ABL Digital Cryptoglobal Weekly

Cross-Exchange Crypto Analytics | week ending 2026-08-17

15 majors + derivatives, options & flows | BTC dominance 56% | 1827 days

REGIME: Risk-on

EXECUTIVE SUMMARY

The market sits in a statistically risk-on regime (Markov posterior 0.796 risk-on, only 0.03 risk-off) that the tape has not yet validated: the composite risk-appetite scorecard reads −0.05 (Neutral) and Fear & Greed is 31. That gap is the whole story. Read it as constructive-but-unconfirmed and lean cautiously long BTC and ETH with tightly defined risk, not broad alt exposure. This is not an alt-season: BTC dominance is 56.4%, alt breadth is 43% of majors beating BTC over 30d, and the coin_breadth component is the single worst score in the book at −1.73. Favour the quality complex — BTC (fair-value model: cheap −49.7%, z −2.47, R^2 0.76), ETH (+1.9% 7d, the strongest large-cap leg and a net Granger leader), LINK (+14.6% 7d, +1% 90d, one of only two majors positive on the quarter) — and fade the high-beta long tail: DOT (−6.1% 7d, −38% 90d), ADA (−8.8% 7d), BCH (−4.0%, −45% 90d), SUI (−36% 90d), and SOL on a relative basis, where the cointegration model flags it RICH +48% versus ETH (R^2 0.71).

Three developments matter this week. First, leverage has been flushed: BTC funding is 0.009%/8h, ETH 0.006%, SOL outright negative at −0.002%, with basis at −3bp, −3bp and −5bp respectively — a backwardated, de-levered curve. That is a lower-fragility setup where rallies are harder to liquidate, and it is the main technical argument for staying long here. Second, volatility is cheap and complacent: BTC DVOL 34.2 with a front IV term structure of 20/21/23/24 rising to 28 by 28 Aug, put/call 0.56, 25d skew +12.4. Upside optionality and calendar structures are inexpensive; selling premium into this is poorly compensated. Third, the diversification case has weakened — BTC~Gold correlation has flipped up to +0.46 on 90d from +0.17 on 365d while BTC~DXY has gone to −0.43, so crypto is trading as a pure short-dollar liquidity asset rather than a hedge.

The biggest risk is that the risk-on regime is a statistical artefact of a drawdown-compressed sample and that BTC's −49.7% fair-value discount is a broken model, not an opportunity. BTC is 48% below its high, ETH 61%, SOL 70%; BTC ES5 is −16.7%, so a bad week is a sixth of capital. Concretely: a loss of the 61,000–62,000 zone (below max-pain 65,000 and spot 64,343) with dominance pushing above 58% and stablecoin supply rolling over from $307bn would confirm the bear case and argue for cutting alt exposure to zero. Conversely, BTC reclaiming 68,000–70,000 with dominance easing below 55%, breadth above 50%, and stablecoin supply accelerating past +0.5%/wk would validate the regime and justify adding beta. Watch the DCC-GARCH BTC~Nasdaq correlation at +0.40: a move above +0.60 means macro is driving and crypto-specific views stop paying.

Crypto Dashboard

Market state and the week's key readings across majors, options and flows.

REGIME	BTC DOM	BTC DVOL	FEAR&GREED
Risk-on	56%	34	31

MAJORS (price | 7d | 30d | 90d)

BTC	63,974.21	+0.1%	-1.3%	-16.6%
ETH	1,906.33	+1.9%	+2.4%	-9.7%
SOL	75.85	-0.1%	+0.5%	-9.9%
BNB	605.93	+1.2%	+6.3%	-5.2%
XRP	1.00	-0.7%	-8.1%	-26.2%
DOGE	0.07	+1.1%	-2.8%	-31.6%
ADA	0.17	-8.8%	+4.5%	-29.8%
AVAX	6.32	-1.8%	-3.9%	-30.6%
LINK	9.50	+14.6%	+13.8%	+0.5%
TRX	0.33	+0.3%	+1.8%	-6.9%
DOT	0.76	-6.1%	-9.6%	-38.3%
NEAR	1.64	+2.1%	-15.3%	+2.3%
LTC	44.33	-1.7%	-5.7%	-18.5%
BCH	204.61	-4.0%	-7.0%	-44.6%
SUI	0.68	-1.2%	-9.0%	-35.7%

ETH/BTC 0.02980 | alt-breadth 43% of majors beating BTC (30d)

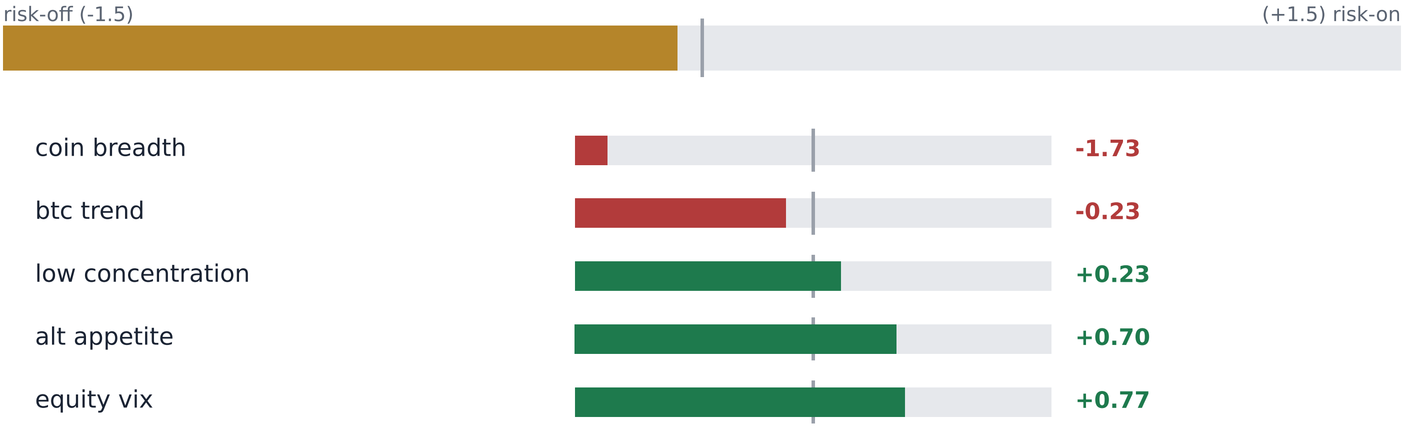
CRYPTO CROSS-ASSET SCORECARD

Crypto risk appetite and the macro (equity/dollar/rates) backdrop that drives it

CRYPTO RISK APPETITE

Neutral

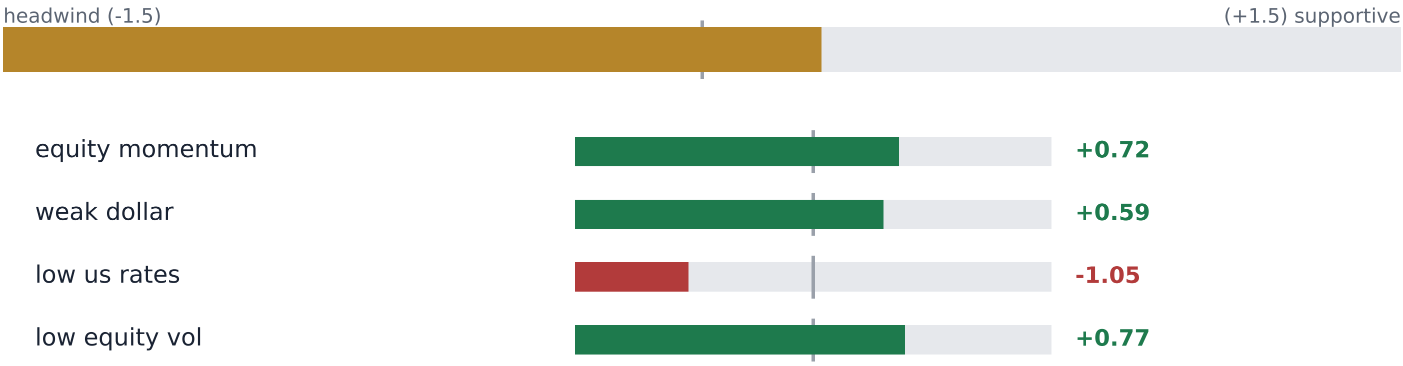
score -0.05



MACRO BACKDROP (equity/dollar/rates)

Neutral backdrop

score +0.26



Each component is a multi-year z-score, sign-aligned so higher = risk-on / more supportive; the headline is their average. The macro backdrop reads equity momentum, the dollar, US rates and equity volatility — crypto's key drivers.

WHAT CHANGED THIS WEEK

Week-over-week moves and how the market-state readings shifted · 2026-08-17

TOP GAINERS

LINK	+14.6%
EM Equity	+4.0%
Gold	+2.7%
Silver	+2.3%
NEAR	+2.1%
ETH	+1.9%
BNB	+1.2%
ATOM	+1.2%

TOP DECLINERS

MKR	-17.5%
UNI	-16.6%
APT	-11.7%
ADA	-8.8%
OP	-8.2%
INJ	-6.5%
ARB	-6.1%
DOT	-6.1%

KEY LEVELS — week-over-week

BTC	63,974.2	+0.1%	Gold	4,479.9	+2.7%
ETH	1,906.3	+1.9%	DXY	99.5	-0.3%
SOL	75.8	-0.1%	VIX	14.9	-0.5
XRP	1.0	-0.7%	US 10Y	4.7	+0.0
Nasdaq	26,741.5	+0.5%	S&P 500	7,769.9	+0.2%

MARKET-STATE READINGS — now vs prior report

Regime	prior: N	->	**Risk-on**
Risk appetite	prior: -0.11	->	**-0.05**
Macro backdrop	prior: +0.26	->	**+0.26**
PC1 share	prior: 48	->	**48%**

The fastest orientation: what actually moved and how the headline state shifted since last week. VIX/rate/spread increases are shown as adverse (red).

Cryptoglobal Analysis

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The biggest risk is that the risk-on regime is a statistical artefact of a drawdown-compressed sample and that BTC's −49.7% fair-value discount is a broken model, not an opportunity. BTC is 48% below its high, ETH 61%, SOL 70%; BTC ES5 is −16.7%, so a bad week is a sixth of capital. Concretely: a loss of the 61,000–62,000 zone (below max-pain 65,000 and spot 64,343) with dominance pushing above 58% and stablecoin supply rolling over from $307bn would confirm the bear case and argue for cutting alt exposure to zero. Conversely, BTC reclaiming 68,000–70,000 with dominance easing below 55%, breadth above 50%, and stablecoin supply accelerating past +0.5%/wk would validate the regime and justify adding beta. Watch the DCC-GARCH BTC~Nasdaq correlation at +0.40: a move above +0.60 means macro is driving and crypto-specific views stop paying.

Regime, Scorecard & Market State

The Markov model fitted on 1,827 days of BTC returns puts a 0.796 posterior on the risk-on state, 0.174 on neutral and effectively nothing — 0.03 — on risk-off. Taken alone that is an aggressive signal. But regime models classify on the volatility and drift signature of recent returns, and after a −48% drawdown the market's realised volatility has compressed enough to look "calm-and-recovering" without actually delivering returns. The evidence: BTC is +0.1% over 7d, −1% over 30d and −17% over 90d. That is a market that has stopped falling, not one that is rising. The honest read is that the regime signal is describing volatility structure, and the price series has not yet confirmed the direction.

The composite scorecards say the same thing more soberly. Risk appetite is −0.05, dead neutral, but the internal dispersion is what matters: coin_breadth at −1.73 is a severe negative, btc_trend is −0.23, while alt_appetite (+0.70), equity_vix (+0.77) and low_concentration (+0.23) carry the offsetting weight. In plain terms, the constructive part of the score is borrowed from external conditions — equity volatility is low, and there is some appetite at the margin — while the internal health of the crypto complex is poor. A market can be held up by a benign macro backdrop for a while, but breadth this weak means any macro deterioration lands on a thin bid.

Macro backdrop reads +0.26 (Neutral) with the same internal split: equity_momentum +0.72, low_equity_vol +0.77, weak_dollar +0.59 all supportive, but low_us_rates at −1.05 dragging hard. Rates are the binding constraint. Crypto is being helped by a soft dollar and a calm equity tape and hurt by the cost of money, and until the rates component improves, the backdrop is a ceiling rather than a launchpad. Fear &

Greed at 31 versus 30 a week ago confirms sentiment has flatlined at Fear — no capitulation, no enthusiasm, just resignation. Positioning-wise, that argues for accumulating rather than chasing: buy weakness in the majors, do not pay up for strength that breadth cannot support.

Bitcoin Dominance & Alt-Season

BTC dominance at 56.4% against ETH's 10.1% and a total market cap of $2.28tn defines this as a BTC-led tape with a weak periphery. The ETH/BTC ratio at 0.0298 is the cleaner tell — ETH has not made a sustained bid for leadership even while outperforming on the week (+1.9% vs BTC +0.1%). Alt breadth at 43% of majors beating BTC over 30d is below the 50% line that separates a broadening tape from a narrowing one, and it is the direct source of the −1.73 coin_breadth reading in the risk-appetite scorecard.

The 90-day return distribution shows how brutal the dispersion is. BTC is −17%, and the median major is materially worse: BCH −45%, DOT −38%, SUI −36%, DOGE −32%, AVAX −31%, ADA −30%, XRP −26%. Only two names are positive on the quarter — LINK +1% and NEAR +2% — and NEAR's is on the back of a −15% 30d, so it is noise around a downtrend rather than genuine strength. LINK is the exception with substance: +14.6% on the week, +14% on 30d and positive on 90d, the only major with a coherent uptrend across all three horizons, and its cointegration model against ETH and BTC has an R^2 of 0.78 with a residual of essentially zero (z −0.03), meaning the move is fairly valued rather than stretched.

For an investor, the operational conclusion is that alt-season is not underway and should not be positioned for. Alt-season requires dominance falling, breadth above 50%, and the long tail outperforming — none of the three is present. The correct expression of a constructive view here is concentrated in BTC and ETH with a satellite in LINK, not a diversified alt basket, because a diversified alt basket in a 43%-breadth tape is a structurally losing trade: you take the full drawdown of the weak names and get BTC's return at best. The trigger that would change this is breadth crossing 50% while dominance breaks below 55% — until both happen together, treat every alt rally as a rotation, not a regime change.

Factor Structure & Systemic Risk

The PCA over 39 instruments returns PC1 at 48% (labelled Ethereum beta, functionally crypto beta), PC2 equity risk via Nasdaq at 9%, PC3 US 10Y inverse at 6%, and PC4 gold at 4%. Restricted to the majors alone, PC1 explains 64% of variance. The interpretation is blunt: roughly half of all variance across the investable universe, and nearly two-thirds within the majors, is one factor — direction. Everything else combined, including all macro exposure, accounts for under 20%.

This has a direct portfolio consequence that most crypto investors get wrong. A portfolio of ten majors is not a diversified portfolio; it is a leveraged position in PC1 with idiosyncratic drag. The pairwise correlations confirm it: ETH~BTC +0.89 on 365d and +0.88 on 90d, XRP~BTC +0.86/+0.85, SOL~BTC +0.85/+0.83, BNB~BTC +0.77/+0.72. BNB at 0.72 on 90d is the only major offering meaningful decorrelation, and it is also the best 30d performer among the large caps at +6%. Adding names does not reduce risk here — it adds beta while diluting the two assets (BTC, ETH) that have the deepest liquidity and the clearest fair-value support.

The multivariate DCC-GARCH systemic gauge puts average pairwise conditional correlation at +0.32, identical to +0.32 a year ago, with persistence 0.8976. This is the one genuinely reassuring number in the briefing. Co-movement is at a normal level and stable, not elevated — the complex is not in a stress state where everything moves as one, which is what you see at crisis peaks. High persistence (0.90) means this level is sticky, so it is unlikely to spike without a genuine shock. Practically: idiosyncratic selection still has room to add value at the +0.32 level, but the 0.64 PC1 concentration within the majors means that value comes from choosing which majors, not from owning more of them. If that +0.32 starts climbing toward +0.50, the diversification benefit of security selection collapses and the only decisions left are gross exposure and hedging.

Cross-Asset Correlation & Lead-Lag

The DCC-GARCH BTC~Nasdaq conditional correlation stands at +0.40 with persistence 0.6952, against a static 365d correlation of +0.45 and a 90d of +0.35. Crypto is trading as a macro risk asset, but only moderately so — at +0.40 roughly a sixth of BTC's variance is shared with equities, leaving the majority crypto-specific. The lower persistence (0.70 versus 0.98–0.99 for the intra-crypto pairs) is important: this correlation is unstable and mean-reverts quickly, which means it is unreliable as a hedging parameter. Sizing a Nasdaq hedge off +0.40 will work until it doesn't. Below roughly +0.30 crypto-specific catalysts dominate and single-name work pays; above +0.60 the asset class is a beta expression and macro positioning matters more than coin selection.

The more consequential cross-asset shift is gold. BTC~Gold has risen to +0.46 on 90d from +0.17 on 365d — a near-tripling — while BTC~DXY has moved to −0.43 on 90d from −0.19 on 365d. Read together, BTC is now trading as a dollar-debasement/liquidity asset alongside gold rather than as an independent store of value. Two implications: the "uncorrelated diversifier" case for BTC in a multi-asset portfolio is materially weaker at these levels, and BTC's near-term path is more sensitive to the dollar than to equities. A dollar rally is now the cleanest macro threat to crypto — more so than an equity selloff. BTC~US10Y at −0.15 on 90d (from −0.05 on 365d) is directionally consistent but too weak to trade off.

The Granger network identifies net leaders as US 10Y, ETH, Nasdaq and BNB, with followers XRP, DOGE, BTC and DXY. Be explicit: weekly Granger predictive skill is MODEST. These are statistical lead-lag tendencies over a long sample with small effect sizes, not a trading signal, and they break down exactly when you most want them — in fast markets. Used correctly, the network is a confirmation filter rather than an entry trigger. The useful structural point is that rates and equities lead crypto, not the reverse, which reinforces the macro-follower framing above; and that ETH and BNB lead while BTC follows suggests the risk impulse currently originates in the smart-contract complex and propagates to BTC, so ETH weakness would be an early warning for BTC rather than a lagging confirmation.

Relative Value & Fair Value

Five cointegration/fair-value models clear the $R^2 \geq 0.4$ bar, and their dispersion is unusually wide. Bitcoin against equities, the dollar and rates screens cheap by −49.7% at z −2.47 on an R^2 of 0.76. That is a well-fitted model showing a two-and-a-half sigma dislocation. Two readings compete. The constructive one: given the macro inputs — supportive equity momentum, a weak dollar — BTC "should" be roughly double its price, and mean reversion is the highest-expected-value trade in the book. The sceptical one: a −2.47 z on a model with strong historical fit is exactly what a structural break looks like from the inside, and the residual may be telling you that crypto's relationship to macro has changed (post-drawdown, post-deleveraging) rather than that BTC is mispriced. The honest position is to treat this as a strong tailwind for a long BTC bias rather than as a standalone trade, and to size it accordingly — a −2.47 z can go to −3.5 before it reverts.

The cleaner, more actionable signal is the relative-value pair. Solana screens RICH +48% versus ETH (z +0.86, R^2 0.71), while Ether against BTC and equities is at fair value (−1.0%, z −0.05, R^2 0.61). The SOL/ETH residual is the standout: a well-fitted model with a large positive residual, and it is corroborated by the tape, where SOL is −0.1% on the week and −10% on 90d despite the richness. This argues for expressing crypto beta through ETH rather than SOL, and for a long-ETH/short-SOL relative-value position for investors who run pairs. Note the z of +0.86 is moderate even though the level is +48% — the residual is volatile — so this is a lean, not a conviction short.

Dogecoin screens cheap −50.1% versus BTC (z −2.07, R^2 0.55). Treat it with the most scepticism of the five: the lowest R^2 in the set, and DOGE is −32% on 90d with no fundamental anchor to force reversion. A meme asset can stay 50% "cheap" against a regression indefinitely because the regression has no economic mechanism behind it. Chainlink at −0.6% (z −0.03, R^2 0.78) is the best-fitted model in the book and shows LINK's +14.6% week has not made it expensive — the move was matched by its ETH and BTC drivers. LINK remains fairly valued after a 15% week, which is the strongest argument that the strength is real rather than a squeeze.

Derivatives, Options & Volatility

The perpetual complex is as clean as it gets. BTC funding is 0.009%/8h, ETH 0.006%, and SOL outright negative at −0.002%, against OI of $6.9bn, $4.6bn and $0.7bn respectively. Annualised, BTC funding is under 10% — barely above the cost of carry — and negative SOL funding means shorts are paying longs. Basis is negative across all three (BTC −3bp, ETH −3bp, SOL −5bp), a backwardated futures curve where spot trades above futures. That combination is the signature of a market that has already been de-levered: there is no crowded long to liquidate, which structurally caps the depth of a flush. For a constructive investor this is the single best technical argument for engaging here — the asymmetry of a forced-liquidation cascade has largely been removed. The corollary is that there is also no short squeeze fuel of consequence; a rally has to be bought with real spot money, not manufactured by liquidations. Negative SOL funding is the one place where a squeeze is available, which sits awkwardly against the +48% rich fair-value reading — a reason to keep the SOL short as a relative-value leg rather than an outright.

Options are priced for calm. BTC DVOL at 34.2 is low in absolute terms and the front term structure is steeply upward-sloping: 20 on 18 Aug, 21 on 19 Aug, 23 on 20 Aug, 24 on 21 Aug, and 28 by 28 Aug. Near-dated vol at 20 with a jump to 28 within ten days means the market is pricing near-term quiet and a specific event further out — calendar spreads (long the 28 Aug, short the front) are the structurally indicated expression. Put/call at 0.56 shows call-heavy positioning on 337,362 BTC of open interest, and 25d skew at +12.4 is strongly call-skewed. Note the tension: put/call and skew both say the options market is positioned for upside, while spot, breadth and sentiment (F&G 31) say otherwise. When skew is this positive and DVOL this low, downside protection is cheap in both absolute and relative terms — buying puts here is the highest-value hedge available, and it is priced as an afterthought.

ETH options tell a similar story with more vol: DVOL 45.9, roughly 34% above BTC's, term structure 28 rising to 37 by 28 Aug, put/call 0.51 and skew +3.7. The much flatter ETH skew versus BTC's +12.4 is notable — the ETH market is far less one-sided, which is more consistent with the fundamentals (ETH at fair value, leading the Granger network, best major performance on the week). Max-pain sits at 65,000 for BTC against spot 64,343 and 1,950 for ETH against 1,912 — both roughly 1-2% above spot, a mild pin higher into expiry that is too small to trade on its own but argues against expecting a violent downside break in the immediate term.

Flows, Stablecoins & the OTC Question

Stablecoin supply is $307bn, up 0.1% over 7 days. This is the market's dry powder — capital parked in the crypto rails, ready to be deployed but not deployed. The level is substantial; the change is what matters, and +0.1% is flat. No new money is arriving, and none is leaving. That is entirely consistent with the rest of the picture: a market that has stopped falling, has de-levered, and is waiting. For positioning, a flat stablecoin supply removes the fuel argument for a broad-based rally — a genuine alt-season needs supply expanding meaningfully, because the marginal alt buyer funds from stables. Watch for acceleration above roughly +0.5%/week as the confirming signal for adding risk, and for outright contraction as the signal that capital is exiting the ecosystem entirely, which would be the more serious development.

DeFi TVL at $75bn, −0.5% on the week, adds a mildly negative on-chain read. TVL is partly a price effect, so a −0.5% week against a roughly flat majors tape implies modest genuine outflow rather than pure mark-to-market. Combined with flat stables, the on-chain picture is one of slow, unpanicked disengagement — not capitulation, but not accumulation either.

On OTC, be direct about what is knowable. True OTC volume is opaque. There is no reliable public aggregate — desks do not report, and much of the flow settles bilaterally without touching an exchange or leaving an unambiguous on-chain footprint. Anyone quoting a precise OTC number is estimating and presenting it as measurement. What we have is a proxy set: stablecoin supply as a measure of settled dry powder, and on-chain flow as a directional indicator. On that proxy basis, the inference is a flat one — $307bn of stables essentially unchanged and TVL slightly down does not suggest large-scale institutional accumulation is occurring off-screen. It equally does not rule it out, because OTC accumulation can be funded from fiat that never becomes a stablecoin. The correct posture is to treat the absence of a stablecoin build as weak evidence against a hidden bid, and to not construct a thesis on unobservable flow. If institutional accumulation is happening, it will eventually show up in the observable series — dominance rising with stablecoin supply expanding — and that combination is worth watching for specifically.

Tail Risk & What to Watch

The expected shortfall numbers set the sizing constraint. BTC ES5 is −16.7%, ETH −23.3%, SOL −29.4%: in the worst 5% of weeks, those are the average losses. An equal-weight BTC/ETH/SOL position carries roughly a −23% conditional tail, and because PC1 explains 64% of majors' variance, those tails arrive together — you do not get to net them. Current drawdowns compound the point: BTC −48% from its high, ETH −61%, SOL −70%. These are not assets in a mild correction; SOL requires a 233% rally simply to recover its prior high. The asymmetry of drawdown mathematics is why the risk-on regime posterior should not translate into aggressive sizing, and why the correct expression here is a moderate position in the two deepest, best-supported assets rather than a full-beta book.

The core risk to the constructive view is that the 0.796 risk-on posterior and the −49.7% BTC fair-value discount are both artefacts of the same thing — a market that has fallen far enough that volatility has compressed and macro-based regressions have broken. If crypto's relationship to equities, the dollar and rates has structurally changed, the BTC model is not identifying value, it is measuring a regime break, and the −2.47 z extends rather than reverts. Weak breadth (43%), negative coin_breadth (−1.73) and flat stablecoin supply are all consistent with that bearish alternative.

Signals that would confirm the constructive view: BTC reclaiming 68,000–70,000 on expanding volume; alt breadth crossing 50%; BTC dominance easing below 55%; stablecoin supply accelerating above +0.5% per week; funding rising into the 0.02–0.03%/8h range and basis turning positive (healthy demand returning without froth); DVOL holding under 40 as spot rises; and the risk-appetite scorecard turning positive on a breadth improvement rather than on borrowed equity-vol strength. Signals that would break it: BTC losing 61,000–62,000, which sits below both spot and max-pain and would invalidate the base; dominance pushing above 58% with breadth deteriorating further, indicating a defensive rotation into BTC that historically precedes broad drawdowns; stablecoin supply contracting outright; DVOL spiking above 50 with 25d skew collapsing from +12.4 toward or below zero as calls are abandoned for puts; funding turning persistently negative across BTC and ETH rather than just SOL; and the DCC-GARCH BTC~Nasdaq correlation rising above +0.60, which would mean crypto has become a pure macro beta and every crypto-specific signal in this note — fair value, lead-lag, relative value — stops paying until it normalises.

PART I

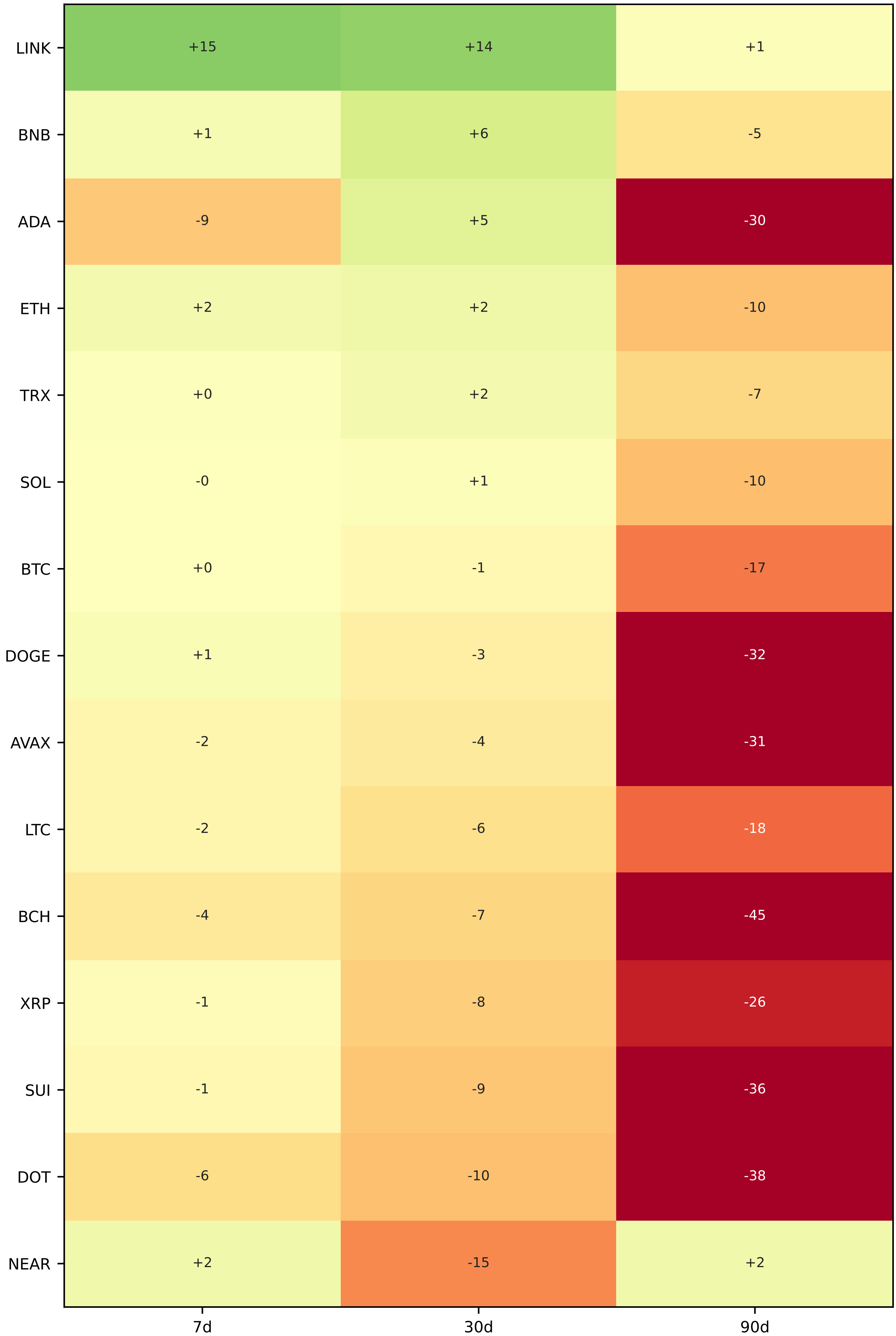
Market, Derivatives & Flows

The crypto tape, positioning and on-chain/derivatives internals.

- Returns, dominance & alt-season, derivatives (funding/OI/basis)
- Options (DVOL, put/call, skew, max-pain), stablecoins & DeFi TVL flows

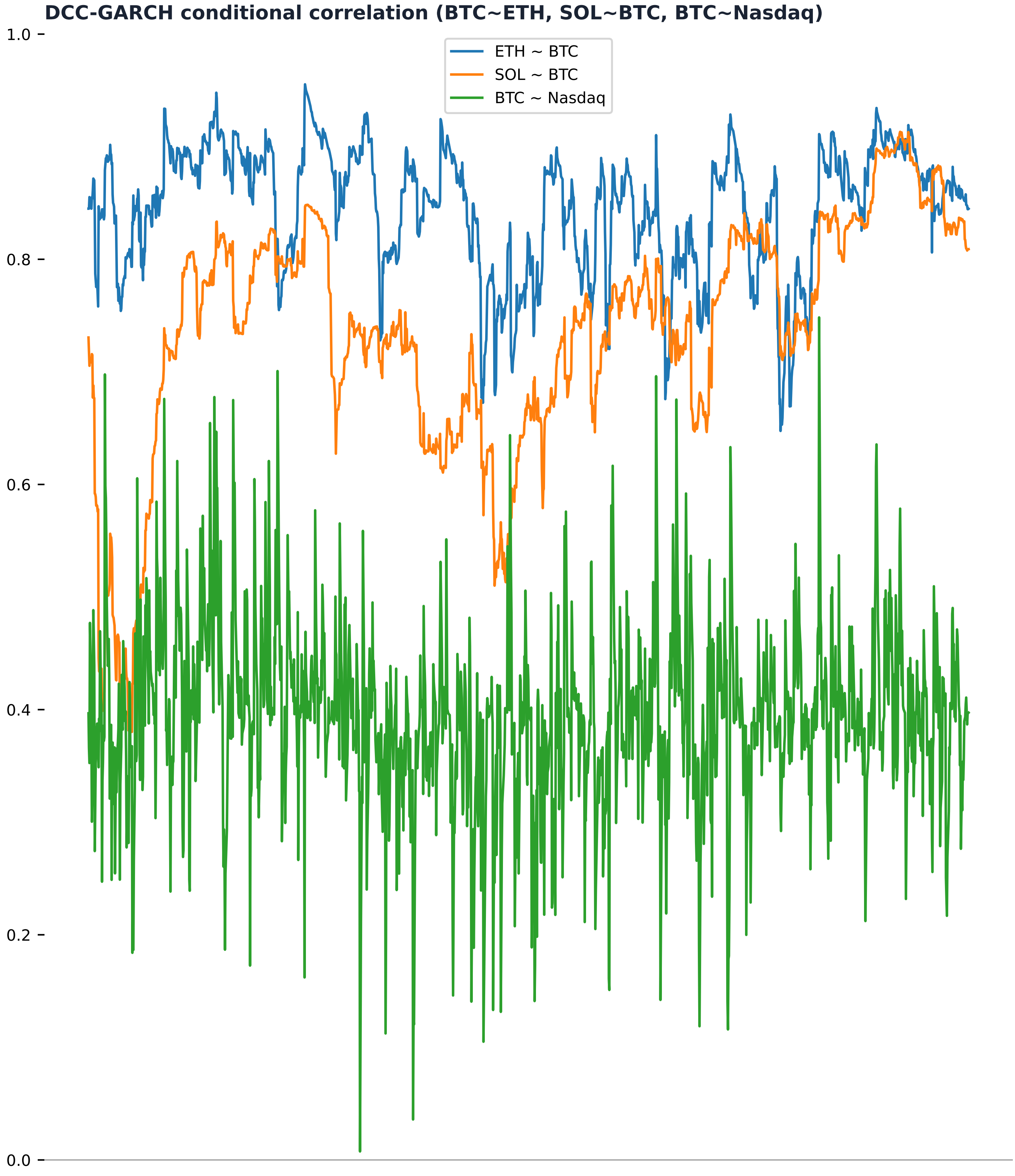
Returns Heatmap

Price return (%) by coin over 7 / 30 / 90 days.



Regime & Conditional Correlations

Markov-switching regime on BTC: Risk-on. Posterior: Neutral 0.17, Risk-on 0.80, Risk-off 0.03



Now: ETH ~ BTC +0.84, SOL ~ BTC +0.81, BTC ~ Nasdaq +0.40. A rising BTC~Nasdaq correlation = crypto trading as a macro risk-asset.

Perpetual Derivatives & Positioning

Binance USD-M perps: funding (leverage/sentiment), basis, open interest. Positive funding = longs pay shorts (crowded long).

COIN	FUNDING %	BASIS (bp)	OI ($bn)
BTC	+0.009	-3	6.90
ETH	+0.006	-3	4.56
SOL	-0.002	-5	0.66

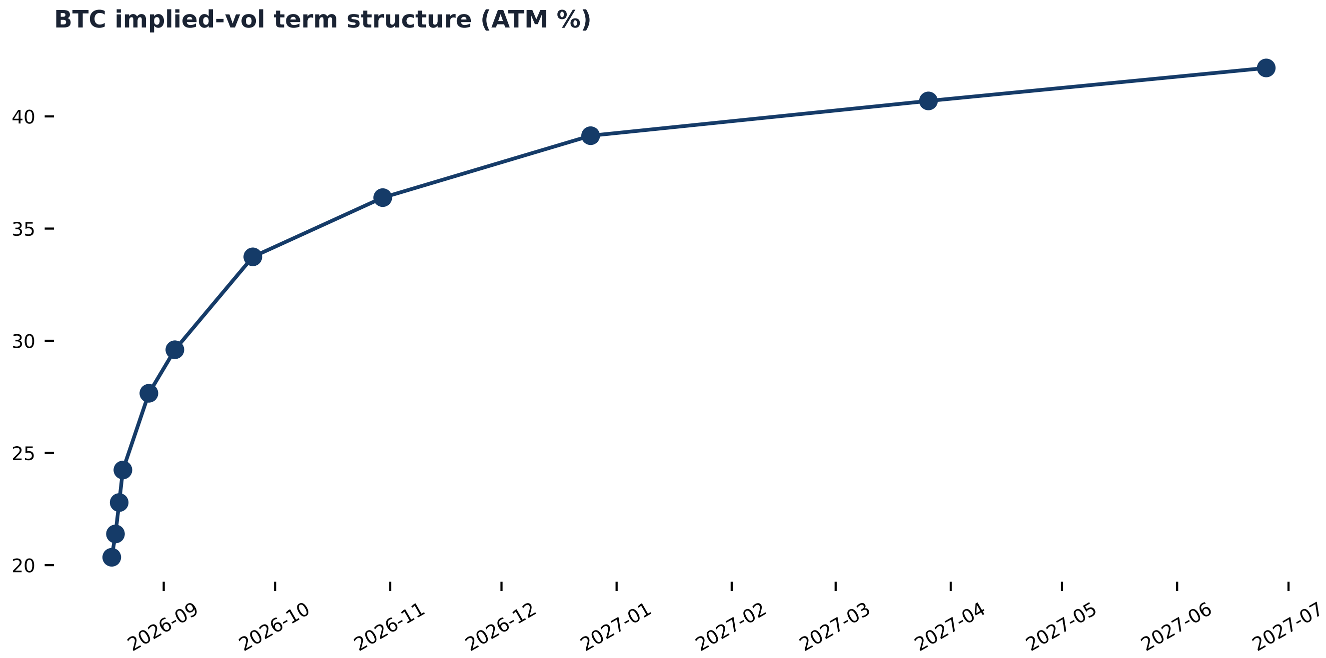
For inquiries, contact admin@abldigitech.com

Options & Volatility (Deribit)

BTC & ETH options: DVOL, open interest, put/call, max-pain, 25d skew and the implied-vol term structure.

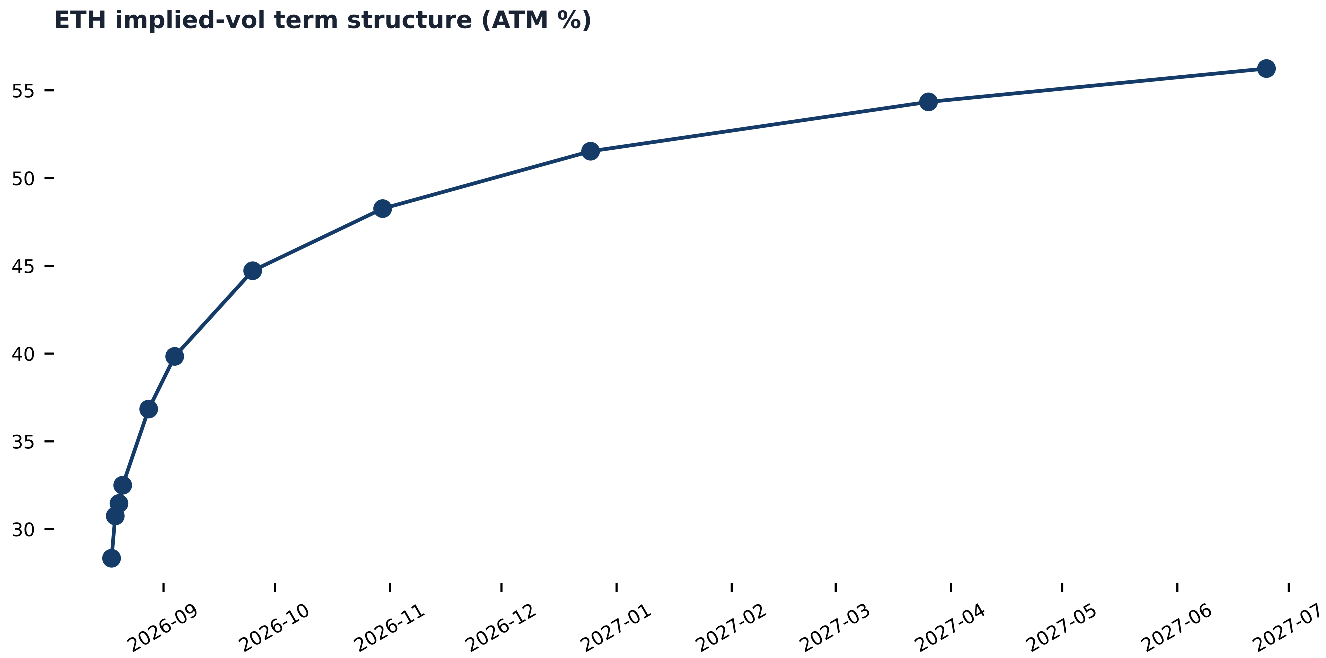
BTC

DVOL 34.2 | OI 337,362 BTC | put/call 0.56 | max-pain 65,000 (spot 64,343) | 25d skew +12.4



ETH

DVOL 45.9 | OI 1,537,307 ETH | put/call 0.51 | max-pain 1,950 (spot 1,912) | 25d skew +3.7



Flows, Stablecoins & the OTC Question

Stablecoin supply = fiat 'dry powder'; DeFi TVL = on-chain risk appetite. True OTC volume is opaque (private, off-order-book) and is PROXIED by these on-chain flows - there is no clean OTC tape.

Stablecoin supply	**$307 bn**	+0.1% 7d
DeFi TVL	**$75 bn**	-0.5% 7d
Fear & Greed	**31 (Fear)**	vs 30 a week ago
BTC dominance	**56.4%**	
Total crypto mcap	**$2.28 T**	

Deeper on-chain (exchange net-flows/reserves, whale wallets, NUPL/SOPR) needs a paid on-chain key (Glassnode/CryptoQuant) - the free build uses stablecoin & TVL flows as the accumulation/distribution proxy.

PART II

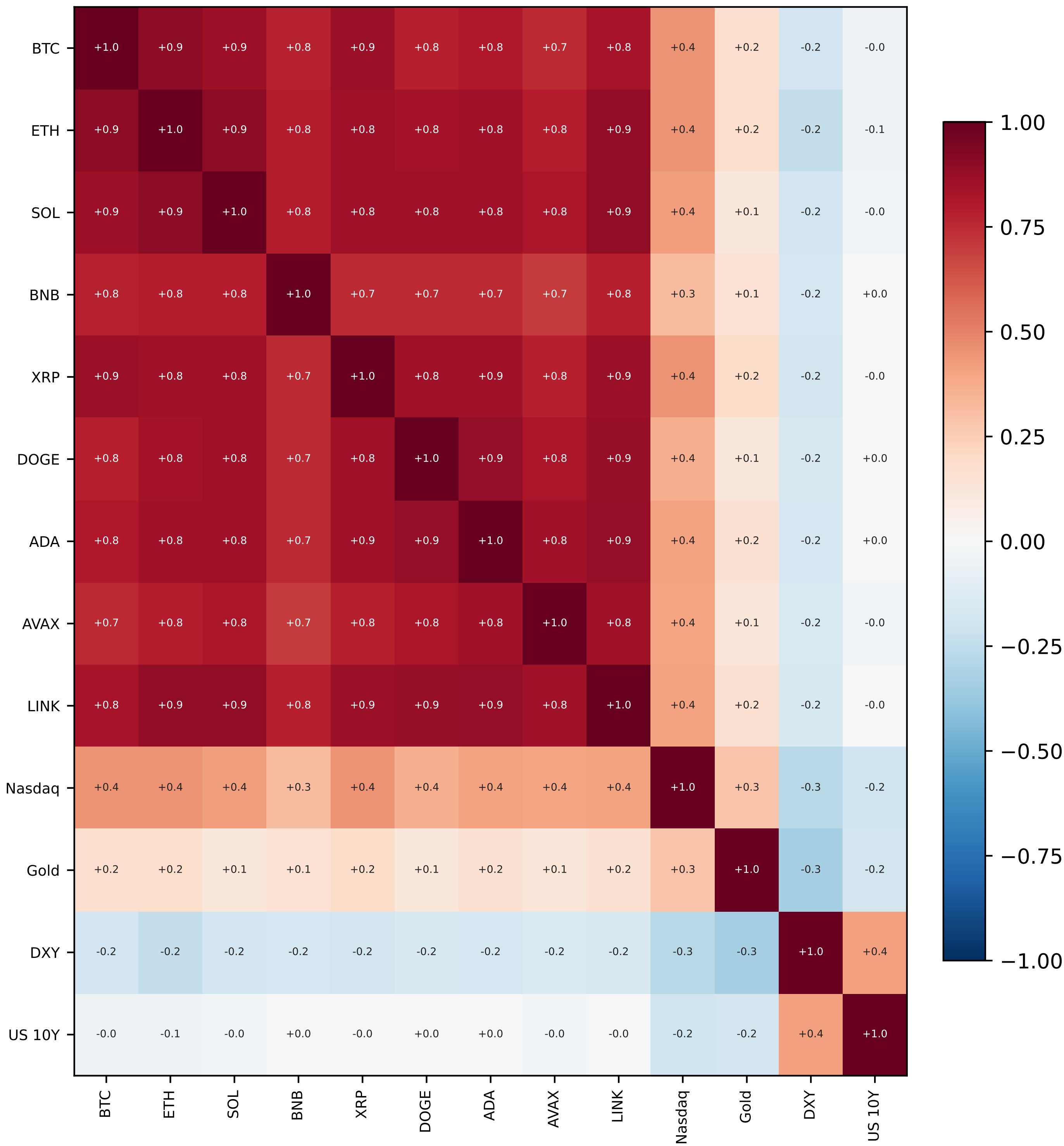
Cross-Asset Structure

How the coins and macro move together — factor structure, systemic co-movement, directional lead-lag and relative value.

- PCA factor model & multivariate DCC conditional-correlation
- Correlation, wavelet coherence, Granger causality & cointegration

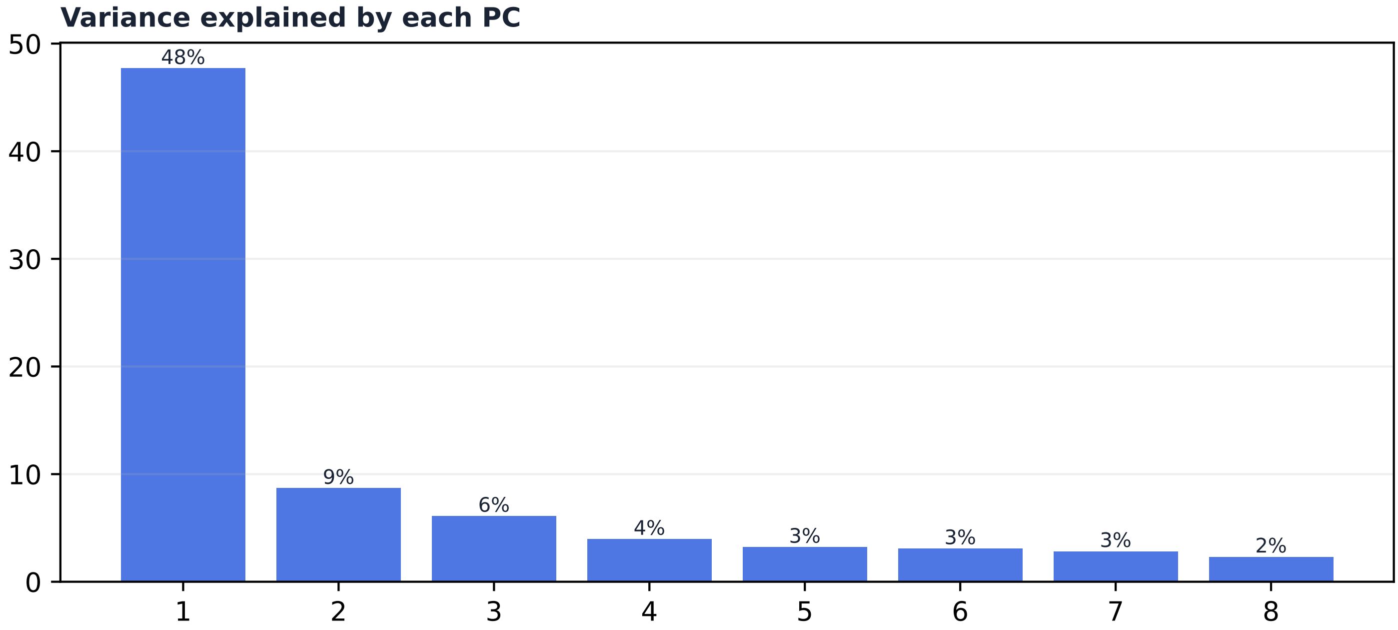
365-Day Correlation (daily returns)

Crypto majors + macro risk context.



CROSS-ASSET FACTOR STRUCTURE (PCA)

Independent forces driving the 39 instruments (156 weeks)



PC1 — Ethereum beta

47.7% of variance (cum 48%) · marker corr +0.85

+ DOT +0.21, ARB +0.20, ETC +0.20, VET +0.20, ADA +0.20
– VIX -0.09, DXY -0.03, US 10Y -0.01, US 2Y -0.01, Gold -0.00

PC2 — Equity risk (Nasdaq)

8.7% of variance (cum 56%) · marker corr +0.74

+ S&P 500 +0.42, EM Equity +0.42, Nasdaq +0.40, Silver +0.35, Gold +0.30
– VIX -0.36, DXY -0.24, US 2Y -0.13, US 10Y -0.13, DOGE -0.09

PC3 — US rates (10Y) (inverse)

6.1% of variance (cum 63%) · marker corr -0.86

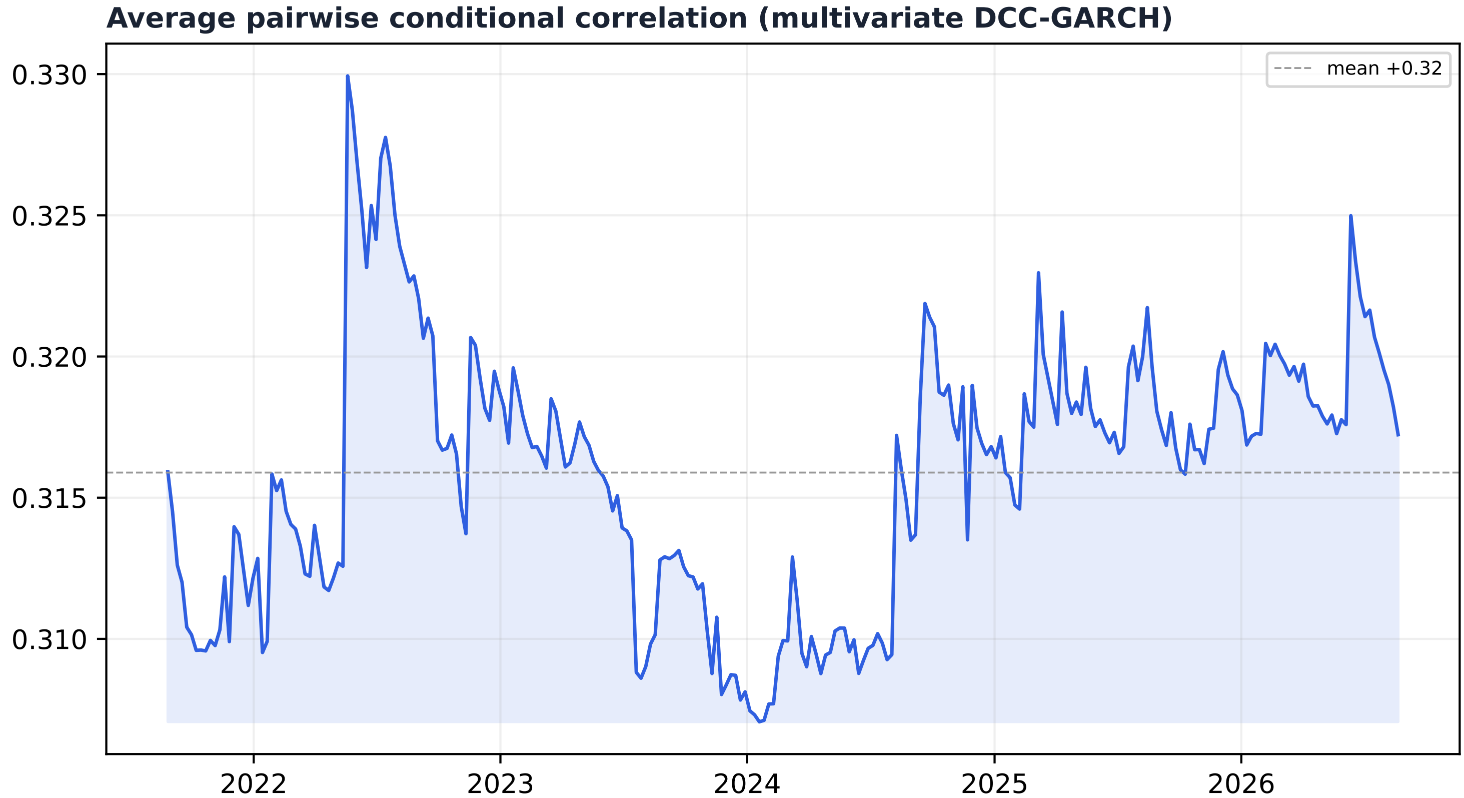
+ VIX +0.23, ICP +0.16, FIL +0.16, Gold +0.12, DOT +0.11
– US 2Y -0.57, US 10Y -0.56, DXY -0.22, Nasdaq -0.20, S&P 500 -0.18

PC4 — Gold

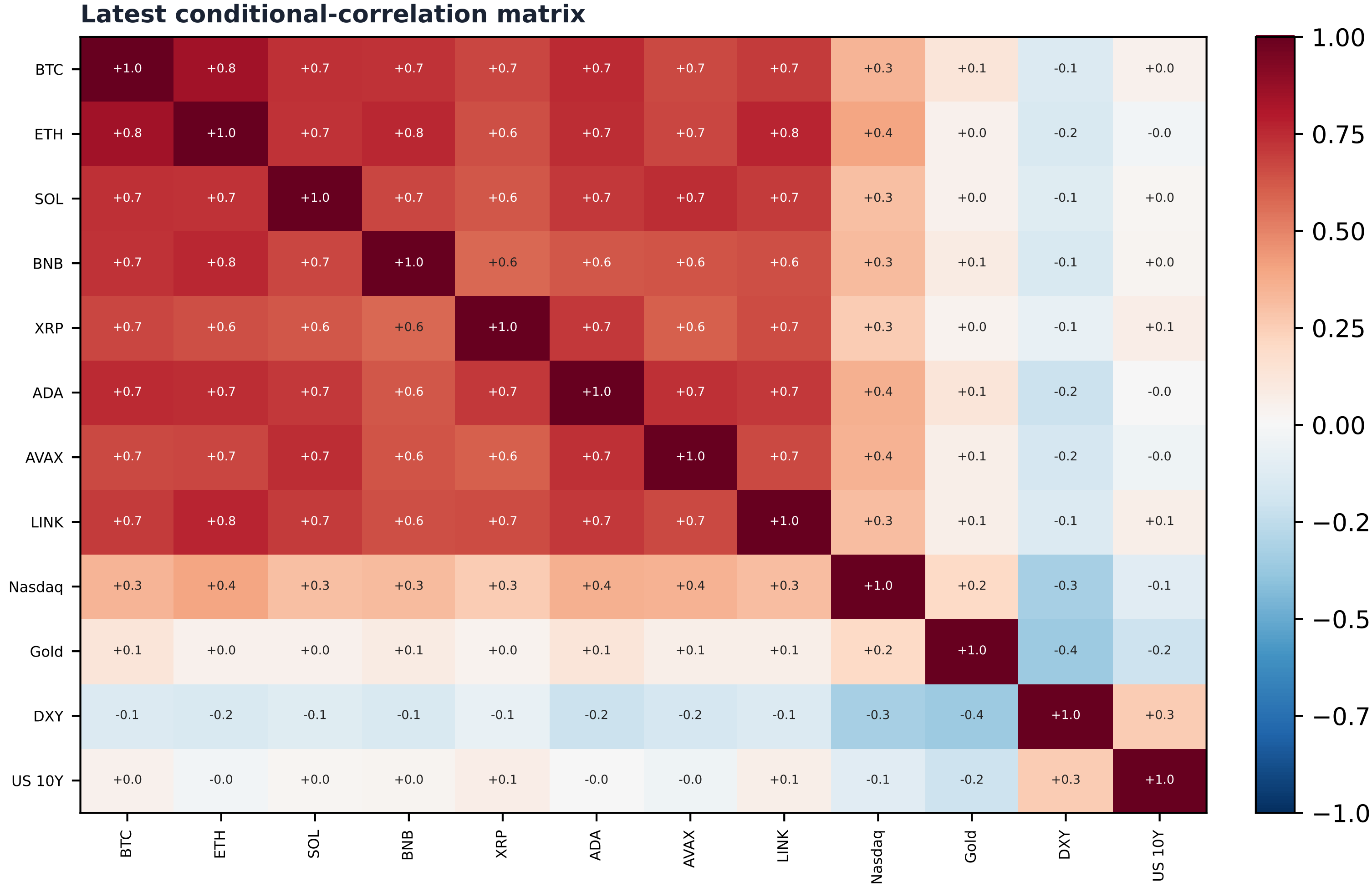
4.0% of variance (cum 66%) · marker corr +0.70

+ Gold +0.56, Silver +0.49, US 10Y +0.24, US 2Y +0.22, VIX +0.21
– S&P 500 -0.27, Nasdaq -0.26, DXY -0.19, TRX -0.11, LTC -0.10

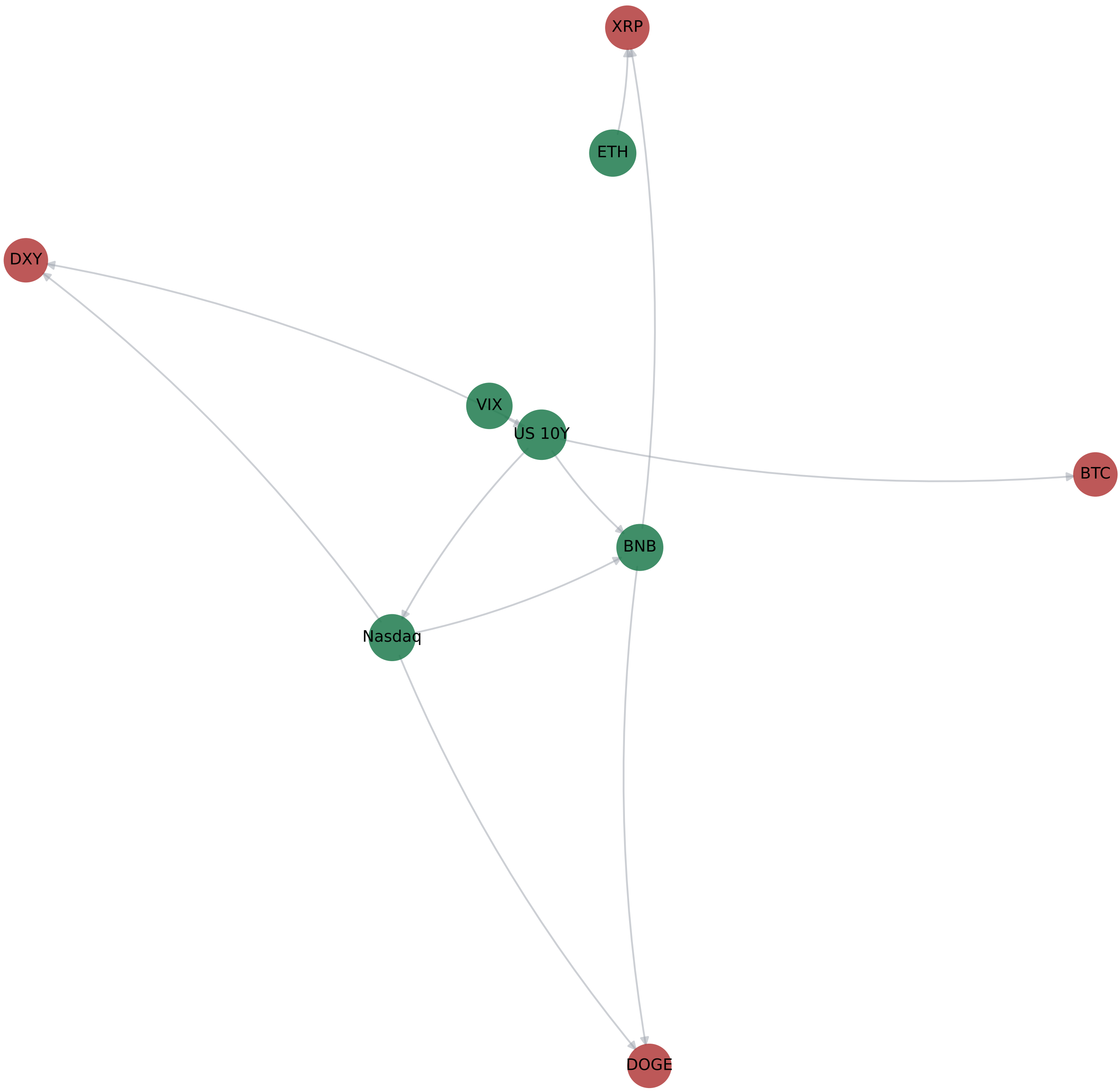
Principal components are the uncorrelated factors explaining the most joint variance. A high PC1 share means one force (usually broad risk) dominates — diversification is thin.



N=12 · persistence 0.8976 · now +0.32 · rising = diversification failing in real time



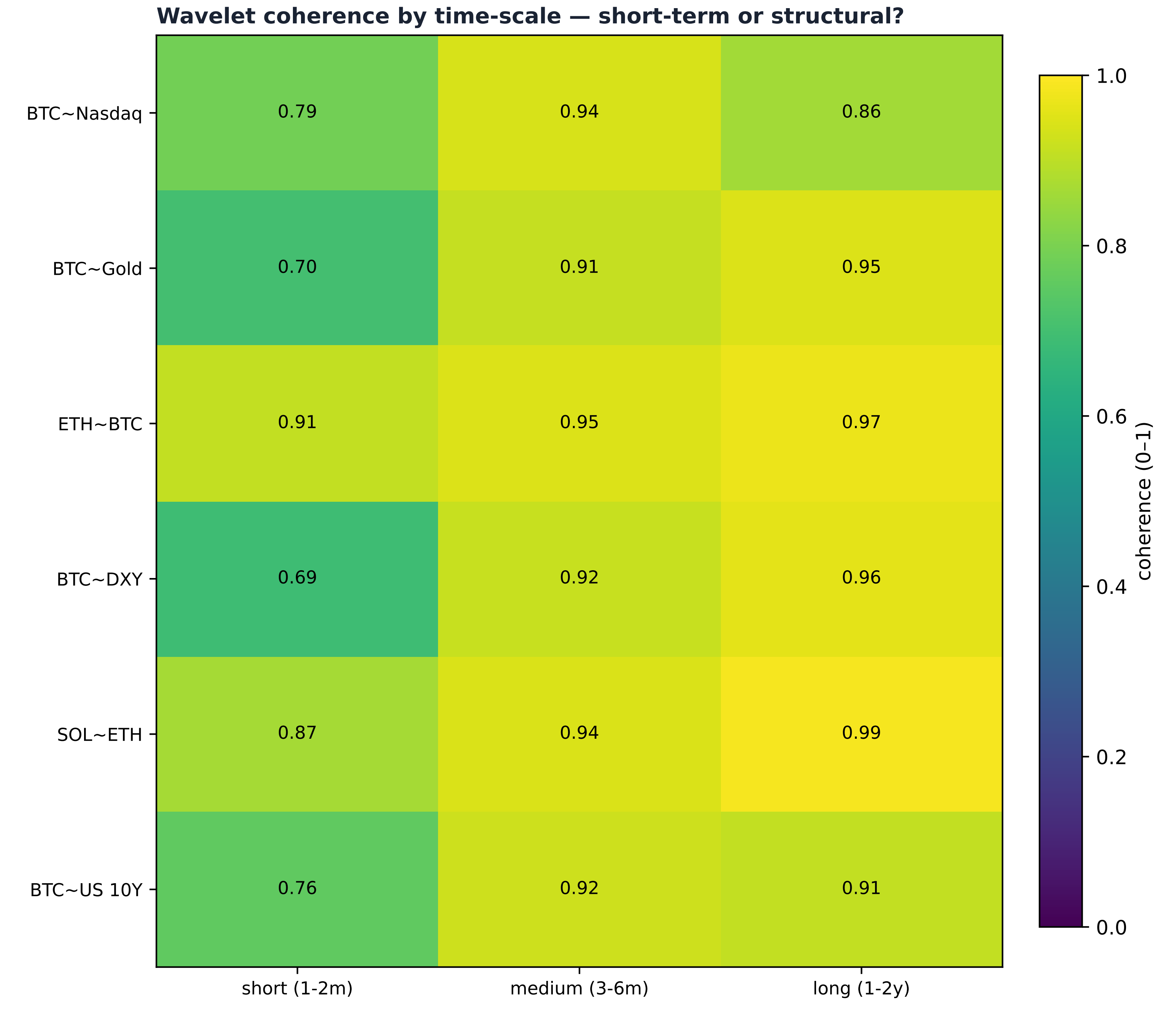
Directional lead-lag — Granger causality network



arrow = X Granger-causes Y ($p<0.05$); green/large = net information EXPORTER (leader)

LEADERS: US 10Y +0.03, ETH +0.01, Nasdaq +0.01, BNB +0.01, VIX +0.01

FOLLOWERS: XRP -0.03, DOGE -0.02, BTC -0.01, DXY -0.01, Gold +0.00



Wavelet coherence by time-scale — short-term or structural?
BTC~Nasdaq
BTC~Gold
ETH~BTC
BTC~DXY
SOL~ETH
BTC~US 10Y
0.79
0.94
0.86
0.70
0.91
0.95
0.91
0.95
0.97
0.69
0.92
0.96
0.87
0.94
0.99
0.76
0.92
0.91
short (1-2m)
medium (3-6m)
long (1-2y)
coherence (0–1)
0.0
0.2
0.4
0.6
0.8
1.0

STATISTICAL RELATIVE VALUE (cointegration)

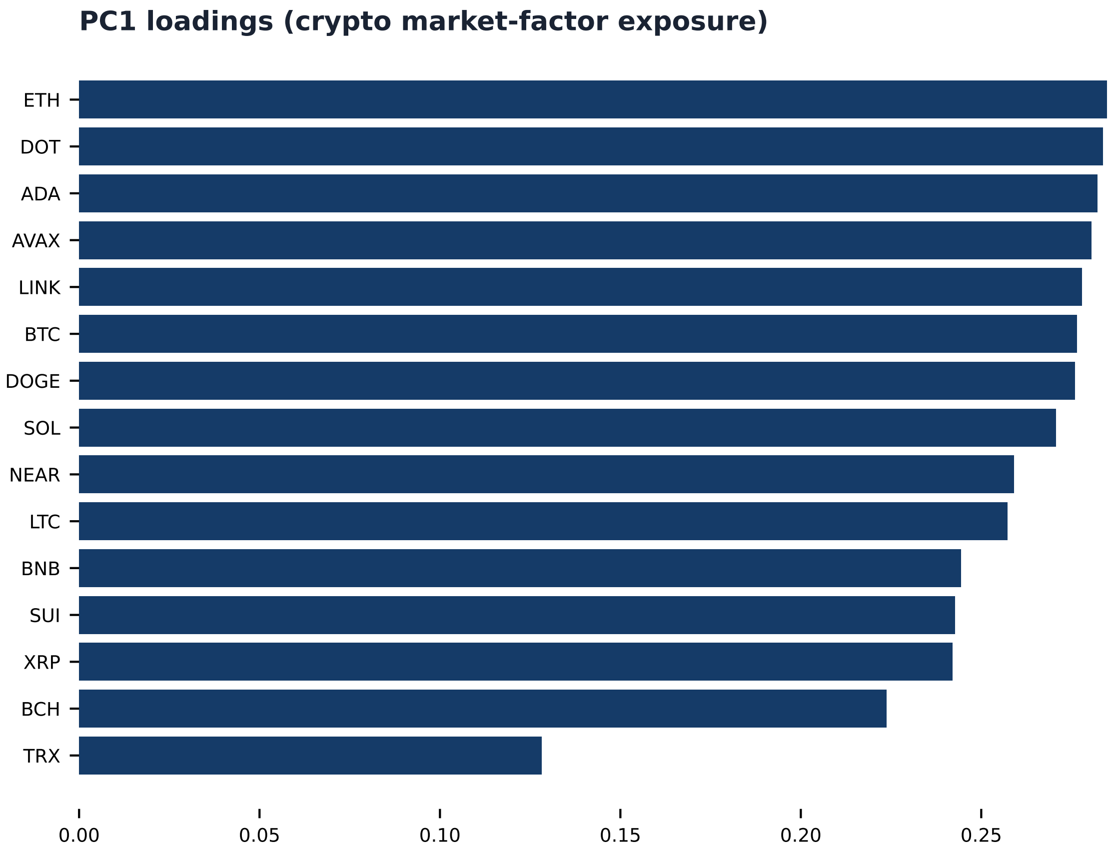
Mean-reverting crypto spreads and how stretched each is now

Pair	Coint?	p-val	Hedge	Half-life	Spread z
BTC vs Nasdaq	no	0.960	0.40	41w	+3.10
BTC vs Gold	no	0.925	0.45	75w	+2.15
SOL vs AVAX	no	0.863	0.41	111w	-2.11
DOGE vs BTC	no	0.736	0.84	40w	+1.83
BTC vs ETH	no	0.266	0.45	16w	-1.34
ATOM vs DOT	no	0.135	0.98	12w	-1.33
ETH vs BTC (ratio)	no	0.810	1.16	53w	+1.27
ETH vs SOL	no	0.341	2.03	15w	+0.86
ADA vs XRP	no	0.900	0.37	114w	+0.86
UNI vs AAVE	no	0.568	0.74	24w	+0.54
LINK vs ETH	yes	0.006	0.68	10w	-0.38
LTC vs BCH	no	0.771	0.76	57w	+0.23

Low p-value = the spread is statistically mean-reverting. Half-life = weeks to close half a dislocation. |z|>2 (red) flags a historically wide gap. Pairs shown NOT cointegrated: the long-run link has broken — the z is informational only.

Risk Concentration & Lead-Lag

PCA on majors' daily returns: PC1 explains 64% of variance. High PC1 = the market is one big BTC-beta trade (little diversification w



DOES BTC LEAD THE ALTS? (BTC change -> alt next-day change; modest weekly skill)

Alt	Contemp. corr	BTC 1-day lead
ETH	+0.84	-0.02
SOL	+0.72	-0.02
XRP	+0.65	-0.03
DOGE	+0.72	-0.04

PART III

Momentum, Fair Value & Risk

Trend, what is rich or cheap versus its drivers, volatility and downside risk.

- Momentum & trend battery, factor-beta attribution, fair-value residuals
- Realised volatility and tail risk (VaR / expected shortfall, tail dependence)

MOMENTUM & TREND

Time-series momentum, trend state and distance below the 52-week high

Instrument	13w	26w	52w	Score	vs40wMA	<52wHi
BTC	-15%	-6%	-45%	**-1.00**	-14%	-48%
ETH	-8%	-3%	-61%	**-0.50**	-16%	-60%
SOL	-10%	-10%	-62%	**-0.50**	-20%	-69%
BNB	-7%	-3%	-33%	**-0.50**	-12%	-49%
XRP	-25%	-30%	-67%	**-1.00**	-31%	-68%
DOGE	-31%	-30%	-71%	**-0.50**	-31%	-74%
ADA	-28%	-39%	-81%	**-0.50**	-35%	-81%
AVAX	-31%	-31%	-75%	**-0.50**	-33%	-81%
LINK	+1%	+6%	-64%	**+0.50**	-3%	-62%
LTC	-16%	-20%	-64%	**-1.00**	-24%	-63%
DOT	-40%	-44%	-82%	**-1.00**	-45%	-83%
NEAR	-22%	+55%	-39%	**-0.50**	+3%	-48%

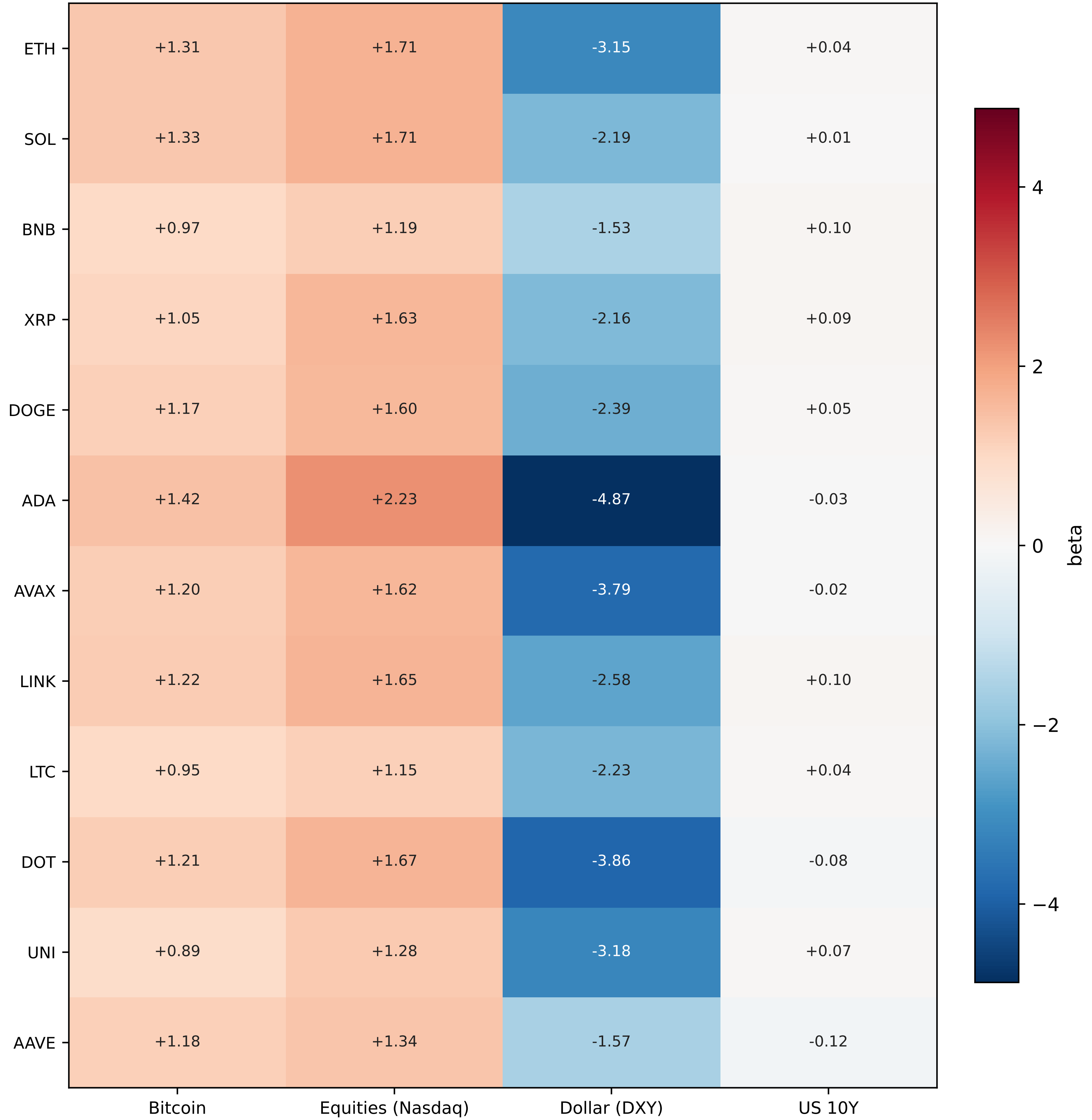
Altcoin 26-week relative strength:

LEADERS: INJ +19%, ICP +3%, XLM -3%, UNI -6%, RNDR -16%, MKR -19%

LAGGARDS: VET -43%, APT -41%, ATOM -40%, OP -35%, HBAR -34%, FIL -30%

Score = mean sign of the 4/13/26/52-week returns (+1 = uptrend across all horizons). 'Golden' vs 'death' = 10w vs 40w MA cross.

Factor betas — 52-week sensitivity to the master factors



FAIR VALUE — RICH / CHEAP vs DRIVERS

Each asset regressed on its economic drivers; the residual is the rich/cheap signal

Bitcoin vs equities, dollar & rates

cheap z -2.47

actual 63974.21 · model-fair 127138.90 · gap -49.7% · R^2 0.76

Dogecoin vs BTC

cheap z -2.07

actual 0.07 · model-fair 0.14 · gap -50.1% · R^2 0.55

Solana vs ETH

RICH z +0.86

actual 75.85 · model-fair 51.26 · gap +48.0% · R^2 0.71

Ether vs BTC & equities

cheap z -0.05

actual 1906.33 · model-fair 1925.94 · gap -1.0% · R^2 0.61

Chainlink vs ETH & BTC

cheap z -0.03

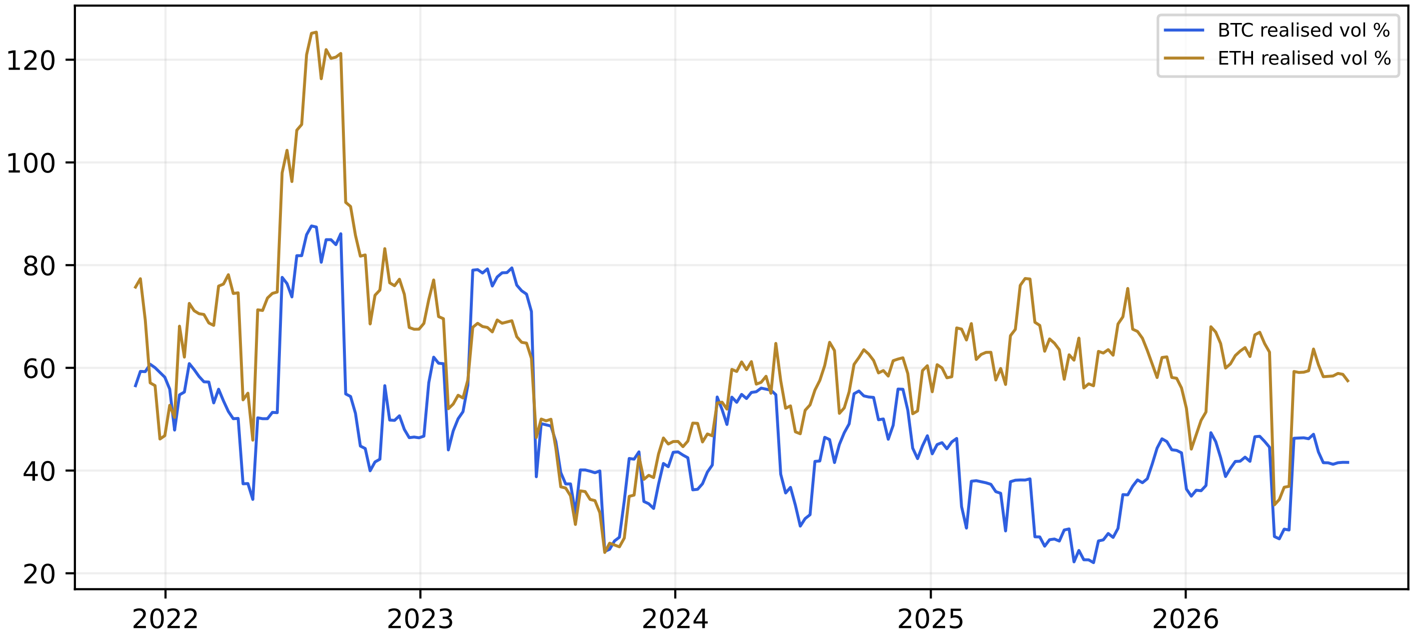
actual 9.50 · model-fair 9.56 · gap -0.6% · R^2 0.78

Model-fair value is what the drivers justify; the gap is how far actual sits from it. $|z|>1.5$ flags a stretched dislocation. Trust in proportion to R^2 — a low-R^2 model is a weak anchor, stated honestly.

VOLATILITY

Realised volatility of the majors, the equity-VIX backdrop, and the BTC–equity risk linkage

13-week realised volatility (annualised %)



REALISED VOLATILITY (annualised, 5-year percentile)

BTC	42%	38th
ETH	57%	34th
SOL	61%	18th

Equity VIX 14.9 (24th %ile 5y)

BTC–Nasdaq 13-week correlation +0.66 — coupled to equities (macro-driven)

Crypto has no free implied-vol series in the panel (Deribit DVOL is a separate feed); realised vol and its percentile show whether volatility is stretched. A high BTC–Nasdaq correlation means crypto is trading as a macro risk asset.

TAIL RISK

Downside: 5% VaR / expected shortfall, drawdowns and fat-tailedness (5-year weekly)

Instrument	VaR5	ES5	DnVol	MaxDD	CurDD	Skew	Kurt
BTC	-10.4%	-16.7%	37%	-74%	-48%	-0.2	+3.5
ETH	-14.7%	-23.3%	50%	-77%	-61%	-0.6	+1.8
SOL	-20.2%	-29.4%	68%	-96%	-70%	-0.4	+4.1
BNB	-12.9%	-19.7%	42%	-67%	-49%	-0.4	+2.2
XRP	-15.4%	-21.3%	44%	-76%	-71%	+1.1	+5.4
DOGE	-18.0%	-25.8%	53%	-84%	-84%	+0.9	+4.8
ADA	-16.6%	-24.7%	50%	-95%	-94%	+0.3	+2.0
AVAX	-19.8%	-31.8%	64%	-95%	-95%	-0.1	+1.9
LINK	-18.4%	-25.8%	55%	-84%	-72%	-0.1	+1.2
Gold	-3.5%	-4.7%	11%	-23%	-14%	-0.1	+1.6

Lower-tail dependence WITH BTC (P both crash together):

ETH 0.59   SOL 0.56   XRP 0.67   DOGE 0.52   Gold 0.19

VaR5 = the typical bad-week loss (5% quantile); ES5 = the average loss BEYOND it. Lower-tail dependence near 1 = crashes together; near 0 = a genuine diversifier when it matters.

Historical Trend - Key Metrics

Key readings from every weekly report, most recent on the right. Cells are colour-coded green (favourable / risk-on), amber (neutral) and red (adverse / risk-off) so the multi-month trend is readable at a glance.

R+ risk-on / favourable N neutral R- risk-off / adverse

	03-20	03-27	04-03	04-10	04-17	04-24	05-01	05-08	05-15	05-22	05-29	06-05	06-12	06-19	06-26	07-03	07-10	07-13	07-20	07-27	08-03	08-06	08-10	08-17
Regime	N	R-	R-	R+	R+	R+	R+	R+	R+	R+	R+	R-	R+	R+	N	R+	R+	R+	N	N	N	N	N	R+
Risk appetite																						-0.14	-0.11	-0.05
Macro backdrop																						+0.18	+0.26	+0.26
BTC.D %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56	56	56	56	57	57	56
Alt-breadth %	50	14	64	21	7	7	7	21	57	71	57	36	21	36	21	7	43	50	50	36	29	36	29	43
PC1 share																						48	48	48
BTC DVOL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38	36	37	36	35	35	34
Fear&Greed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28	29	30	28	25	30	31
BTC 1w %	-0.6	-5.9	+0.9	+9.0	+5.7	+0.4	+0.9	+2.6	-1.4	-4.5	-2.8	-17.0	+4.3	-0.0	-5.5	+4.2	+2.5	-2.2	+3.2	+0.1	-2.0	-0.4	+2.4	+0.1

Each column is one weekly report - read left (older) to right (latest) for the trend over the past months.