

Monthly Market Insights

September 2025

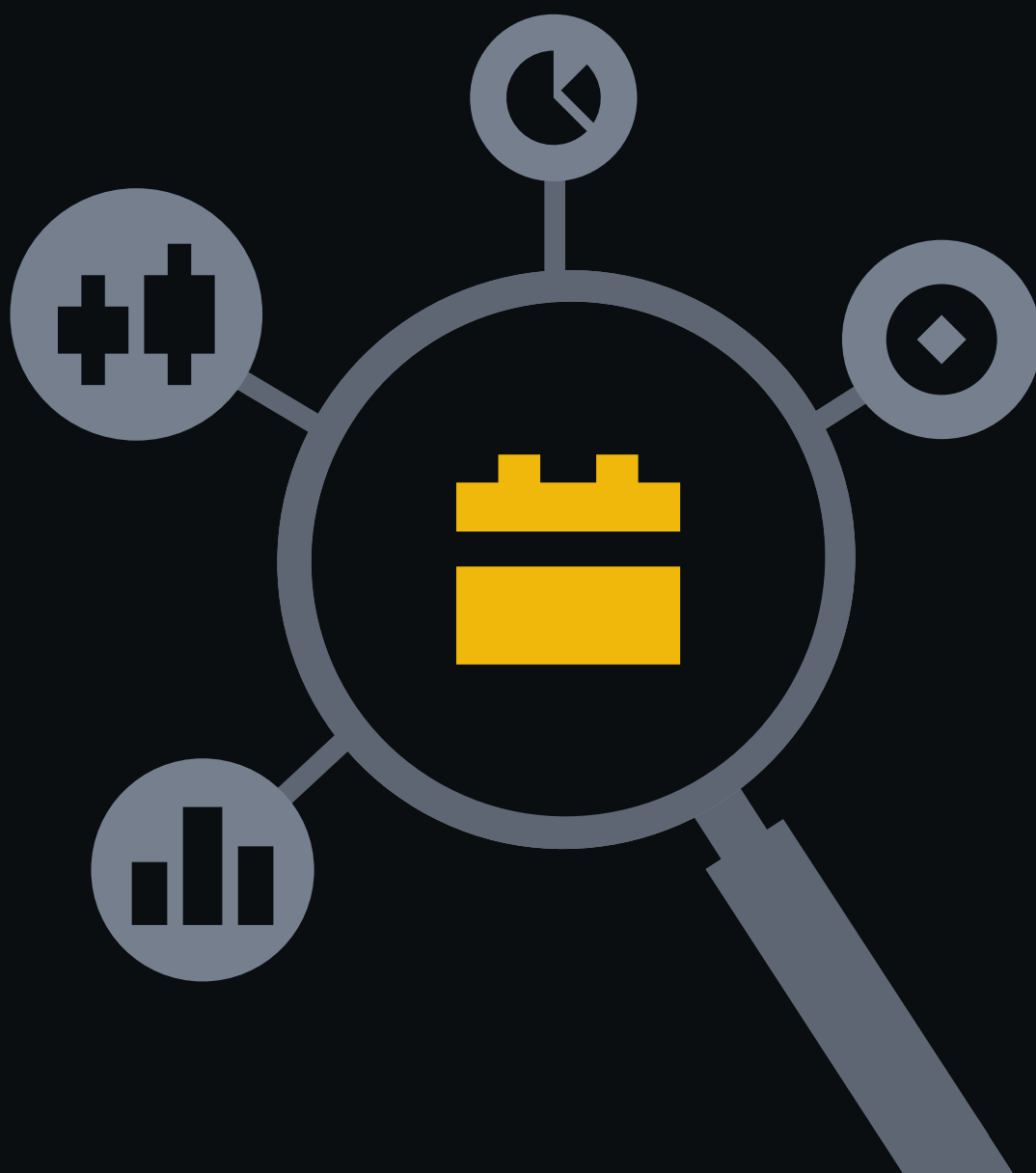


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01 / Key Takeaways

- In August, the total cryptocurrency market cap declined slightly by 1.7%, influenced by a higher-than-expected Producer Price Index report. Bitcoin's market dominance fell to around 57.3%, while Ethereum's share rose above 14.2%, reflecting a rotation into altcoins amid expectations of a potential Fed rate cut. Corporate treasuries continue to accumulate Ethereum, holding 4.44 million ETH (3.67% of supply). Historically, September may also see market weakness as investors take profits.
- While rate cuts are often seen as bullish for Bitcoin, historical data shows a weak and volatile correlation. The relationship has become more complex, influenced by institutional and market factors. Since markets price in expected cuts, Bitcoin's price already reflects this, making it an oversimplification to link rate cuts directly to price rises. The key is how actual Fed actions differ from expectations and the economic context.
- USDe grew over 43.5% in August, reaching US\$12.2B supply, lifting its share of the ~US\$280B stablecoin market to over 4%. It became the fastest asset to surpass US\$10B, achieving the milestone in 536 days as compared to 903 and 2000+ for USDC and USDT respectively. With global interest rates still well above historical lows and expected to trend lower, such yield-bearing models are carving out a durable moat within the market.
- DeFi lending protocols have experienced substantial growth in 2025, with total value locked (TVL) increasing by approximately 72%. Aave maintains its market leadership, representing 54% of the TVL, while Maple and Euler have each expanded rapidly to approximately US\$3 billion. As the adoption of stablecoins and tokenized assets accelerates, leading DeFi lending platforms are well-positioned to capitalize on the growing institutional adoption of these emerging technologies.
- Led by Hyperliquid and Pump.fun, DeFi platforms conducted token buybacks totaling US\$166 million in August 2025. Token buybacks are increasingly used to enhance token value and as a way for platform teams to demonstrate long-term confidence in their platforms. Moving forward, more platforms are expected to adopt buybacks to reduce supply and support token prices. However, investors should take into consideration the sustainability of this practice and the platforms' revenue consistency.

02 / Crypto Market Performance

In August, the total cryptocurrency market capitalization declined modestly by 1.7%, primarily due to a pullback in Bitcoin following its record high near US\$124,400, and a correction in Ethereum after briefly reaching a new four-year peak. This market reaction was influenced by a higher-than-expected Producer Price Index (PPI) report released by the Federal Reserve.

Bitcoin's market dominance has declined to approximately 57.3%, while Ethereum's share surpassed 14.2%, indicating an altcoin capital rotation. Anticipation of a Fed rate cut in September may have driven investors toward a more risk-on stance. Ethereum continues to attract substantial inflows from corporate treasuries, who have accumulated 4.44M ETH, approximately 3.67% of the supply.

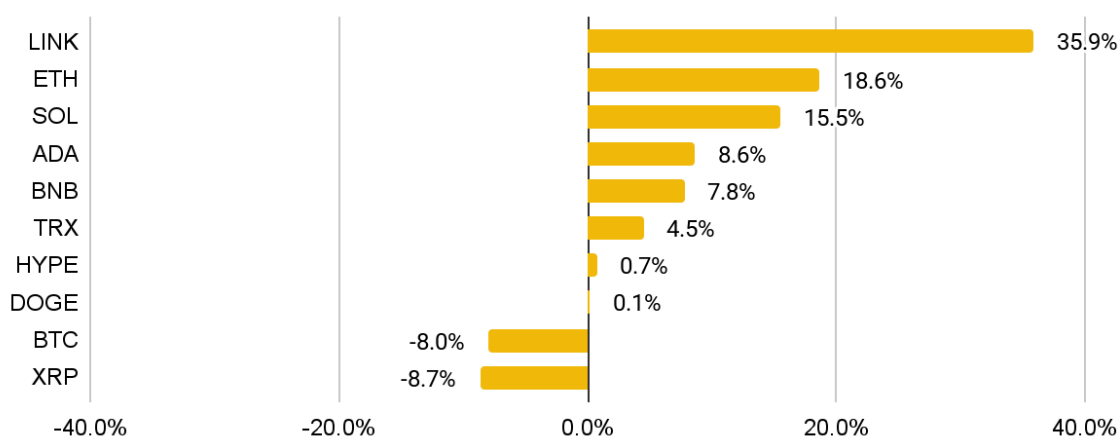
Looking ahead, the decline in August might carry on to September, as it has historically seen weakness in the crypto markets, as holders take profits for the year.

Figure 1: Monthly crypto market capitalization decreased by 1.7% in August

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2025	4.3	-20.2	-4.4	10.8	10.3	2.6	13.3	-1.7				
2024	0.4	40.0	16.3	-11.3	8.6	-11.4	5.6	-12.4	8.0	2.8	39.9	-4.5
2023	30.4	3.4	9.3	3.2	-6.0	3.3	1.0	-8.8	2.6	19.0	11.0	15.2
2022	-22.6	-0.3	25.3	-18.1	-25.2	-31.7	21.8	-11.4	-2.1	7.2	-18.0	-4.5
2021	33.9	39.6	31.1	11.4	-25.7	-5.9	12.5	25.2	-9.9	42.9	-1.0	-15.0

Source: CoinGecko
As of August 31, 2025

Figure 2: Monthly price performance of the top 10 coins by market capitalization



Source: CoinMarketCap
As of August 31, 2025

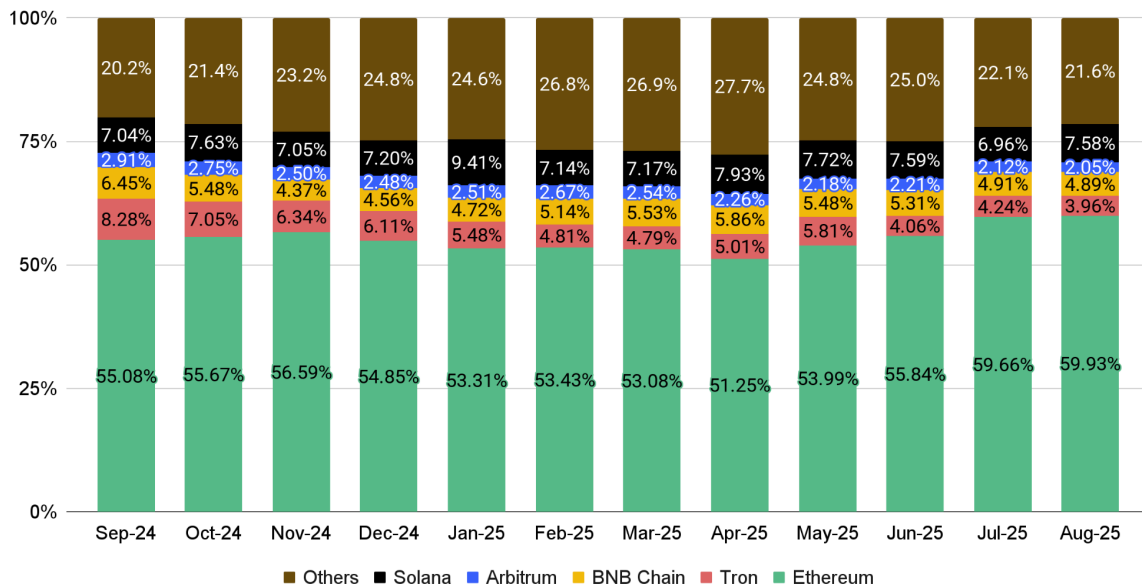
In descending order of performance:

- ◆ LINK gained 35.9%, as the U.S. chose to use the oracle for publishing GDP data on-chain, fueling DeFi adoption. In August, Chainlink also partnered with Japan's SBI group to accelerate blockchain adoption in the Asia-Pacific region by tokenizing real-world assets like real estate and bonds through Chainlink's Cross-Chain Interoperability Protocol.
- ◆ ETH surged by 18.6%, maintaining its upward momentum, driven by sustained accumulation from both institutional and retail investors. This growth was supported by record ETF inflows and significant corporate treasury purchases, with companies such as Bitmine acquiring over US\$8 billion in ETH within six weeks.
- ◆ SOL gained 15.5% in August, as corporate treasuries gained momentum for the asset. A key driver of this renewed momentum is the Alpenglow upgrade, designed to enhance Solana's speed and reliability through reducing the transaction finality times.
- ◆ ADA increased by 8.6%, after an initial decline from the SEC pushing back its decision on the Grayscale's Cardano ETF to October.
- ◆ BNB gained 7.8% in August, driven by rising interest from potential corporate treasury allocators and continued expansion of its network and ecosystem.
- ◆ TRX rose by 4.5% in August, following an approval to cut network fees by 60% after a successful community vote.
- ◆ HYPE grew by 0.7%, hitting a new all time high in August then pulling back at the end of the month. The positive price movement has been driven by record revenue generated by the platform and large token buybacks.

- ◆ DOGE saw slight growth of 0.1% in August, the price action could be influenced by a large holder transferring 900 million DOGE into Binance wallets, raising concerns about a potential broader sell-off.
- ◆ Bitcoin declined by 8% as investors realized profits and rotated into altcoins such as Ethereum, which experienced significant ETF inflows and increased institutional demand in August.
- ◆ XRP fell by 8.7% in August, driven by accusations of insider trading resulting in huge short term selling pressure.

2.1 Decentralized Finance (DeFi)

Figure 3: TVL share of top blockchains



Source: DeFiLlama
As of August 31, 2025

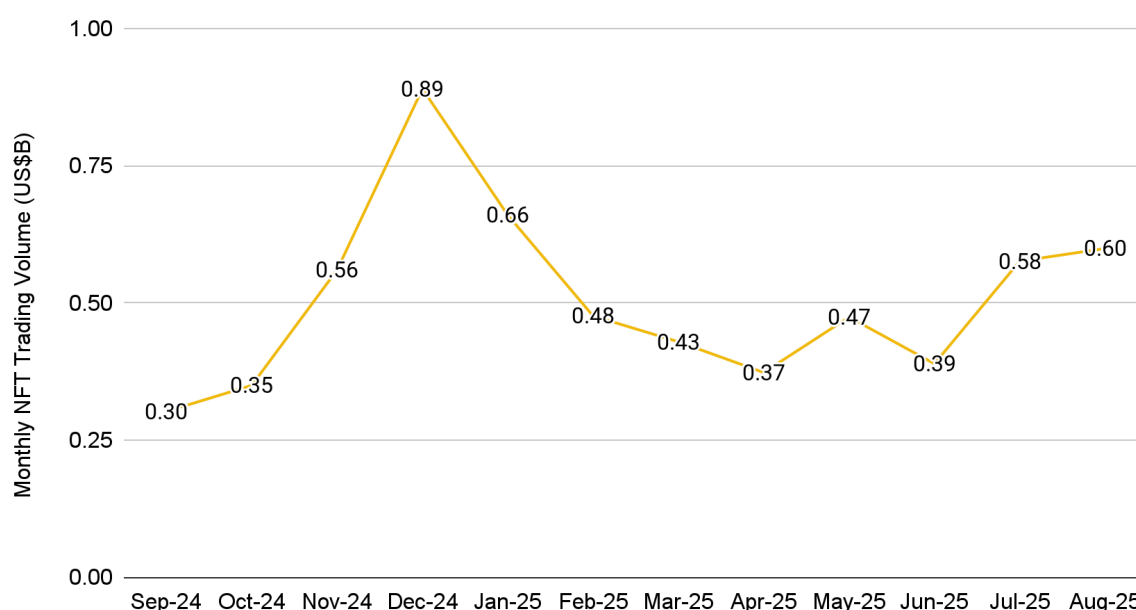
In August 2025, DeFi Total Value Locked (TVL) rose by 9.26% month-on-month (MoM), marking an increase in DeFi activities. This is likely due to positive regulatory updates such as the SEC ruling out liquid staking tokens as securities and previously passed stablecoin regulations.

Among the top five DeFi ecosystems, Ethereum continues to see an increase in market share, hitting close to 60%, while all other chains except for Solana saw a drop.

Stablecoin activity also expanded during the month, contributing to broader on-chain growth. The stablecoin market expanded by 6.49%, continuing the momentum. USDC's market capitalization experienced modest growth, while USDT continued to outpace USDC, strengthening its lead in the stablecoin market. Emerging stablecoins like Ethena saw a huge gain of more than 80% in supply in August.

2.2 Non-Fungible Tokens (NFTs)

Figure 4: Monthly NFT trading volume



Source: CryptoSlam
As of August 31, 2025

In August 2025, the NFT market experienced a slight gain in total sales volume of about 4%, following a strong momentum experienced in July.

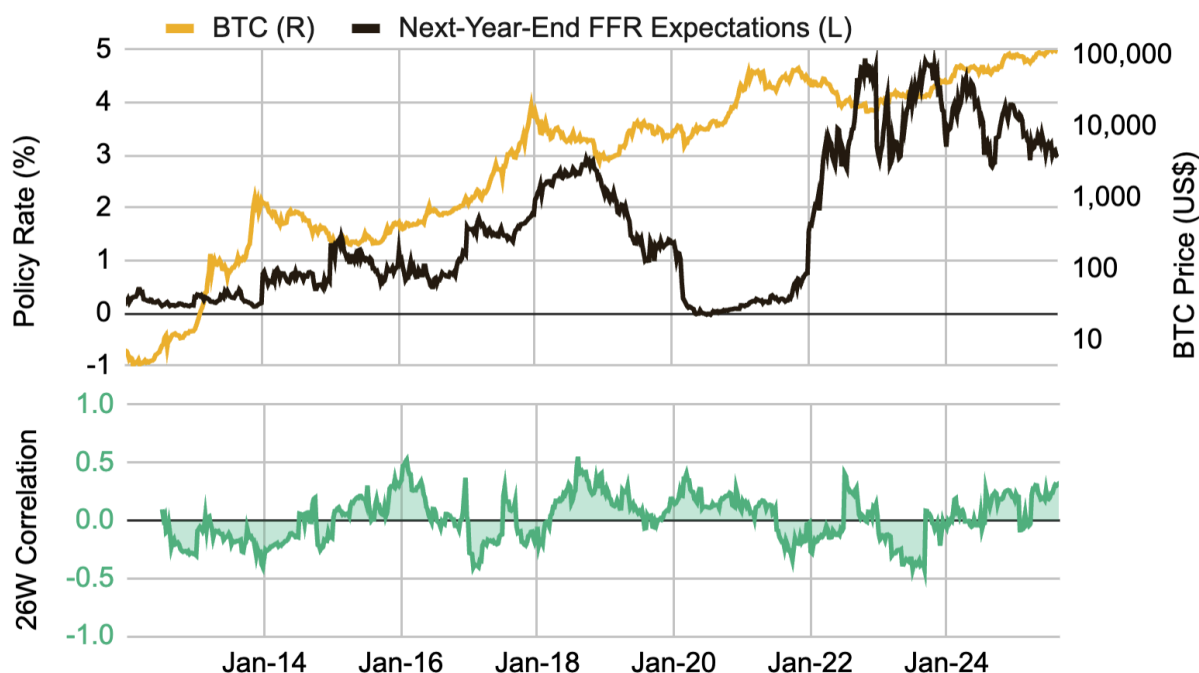
Ethereum-based NFT sales maintained its lead, but saw a fall in monthly sales volume of 19.6%. Other chains experienced a greater drop with Polygon seeing a 51% decline in total sales. Among the top 20 NFT collections, Courtyard by Polygon took back the top spot, while other Ethereum based NFTs like CryptoPunks, Bored Ape Yacht Club and Pudgy Penguins ranked high in terms of sales volume.

Despite the significant surge in July 2025, the NFT market has struggled to sustain growth due to several factors. Market saturation, declining buyer interest, and increased skepticism around the long-term value of digital collectibles have contributed to subdued activity. Additionally, broader macroeconomic uncertainties coupled with the lack of new utility have dampened investor enthusiasm, limiting further expansion in the sector. It remains uncertain whether the uptrend in activity will be sustained or merely represent a temporary surge in interest.

03 / Charts of the Month

Does an Interest Rate Cut Truly Benefit BTC?

Figure 5: Rate cut expectations and BTC price changes have an unstable correlation



Source: CME, Binance Research
As of August 31, 2025

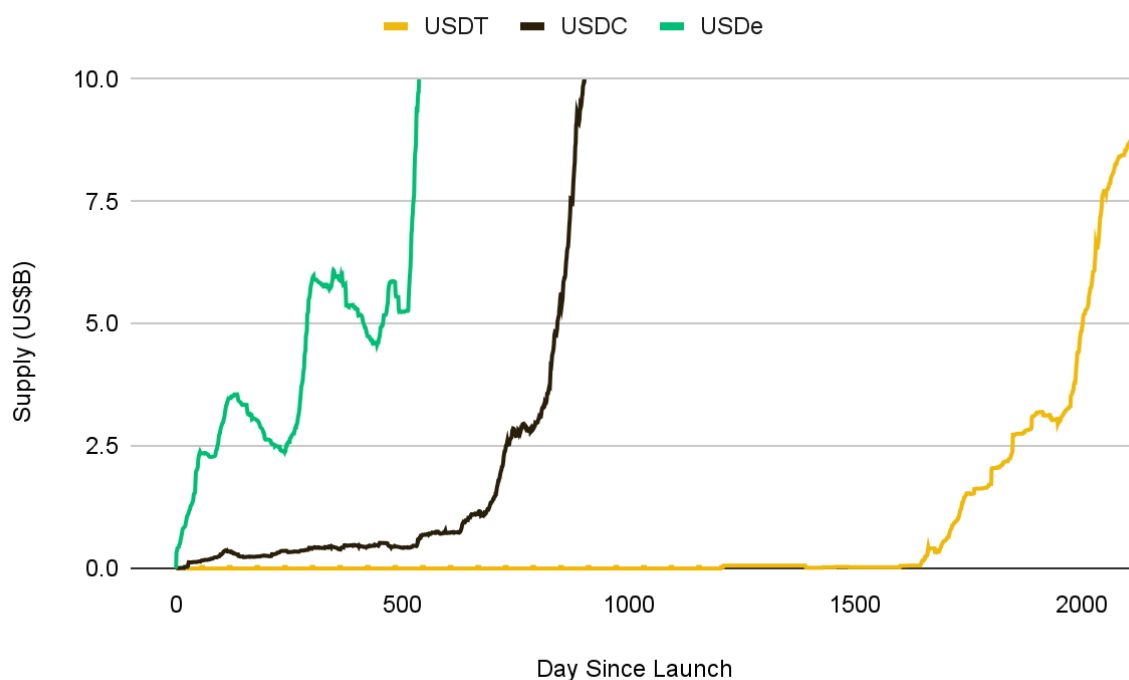
Intuitively, interest rate cuts are bullish for Bitcoin. Following Federal Reserve Chair Jerome Powell's dovish shift speech at Jackson Hole this month, Bitcoin quickly surged about 4% from US\$112,400 to US\$117,300. However, historical correlation analysis reveals that the relationship between the two is very weak, whether positive or negative.

On a quantitative level, we used historical 'next-year interest rate expectations' derived from Fed funds futures to construct continuous curves and compared them against Bitcoin prices, examining their 26-week rolling correlation. The results show **highly volatile correlations with an R^2 close to zero**.

In particular, over the past two years, the relationship between Bitcoin and policy rate has undergone a fundamental shift – from a simple good or bad to a complex, multi-layered dynamic driven by institutional adoption, political catalysts, and structural market changes. Also financial markets are forward-looking. Traders and algorithms should have priced this “good news” (2 cuts before end of 25) into Bitcoin or other risk assets. Hence, equating “rate cuts” simply with “BTC price rise” is a gross oversimplification. The real key lies in how much the Fed's future actions deviate from market expectations and the economic context driving those actions.

Ethena's USDe Becomes Fastest to US\$10B Supply

Figure 6: USDe supply surpassed US\$10B in August, reaching US\$12.2B by month-end, with growth of more than 43.5%



Source: Artemis, Binance Research
As of August 31, 2025

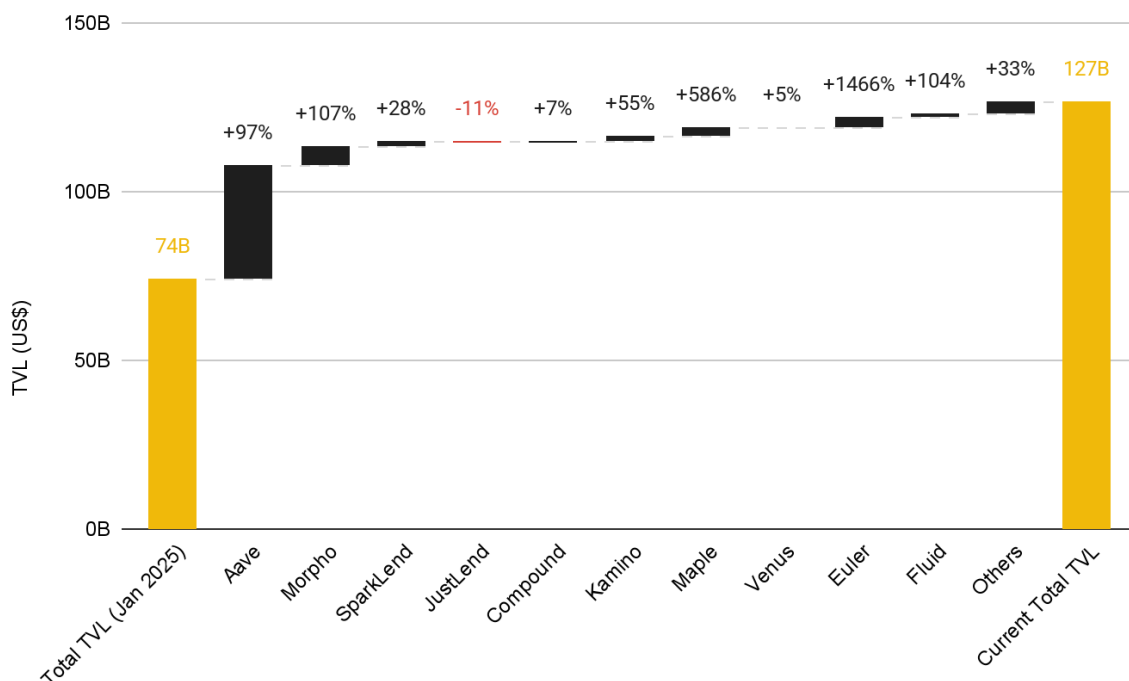
USDe grew over 43.5% in August to reach US\$12.2B supply, lifting its share of the ~US\$280B market to over 4%. It became the third stablecoin asset to surpass US\$10B, doing so in 536 days as compared to 903 and 2000+ for USDC and USDT respectively. While today's deeper liquidity and more mature market conditions contributed to this, the pace of adoption is still noteworthy.

Outside of USDT and USDC, USDe now accounts for a dominant proportion of new on-chain USD inflows. This highlights its outsized role in driving incremental demand in a market long consolidated around the USDT/USDC duopoly. To put this in perspective, inflows have at times matched or even exceeded those into BTC and ETH ETFs (excluding BlackRock's IBIT).

USDe's yield design is a key draw, offering holders risk-adjusted returns which differentiated it from purely transactional tokens. This has helped USDe fill a long-standing gap in the market for yield-bearing dollars. Ethena is also expanding integrations (e.g., TON) and rolling out fee switches, buybacks, and incentive programs, with the aim of broadening distribution beyond DeFi-native users and delivering greater value to token holders. More than a year after launch, USDe has crossed a credibility threshold, supported by both scale and market validation. With global interest rates still well above historical lows and expected to trend lower, such yield-bearing models are carving out a durable moat in the stablecoin market.

DeFi Lending TVL Rockets 72% on the Year

Figure 7: TVL in DeFi lending protocols has grown ~72% since the start of the year, with Maple and Euler growing an impressive 586% and 1466% respectively



Source: DeFiLlama, Binance Research
As of August 31, 2025

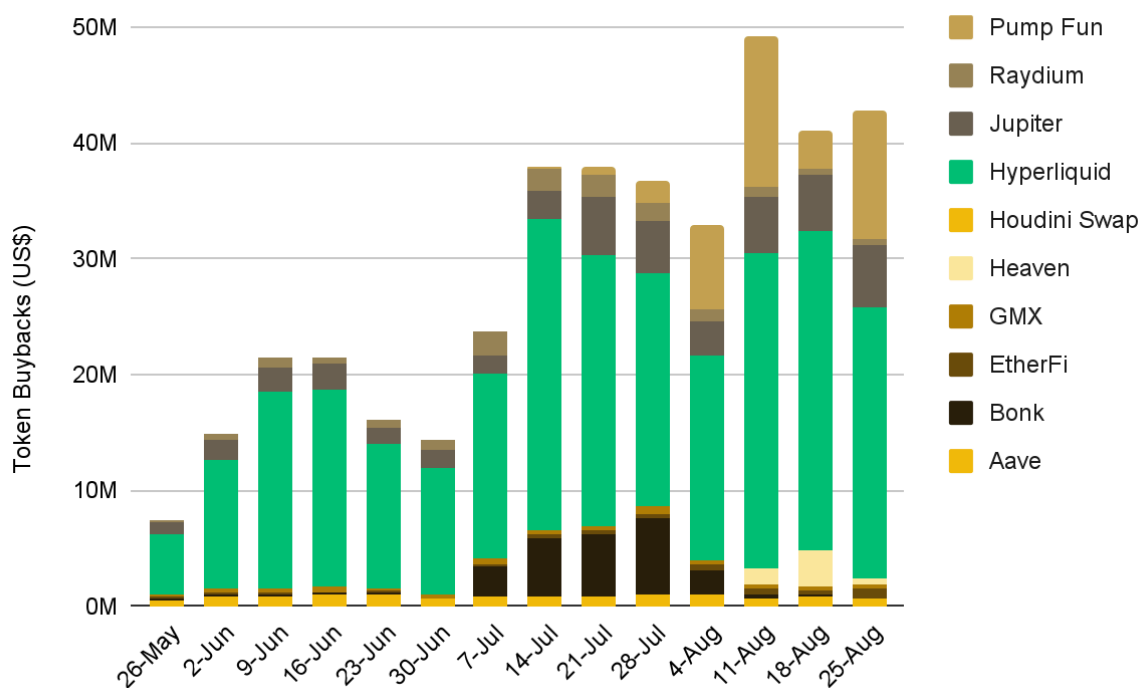
DeFi lending protocols have demonstrated significant year-to-date growth, with total value locked (TVL) **rising by approximately US\$53 billion** to reach US\$127 billion as of today. Aave continues to lead the sector, representing roughly 54% of the TVL, or about US\$68 billion.

Notably, Maple and Euler have exhibited remarkable expansion, each achieving TVLs near US\$3 billion. Maple's growth has been largely driven by the launch of its SYRUP token and SyrupUSDC yield product, which offer users **access to institutional-grade lending returns**. Meanwhile, Euler's 1,466% increase in TVL can be attributed to the deployment of its **Euler Swap decentralized exchange and Frontier stablecoin lending infrastructure**.

As stablecoin and tokenized asset adoption accelerates, **DeFi lending protocols are increasingly positioned to facilitate institutional participation**. Aave Labs' recent introduction of Horizon exemplifies this trend. Horizon is an **institutional lending market that enables borrowers to use tokenized real-world assets (RWAs)** as collateral for stablecoin loans. With the tokenized RWA market already valued at nearly US\$27 billion (excluding stablecoins), Horizon, and other similar institutionally-focused DeFi products, aim to unlock new liquidity and convert RWAs into productive assets within the decentralized finance ecosystem.

Token Buybacks Reach US\$166M in August

Figure 8: DeFi token buybacks saw huge growth in August, with Hyperliquid and Pump.fun purchasing the largest amounts.



Source: The Block, Binance Research
As of August 31, 2025

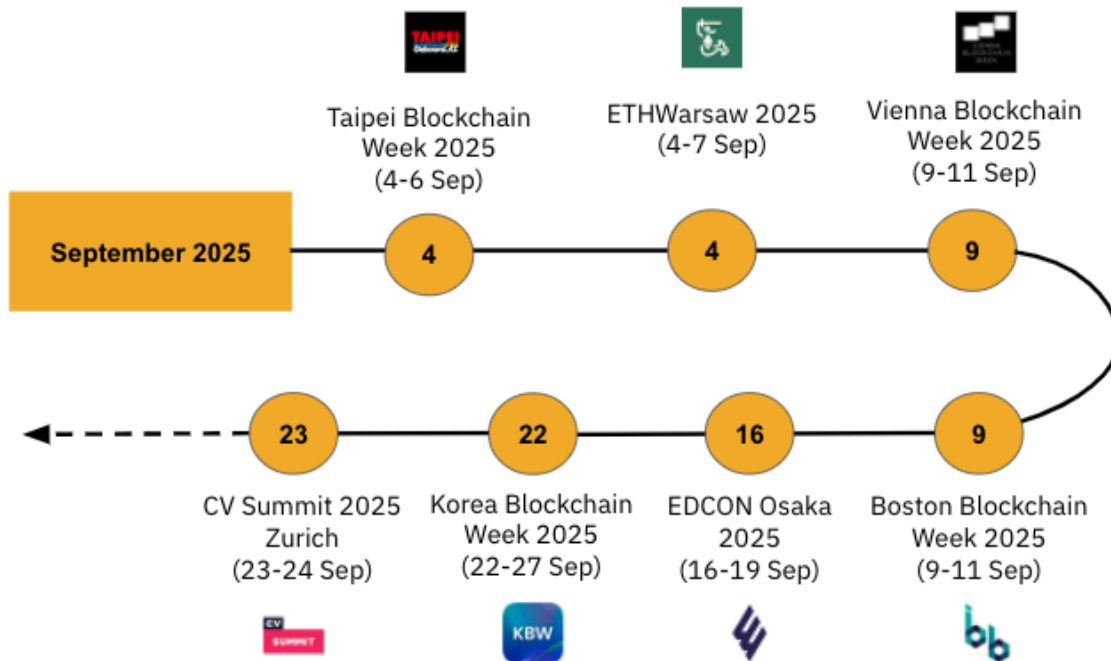
In August 2025, the total token buybacks initiated by DeFi platforms reached a staggering US\$166M. The large token buybacks are mostly done by Hyperliquid and Pump.fun, as both platforms experienced record revenues. Since launching its token buyback initiative, Pump.fun has spent more than US\$58M to purchase its token which reduced its circulating supply by more than 4%.

Token buybacks are increasingly gaining momentum as DeFi platforms explore ways to add utility and value to their tokens. Token buybacks can also indicate trust and long term confidence from the team. A recent development in DeFi platforms building token attractability is Uniswap's proposal for establishing a DAO in Wyoming, which could protect holders from legal or tax liability. If it passes, a portion of the platform fees will be set aside for the entity, ultimately benefitting existing token holders.

Looking ahead, we expect more platforms to perform token buybacks to reduce supply and add buying pressure to their tokens. However, investors should take into consideration whether such buybacks are sustainable and whether the platform can generate consistent revenue.

04 / Upcoming Events and Token Unlocks

Figure 9: Notable Events in September 20



Source: Cryptoevents, Binance Research

Figure 10: Largest token unlocks in US\$ term

PROJECT	TOKEN	UNLOCK IN US\$ EQUIVALENT	% OF SUPPLY	UNLOCK DATE
	SUI	198M	0.57%	1 September
	ENA	109M	1.15%	5 September
	APT	50M	0.96%	12 September
	ZRO	48M	2.47%	20 September
	ARB	48M	0.93%	16 September
	VELO	29M	8.33%	17 September
	JTO	23M	1.13%	7. September
	OP	23M	0.75%	30 September
	PARTI	17M	9.26%	25 September
	NIL	17M	5.68%	24 September

Source: CryptoRank, Binance Research

05 / References

defillama.com/
coinmarketcap.com/
cryptoslam.io/
token.unlocks.app/
dune.com/
itez.com/events
cryptorank.io/

06 / New Binance Research Reports

10 Charts Shaping 2025 [Link](#)

A look at the macro, institutional, and on-chain trends defining crypto markets in 2025



Monthly Market Insights - August 2025 [Link](#)

A summary of the most important market developments, interesting charts and upcoming events



About Binance Research

Binance Research is the research arm of Binance, the world's leading cryptocurrency exchange. The team is committed to delivering objective, independent, and comprehensive analysis and aims to be the thought leader in the crypto space. Our analysts publish insightful thought pieces regularly on topics related but not limited to, the crypto ecosystem, blockchain technologies, and the latest market themes.



Moulik Nagesh
Macro Researcher

Moulik is a Macro Researcher at Binance and has been involved in the cryptocurrency space since 2017. Prior to joining Binance, he held cross-functional roles at Web3 and Silicon Valley-based tech companies. With a background in co-founding startups and a BSc in Economics from the London School of Economics and Political Science (LSE), Moulik brings a well-rounded perspective to the industry.



Joshua Wong
Macro Researcher

Joshua is currently a Macro Researcher at Binance. He has been active in the cryptocurrency space since 2019. Prior to joining Binance, he worked as a product manager at a Web3 fintech startup and as a market analyst at a DeFi startup. He holds a Bachelor of Laws (LLB) from Durham University.



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Macro Researcher

Michael is a macro researcher at Binance. Prior to this, he worked as an economist at a U.S. private wealth management firm, focusing on cross-asset allocation. He also served as editor-in-chief at a media company, overseeing cryptocurrency reporting and educational content. Earlier in his career, he was a consultant at Ernst & Young and a crude oil trader at an energy firm.



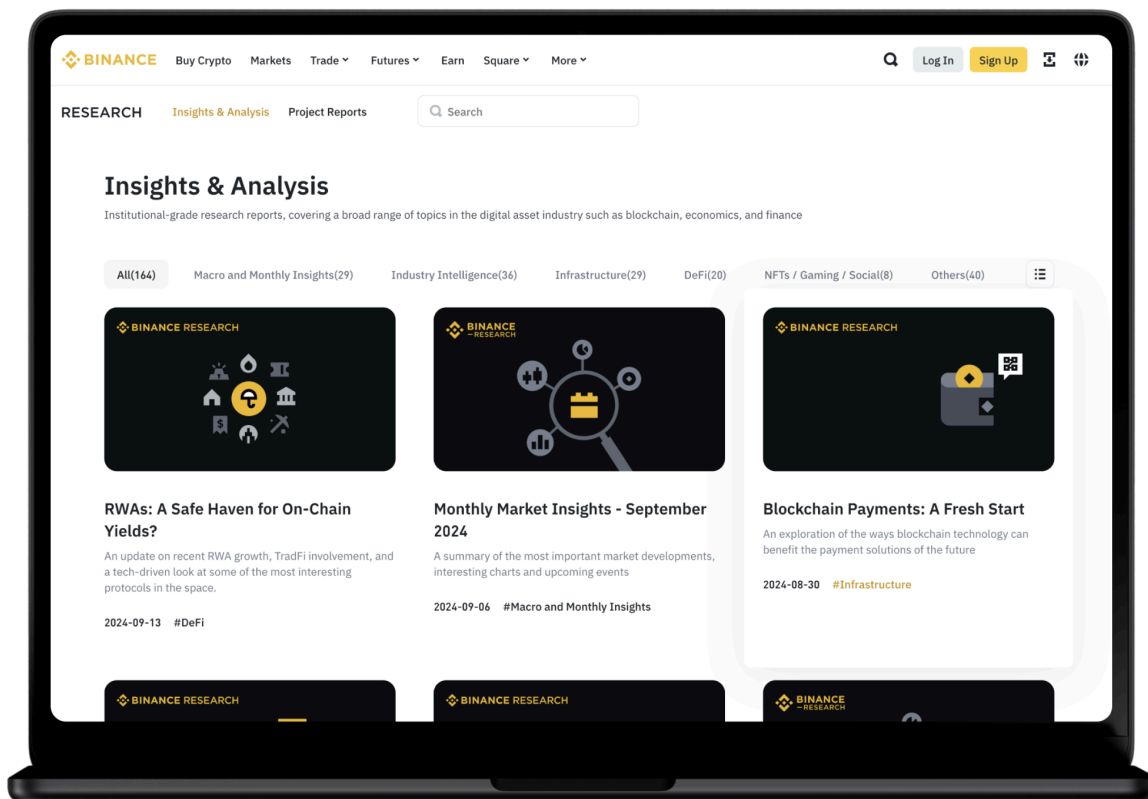
Asher Lin Jiayong

Macro Research Intern

Asher is currently a Macro Research Analyst Intern at Binance. Prior to this, he worked at a token management platform in New York and as a data analyst in a Swedish AI startup. He holds a Bachelor of Science in Business Analytics from the National University of Singapore and has been involved in the cryptocurrency space since 2018.

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