

Market Update

August 7, 2024

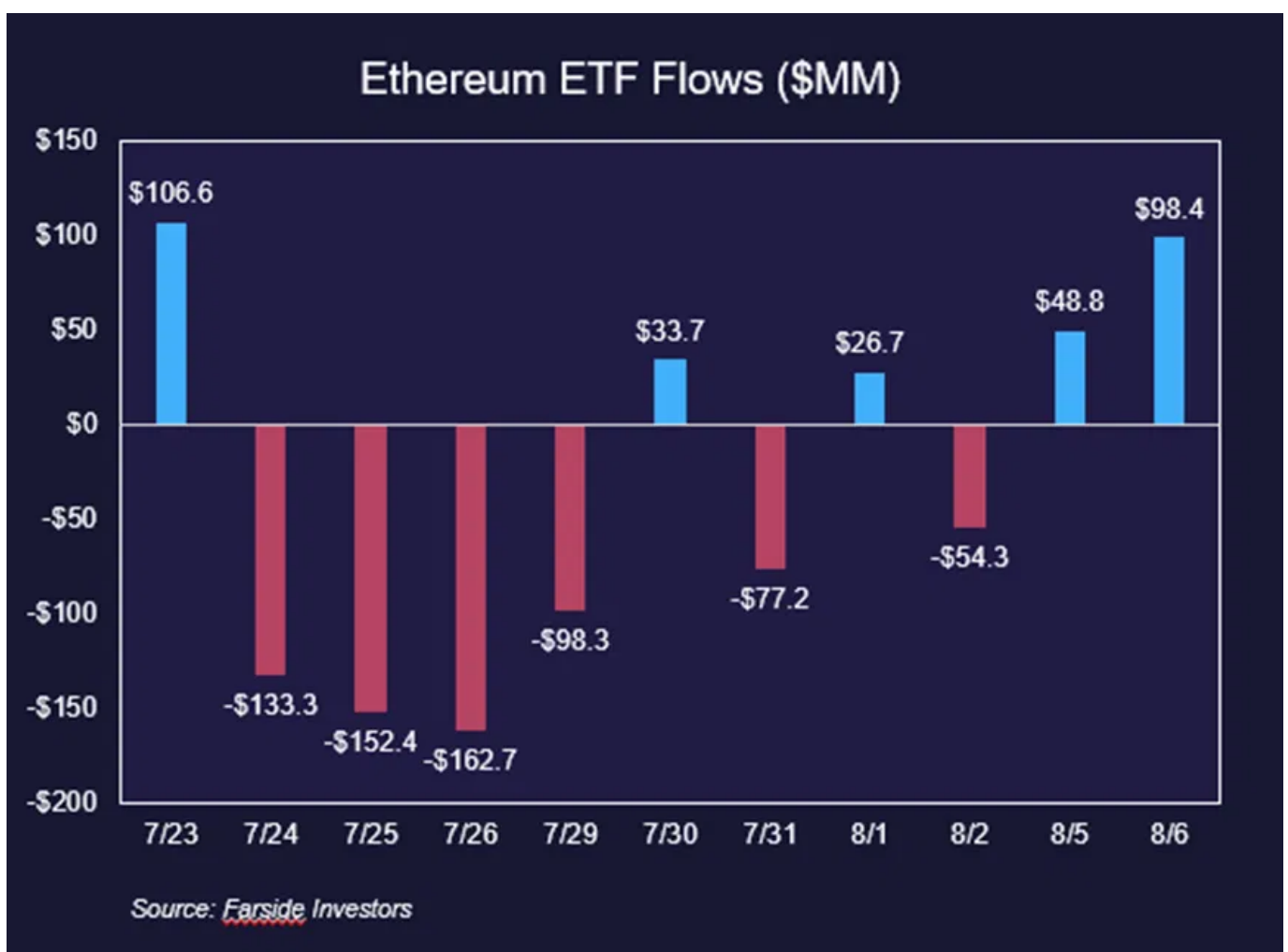
Ethena Expands to Solana, Grayscale Launches TAO and SUI Trusts

**Tom Couture** ^{AC}

VICE PRESIDENT OF CRYPTO STRATEGY

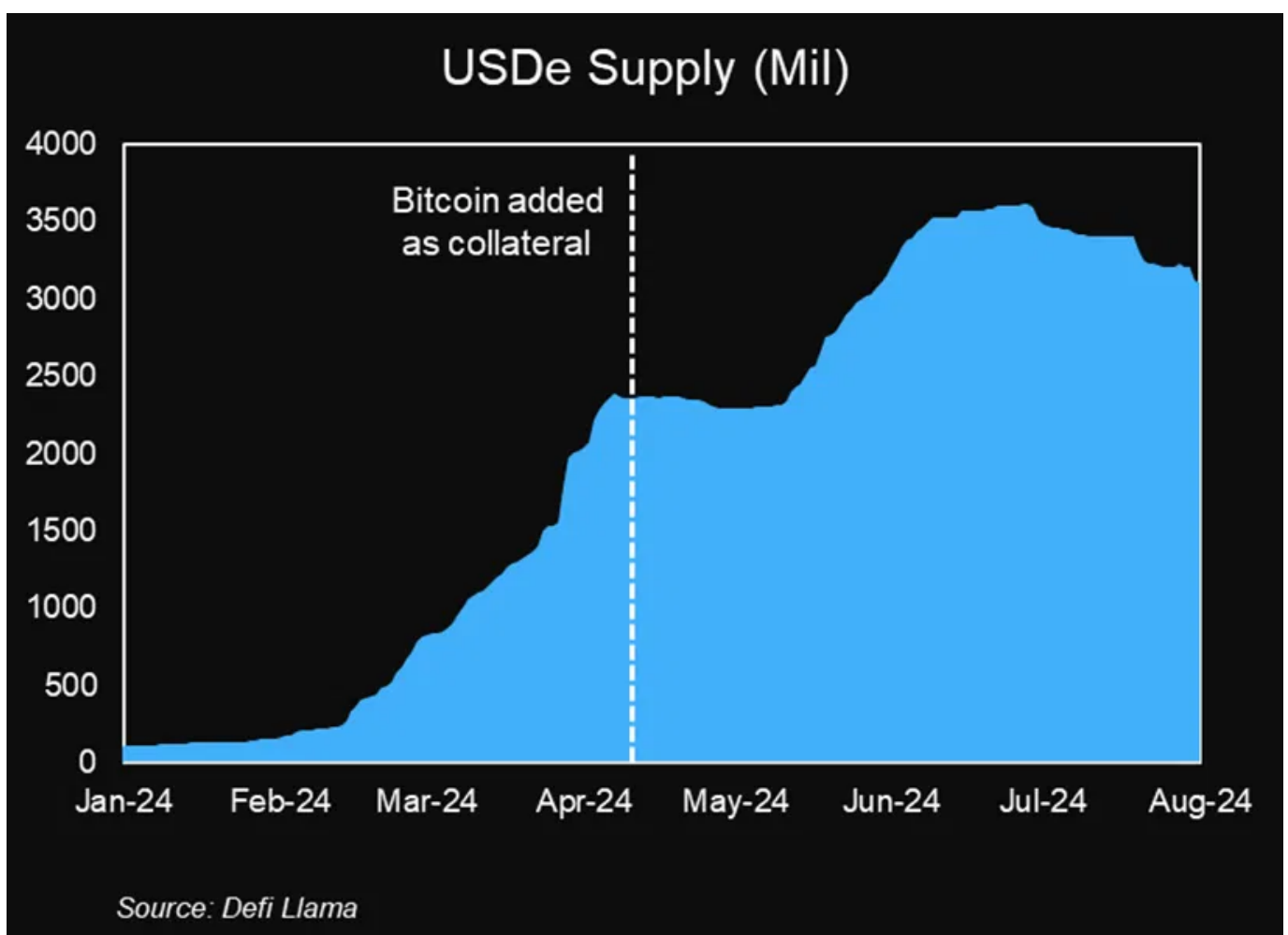
Crypto Market Update

Equities have continued to find relief after the BOJ's comments assured investors that they won't continue raising rates if markets are unstable. The \$SPY and \$QQQ have both gained over 0.6%, while small-caps are underperforming, with the \$IWM roughly flat. Crypto was gaining with equities this morning but has since turned lower. #BTC is trading slightly below \$56k, while #ETH has decreased to below \$2,400 after [on-chain data](#) showed Jump preparing to sell another ~\$80 million in ETH. Despite the fears, Ethereum ETF flows have been positive, taking in \$98.4 million yesterday and marking the second consecutive day of inflows. The leading performer in the top-100 tokens today is #WIF, gaining over 16% as it builds off Solana's recent strength. #SOLETH has made a new all-time high, eclipsing the 0.06 level.



Ethena Expands to Solana

Ethena, a stablecoin protocol leveraging crypto basis trades, has added support for USDe on Solana. Until now, USDe has only been available on Ethereum Mainnet, but with the help of Layer Zero, USDe on Solana should expand its adoption to a new cohort of blockchain users. Ethena has also added #SOL as a backing asset, marking the third backing option behind Ethereum and Bitcoin. Since adding Bitcoin as a backing asset, USDe supply has grown by over \$1 billion, and Ethena hopes its Solana integration will have a similar effect on its scaling efforts. USDe supply has steadily increased since launching eight months ago, reaching 3.1 billion and becoming the fourth largest stablecoin, only lagging long-standing competitors Tether, Circle, and Maker.



Grayscale Launches Individual Trusts for TAO and SUI

Grayscale has **announced** the creation of the **Grayscale Bittensor Trust** and the **Grayscale Sui Trust**. The two new trusts will respectively focus on singular assets, with The Bittensor Trust solely investing in #TAO, the utility token of the Bittensor network, and the Sui Trust investing in #SUI, the gas token of the Sui Network, a high-performance L1. Grayscale believes Bittensor is at the center of the growth of decentralized AI, whereas Sui is redefining smart contract platforms. The new trusts are open for daily subscriptions to accredited investors and operate like most of Grayscale’s existing trusts. #TAO has been one of the strongest tokens following this weekend’s drawdown, gaining 16.55% thus far this week, and #SUI is one of the top gainers today following the news.

Technical Strategy

DOGE has now fallen more than 50% since late March and has neared an area of attractive technical support on this decline. As weekly charts show, #DOGE looks to in its final wave of the pullback from late March and its selling pressure has resulted in price returning to the area of the prior breakout Pivot point. this area at \$0.08 should prove important as support before this begins to turn higher. While a move down to \$0.07 can't be ruled out, such a decline would make this even more appealing from a technical risk/reward perspective. Only a weekly close back under \$0.056 would serve to postpone a larger rebound and turn the technical structure more negative. At present, following a nice February-March rally, this subsequent decline has now finally reached levels that make DOGE technically attractive.



Daily Important Metrics



Crypto Size

Bullish signal is tied to the crypto market growing

Market cap **2.00T** **+\$5.4B** (0.27%)
BTC Dominance 56.12 % (0.61%)

Stablecoins

Increase in circulating stablecoins is a Bullish signal

In Circulation **+\$115B** (0.02%)
In Exchanges **+\$20B** (2.39%)

BTC Metrics

A decrease in Bitcoin on exchanges is bullish, indicates investors are moving coins to cold storage

BTC Exchanges **+\$3.0M** (0.04%)

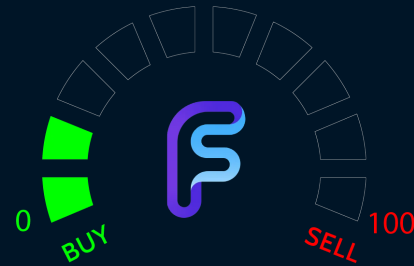
Funding Rates

Positive funding rates indicate traders are Bullish

Aggregate	-0.0611	(-0.3640)
Binance	-0.5634	(-0.2939)
Bitfinex	+0.7607	(0.7607)
Bitmex	-0.2663	(-0.7781)
ByBit	+0.2195	(0.1440)
Deribit	-0.1566	(-0.1314)
Huobi	+0.5084	(0.5084)
Kraken	-0.5136	(-0.2386)
Mean	-0.0611	(-0.3640)
OKex	-0.3276	(-0.2426)

All metrics as of 2024-08-07 14:06:03
All Funding rates are in bps

Sentiment



BMI : 41 (100.00%)

Futures

A positive spread between Futures Prices and Spot Prices is Bullish

CME Price \$57,030 (0.54%)
Spot Basis **+\$254** (0.45%)
Volume 1.0M (-66.49%)
Open Interest 282,004 (0.90%)

Options all exchanges

Higher open interest change in a bull market is bullish for the sector

Volume 37,991 (-62.58%)
Open Interest 285,643 (2.06%)
Vol. Put/Call Ratio 1.01 (-5.23%)
OOI Put/Call Ratio 0.4914 (1.44%)

Crypto Prices

Symbol	Market Cap	Last Price	Daily Change	Year to Date	Relative to BTC YTD
BTC	\$1.10T	\$55,904	-1.62%	32.37%	



ETH	\$287B	\$2,385	-5.86%	4.81%	-20.82%
SOL	\$69B	\$147	0.02%	44.60%	9.25%
DOGE	\$176,280	\$0.0002	4.11%	-99.80%	-99.85%

All prices as of 2024-08-07 12:55:17

Exchange Traded Products (ETPs)

Symbol	Prem. to Nav	Last Price	Daily Change	Year to Date	Relative to BTC YTD
BITW	-24.91%	\$31	-1.07%	34.33%	1.49%
ETHE	1.21%	\$20	-4.36%	4.07%	-21.37%

News

Quick Bits

CoinDesk

Long-Dormant Wallets Tied to \$2B PlusToken China Ponzi Moves 2.8K Ether

In November 2020, Chinese authorities seized almost \$4 billion worth of various tokens, including ETH, bitcoin (BTC), dogecoin (DOGE), xrp (XRP), among others.

The Block

IMF explores bitcoin risk management strategies with El Salvador

The IMF has discussed strategies for mitigating fiscal and financial stability risks related to bitcoin with the government of El Salvador.

Market Data

The Block

Cathie Wood's Ark Invest continues to buy the Coinbase dip, adds \$4 million worth of COIN

The Cathie Wood-led firm also purchased \$2.1 million worth of Robinhood stock but offloaded \$16.4 million in shares of Jack Dorsey's Block.

Fundraising and M&A

CryptoPotato

Blockscout Raises \$3M Seed Round Led by 1kx to Scale Open-Source Blockchain Data Exploration Across all EVM Chains

[PRESS RELEASE – Belgrade, Serbia, August 7th, 2024] The \$3M round was led by 1kx with participation from Primitive Ventures and Gnosis. Blockscout's open-source block explorer provides access to blockchain data with multi-search functionalities and advanced analytics for over 600 networks, including Filecoin, Arbitrum, Optimism, Base, and more. Blockscout has already become the de-facto solution [...]

Product Updates and Partnerships

CoinDesk

Stripe Partners With Bitstamp to Make Crypto Buying Easier for European Users

The widget won't be available to customers in the U.K.

Investment Products

The Block

Grayscale launches new crypto investment trusts for SUI and TAO

The new Bittensor and Sui trusts joins Grayscale's list of 18 crypto investment products for accredited investors.

CryptoSlate

BlackRock, Nasdaq submit filing to introduce options for spot Ethereum ETFs

BlackRock and Nasdaq made a move today to add options to the asset manager's spot Ethereum (ETH) exchange-traded fund (ETF) iShares Ethereum Trust (ETHA), according to a filing with the US Securities and Exchange Commission (SEC). According to the filing: "In particular, the Exchange believes that the proposal to list and trade options on the [...] The post BlackRock, Nasdaq submit filing to introduce options for spot Ethereum ETFs appeared first on CryptoSlate.

Disclosures

This research is for the clients of FS Insight only. FSI Subscription entitles the subscriber to 1 user, research cannot be shared or redistributed. For additional information, please contact your sales representative or FS Insight at fsinsight.com.

Analyst Certification (Reg AC)

Tom Couture, the research analyst denoted by an "AC" on the cover of this report, hereby certifies that all of the views expressed in this report accurately reflect his personal views, which have not been influenced by considerations of the firm's business or client relationships. Neither I, nor a member of my household is an officer, director, or advisory board member of the issuer(s) or has another significant affiliation with the issuer(s) that is/are the subject of this research report. There is a possibility that we will from time to time have long or short positions in, and buy or sell, the securities or derivatives, if any, referred to in this research.

Conflicts of Interest

This research contains the views, opinions and recommendations of FS Insight. At the time of publication of this report, FS Insight does not know of, or have reason to know of any material conflicts of interest.

General Disclosures

FS Insight is an independent research company and is not a registered investment advisor and is not acting as a broker dealer under any federal or state securities laws.

FS Insight is a member of IRC Securities' Research Prime Services Platform. IRC Securities is a FINRA registered broker-dealer that is focused on supporting the independent research industry. Certain personnel of FS Insight (i.e. Research Analysts) are registered representatives of IRC Securities, a FINRA member firm registered as a broker-dealer with the Securities and Exchange Commission and certain state securities regulators. As registered representatives and independent contractors of IRC Securities, such personnel may receive commissions paid to or shared with IRC Securities for transactions placed by FS Insight clients directly with IRC Securities or with securities firms that may share commissions with IRC Securities in accordance with applicable SEC and FINRA requirements. IRC Securities does not distribute the research of FS Insight, which is available to select institutional clients that have engaged FS Insight.

As registered representatives of IRC Securities our analysts must follow IRC Securities' Written Supervisory Procedures. Notable compliance policies include (1) prohibition of insider trading or the facilitation thereof, (2) maintaining client confidentiality, (3) archival of electronic communications, and (4) appropriate use of electronic communications, amongst other compliance related policies.

FS Insight does not have the same conflicts that traditional sell-side research organizations have because FS Insight (1) does not conduct any investment banking activities, and (2) does not manage any



investment funds.

This communication is issued by FS Insight and/or affiliates of FS Insight. This is not a personal recommendation, nor an offer to buy or sell nor a solicitation to buy or sell any securities, investment products or other financial instruments or services. This material is distributed for general informational and educational purposes only and is not intended to constitute legal, tax, accounting or investment advice. The statements in this document shall not be considered as an objective or independent explanation of the matters. Please note that this document (a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and (b) is not subject to any prohibition on dealing ahead of the dissemination or publication of investment research. Intended for recipient only and not for further distribution without the consent of FS Insight.

This research is for the clients of FS Insight only. Additional information is available upon request. Information has been obtained from sources believed to be reliable, but FS Insight does not warrant its completeness or accuracy except with respect to any disclosures relative to FS Insight and the analyst's involvement (if any) with any of the subject companies of the research. All pricing is as of the market close for the securities discussed, unless otherwise stated. Opinions and estimates constitute our judgment as of the date of this material and are subject to change without notice. Past performance is not indicative of future results. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The opinions and recommendations herein do not take into account individual client circumstances, risk tolerance, objectives, or needs and are not intended as recommendations of particular securities, financial instruments or strategies. The recipient of this report must make its own independent decision regarding any securities or financial instruments mentioned herein. Except in circumstances where FS Insight expressly agrees otherwise in writing, FS Insight is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice, including within the meaning of Section 15B of the Securities Exchange Act of 1934. All research reports are disseminated and available to all clients simultaneously through electronic publication to our internal client website, fsinsight.com. Not all research content is redistributed to our clients or made available to third-party aggregators or the media. Please contact your sales representative if you would like to receive any of our research publications.

Copyright © 2024 FS Insight LLC. All rights reserved. No part of this material may be reprinted, sold or redistributed without the prior written consent of FS Insight LLC.