



Digital Assets Market Outlook

Q4 2026: Beyond The Next Hike

The forces shaping digital assets in a tightening world



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EXECUTIVE SUMMARY



"What looks like calm is really a stalemate. Rates, CLARITY delays and Middle East risk weigh on price, while ETF demand and risk appetite keep absorbing the pressure. All it takes is one side to tire for price to break out."

Yuan Rong Tan
Head of ALM, QCP

\$80K–\$90K

Q4 base-case BTC range

3.75%–4.00%

Fed funds after the 16 Sept hike, first since 2023

8 days

Between the October FOMC, the election and the Treasury refunding

\$308B

Stablecoin supply, still below the \$322B May peak

~\$24B

Monthly Kalshi + Polymarket volume

Q3 treated BTC as a risk asset that moves with liquidity, not a hedge against debasement. August muddled that view without settling it. BTC rallied from the mid-\$60,000s to above \$80,000 and started trading more like gold and less like the Nasdaq. But the rally arrived alongside a short squeeze and falling futures open interest, which looks as much like a forced unwind as a change in why people buy BTC.

Growth and inflation both cooled without solving the Fed's problem. Q2 GDP slowed to 1.5% annualised and July CPI eased to 3.4%. August reversed course: headline CPI rose 0.4% on the month, core printed 0.3% above consensus, and energy is now 28% higher year on year with diesel up 52% on the Iran supply disruption. On 16 September the Fed responded with a unanimous 25bp hike to 3.75%–4.00%, its first since 2023. The dot plot implies one more move before year end. The committee is tightening again, not pausing.

The long end is repricing on its own terms. The 30-year Treasury hit its highest yield since 2007, pushed up by heavy government borrowing and AI-related corporate debt competing for the same buyers. The US Treasury's move to double long-end buybacks calmed yields for a day. It cannot remove the financing need.

Q4 runs through a dense calendar. CLARITY's cloture vote failed 49–50, with a lame-duck path preserved. A continuing resolution funds the government through 11 December. The 27–28 October FOMC, the 3 November election and the 4 November Treasury refunding update land within eight days of each other, and every outcome cuts both ways.

Our stance stays close to Q3. Core exposure stays on. We think leverage is hard to justify this early in a tightening shift. Where a view needs expressing around the dates ahead, defined-risk structures do the job better than added size.

SPECIAL THANKS TO THE ALM TEAM, THE AUTHORS OF THIS REPORT

Jake Tan **Dominic Pang** **Truman Tong**
Michelle Chong **Travis Chua** **Jade He**

WHAT THIS QUARTER MEANS FOR YOU



INSTITUTIONAL INVESTORS

BTC is competing for the same marginal dollar as AI compute, and losing on flow momentum rather than fundamentals. August earned BTC a seat in the debasement conversation; it has not yet earned a defensive role. Trade the signals, not the narrative: sustained ETF creations, rising stablecoin supply and lower real yields are the confirmation set. Around the October FOMC and election window, event protection is more efficient than added directional size.

See sections 2, 3 and 6.



CORPORATE TREASURY

The Strategy episode reframed what markets reward: not headline BTC holdings, but the funding stack behind them. With the long end at 2007 yields and hyperscalers competing for the same high-grade buyers, cash reserves, issuance capacity and refinancing terms now drive treasury credibility. A forced sale to meet obligations is a Q4 bear-case trigger in its own right. On stablecoins, the opportunity is specific: weekend and cross-border settlement, not yield.

See sections 3 and 5.



WEALTH MANAGERS & PRIVATE CLIENTS

Core exposure remains justified; unhedged leverage does not. The range gives you a plan: accumulate toward \$80K–\$82K, fade \$88K–\$90K unless ETF inflows broaden and persist, and express views through call spreads and put spreads rather than conviction sizing. Reduce on a close below \$70K; de-risk more aggressively below \$65K. Hold ETH and SOL as conditional beta, added only once flow breadth confirms.

See section 6.



MINERS & NATURAL BTC HOLDERS

An \$80K–\$90K range with restrictive rates is a margin-discipline regime, not a growth regime. Monetise the range with covered calls near resistance; protect production economics with puts or put spreads below \$70K, sized around the Middle East escalation scenario and the October–November event cluster rather than technical levels alone. AI infrastructure is now your competitor for power, capital and investor attention.

See sections 3 and 6.

SECTION

1

Q3 in review

Rate repricing gives way to a decoupling

IN THIS SECTION

- 01 July: a hawkish rates story
- 02 August: the turning point
- 03 Jackson Hole: the narrative reset
- 04 The QCP View

Q3 IN REVIEW

Rate repricing gives way to a decoupling

01

July was a hawkish rates story. Three FOMC dissenters wanted an immediate hike, the first three-way hawkish dissent in nearly a decade. ETF inflows dried up, capping BTC's first negative half-year of flows since its ETFs launched.

02

August was the turning point. Long-end yields kept rising as the 30-year hit its highest since 2007, yet BTC ran from the mid-\$60Ks to above \$80K, outperforming gold and tech. Futures open interest fell into the rally, consistent with forced short covering on top of ETF demand.

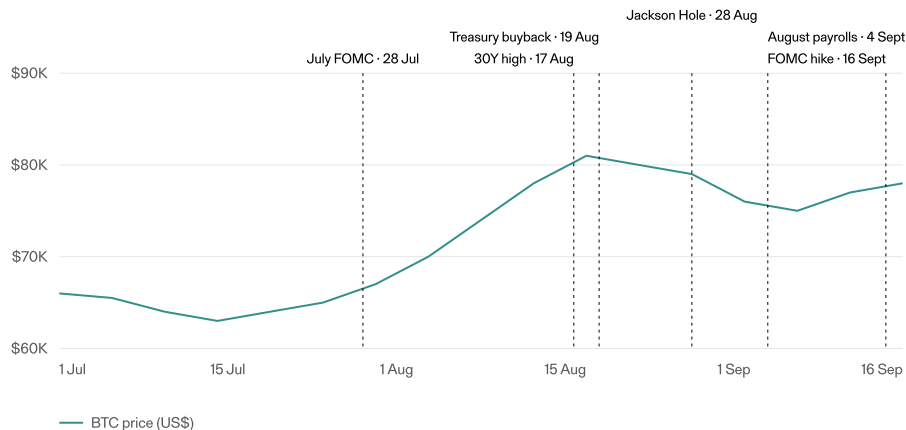
03

Jackson Hole reset the narrative in a single session. Warsh argued underlying inflation had not improved, hike odds jumped, gold and BTC both pulled back, ETF flows turned negative and Brent jumped into the mid-\$90s as the US-Iran ceasefire lapsed.

THE QCP VIEW

"BTC's correlation to gold strengthened and its correlation to the Nasdaq weakened. That may say more about a temporary squeeze than a durable change in what drives the price."

Q3 timeline: BTC price with key events annotated



Events annotated: July FOMC (28 Jul), 30Y high (17 Aug), Treasury buyback announcement (19 Aug), Jackson Hole (28 Aug), August payrolls (4 Sept), FOMC hike (16 Sept).

SECTION

2

Growth, inflation and the Fed

Slowing, not contracting. Hiking, not easing.

IN THIS SECTION

- 01 Key takeaways
- 02 US real GDP growth
- 03 Labour market
- 04 Inflation
- 05 September FOMC dot plot
- 06 The QCP View

KEY TAKEAWAYS

-
- 01 Growth is slowing without contracting. Q2 GDP ran at 1.5% annualised, down from 2.1%. An economy losing momentum does not automatically deliver the lower rates and easier liquidity that risk assets want.
 - 02 The easy inflation reading was a one-month story. July CPI eased to 3.4% headline and 2.5% core; August headline rose 0.4% on the month with gasoline up 3.9%, and core accelerated to 0.3%. Inflation has now been above the 2% target for 65 consecutive months.
 - 03 The Fed hiked unanimously to 3.75%–4.00% on 16 September. The dots put the median rate at 4.1% through 2027; 12 of 18 participants see one more 2026 hike, four see two. Warsh framed it as restoring restriction, not starting a cycle. The dots leave that open.
-

2 · GROWTH, INFLATION AND THE FED

US Real GDP Growth by Quarter

The US economy enters the final stretch of Q3 with enough resilience to keep the Fed focused on inflation, but little room for another sustained increase in living and financing costs. Growth has slowed without becoming a broad contraction.

AI investment is an important support and a concentration risk. Data centres, equipment and power can sustain spending while other businesses face a higher cost of capital, but the same cycle now underpins earnings expectations, financing activity and market confidence. A pullback in planned spending would reach well beyond technology shares.

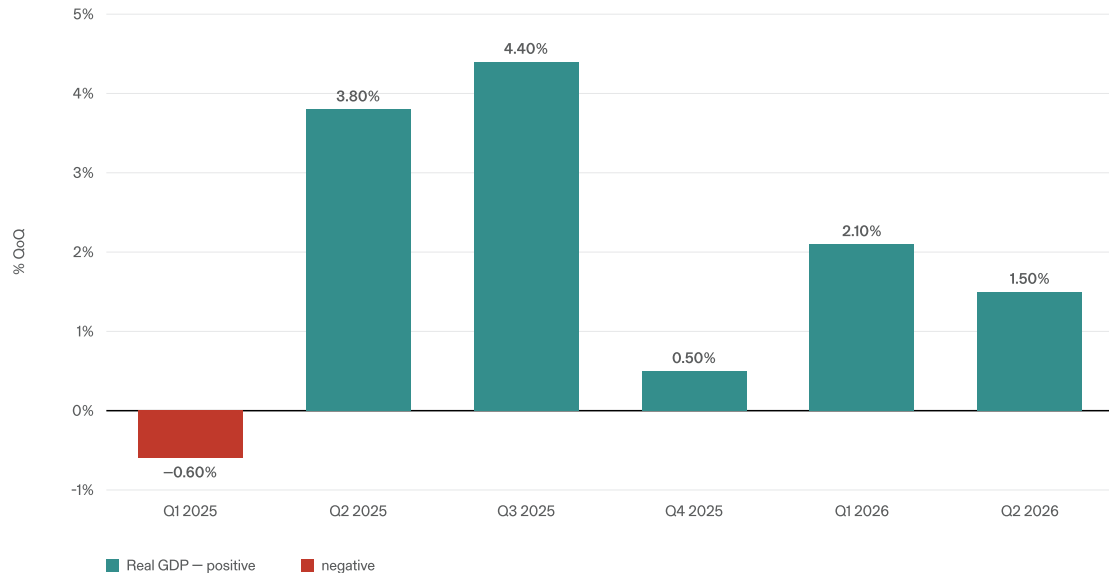


Figure 1. U.S. Real GDP Growth QoQ

2 · GROWTH, INFLATION AND THE FED

Labour: payrolls, ADP and claims vs unemployment

August payrolls rose 162,000 and June–July were revised up by 55,000, turning July's reported loss into a gain. The three-month average sits near 71,000: subdued, but not the imminent downturn earlier data implied. Read the trend and the revisions together, and don't treat every soft print as a buy signal for crypto.

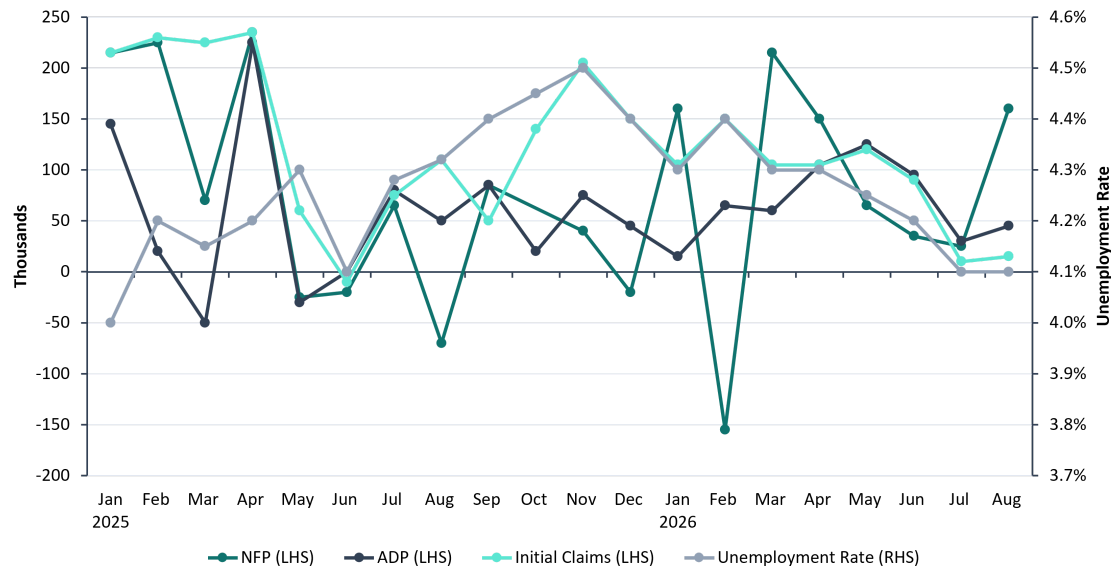


Figure 2. NFP, ADP, and initial claims (LHS) vs. unemployment rate (RHS), Jan 2025–Aug 2026

2 · GROWTH, INFLATION AND THE FED

US Inflation has re-accelerated

Energy is the swing factor. Lower pump prices helped June and July; the Iran disruption reversed that in August. The Q4 risk is mistaking a temporary fuel dip for durable disinflation. There is no basis for treating 3% as an accepted new target: Warsh reaffirmed 2% on PCE at Jackson Hole.

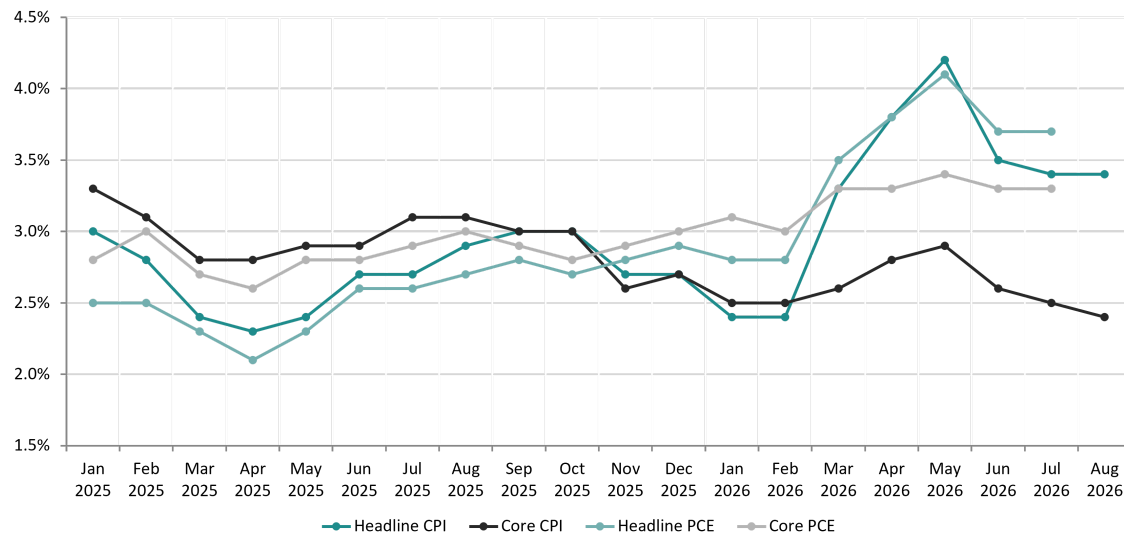


Figure 3. U.S. inflation data year-on-year from Jan 2025 to Aug 2026

2 · GROWTH, INFLATION AND THE FED

September 2026 FOMC dot plot vs market-implied path

Every dimension of the September projections is more hawkish than June: 2026 PCE up to 3.7%, core to 3.4%, unemployment down to 4.1%, year-end rate at 4.1%.

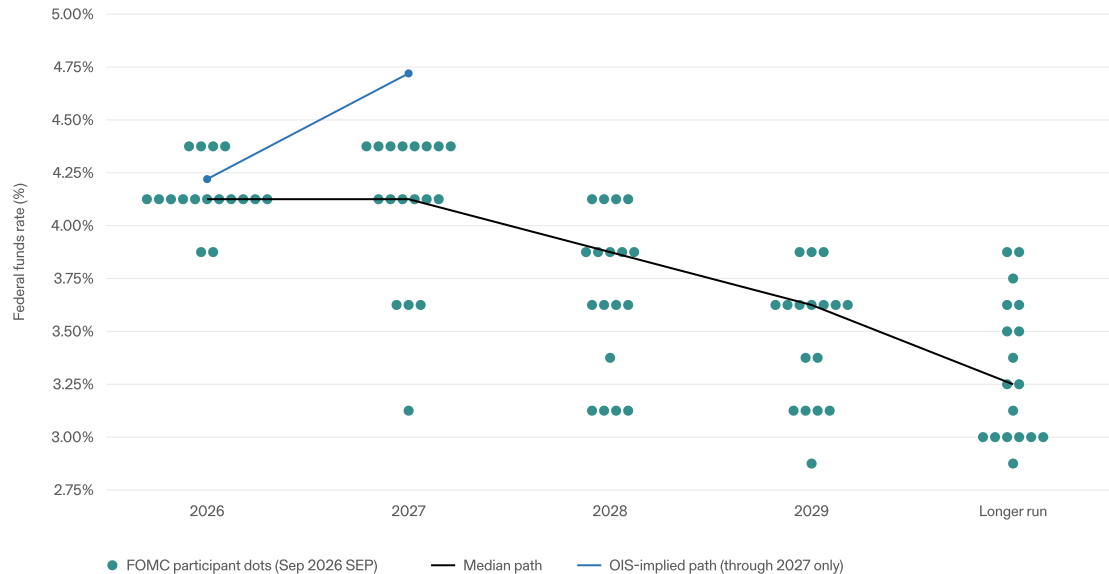


Figure 4. September 2026 FOMC Dot Plot

THE QCP VIEW

"A Fed that does not guide raises the price of certainty. Jackson Hole moved September hike odds by 20–30 points in a single speech."

The September hike removes one uncertainty and creates another: December is now live. Warsh's predominant focus is price stability, and the dots imply one more move before year end. Our base case is selective risk appetite in a higher-for-longer and still-rising environment.

Conviction should be earned release by release. September CPI on 14 October and October payrolls are the next decision points. For crypto, event protection around the October FOMC and the election window is more efficient than added directional size.

SECTION

3

Fiat debasement

The long end repricing

IN THIS SECTION

01 Key takeaways

02 Global 10-year and 30-year yields

03 Hyperscaler bond issuance

04 Treasury auction yields

05 BTC correlations

06 The QCP View

KEY TAKEAWAYS

-
- 01 The long end is repricing the cost of confidence. The 30-year Treasury reached its highest yield since 2007 even as soft data argued for lower rates. The market is demanding more compensation to finance the years ahead, independent of what the Fed sets today.
 - 02 AI borrowing is now a bond-market story. J.P. Morgan estimates 2026 hyperscaler capex at \$697 billion, funded through a widening mix of corporate debt, project finance and equity. The largest new source of high-grade duration supply is no longer a government, and it competes with the government for the same buyer.
 - 03 Treasury can smooth trading; it cannot remove the financing need. Doubling long-end buybacks to at least \$4 billion per operation calmed yields for a day before the 10-year round-tripped. Calling every buyback quantitative easing obscures that distinction.
-

3 · FIAT DEBASEMENT

Global 10-year and 30-year yields: US, UK, Germany, Japan

Long end yields have been moving higher on a combination of numerous factors. Among them is the combination of heavy financing requirements and investors' willingness to absorb them.

Globally, each market has its own inflation outlook, issuance needs and central-bank buyer.

Similar moves across global bond markets would confirm a global repricing of long term commitments rather than a purely American policy story. Japan matters twice: higher domestic yields reduce the incentive for Japanese institutions to hold foreign bonds, and a disorderly JGB or Yen move risks a leveraged unwind that hits risk assets through funding rather than fundamentals.

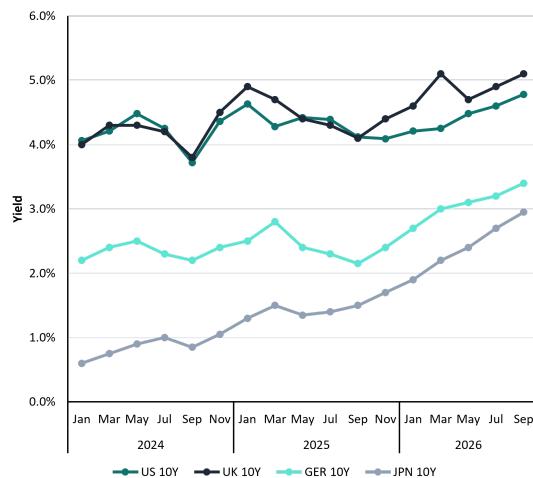


Figure 5. US, UK, Germany, Japan 10Y Yields

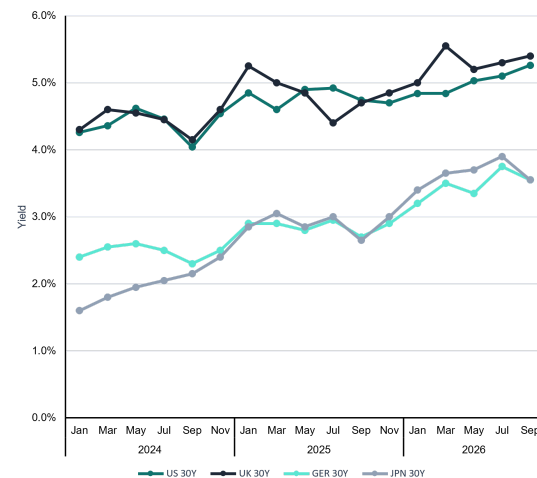


Figure 6. US, UK, Germany, Japan 30Y Yields

3 · FIAT DEBASEMENT

Hyperscaler bond issuance by company (\$B)

High-quality technology bonds compete for some of the same portfolios that hold government debt. Additional corporate supply raises the compensation buyers demand without proving it caused the entire rise in Treasury yields. The credit fundamentals are strong; it is the supply and duration that matter, not solvency.

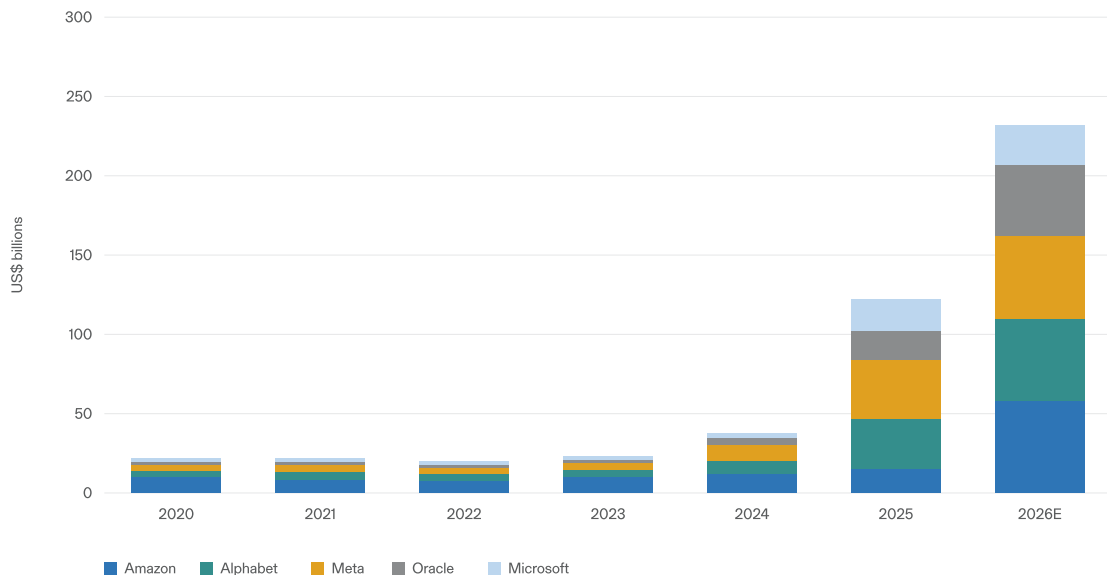


Figure 7. Hyperscaler bond issuance from 2020-2026E

3 · FIAT DEBASEMENT

10-year and 30-year Treasury auction high yields.

The US Treasury's 19 August announcement provides a concrete test of its capacity to support the long end.

While these operations can help holders sell less-liquid securities and make the market easier to trade, they do not cancel the deficit or automatically create central-bank money.

Our working base case is that liquidity measures offer episodic relief while a sustained fall in long yields requires a more durable change in inflation, financing expectations or demand for safe assets. Fiscal repair would be supportive, but should not be presumed from an election result. A sharp growth slowdown could lower yields sooner, although the first effect on crypto might be selling rather than relief.

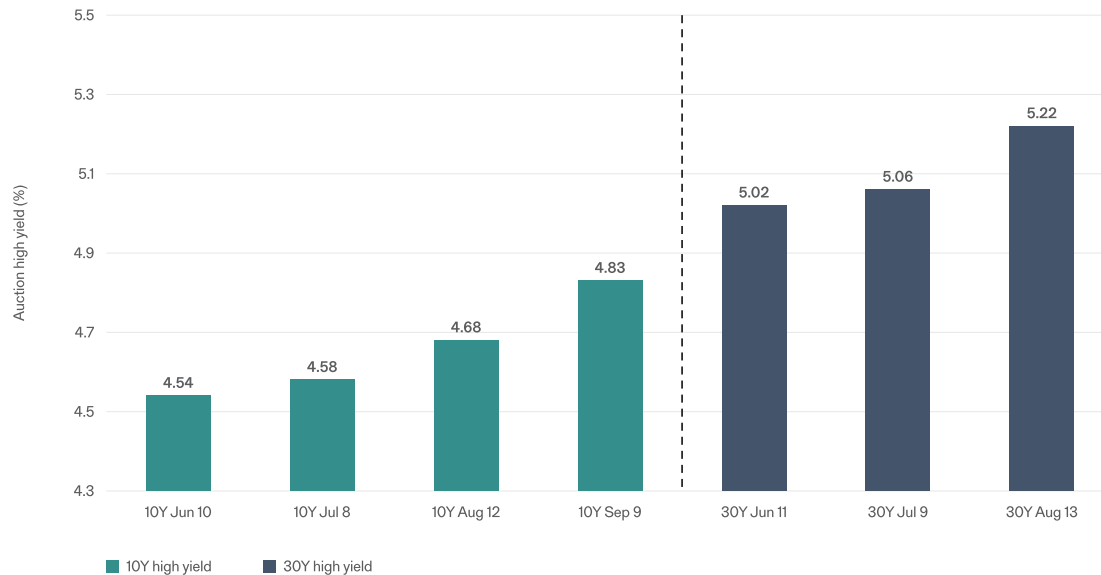


Figure 8. 10Y, 30Y UST Auction High Yields

3 · FIAT DEBASEMENT

BTC 60-day rolling correlations

BTC and gold both rallied after the Treasury announcement. Grayscale research described a higher rolling correlation with gold and a weaker one with the Nasdaq. The same asset can serve both a scarcity motive and a risk-appetite motive, with the dominant one changing over time.

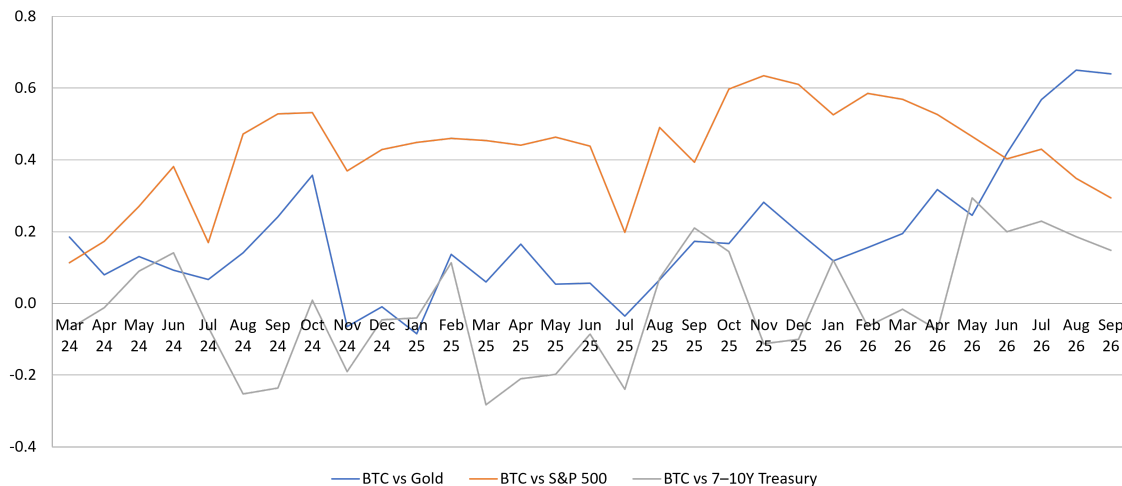


Figure 9. BTC 60-day rolling correlations with gold, S&P 500 & US Treasuries from March 2024 – September 2026

THE QCP VIEW

"Rising alongside gold in a broad rally is weaker evidence of defensive behaviour than holding up when equities fall."

August earns BTC a place in the debasement discussion. It does not yet earn the asset a dependable defensive role.

We would strengthen that assessment if resilience survives equity weakness, buying remains sustained and broader liquidity improves. We would weaken it if the next funding shock restores the familiar pattern of BTC selling alongside high-beta assets. The working view is a broader demand base with an unproven hedge characteristic, not a completed regime change.

There is no mechanical rule that a steeper curve is bullish for crypto. Falling short end yields with sticky long yields ease financing without resolving the fiscal question. Rising long end yields on inflation or supply pressure bonds and equity valuations alike, and gold and BTC can be sold to raise cash in either case.

SECTION

4

US midterms

A sequence, not a night

IN THIS SECTION

- 01 Key takeaways
- 02 Q4 policy and event timeline
- 03 Prediction-market pricing
- 04 Scenario matrix
- 05 Returns around midterms
- 06 The QCP View

KEY TAKEAWAYS

-
- 01 The election is a sequence of policy decisions, not a single trading night. The 27–28 October FOMC, the 3 November vote, the 4 November Treasury refunding update and the 8–9 December FOMC bracket a lame-duck session that is the last window for appropriations and any renewed CLARITY attempt.
 - 02 CLARITY's cloture vote failed 49–50 on 15 September, blocked on ethics language rather than the market-structure framework. A motion to reconsider preserves a lame-duck path. Regulators are moving anyway: the SEC's five-year Innovation Exemption for tokenised stock trading and its Regulation Crypto Assets proposal, open for comment to 20 October.
 - 03 What is priced matters more than who is ahead. Prediction markets are the best live read on chamber control, but they are venue prices, not objective probabilities. A political surprise matters through the change it creates in expected taxes, spending, oversight and financing costs.
-

4 · US MIDTERMS

Q4 policy and event timeline

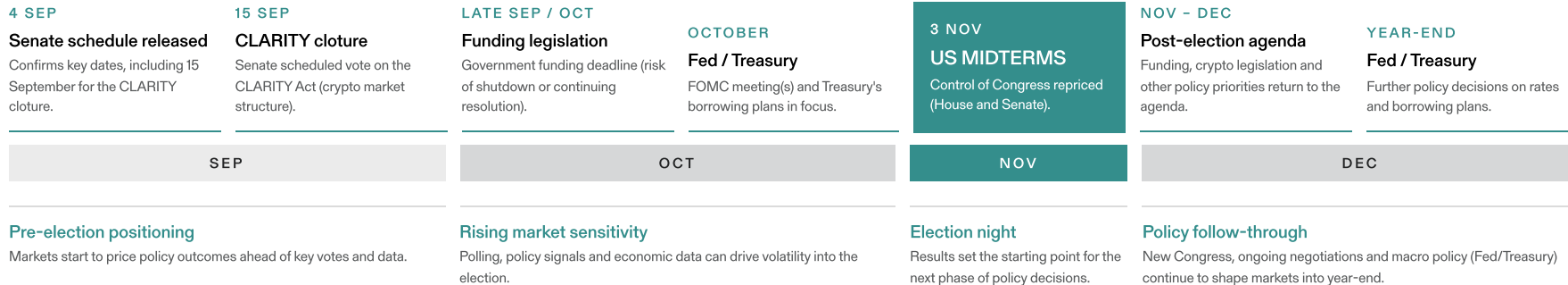


Figure 10. US midterms election timeline

4 · US MIDTERMS

US House Mid-Term Elections: Implied Win Probabilities

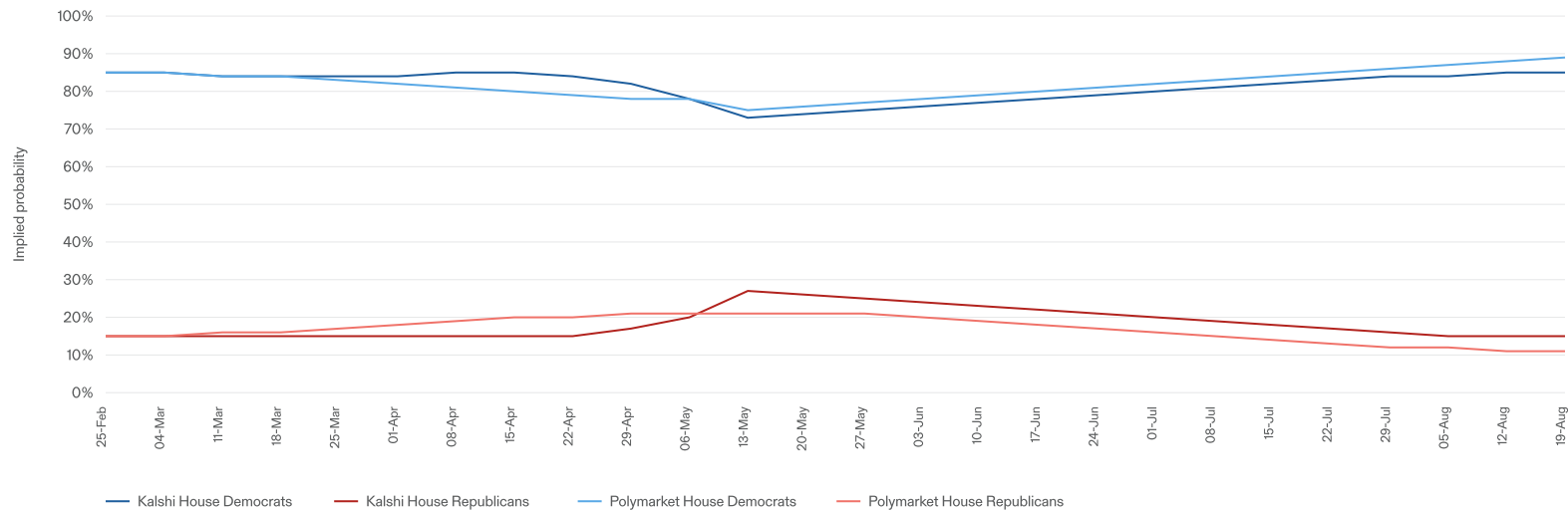


Figure 11. Kalshi, Polymarket market pricing of winning US House for mid-term elections

4 · US MIDTERMS

US Senate Mid-Term Elections: Implied Win Probabilities

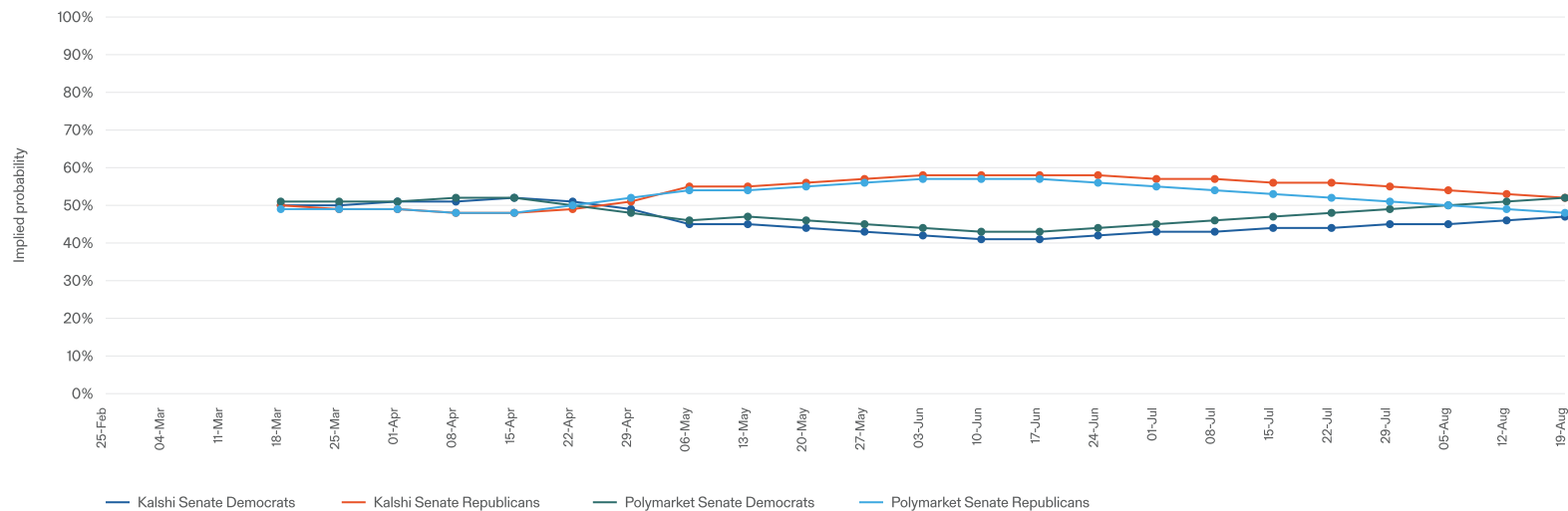


Figure 12. Kalshi, Polymarket market pricing of winning US Senate for mid-term elections

Scenario matrix

OUTCOME	SUPPORTIVE READING	ADVERSE READING	CRYPTO IMPLICATION
Republican sweep	Policy continuity; fewer obstacles to deregulation and digital-asset agenda	Investors associate result with more borrowing; long end yields rise and offset the regulatory tailwind	A favourable regulatory headline is not automatically a favourable liquidity outcome
Divided Congress	Reduced scope for abrupt policy change	Funding disputes and delayed decisions create their own volatility	Comprehensive bill slows; existing law, agency work and private adoption keep moving
Democratic sweep	Expected restraint on deficit-expanding measures	Greater oversight; headline risk for politically connected projects	Presidential veto limits any wholesale rewrite; conflict-of-interest scrutiny rises

House control has repeatedly taken days to call. Build a multi-day resolution window into event structures.

4 · US MIDTERMS

BTC and S&P 500 — Returns from Event Day 0

Midterm seasonality can inform positioning, not drive it. None of the historical samples share this fiscal starting point or term-premium backdrop, and BTC has no meaningful midterm sample at all.



Figure 13. BTC Returns Post Midterms



Figure 14. S&P Returns Post Midterms

THE QCP VIEW

"Distinguish a legislative headline from an implemented rule, and an implemented rule from new investment."

The election changes the route through which policy is negotiated, but the market still has to evaluate the resulting fiscal and regulatory choices. We track the surprise relative to expectations and its effect on long-term yields rather than assigning a fixed bullish or bearish label to each party outcome.

Our Q3 discipline still applies: reduced regulatory uncertainty can support valuations before it generates recurring inflows. The stronger evidence comes later, when institutions launch products, commit balance sheet and retain customer activity. Judge Q4 on that progression, not on the first rally after a vote.

SECTION

5

Stablecoins and prediction markets

Adoption that ignores the spot price

IN THIS SECTION

- 01 Key takeaways
- 02 Prediction-market volume
- 03 Stablecoin supply
- 04 Regulatory frameworks
- 05 Stablecoin reserves
- 06 The QCP View

KEY TAKEAWAYS

Prediction markets and stablecoins: adoption that ignores the spot price

- 01 Prediction markets grew through a year with no federal election. Combined Kalshi and Polymarket monthly volume rose from under \$5 billion in September 2025 to roughly \$24 billion by April 2026. Bernstein projects \$1 trillion in annual volume by 2030. Sports funds the venues; political and macro contracts supply the credibility.
- 02 An event contract and an option answer different questions. A binary paying \$1 on a defined outcome is clean for 3 November or a CPI print. It is not a hedge for that event's effect on a portfolio: an election contract can pay out correctly while BTC falls for another reason.
- 03 Stablecoin supply and stablecoin volume tell different stories. Supply sits near \$308 billion, below the \$322 billion May peak, while adjusted transfer volume keeps compounding. Higher turnover is evidence of activity, not a new pool of money available to buy crypto.

5 · STABLECOINS AND PREDICTION MARKETS

Kalshi & Polymarket Volume Turnover

For institutions the opportunity is narrower than the volume story. The checks that matter are quoted spread, executable depth, ability to exit when probabilities move sharply, and resolution rules. A contract on an inflation print behaves differently depending on whether it settles on the first release or a revision.

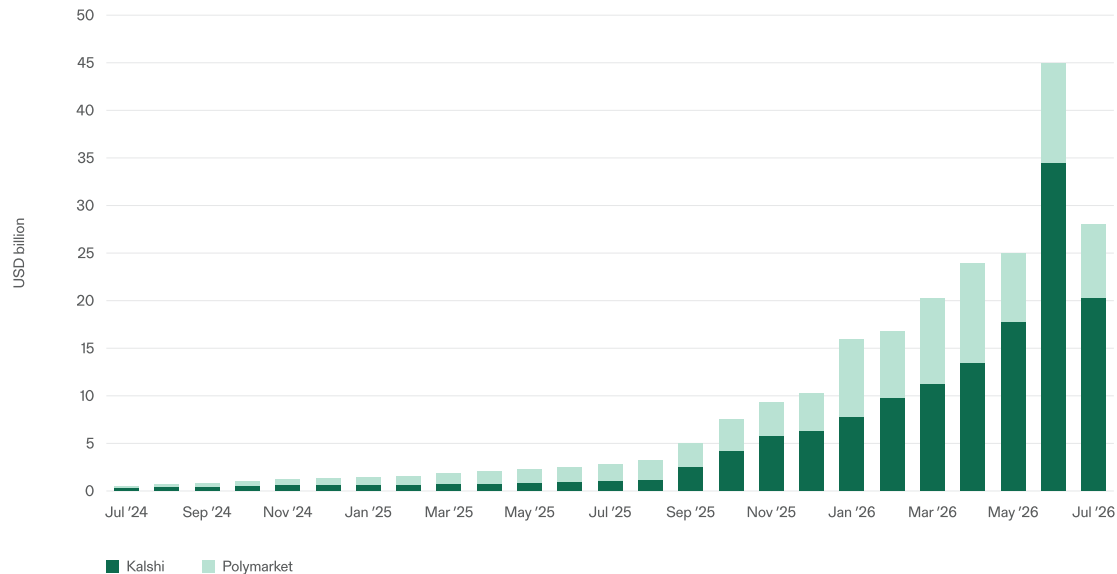


Figure 15. Kalshi & Polymarket volume from July 2024 to July 2026

5 · STABLECOINS AND PREDICTION MARKETS

Measure the dollars outstanding separately from the dollars moving

Stablecoin supply measures the stock of tokens outstanding. Transfer volume measures how often those tokens move. A payment system can process more transactions without a proportional increase in balances, just as the same dollar can fund several payments. Higher turnover is therefore evidence of activity, not necessarily a new pool of money available to buy crypto.

AGGREGATE STABLECOIN SUPPLY · MAY 2026 PEAK

\$322.4B

Source: Reap, citing DefiLlama

AGGREGATE STABLECOIN SUPPLY · 13 AUGUST 2026

~\$308B

Source: Reap, citing DefiLlama

The available August snapshot points to supply below the spring peak. Reap's 13 August account of DefiLlama data puts aggregate supply at approximately \$308 billion, compared with \$322.4 billion in May [19]. Later August reporting also describes renewed growth in the combined supply of USDT and USDC. These observations can coexist: a partial recovery in the largest coins does not necessarily restore the whole market to its earlier high.

The implication is more nuanced than "stablecoins contracted while BTC rose". The stock of on-chain dollars had not clearly regained its spring level, while some signs of recovery were emerging. That supports watching the breadth and persistence of supply growth. It does not prove that the August rally lacked crypto-native demand or that ETF investors were its sole source.

Stablecoin regulatory frameworks

JURISDICTION	FRAMEWORK	STATUS	KEY FEATURE
United States	GENIUS Act	IN FORCE	Issuer, reserve and redemption rules; prohibits paying yield solely for holding
Hong Kong	Issuer regime	IN FORCE	Reserves and redemption part of licensed-product assessment
United Kingdom	FCA stablecoin issuance rules	RULES PUBLISHED; NOT YET COMMENCED	Publication and commencement are distinct stages, not interchangeable markers of regulatory approval
Japan	Electronic payment instrument framework	IN FORCE	Separate requirements for issuers and intermediaries
UAE	Central-bank payment-token regulation	IN FORCE	Own licensing and scope; not representative of free-zone regimes

5 · STABLECOINS AND PREDICTION MARKETS

The Treasury connection is real, but has a maturity mismatch

Stablecoin reserves can create demand for short-dated government instruments. The US statutory framework permits specified liquid reserve assets, including short-term Treasury securities. That connects private payment activity to public financing, but it does not create a comparable buyer of 10- or 30-year bonds.

01 Gross growth is not net new demand

If a holder switches from a money-market fund that already owns bills into a stablecoin backed by bills, the beneficial owner and distribution channel have changed more than aggregate demand. New demand is more plausible where the funds originate outside existing Treasury exposures. Reserve composition, the source of funding and changes in balances all matter.

02 Dollar adoption is not BTC's debasement case

Dollar stablecoins can extend the currency's reach by making it easier to hold and transfer. BTC offers a different proposition based on a scarce asset outside an issuer's dollar liability. Both can grow together, but their adoption need not express the same view of the monetary system. Stablecoin growth can reinforce dollar use even while some investors seek alternatives to sovereign monetary risk.

THE QCP VIEW

"Stablecoin supply is the honest scoreboard, and it is below its May peak."

Prediction markets and stablecoins deserve attention because they offer specific financial services: trading an event outcome and transferring a monetary claim. Q4 should test the quality of those services, not just their scale. For prediction markets, watch usable liquidity and dependable resolution through the election. For stablecoins, separate supply growth, payment use and reserve economics.

The issuer race is about distribution and reserve income. Issuers earn the yield, distributors take a share, service providers earn fees. The blockchain's native token does not automatically receive an equivalent benefit. The question for investors is who receives revenue, who funds incentives, and whether activity persists when those incentives fade.

Stronger adoption is a structural positive for digital finance. Until on-chain dollar supply expands again, a rally driven by ETF creations from macro allocators, as August's was, remains a different and more conditional thing than a rally driven by new dollars on-chain.

SECTION

6

Q4 positioning

Constructive but conditional

IN THIS SECTION

01 The QCP View

02 BTC scenario framework

03 Positioning framework

04 Key watchpoints

THE QCP VIEW

We are constructive but conditional for Q4 2026.

BTC enters Q4 roughly where it exited Q2: dependent on flows, without a dominant catalyst forcing a break in either direction.

- 01 Neither the Q3 bull nor bear thesis played out. BTC ran to \$81,000 on a squeeze-and-flow dynamic in August, then gave a meaningful share back once Jackson Hole reset rate expectations.
- 02 The Fed has moved from hawkish hold to active tightening. Weak data no longer buys a relief rally; it merely takes hike risk off the table. Clients running on 2024–25 muscle memory are positioned backwards.
- 03 The mechanism behind any breakout matters as much as its direction. A move driven by organic spot demand is durable. One driven by forced short covering is not.

MORE CONSTRUCTIVE IF

ETF inflows shifting from single strong days to a sustained multi-week creation trend; stablecoin supply reclaiming its spring peak; a softer dollar and falling real yields; and CLARITY progress rather than continued pushback. BTC holding up through a period of equity weakness while its gold correlation persists would confirm a broader demand base.

MORE CONCERNED IF

Renewed Middle East escalation lifting oil and forcing the Fed to hike into energy-driven inflation, a policy-error setup for risk assets. ETF outflows resuming, a stronger dollar, or a forced corporate treasury sale. Oil escalation and a hawkish Fed repricing arriving together is the signal to act early, not wait for a confirmed break.

Three scenarios, one discipline

Base case is the range. The bull and bear cases are defined by what would break it, and by what we would do if it did.

BEAR CASE

< \$68K-\$70K

Break below the range

WHAT DRIVES IT

Middle East re-escalation lifts oil; Fed forced to hike into energy inflation; ETF outflows resume; forced corporate treasury sale

WHAT CONFIRMS IT

Oil escalation and hawkish Fed repricing occurring together

POSITIONING

Cut leverage early; reduce ETH/SOL/alt beta; raise cash; hedge core with puts or put spreads below the range

BASE CASE

\$80K-\$90K

Range-bound

WHAT DRIVES IT

ETF flows net positive but inconsistent; Fed data-dependent; oil elevated but stable; CLARITY a persistent overhang

WHAT CONFIRMS IT

Nothing visible strong enough to force a break either way

POSITIONING

Maintain core; accumulate on weakness, fade the top of the range; leverage low

BULL CASE

> \$100K

Break above the range

WHAT DRIVES IT

Sustained multi-week ETF creations; Fed pivot to hold on labour weakness; softer dollar, lower real yields; CLARITY progress

WHAT CONFIRMS IT

Demand-led, not squeeze-led: spot buying, not short covering

POSITIONING

Add on confirmed inflow strength; rotate to ETH/SOL only on flow breadth; call spreads over outright leverage

Positioning framework

"Options remain the preferred vehicle for a market defined by cancelling catalysts rather than a dominant trend."

ACROSS THE RANGE

Add ETH and SOL only once BTC strength is confirmed by ETF breadth and stablecoin liquidity

Keep altcoin exposure narrow and catalyst-led

Hedge downside around Middle East escalation and major Fed/event windows, not just technical levels

BTC LEVEL

WHAT WE DO

>\$100K

Bull case. Add only on confirmed inflow strength; call spreads over outright leverage

\$88K-\$90K

Top of the range. Fade resistance and write covered calls unless ETF inflows broaden and persist

\$80K-\$82K

Support. Accumulate; do not chase without confirmed multi-week ETF inflows

\$75K-\$78K

Maintain core BTC exposure; keep leverage low below here

\$70K

Reduce risk on a daily close below

\$65K

De-risk aggressively; bear case in play

Four watchpoints

01

Fed pricing

Does the Fed deliver the additional hike the September dots signal, or does a weaker labour print let December pause? The question is pace, not direction.

02

Oil / Hormuz

Was the September pipeline attack and Brent's push above \$105 a peak or a staging point? Prices eased to \$97-100 on diplomatic signals, not confirmed de-escalation.

03

ETF flows and stablecoin liquidity

Do inflows shift from single-day spikes to a sustained trend, and does stablecoin supply reclaim its spring peak? Both are prerequisites for the bull case, not confirmations of it.

04

AI capex and capital rotation

A two-sided risk: AI disappointing risks contagion through equity and credit; AI succeeding risks continued rotation away from crypto. Watch capex growth rates, not just AI equity performance.



For more insights and trade ideas, visit qcpgroup.com/insights or
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