BINANCE RESEARCH

MONTHLY MARKET INSIGHTS

NOVEMBER 2026

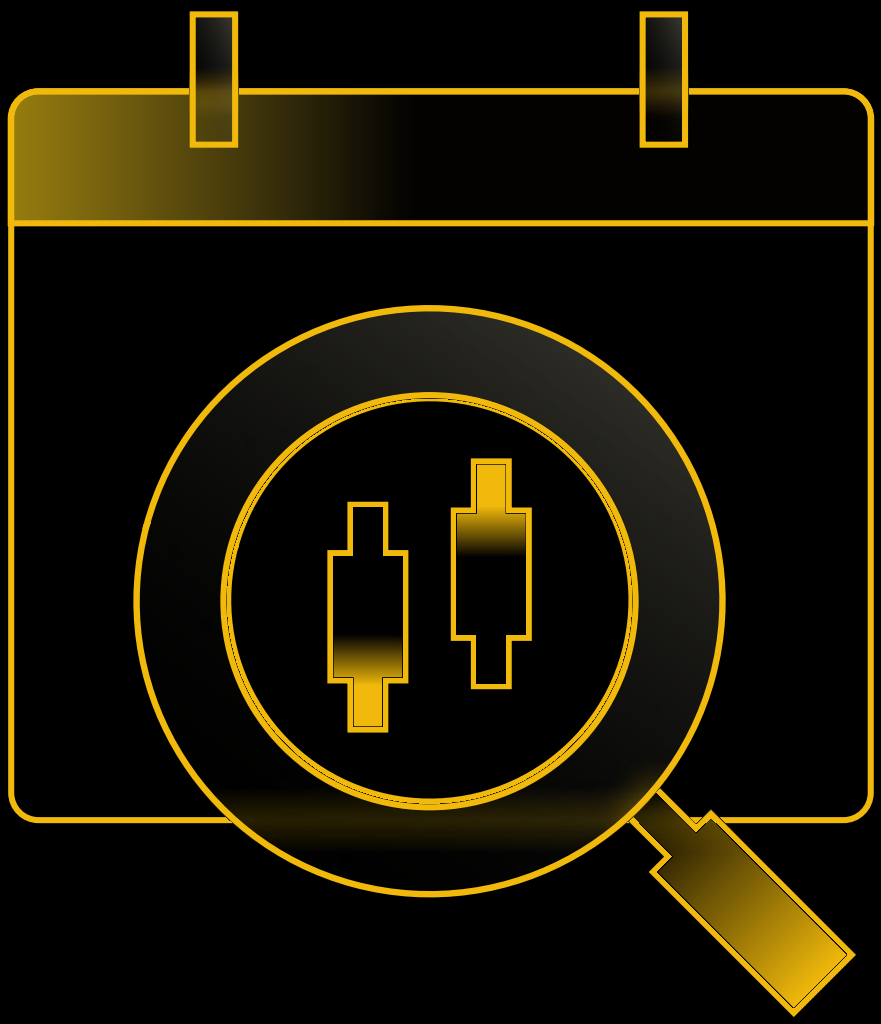


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01 / Key Takeaways

- Total crypto market capitalization fell 9.1% to US$2.70T as hotter inflation, rising odds of a December Fed hike and a selloff in tech stocks on AI spending and debt concerns. September CPI rose to 3.7%, and although the Fed held rates on October 28, futures now price roughly an 80–85% chance of a December hike. Demand softened across the board, with spot BTC ETFs seeing about US$516M of net outflows, Ether ETFs losing about US$1.6B and Strategy slowing its Bitcoin purchases. Policy progress still came from regulators, as the OCC finalized its GENIUS Act rule despite CLARITY remaining stalled in the Senate.

- The five largest AI spenders put US$230B into capex in 3Q26, 2.2x a year earlier and above their US$199B of operating cash flow, taking combined free cash flow to -US$32B, the first negative quarter in our data. Markets have started to distinguish AI spend from the revenue supporting it: Alphabet and Meta fell 12.6% and 7.0% after results while Amazon and Microsoft held up, BTC broke below US$80,000 in the same risk-off, and open interest on Binance TradFi perpetuals rotated from semiconductors toward the spenders. Longer term, BTC captured little of the AI rally, so a further unwind may weigh less on crypto than on equities.

- Eight of the G10 central banks have tightened over the past six months, but our measure suggests the momentum of tightening has eased since its July peak. In the last cycle, crypto's recovery coincided with a similar slowdown of tightening momentum, well before rate cuts arrived. Whether this easing continues into early 2027 will be key to judging whether the macro backdrop is turning less hostile for crypto.

- Inference demand is real: OpenRouter now routes about 25T tokens a day, roughly 34x more than a year ago. Daily token flow to the seven crypto inference providers we track rose about 7.5x this year to 226B. Their share is still near 1% and listed-price revenue is only about US$20M a year, but several protocols now route that revenue into token buybacks, burns or staking demand. What matters from here is which protocols capture share and grow aggregate revenue.

- bStocks reached US$1B in AUM in just 125 days, half the time Ondo took, with on-chain utilization reaching 18.54% as compared to the industry average of 13.91%. With 56% of trading volume occurring outside U.S. market hours, bStocks' traction appears to reflect not only issuance speed, but also the value of 24/7 trading and DeFi utility. Sustained above-industry utilization will be important in assessing if tokenized equity growth can support deeper on-chain capital deployment.

02 / Crypto Market Performance

In October, total crypto market capitalization fell 9.1% to US$2.70T, reversing most of September's 11.0% gain as hotter inflation, rising odds of a December Fed hike and a selloff in tech stocks amid AI spending and debt concerns weighed on the market.

With the CLARITY Act still stalled in the Senate, progress came from regulators. On October 21, the OCC finalized its GENIUS Act rule, setting reserve, redemption and risk management standards for payment stablecoin issuers, effective January 18, 2027. On October 5, the CFTC opened its crypto rulemaking with an Advance Notice of Proposed Rulemaking, which proposes limiting the on-platform requirement to leveraged, margined or financed retail trades. Comments on the SEC's proposed Regulation Crypto Assets closed on October 20.

Inflation accelerated to 3.7% in September, with core CPI beating expectations at 2.6%, even as payrolls rose only 29,000. On October 28, the Fed held rates at 3.75–4.00% in a 10–2 vote, with both dissenters favoring a hike. Futures now price roughly an 80–85% chance of a 25bp hike on December 9. Tech stocks sold off through the month on AI spending and debt concerns, and crypto moved with them.

Crypto failed to extend September's recovery. BTC fell below US$80,000 several times, first on October 15 as hot inflation data hit tech stocks, with long liquidations amplifying each drop. The security incident at Binance on October 29 weighed on near-term sentiment, although history suggests such events have not changed the market's longer-term direction, where macro conditions and the cycle matter more.

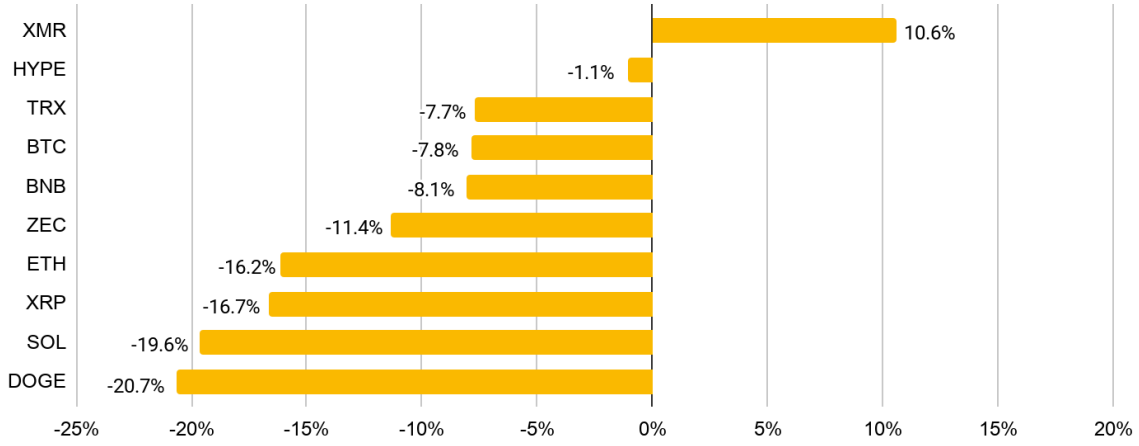
Spot BTC ETFs saw about US$516M of net outflows, reversing September's US$2.6B of inflows. Ether ETFs fared worse, recording about US$1.6B in net outflows, the largest monthly outflow of 2026. Strategy bought only 851 BTC before pausing purchases in favor of STRC buybacks. October has lifted crypto market capitalization in four of the past five years, making this second straight decline, after −6.1% in 2025, a break from the month's historical strength.

Figure 1: Monthly crypto market capitalization fell 9.1% in October

	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	17.6	11.0	-9.1		
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 November 2, 2026

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



Source: CoinGecko, Binance Research
As of November 2, 2026

Highlights:

- XMR gained 10.6%, the only top-10 coin to rise in October. It broke above US$600 to a 90-day closing high of US$621 on October 21, as capital rotated within the privacy sector away from ZEC.
- HYPE slipped just 1.1%, holding up better than the rest of the top 10. On October 29, it jumped about 18% to around US$95, within 4% of its record, after ICE announced plans with trade(xyz) to bring regulated perpetual futures on Hyperliquid to the US. It gave back those gains in the broader sell-off that followed.
- TRX fell 7.7% after a short-lived spike to US$0.362 on October 29, when stolen USDT was swapped into TRX. The move fully reversed, leaving TRX at its lowest level since March by month-end.
- BTC fell 7.8% as Spot ETFs saw about US$516M of net outflows, reversing September's US$2.6B of inflows. Selling picked up at month-end, with US$643M leaving on October 30 alone, the largest daily outflow of the month.
- BNB shed 8.1% to slide below the US$700 mark as a broader market retreat fueled risk-off sentiment. Though there were still some tailwinds from BNB Standard Corporation's (BNC) 26 October Nasdaq listing as the world's first public company dedicated to a BNB corporate treasury.
- ZEC gave back 11.4% after September's 65.9% rally, at one point sitting more than 25% below its late-September high. Grayscale's ZCSH reported about US$115M in redemptions over 13 sessions to October 21.
- ETH dropped 16.2% as spot ETFs recorded about US$1.6B of net outflows, their largest monthly outflow of 2026, erasing September's US$832M of inflows.

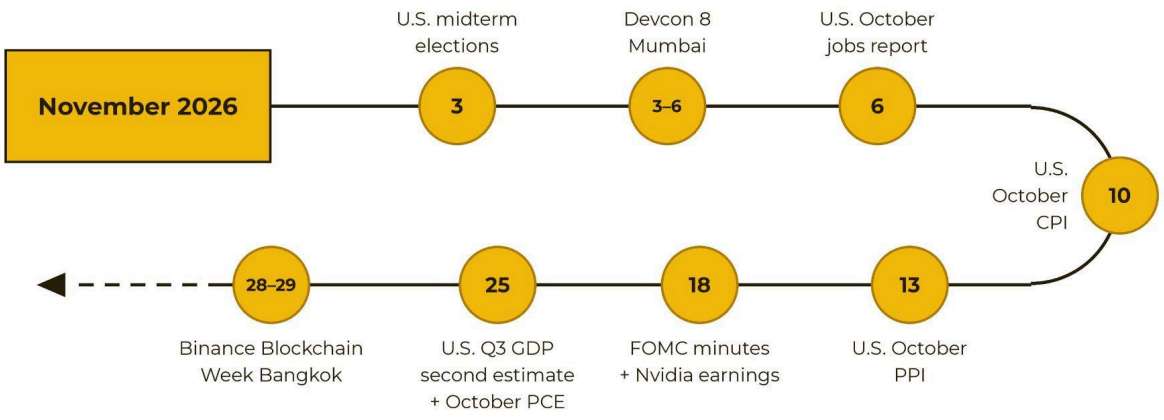
- DOGE, SOL and XRP were the weakest, falling 20.7%, 19.6% and 16.7%. Spot SOL ETFs posted about US$144M of net outflows, their first negative month since June, while DOGE ETFs drew no inflows all month. The share of XRP supply moved in the past year fell below 50%, a 2026 low.

November now carries two key questions.

The first is whether November's data supports the case for a December hike. With futures already pricing roughly an 80-85% chance of a 25bp move, October payrolls on November 6 and CPI on November 10 will test whether inflation pressure is strong enough to justify it. The FOMC minutes on November 18 may shed light on how broad support for further tightening is, and PCE on November 25 gives the final inflation read before the meeting. With the US10Y still around 5%, near its highest level in about two decades, any hawkish surprise could keep crypto under pressure.

The second is whether the post-election session can deliver progress on crypto regulation before the next Congress takes office. With Democrats having won control of both chambers in the November 3 midterms, attention now turns to whether the outgoing Senate can advance CLARITY within a narrow legislative window. Failure to do so would leave the bill's timing and path under the next Congress uncertain. Meanwhile, the SEC's review of comments on Regulation Crypto Assets and preparations for the GENIUS Act rules remain important parallel developments.

Figure 3: Notable events in November 2026

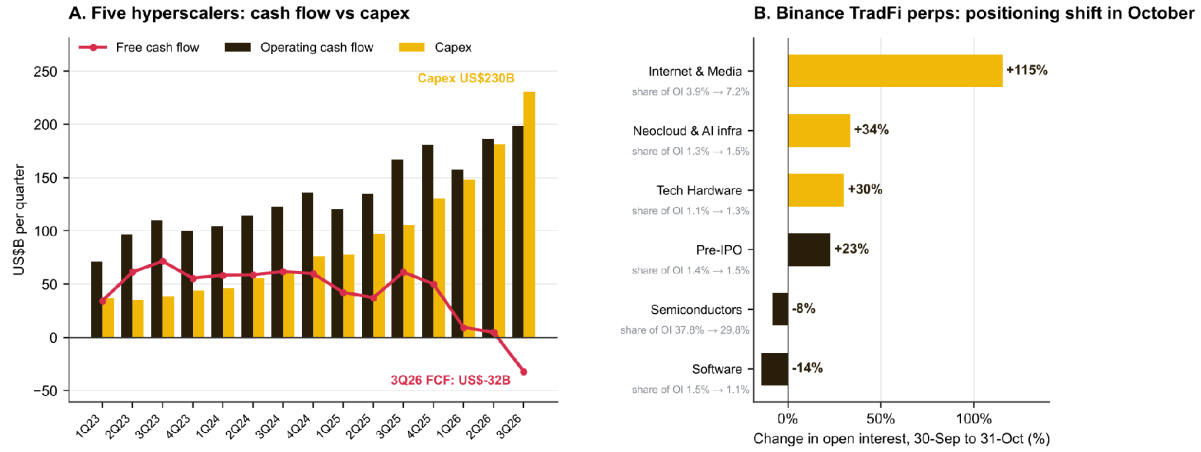


Source: Cryptoevents, Binance Research

03 / Charts of the Month

Hyperscaler Capex Outruns Cash Flow, and Markets Start to Discriminate

Figure 4: Hyperscaler free cash flow turned negative in 3Q26 as capex overtook operating cash flow



Source: SEC filings, company earnings releases, TradingView, Binance Research
As of October 31, 2026

Third-quarter results turned the AI capex debate from forecasts into reported numbers. Amazon, Alphabet, Meta, Microsoft and Oracle spent a combined US$230B on capex, 2.2x a year earlier and above their US$199B of operating cash flow. Combined free cash flow fell to -US$32B, from +US$61B a year ago, the first negative quarter in our data. **Guidance still moved higher**: Amazon kept 2026 capex near US$220B and Alphabet guided to US$195–205B, with 2027 to "increase significantly". Only Microsoft still covers its spend from cash flow.

The gap is increasingly debt-funded. US dollar AI-related bond issuance reached about US$419B by mid-October, roughly 90% more than in all of 2025, and Oracle's credit default swaps hit a record high in the same week. Equity markets have started to price spend against the revenue behind it. Alphabet fell 12.6% the session after its results, its largest single-day decline on record, and Meta 7.0%, both after raising capex guidance with free cash flow negative. Amazon, whose AWS growth accelerated to 39%, recovered a 7% after-hours drop to close 1.4% lower, and Microsoft was flat. Over October, Alphabet lost 19% and Meta 15%, against -3% for Amazon and +2% for Microsoft.

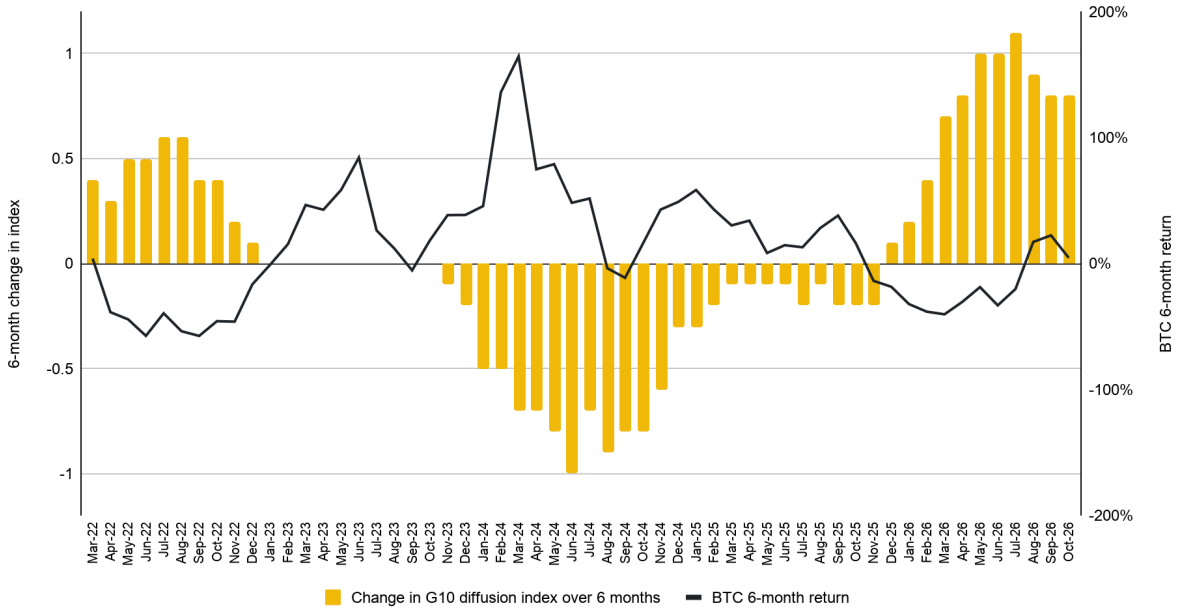
Crypto traded as part of the same risk complex, with BTC breaking below US$80,000 on October 24 and again on October 29 as tech stocks weakened. Positioning on Binance perps shifted with it: semiconductors' share of open interest fell from 37.8% to 29.8% over October as NVIDIA open interest roughly halved to US$67M, while Alphabet open interest

rose 210% to US$295M and internet and media names 115% as a group. Traders rotated from the companies selling the chips to the companies doing the spending.

Near term, this keeps **crypto exposed to AI headlines**. Over a longer horizon, the **asymmetry may favor crypto**. BTC captured little of the AI-driven equity gains, so a further unwind of the capex trade would weigh more on the indices those companies dominate than on crypto. Whether the spend is justified depends on demand, which the next section takes up.

Global Tightening Is Broad, but Its Momentum Has Peaked

Figure 5: The pace of G10 tightening peaked in July as BTC's 6-month return turned positive



Source: BIS, Yahoo Finance, Binance Research
As of October 30, 2026
Note: The G10 monetary policy diffusion index scores each central bank +1 if its policy rate is above its level six months earlier, -1 if below and 0 if unchanged, averaged across ten banks. Bars show the change in the index over the past six months.

October's central bank decisions pointed to a pause rather than further tightening, though with a hawkish lean. The Fed held rates at 3.75%-4.00% with two members preferring a hike, and the Reserve Bank of New Zealand held in a narrow 4–3 vote. The ECB and BoJ kept rates unchanged following their September hikes. The Bank of Canada was the exception, raising rates for the first time in more than three years. Our G10 monetary policy diffusion index, which tracks how many central banks have raised as compared to cut rates over the past six months, stands at +0.8 following the Riksbank's hike on November 4: eight have hiked, two have held and none have cut.

For BTC, what matters is the speed at which tightening spreads, more than how widespread it is. Since 2021, six-month changes in the index have shown a -0.62 correlation with six-month BTC returns. **That momentum has now turned.** It peaked at +1.1 in July, as the index swung from -0.6 in January to +0.5, and has since eased to +0.8. Over the same period, BTC's six-month return recovered from about -33% in June to positive territory from August.

This pattern has marked BTC's major turning points. In 2022, tightening momentum peaked at +0.6 mid-year and faded to zero by early 2023. BTC bottomed in November 2022, even as the index held at its peak, and its six-month return turned positive in February 2023, well before any G10 central bank began easing. The same dynamic worked in reverse in 2024: as easing spread rapidly, BTC delivered its strongest six-month return of

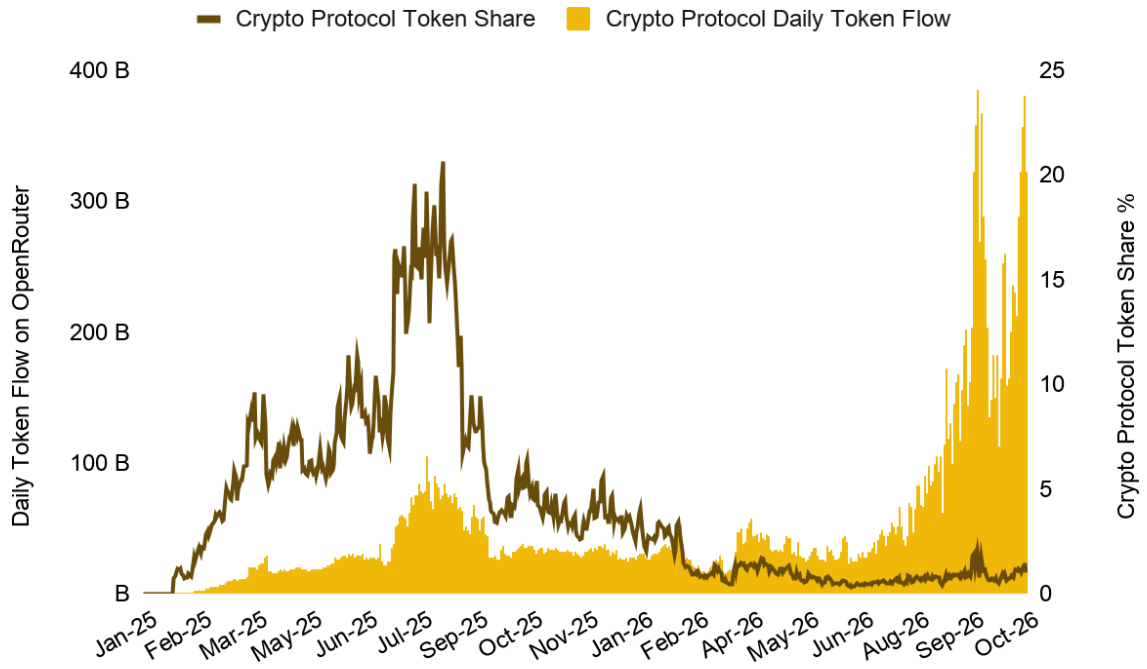
the cycle, exceeding +160% in March. **In each case, BTC moved with the direction of global policy, not its level.**

The current configuration points to further deceleration. As the index rose sharply through mid-2026, the six-month comparison base is moving higher. With no further policy changes, the index would hold at +0.8 while momentum falls to about +0.3 by January. Further hikes by the remaining banks would only slow this decline, lifting momentum to about +0.5 at most. A December Fed hike would leave the index unchanged, as September's hike reflected, shifting its impact mainly to US yields rather than global tightening breadth. Momentum would re-accelerate only if tightening extends into a new wave in 2027.

If the historical relationship persists, the peak in tightening momentum marks a meaningful turn for BTC. Global policy is still tight, but our measure suggests tightening is spreading more slowly. **Past cycles indicate that this transition, rather than outright easing, is when the environment for BTC typically begins to improve.**

Inference Demand Is Real, and Now Offer Direct Exposure

Figure 6: Daily token flow to crypto inference providers on OpenRouter



Source: Binance Research, as of October 31, 2026

Capex continues to climb, increasingly debt-funded, while margins tighten. Yet bulls and bears agree on one thing: inference demand is real. OpenRouter, a leading AI inference routing platform, now handles about 25T tokens a day, up roughly 34x in a year, as personal agents consume far more tokens than chatbots.

Crypto protocols have shared in that growth. Daily token flow to the 7 crypto inference providers we track **rose roughly 7.5x**, from about 30B in January 2026 to 226B in October.

Chutes was the pioneer. In August 2025, it handled **nearly 20% of all OpenRouter tokens**, showing decentralized compute could serve users at scale. Since then, it has struggled with sustaining demand, token-emission dilution and competition among subnets.

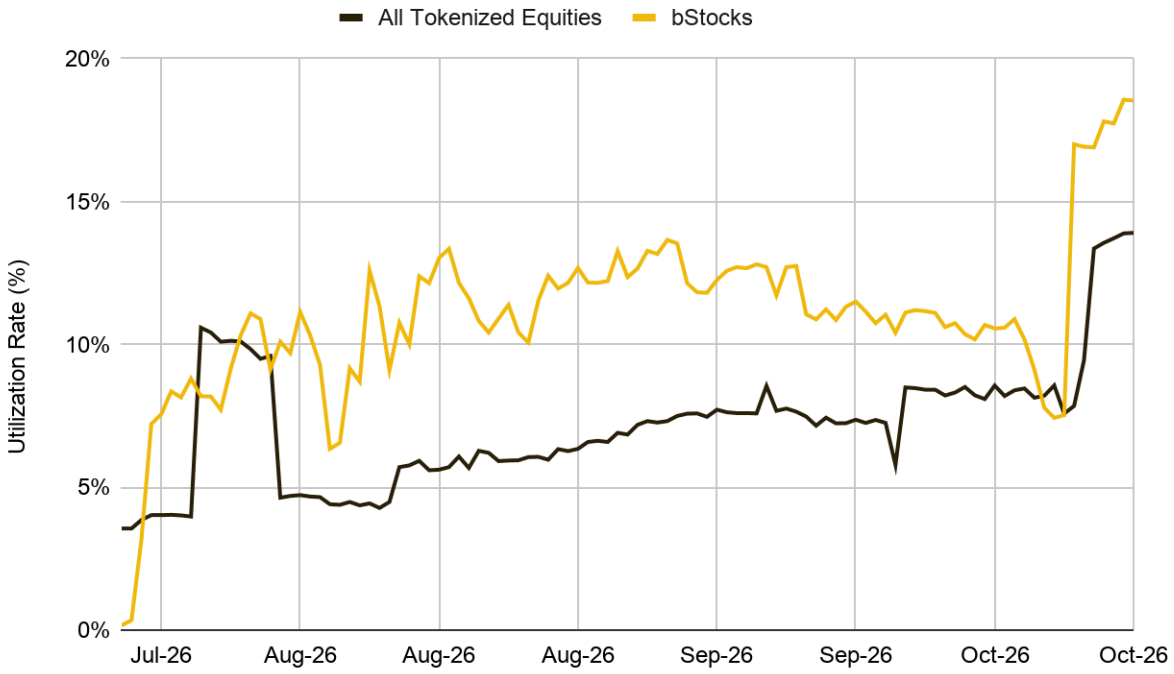
Today, leading protocols tie inference revenue to their tokens. Venice users stake VVV for API access. io.net burns at least half its post-payout revenue in IO. Every AkashML payment buys and burns AKT. NEAR AI users pay inference with NEAR staking yield.

At listed prices, crypto providers earn only about $20M a year through OpenRouter, where their share sits near 1%. While still modest in absolute terms, these revenues are notable because they represent real payments that can feed directly into token buybacks, burns, or staking demand. Investors can own cash flow tied to inference demand without owning a data center.

The demand is there. What ultimately matters is which protocols capture market share and grow aggregate revenue, via OpenRouter or by providing inference directly.

bStocks Achieves Rapid Growth, with On-Chain Utilization Above Average

Figure 7: bStocks' utilization rate has risen to 18.54%, which is 1.3x the industry utilization



Source: DefiLlama, Binance Research
As of October 31, 2026

On October 15, **bStocks reached US$1B in AUM in just 125 days**, in less than half the time versus other issuers. The depth of utilization is even more significant than the speed of issuance. **bStocks on chain utilization rate (DeFi TVL / Active AUM), has risen to 18.54%, around 4.63% above the 13.91% rate across all tokenized equities,** the growth is extending beyond issuance into on-chain capital deployment. The rapid AUM expansion and above industry utilization indicates that bStocks is building both scale and DeFi utility.

bStocks has accounted for more than 60% of the growth in the tokenized stock market during the same period. These figures point to a product whose value proposition extends beyond tokenized ownership to 24/7 trading, capital mobility and on-chain financial applications.

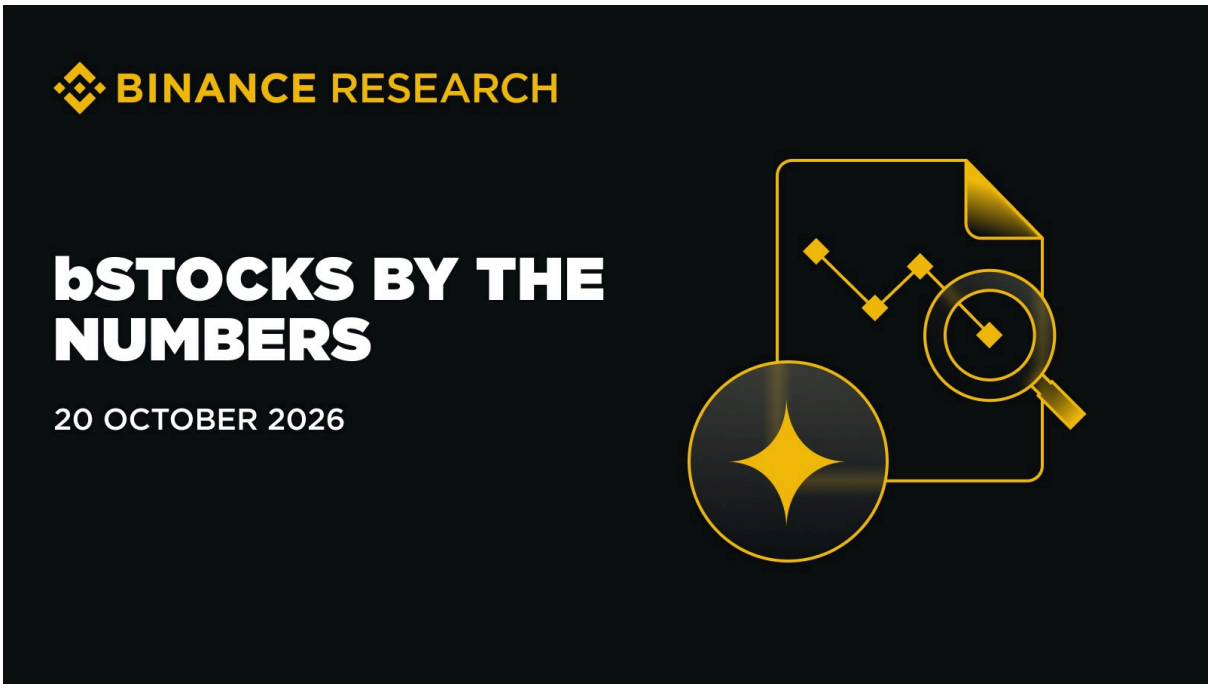
This distinction matters because the next stage of growth depends not only on how much equity is tokenized, but also on how effectively that capital is put to work. Higher utilization could expand the amount of capital deployed in lending markets and liquidity pools without requiring a proportional increase in tokenized supply. The key question, therefore, is whether DeFi utilization can remain structurally above the industry average while the asset base continues to grow.

04 / References

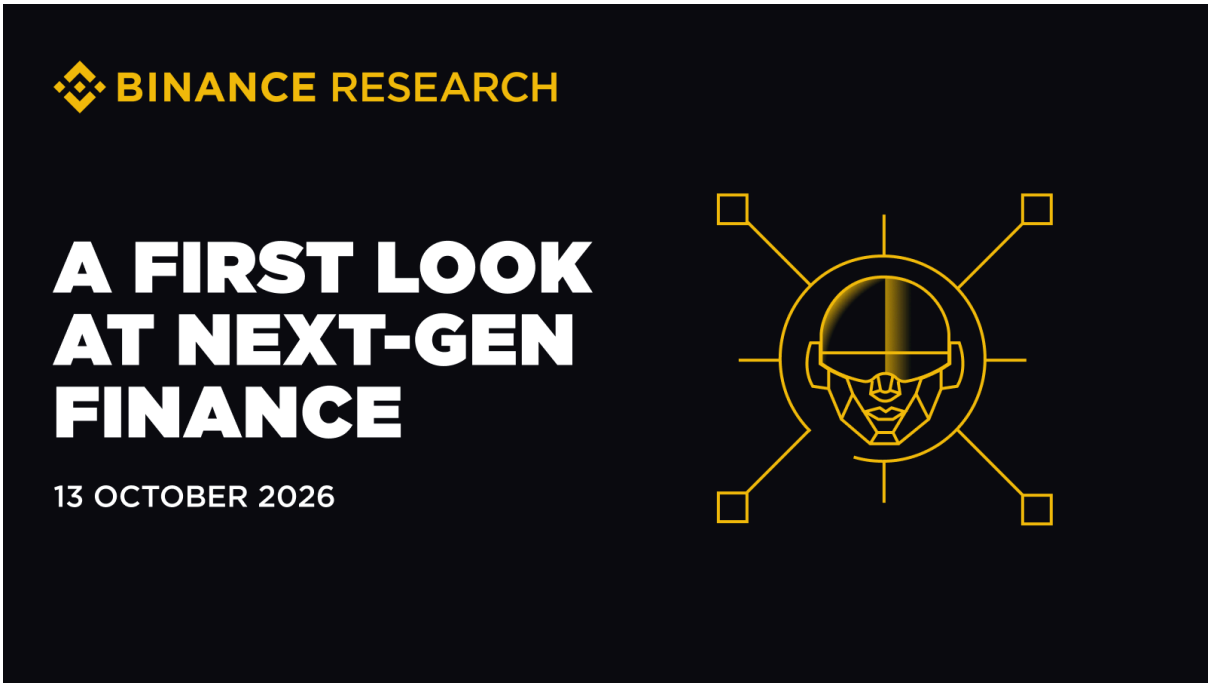
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05 / New Binance Research Reports

bStocks By The Numbers Link
A data-led look at bStocks growth to US$1B in AUM.



Binance Intelligence: A First Look At Next-Gen Finance Link
One AI layer, three ways in: Agent OS for builders, Binance AI for every app user and AI Pro for traders ready to automate.



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.



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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 specialized 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.



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Macro Research Intern

Kexin is a Macro Research Intern at Binance. She was previously a doctoral researcher at University of York, focusing on the transmission effects between cryptocurrency and traditional financial markets, and has published multiple academic papers.



Ken Lam

Macro Research Intern

Ken is a Macro Research Intern at Binance. He is currently completing a Bachelor of Science in Quantitative Finance at The Chinese University of Hong Kong. Prior to joining Binance, he interned at a central banking institution, focusing on financial stability research. He has also gained research experience across multiple asset classes in earlier roles.



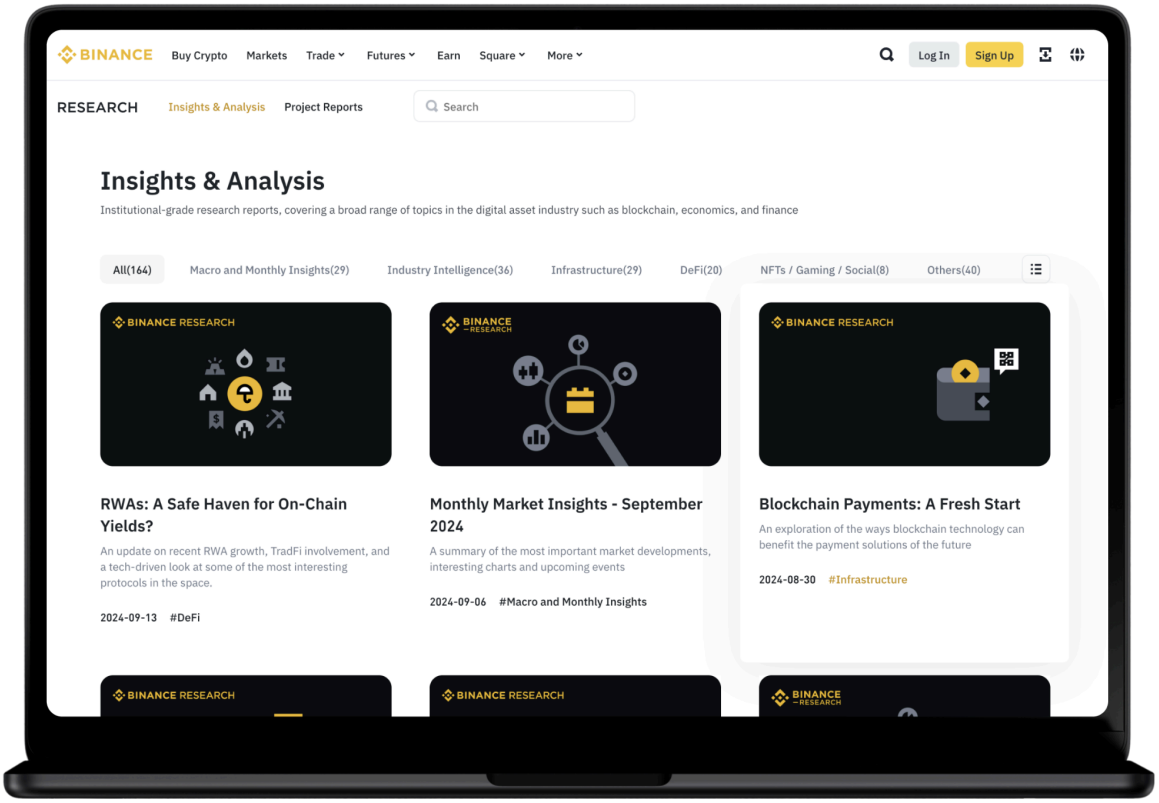
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Macro Research Intern

Jasper is a Macro Research Intern at Binance. He holds a Bachelor of Science in Mathematics from The Hong Kong University of Science and Technology. Prior to joining Binance, he worked on token listing research and on-chain analytics at a digital asset firm. He also has experience in equity capital markets and global TMT equity research.

Resources

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