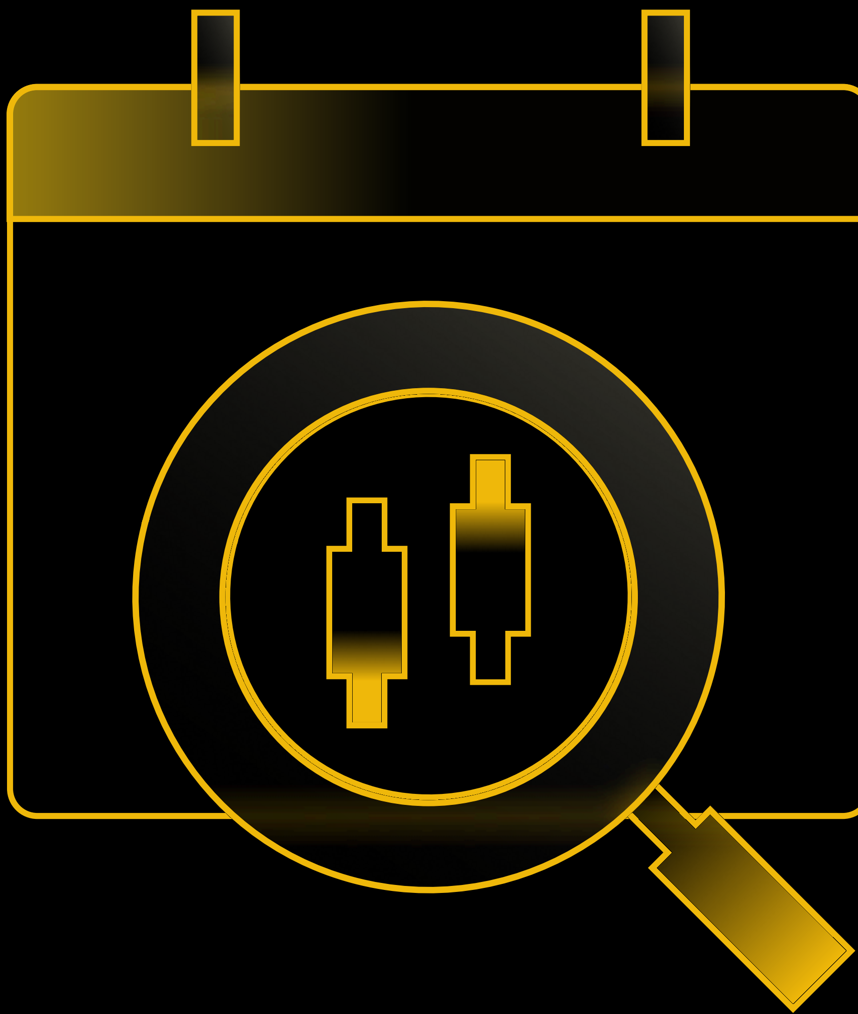
BINANCE RESEARCH

MONTHLY MARKET INSIGHTS

AUGUST 2026



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01 / Key Takeaways

- The crypto market recovered 8.0% to US$2.29T as ETF flows turned positive for the first time since early May, though still at a fraction of June's record exit. A 9-3 hawkish hold and renewed Hormuz disruption capped the rebound, making July a consolidation rather than a full-fledged recovery. Looking ahead, the market is mainly watching whether the Fed raises rates in September, whether crypto ETFs keep attracting money, and whether the CLARITY Act makes progress before Congress goes on break around August 7.

- TradFi perps bring continuous hedging to the long tail of stocks that traditional markets never covered. On Binance itself, coverage has expanded from 1 ticker in January to 149 today. This product expansion has pushed TradFi perps from ~2.7% to ~28% of Tier 1 crypto-exchange futures volume in seven months, with Binance holding roughly 59% of the category.

- bStocks have gone from a standing start in early June to over US$500M in market capitalization by July 31, roughly a quarter of the tokenized-stock market and about 68% of the sector's growth over the period. Its rapid uptake is underpinned by 24/7 trading with instant conversion to the underlying equity and a young and diverse user base.

- Retail dominates bStocks arbitrage by headcount: 4,777 users participated with nearly US$1.25B in matched volume, but 518 systematic arbitrageurs drove the bulk of the activity, capturing US$1.7M in spread PnL at 2-minute median execution speed.

- Binance Equity Weekly Fund Flow's interpretation generally held up well, with the one-week catalyst-to-flow lag supported by quantum inflows rising 4x, TSMC-linked flows rebounding 29x, and memory weakness preceding a 97% flow collapse.

02 / Crypto Market Performance

In July, the total cryptocurrency market capitalization recovered 8.0% to US$2.29T, though the rebound rested on thin summer volumes rather than fresh capital, with spot turnover at 29% below its post-2019 norm. BTC ETFs snapped a 10-day, US$2.73B outflow streak on July 3 and posted three straight weekly inflows – the first since early May – but at US$75-$200M a week these barely dented June's record US$4.5B exit. ETH led (+19.7%), constituting US$338M of ETF inflows and ending eight consecutive negative weeks, while the ex-BTC/ETH complex remains 22.8% lower year-to-date at US$667B, indicating selective rotation.

June inflation surprised sharply to the downside at 3.5% headline (vs 3.9% expected, 4.2% prior) and 2.6% core, the largest monthly CPI drop since April 2020, as gasoline fell 9.7% month-on-month following the Iran de-escalation. Relief again faded: hike odds re-priced from 10.7% on July 15 to 38% by July 24 as oil ripped higher and Warsh's price-stability framing outweighed the softer print. The Fed held at 3.50%-3.75% on July 29 for a fifth consecutive meeting, but on a 9-3 vote, with Hammack, Kashkari, and Logan dissenting for an immediate 25bp hike, the first time since September 2016 that three members dissented in the same direction.

The recovery from US$58.5K unfolded in three stages: weak June payrolls (57K vs 113K) cooled the tightening narrative and ended the ETF outflow streak, though Strategy's 3,588 BTC sale, its largest to date and a sharp escalation from May's 32 BTC sale, capped the bounce; the July 14 CPI surprise then drove a four-day inflow run, carrying BTC toward US$66k and ETH through US$1,800; before late-month hawkish repricing, US$465M of ETF outflows on July 23-24 and a semiconductor-led risk off pushed BTC back below US$64K.

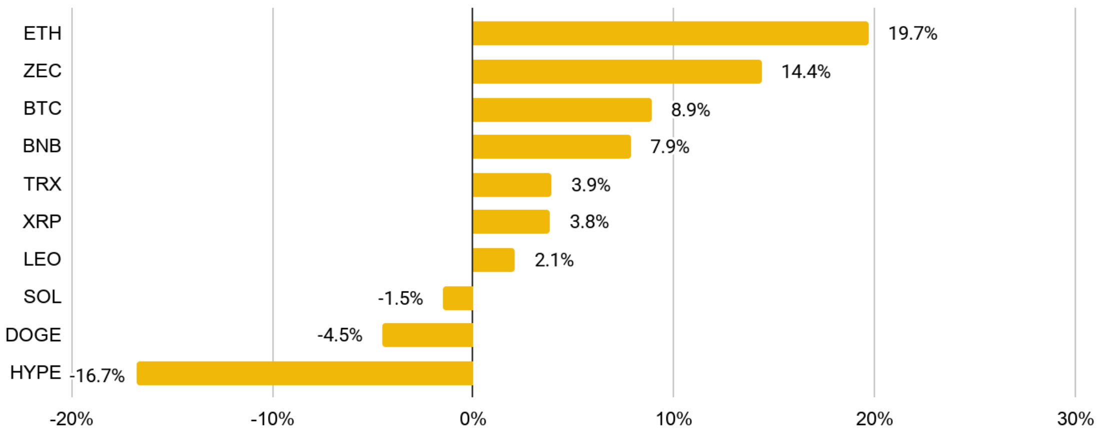
Looking ahead, Warsh's guidance and the September question dominate, while ETF flows test whether institutional demand is returning. The CLARITY Act is now the clearest binary: after the July 17 NYC field hearing and a revised July 22 Senate draft, Polymarket odds of 2026 passage have slipped to 27% from 53% on July 21, with the August 7 recess the last realistic window for floor action.

Figure 1: Monthly crypto market capitalization grew 8.0% in July

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2026	-1.0	-22.6	1.8	10.2	-3.3	-16.9	8.0					
2025	4.3	-20.2	-4.4	10.8	10.3	2.6	13.3	-1.7	4.3	-6.1	-15.4	-3.8
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, Binance Research
As of July 31, 2026

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



Source: Coingecko, Binance Research
As of July 31, 2026

In descending order of performance:

- ETH rose 19.7%, as spot ETFs took US$338M and ended an eight-week outflow streak with BlackRock's ETHA doing most of the work. Vitalik's July 4 "Lean Ethereum" proposal and a July 21 break of the downtrend line in place since August 2025 also carried ETH through US$1800 to a US$1980 test.

- ZEC gained 14.4% into the July 28 activation of Ironwood NU6.3, which sealed the US$1.7B Orchard shielded pool behind a turnstile and neutralized June's counterfeiting flaw.

- BTC rose 8.9%, recovering from a US$58.5K low as ETF flows turned positive for three consecutive weeks and June CPI reset the rate path, though Strategy's BTC sale capped the advance.

- TRX and XRP posted comparable gains of +3.9% and +3.8% respectively, as Tron Inc. lifted treasury holdings above 704.6M TRX and XRP spot ETF flows moderated toward US$1.48B cumulative, with the CLARITY Act's stalling, which would classify XRP as a commodity, removing the month's clearest catalyst.

- LEO added 2.1% after US authorities returned seized Bitfinex hack funds with 80% earmarked for LEO buyback-and-burn over roughly 18 months, layered on iFinex's standing commitment of 27% of monthly revenue.

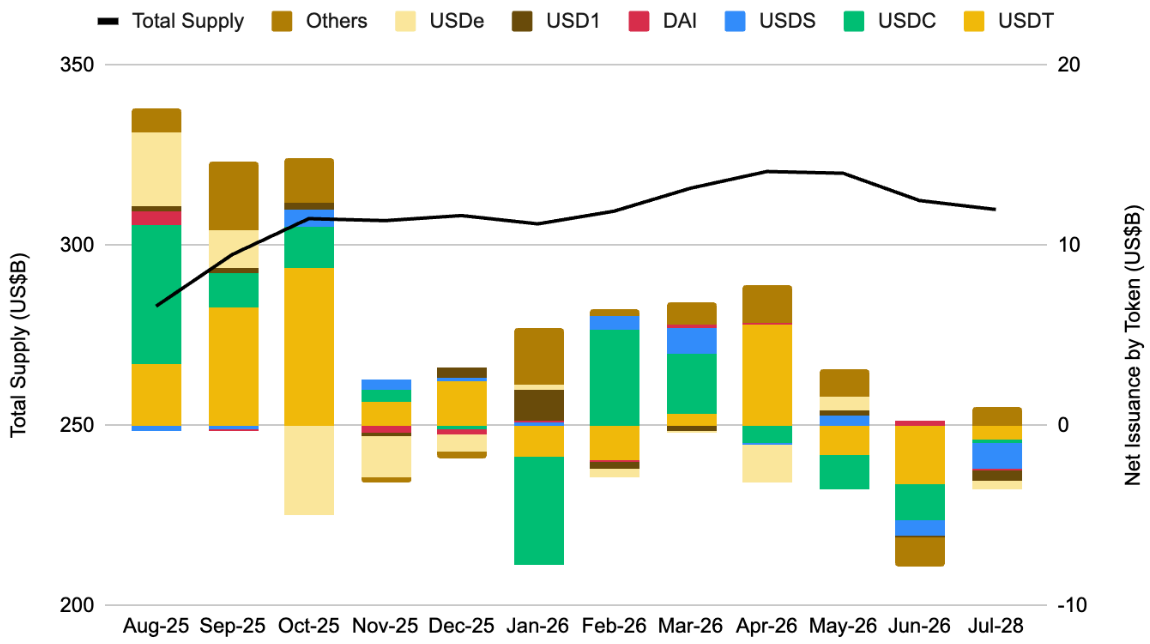
- SOL slipped 1.5% despite NYSE Arca approval of Morgan Stanley's US$0.14-fee MSOL staking ETF and SBI's launch of Japan's first tokenized equity fund on Solana.

- DOGE declined 4.5% as ETF demand flatlined with DOGE assets slipping to US$13.5M and two consecutive weeks of zero net inflows.

- HYPE slumped 16.7%, the month's worst performer, as perp DEX volume slid for a fifth straight month to an US$8.4B daily low and a July 28 flash crash in the SK Hynix perp exposed the risks of permissionless listings.

2.1 Stablecoins

Figure 3: Monthly net issuance for stablecoins



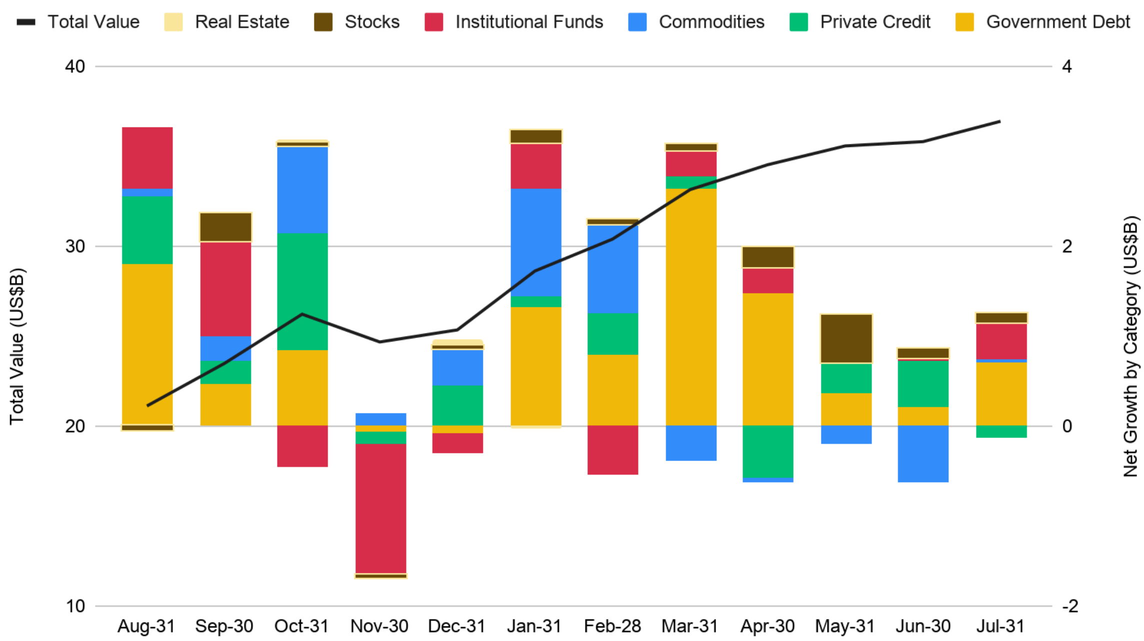
Source: DeFiLlama, Binance Research
As of July 31, 2026

Stablecoin supply edged down to US$309.9B in July 2026, a 0.80% MoM decrease extending the first quarterly contraction in nearly three years.

Ethereum shrank 4.43% and BNB chain 2.07%, while Tron grew 2.1% and Solana surged 29.32%, claiming the third spot at US$14.9B as non-USDC/USDT supply hit all-time-highs led by USD1 and USDG. Supply is leaving chains where stablecoins sit as collateral and accumulating where they circulate as payment and trading float.

2.2 Tokenized Real-World Assets (RWAs)

Figure 4: RWA net monthly growth by category



Source: RWA.xyz, Binance Research
As of July 31, 2026

Total RWA asset value reached approximately US$37.0B in July 2026, a 3.2% MoM increase, with government debt posting the largest absolute addition at US$702M (+4.2%) to US$17.05B, anchored by JPMorgan's US$811M OnChain Liquidity-Token Money Market Fund, the first bulge-bracket tokenized MMF. Institutional funds added US$411M (+5.6%) to US$7.80B and stocks US$104M (+5.8%) to US$1.90B, while private credit was the only decliner, falling US$122M (-2.4%) to US$4.95B. Commodities and real estate were virtually flat.

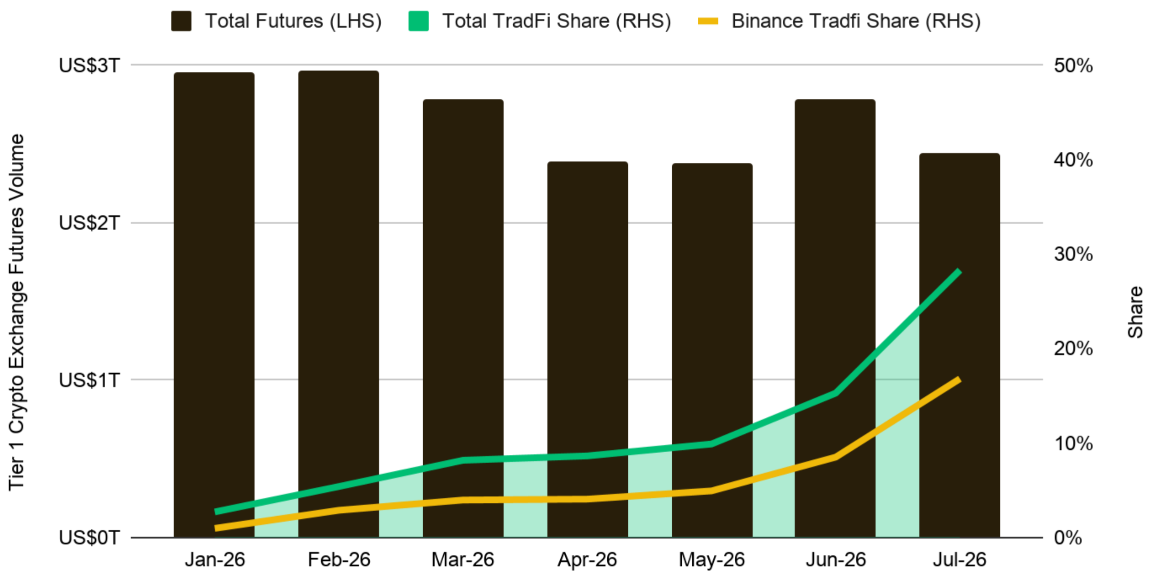
Binance's bStocks crossed US$500M in market capitalization, now around a quarter of global tokenized equity market cap, with volume equivalent to 0.3% of underlying stock and ETF volume. The category it leads is the fastest-growing in tokenization: stocks are up 406% year-on-year from US$376M, against 238% for private credit, 159% for commodities, and 150% for government debt. This trend is explored further in our recent commentary here.

Additionally, Securitize became the first firm cleared by FINRA to custody tokenized securities inside a regular broker-dealer, while DTCC ran a July production pilot with 50-plus institutions including Blackrock, JPMorgan, and Goldman Sachs.

03 / Charts of the Month

Filling the Long Tail: The Structural Rise of TradFi Perps

Figure 5: TradFi perps now reach 28% of total crypto exchange futures volume, up from 3% in January



Source: Binance Research
As of July 31, 2026

Traditional derivatives markets have a gap that rarely gets discussed head-on: continuous hedging tools serve only a handful of the largest names. CME single-stock futures and deep option chains cluster around TSLA, AAPL, NVDA. For most stocks – particularly newer semiconductor names, the AI supply chain, and non-US equities – liquid derivatives coverage remains limited. Investors holding those assets have long faced a limited set of options: remain unhedged or exit the position.

TradFi perps are beginning to address that gap. On Binance, the number of tickers covered by TradFi perps has grown **from a single ticker** at the start of the year to **149** today. That expansion matters because it extends continuous derivatives access beyond the few dozen large-cap stocks typically served by traditional markets and further into the long tail that, where risk-management tools have previously been limited outside relatively illiquid OTC options.The widening coverage is significant in itself: it fills a real, longstanding gap.

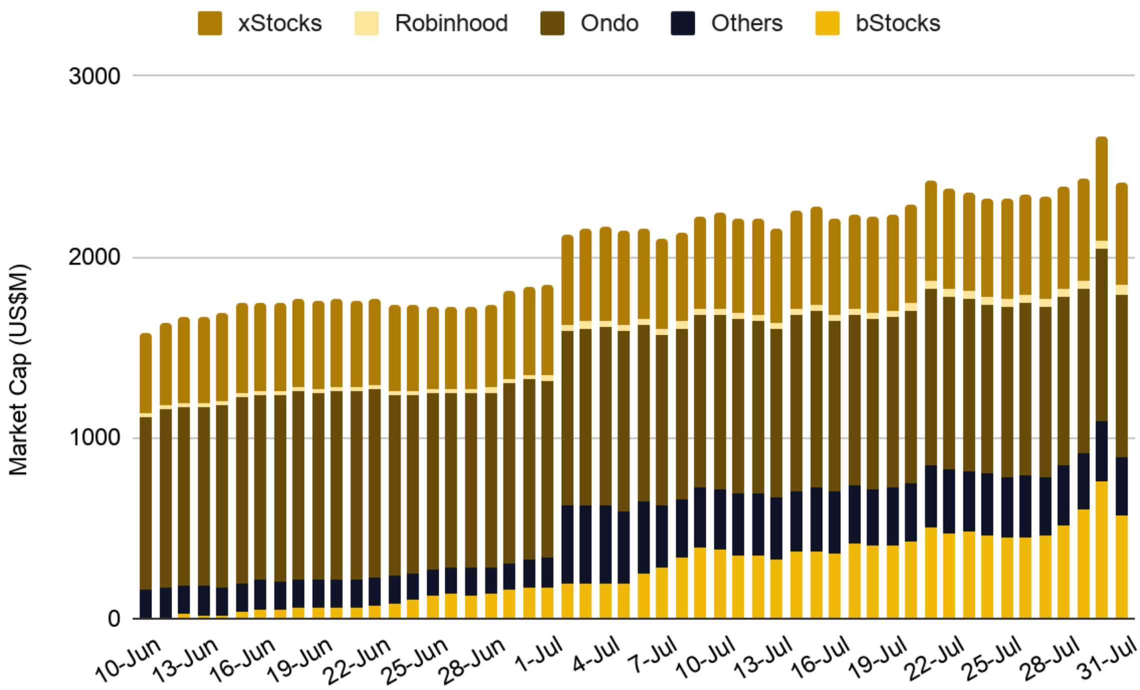
The supply-side expansion shows up directly in the volume data. TradFi perps as a share of total futures volume across Tier 1 crypto exchanges climbed from roughly 2.7% in January to about **28.3% in July** 2026 – close to **a tenfold increase in seven months.** The steepness comes from two forces pulling in opposite directions. On the numerator, TradFi perp volume jumped from around $80B in January to roughly $691B in July. On the denominator, total crypto futures volume over the same period eased from about $2.95T to $2.44T. One category expanding while the other cools is the signature of an asset-class migration, not an ordinary volume cycle.

Concentration within the category is rising too. Binance's share of TradFi perps went from about **36% in January to roughly 59% in July** – gaining share inside a market that is itself growing quickly. That combination usually points to a feedback loop built on product breadth and liquidity depth: more tickers create more complete trading/hedging use cases, more use cases pull in liquidity, and deeper liquidity supports still more listings.

The wider significance runs past "another product line." It touches a more fundamental question in market microstructure – who provides continuous price discovery and risk transfer for long-tail assets. The traditional market confines that function to a small set of headline names, and only during roughly five trading days a week. Continuous, global, long-tail-capable perps are stepping into that function where it was missing. It is the same pattern as tokenized stocks handling price discovery over the weekend: crypto's market infrastructure is filling the places where traditional finance is structurally absent.

bStocks Captures a Quarter of the Tokenized Stock Market

Figure 6: bStocks surpassed US$500M in market cap, now accounting for roughly a quarter of the tokenized stock market



Source: Token Terminal, Binance Research
As of July 31, 2026

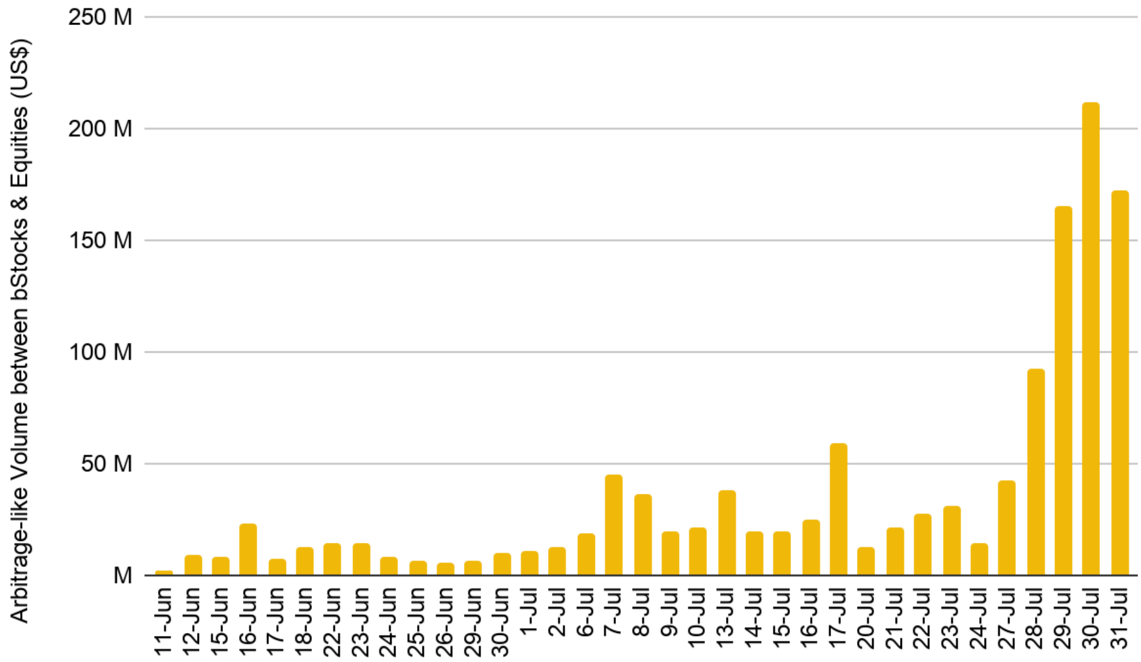
bStocks launched on June 11 and, by July 31, reached above **US$500M** in market capitalization, briefly surpassing **US$750M**, accounting for roughly a quarter of the tokenized stock market. Ondo remains the largest issuer, with xStocks broadly steady and Robinhood's offering remains minimal, but the distribution of share has changed substantially within a single quarter.

The pace of bStock's growth is the notable feature. Since launch it has added US$559M in market cap, against US$208M from other issuers combined, accounting for roughly 68% of total market growth over the period and outpacing the rest of the field by over 2.1x. Outstanding supply rose from US$10.88M to US$570M, a **5,139%** increase from a near-standing start, and listed tickers expanded from five to more than 46.

Two features help explain the adoption. bStocks trade 24/7, with free, instant, two-way conversion between a token and its underlying equity for eligible Binance users, providing access outside standard hours. With market-closed trading accounting for 58% of bStocks volume since inception, weekend activity has begun to contribute to price discovery before markets open on Monday. The user base composition is also interesting: Gen Z accounts for 44% of bStocks trading activity, while 41.5% of users traded bStocks without also trading other perpetual or equity products. This suggests the product is reaching newer investors rather than serving only existing market participants.

Retail-Accessible Cross-Market Arbitrage

Figure 7: Arbitrage-like volume between bStocks and direct stocks on Binance hit near US$1.25B



Source: Binance Research
As of July 31, 2026

bStocks are showing early signs of a self-correcting market structure, in which users help bring tokenized stock prices closer to their traditional equity counterparts through arbitrage. The analysis identified users trading the same underlying exposure across bStocks and traditional equities in opposite directions, such as selling a bStock while buying the corresponding equity, or vice versa. These patterns qualify as arbitrage-like because they aim to capture price gaps between two markets tracking the same asset.

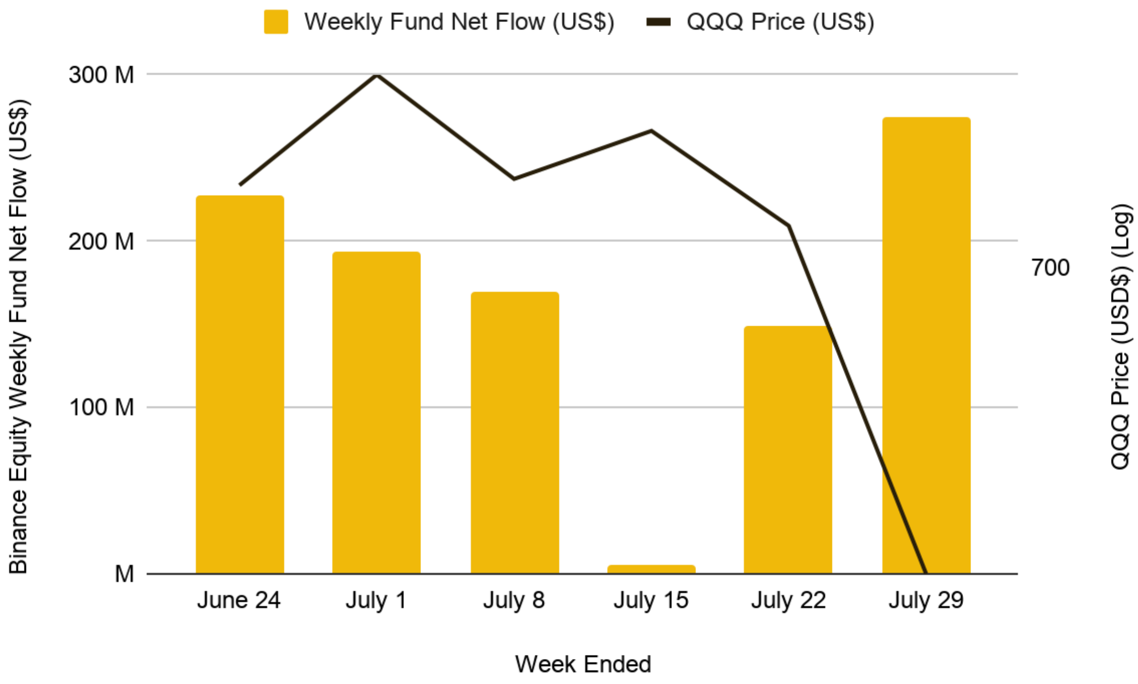
Across the sample, **4,777 users** engaged in this cross-market arbitrage activity with a total **volume near US$1.25B**. The largest cohort, 4,076 users traded only once, suggesting arbitrage opportunities were not confined to professional traders. Even these occasional participants generated US$10M in matched volume, with trades typically executed within a median gap of under a minute, showing that retail and casual users were able to act on short-lived price dislocations.

A smaller group of 518 systematic arbitrageurs accounted for the bulk of volume. These users repeatedly traded across bStocks and equities, generating US$1.23B in matched volume, or 98.8% of their total matched activity, with a median gap of just 2 minutes. This near-real-time pattern points to genuine arbitrage rather than gradual portfolio rebalancing. Collectively, this group captured roughly **US$1.7M in gross spread PnL**.

The broader takeaway is that bStocks' frictionless mint-and-redeem mechanism opens arbitrage to a wider user base, including retail participants. As tokenized stocks and their underlying equities become easier to trade against one another, price gaps close faster, improving both liquidity and price accuracy across the tokenized equity market.

Binance Equity Weekly Fund Flow: Reviewing the Series

Figure 8: QQQ down weeks drew twice the inflow of up weeks, US$205M against US$99M on average



Source: Google Finance, Binance Research
As of July 31, 2026

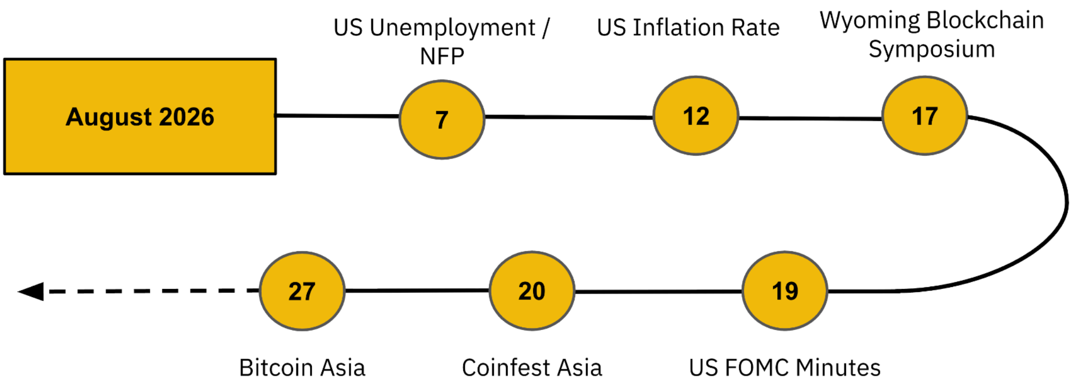
Across five Binance Equity Weekly Fund Flow articles on X, this series tracked **US$791.5M of net user inflows** through the most volatile stretch yet in the AI hardware trade, capturing a 54x range in weekly prints between the US$5.1M trough of July 15 and the US$274.8M record of July 29.

The series got the one-week transmission lag right. Platform flows repeatedly reacted to catalysts about a week later: after the June 22 quantum executive orders, theme inflows rose from US$32M to US$125M the following week, and after TSMC's July 16 beat, flows rebounded 29-fold**.** *The forward watch-item mechanism supplied genuine accountability*: all four questions posed on July 2 and all three posed on July 16 resolved within one week, each scored in print. *The strongest call was risk-based*. The July 9 issue warned the book "carries no hedge if memory has its first sustained red week" The following week, memory broke and net flows collapsed 97%. The EM cohort framework, carrying the concentrated exposure, de-risking fastest and returning fastest, was proposed, stress-tested through the mid-July drawdown, and confirmed at the July 22 and 29 turns.

The verdict: The dataset is genuinely differentiated as a flow base, supplying 81 to 91% of net inflow from emerging market users, with 24/5 access, which surfaced a contrarian signature that traditional fund-flow research rarely captures and *typically reserves for* *private banking clients*. This signature was clearest in the final week, when users put US$157M into the three memory names Wall Street spent the week selling. Readers joining in August inherit live, testable questions, whether the memory bid survives a second consecutive down week and how flows absorb the SpaceX unlock, plus a documented month of resolutions by which to judge the answers.

04 / Upcoming Events and Token Unlocks

Figure 9: Notable Events in August 2026



Source: Cryptoevents, Binance Research

Figure 10: Largest token unlocks in US$ terms in August

TOKEN	UNLOCK IN US$ EQUIVALENT	% OF M. CAP	UNLOCK DATE
RAIN	692M	7.24	10
BEAT	71M	6.87	1
PROVE	41M	119.70	5
KAITO	38M	13.50	20
ZRO	21M	7.28	20
H	17M	13.50	25
ENA	14M	1.8	5
PIEVERSE	13M	7.19	14
BTW	9M	4.62	2
JTO	6M	2.24	7

Source: CryptoRank, Binance Research

05 / References

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app.rwa.xyz/
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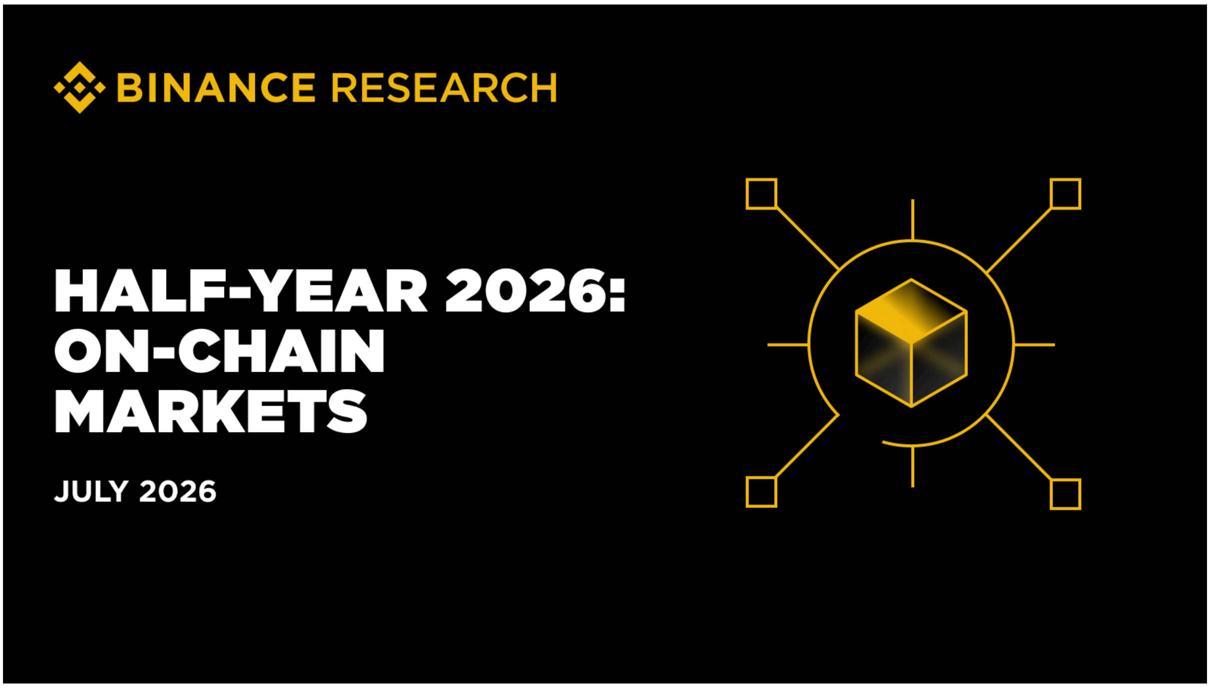
06 / New Binance Research Reports

Half-Year 2026: On-Chain Markets **Link**
A crypto-centric review of the first half of 2026, with a focus on the Protocol Layer, DeFi, Tokenized RWAs and Prediction Markets



Half-Year 2026: Macro & Bitcoin **Link**
A crypto-centric review of the first half of 2026, with a focus on Macro and Bitcoin

About Binance Research

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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.

Michael JJ

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.

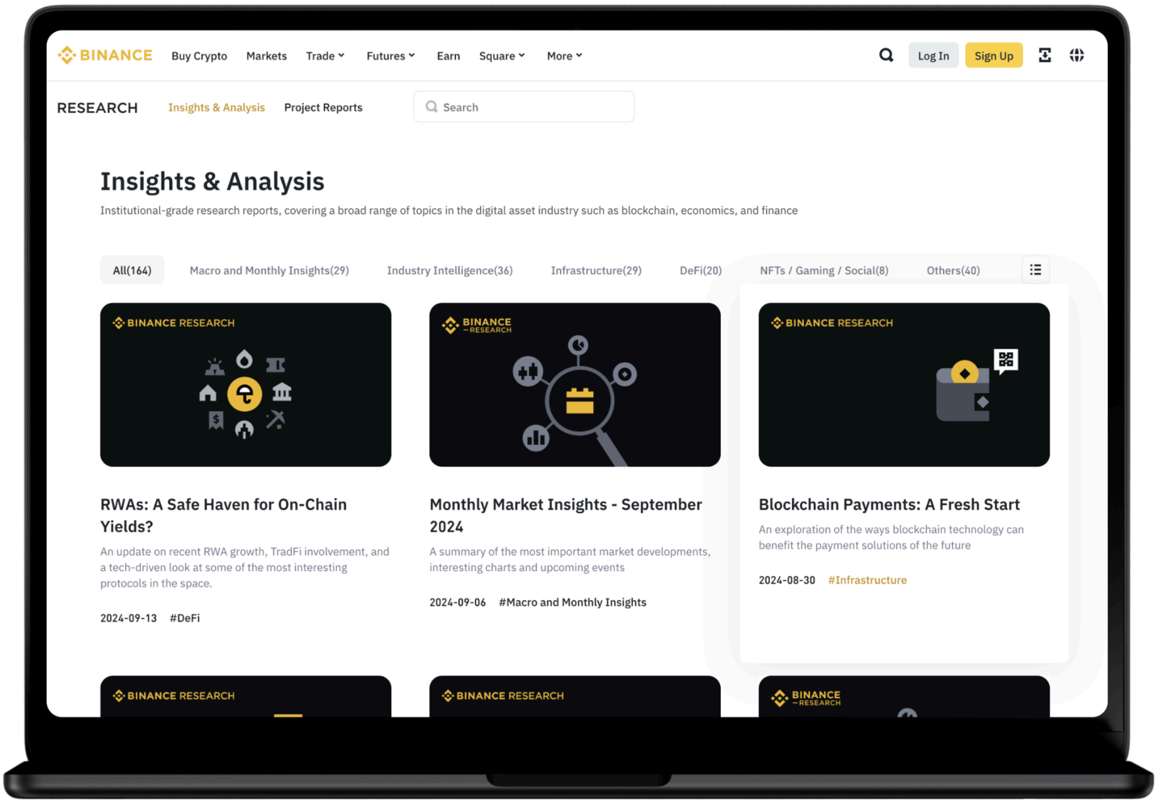
Lim Kim Thye

Macro Researcher

Kim is a Macro Researcher at Binance. Researching the crypto markets full-time since 2021, he previously served as a Senior Investment Research Analyst at a crypto asset management firm, where he specialised in crypto investment strategy and rigorous asset valuation. Before dedicating his career entirely to the crypto space, he was a financial consultant and a trader at an investment bank.

Resources

Binance Research **Link**



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