but not leverage.



The 10-year at 5.18 percent is now firmly above the 5 percent threshold first breached the prior week, and the move was global rather than US-specific. With the Fed having hiked on 16 September and inflation expectations rising sharply in the September University of Michigan survey, the front end remains anchored to further tightening while the long end absorbs heavy government and corporate issuance. The dollar retained a firm undertone on the rate differential, and AUD/USD fell to a seven-week low near 0.7026 on Thursday. USD/JPY sits near 157, where intervention risk remains.

Cryptocurrency

Bitcoin reached US$87,395 on Monday, its highest level since January, and trades near US$83,166 this morning, up approximately 2.2 percent on the week. Ether is broadly unchanged at US$2,652. Since the Treasury buyback announcement on 19 August, Bitcoin has gained roughly 35 percent.

The flow data is the headline. Spot Bitcoin ETFs recorded US$999 million of net inflows on 21 September, the largest single session of 2026, led by BlackRock's IBIT, ARK's ARKB and Fidelity's FBTC, and took in approximately US$2.4 billion for the week. That was sufficient to turn year-to-date flows positive for the first time since April, erasing a deficit that stood at US$5.7 billion in mid-July. The rally was partly mechanical, with close to US$919 million of short positions liquidated into the high, and Bitcoin has since retraced around 5 percent as daily inflows slowed over three consecutive sessions.

The level that now matters is US$80,000 to US$82,000, which corresponds both to CryptoQuant's 365-day moving average and to the estimated average cost basis of ETF holders. With the typical ETF buyer back in profit for the first time in months, a hold above that zone would convert the recent rally into a base, while a break back below it would put that same cohort underwater and invite redemptions.

The week's leadership came from a distinctly institutional corner of the market. Quant was the standout, up more than 300 percent over seven days and still adding over 40 percent in the past 24 hours to around US$270, a move of that magnitude in a US$3.9 billion asset that warrants caution on chasing. Around it sat a cluster of tokenisation and settlement-infrastructure names, with Ondo up roughly 37 percent, XDC 25 percent and Canton 22 percent, alongside oracle provider Pyth at 33 percent, which suggests the market is positioning around real-world asset and interoperability rails rather than pure speculation. Sui gained close to 30 percent and Ethena 25 percent, while Bitcoin Cash and Litecoin each added over 20 percent, a rare burst of strength from the legacy payments coins that coincides with Coinbase's launch of wrapped Litecoin on Solana. Pudgy Penguins rounding out the list at 23 percent is a reminder that some froth remains in the tape, and with several of these names already easing on the day, we would treat the breadth as constructive but the magnitude of the leaders as a sign the rotation is maturing.

For Bitcoin, the next supply wall is at US$88,000 to US$90,000. In our view the setup is constructive but dependent on flow persistence. The next leg requires the ETF bid to continue once the shorts are gone.

Emir Ibrahim

🖥️ Spot Desk

Digital assets firmed over the week, with BTC outperforming on the ETHBTC cross. Domestically, Thursday's labour force survey came in stronger than expected on the headline, with 39,500 jobs added against a 20,000 forecast and participation lifting to 67.1%, though unemployment still ticked up to 4.6% as the additional supply outpaced the hiring.

On the desk, stablecoin offramping drove the book, running at the heaviest pace in months. USDT accounted for the bulk of the turnover and carried a heavy net selling skew, with USDC similarly offered and USD bought against almost no sell interest.

Crypto flow ran against the price action. BTC saw only a modest net buying skew despite the move to a nine-month high, while ETH was bought heavily against almost no selling - clients adding to the underperformer rather than chasing the leader. PAXG was the only other position sold in any size. Participation elsewhere was minimal, with small net buying in TRX, DOGE and LTC and a token sale in SOL.

In FX, the RBA rate announcement is on tomorrow afternoon and a 25bp increase to 4.60% is now near fully priced, with all four majors aligned following Governor Bullock's 18 September testimony that the upside inflation risks previously identified were materialising. With the move itself well telegraphed, the statement language rather than the decision is the likely source of any volatility, and a hike alone is unlikely to move AUD much; August CPI the following morning is the larger risk. AUDUSD spent last week weakening on broad US dollar strength, opening near 0.7125, trading to a seven-week low around 0.7026 on Thursday and settling at 0.7019 at Friday's RBA reference. Desk AUD flow turned against that move, carrying a clear net buying skew after two consecutive fortnights of selling. AUD denominated stablecoins stayed active, with clients net redeeming both AUDD and AUDM into AUD over the week.

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.

Oliver Davis, OTC Trader

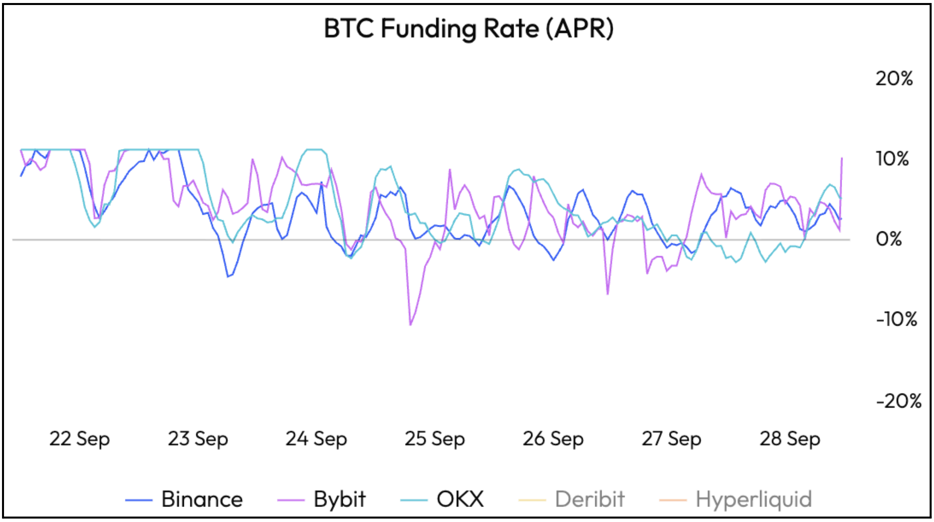
📈 Derivatives Desk

WHOLESALE INVESTORS ONLY

BTC started the week with a sharp move higher. Coinalyze data cited by CoinDesk showed traders adding more than $2bn of BTC futures open interest following the breakout, indicating that the rally was not only spot led. Data suggests that the move began with a combination of short-covering and fresh leveraged positioning rather than simply passive spot accumulation. BTC subsequently retraced from the highs and has consolidated around $84k into the weekend.

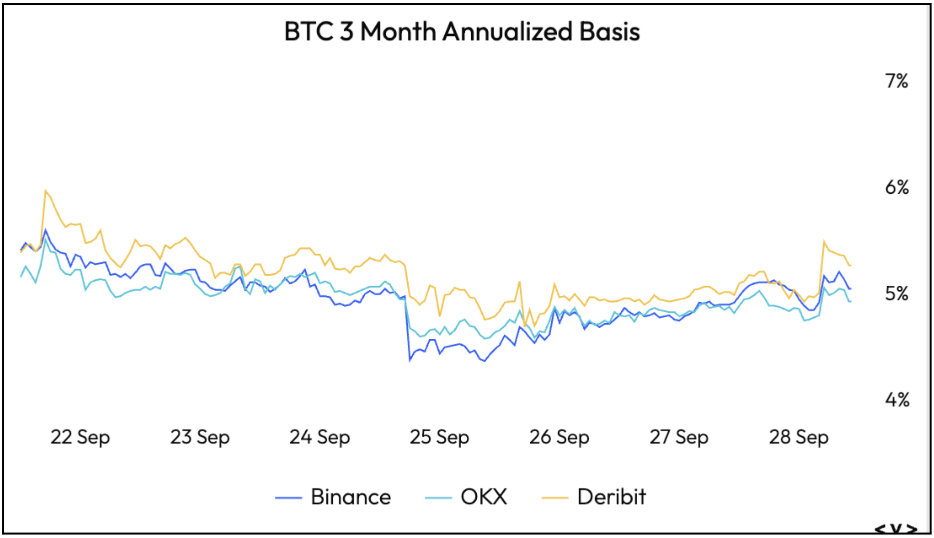
Friday brought the September quarterly options expiry, creating a meaningful reset in positioning going into Q4. Greeks.live estimated approximately 167,000 BTC options and 789,000 ETH options were due to expire, representing roughly 32% of BTC options open interest and 40% of ETH options open interest at the time of the snapshot. That’s a substantial amount of September positioning that has rolled off simultaneously.

Interestingly, the leverage built into Monday's move has not translated into stressed carry markets. By the weekend, BTC perpetual funding had normalised back toward zero: stablecoin-margined Binance and Bybit BTC perpetuals were around +0.001% per eight hours, with OKX around +0.002%, while several coin-margined contracts were actually negative. This is a significant change from the more uniformly positive funding environment earlier in the week. The market is no longer aggressively paying to stay long.

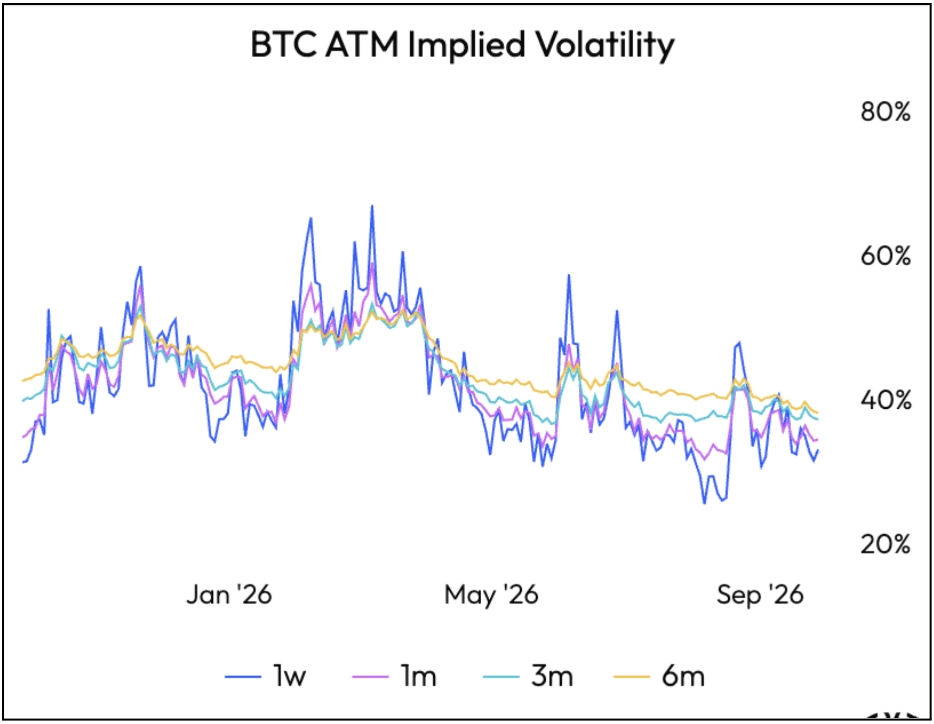


Source: Velodata

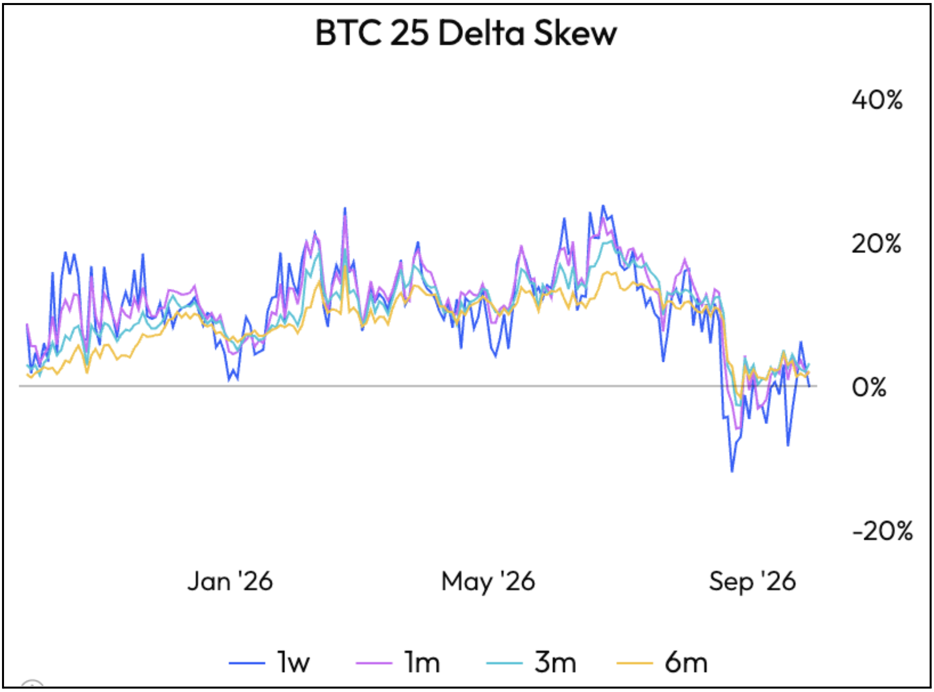
The calendar futures curve tells a similar story. December BTC futures are currently trading at approximately 4.9–5.2% annualised basis across Binance, Bybit and Deribit. ETH December basis is slightly softer, with Deribit contracts around 4.2–4.6% annualised. For BTC, this is healthy positive carry - and we expect it to normalise further, particularly given the benchmark curve in the US.



One-week BTC ATM implied volatility jumped to 38.96% during Monday's rally, but had fallen back to 30.64% by Saturday. One-month ATM IV is now around 33.7%, three-month around 37.1%, and the December expiry around 37.1%. The market has quickly priced the event risk back out despite BTC remaining above last week's levels.



Options skew has also normalised materially. BTC 25-delta skew, which spent much of the year firmly positive as investors paid a premium for upside calls, briefly flipped negative during the September sell-off. Since then, the move has largely unwound, with 1-week through 6-month skew now clustered around neutral. This suggests neither upside participation nor downside protection is currently commanding a significant premium — a notable reset in the volatility surface following the recent market swings.



Trade Idea: Buying upside convexity

With funding and basis contained, front-end implied volatility back in the low-30s, and the volatility smile still modestly skewed toward puts, we think 1–3 month BTC call spreads are becoming attractive for investors with a constructive directional view.

The structure provides defined downside while retaining participation in another move higher, and importantly avoids paying the elevated upside skew that often accompanies BTC rallies. For investors already long spot, we would be less enthusiastic about mechanically selling calls at current volatility levels; the premium available is relatively modest compared with the potential opportunity cost should BTC make another significant move.

The broader derivatives signal remains constructive: Monday's breakout initially attracted leverage, but funding subsequently normalised, futures basis remains around 5%, and implied volatility has compressed sharply. Price has moved higher without the derivatives market remaining overheated.

That leaves us favouring long, defined-risk convexity over short-vol carry at current levels.

Safe trading out there!

Jon de Wet

CIO

👀 What to Watch

Mon: AU Household Spending, US Dallas Fed Manufacturing Index

Tue: RBA Interest Rate Decision, US JOLTs Job Openings

Wed: AU Inflation Rate YoY, AU Building Permits, US ADP Employment Change

Thu: US ISM Manufacturing PMI, US Initial Jobless Claims, EA Inflation Rate Flash

Fri: US Non Farm Payrolls, US Unemployment Rate

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