

AMBERDATA DIGITAL ASSET SNAPSHOT

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This week's snapshot focuses on the macro implications of the robust U.S. jobs data, the surge of Sui compared to Solana, and detailed market movements in Bitcoin and Ethereum ETFs. We also review Ethereum staking yields, as they stabilize at lower levels, and explore how the Bitcoin Yardstick reflects changing market sentiment. Amberdata's latest insights dive into key market shifts including employment data, the Fed outlook and their impact on volatility trends.

News

- **U.S. Jobs Data Shows Strength, but Macro Concerns Persist:** Strong jobs data boosts optimism but highlights underlying macroeconomic concerns. The Fed's recent rate cut may seem more stabilizing, but future economic data will be crucial.
- **Sui Surges Amid Comparisons to Solana, But Risks Loom:** Sui's rapid rise brings potential but with significant risks. While it shows promise in scalability, its early-stage development requires cautious optimism from investors.

Market Analysis

- **Bitcoin ETF Outflows Signal Caution, Ethereum ETF Sees Stability:** Bitcoin ETFs saw significant outflows of \$700 million, while Ethereum ETFs maintained stability with modest inflows, reflecting a diverging market sentiment.
- **Ethereum Staking Yields Stabilize at Lower Levels:** Staking yields stabilized between 2.7% and 3%, remaining below 2023 highs. This suggests a more mature but less lucrative staking environment.
- **Bitcoin Yardstick Oscillates, Reflecting Shifting Market Sentiment:** The Bitcoin Yardstick fluctuated between risky and expensive zones, signaling potential volatility driven by macro and geopolitical factors.

NEWS

U.S. Jobs Data Shows Strength, but Macro Concerns Persist

The U.S. labor market continues to display resilience, with the latest report adding 250,000 jobs in September, far exceeding expectations and providing a positive revision to previous data. This robust performance has helped temper some of the fears of an impending slowdown, reassuring investors about the short-term outlook. However, weaknesses in other sectors such as manufacturing and consumer sentiment remain concerning, hinting that broader macroeconomic risks haven't entirely dissipated.

The Federal Reserve's recent 50 bps rate cut, initially viewed as a bearish sign, may now be seen as a proactive stabilizer in light of the labor market's strength. The market is increasingly pricing in a 25 bps cut at the next meeting, reflecting confidence in a soft landing. However, the sustainability of this optimism will hinge on upcoming economic data and the Fed's ongoing response to inflationary pressures.

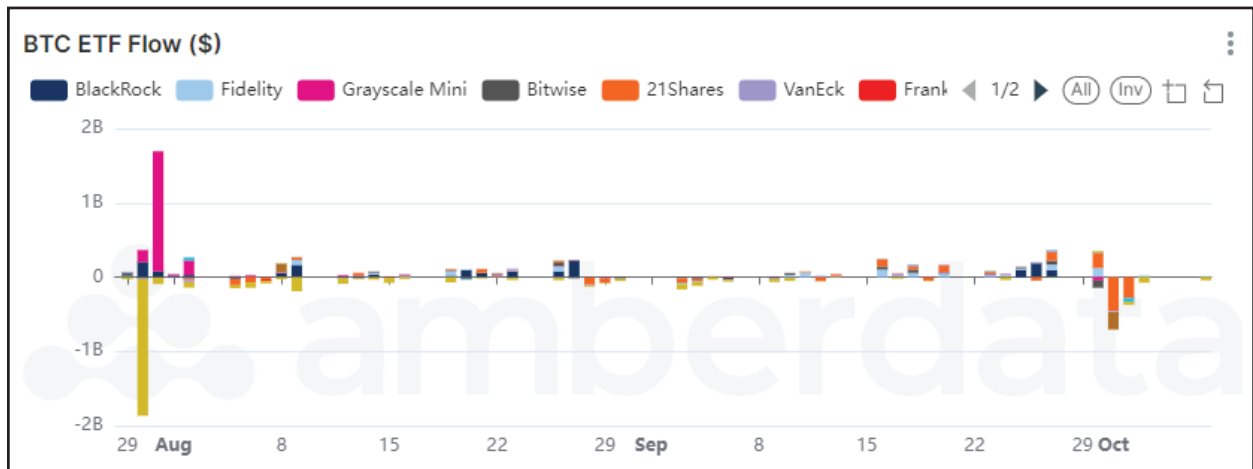
Sui Surges Amid Comparisons to Solana, But Risks Loom

Sui's rapid rise in the blockchain space has garnered significant attention, with the network's capacity to process 120,000 transactions per second (TPS) attracting comparisons to Solana's earlier growth. Designed by ex-Facebook engineers, Sui offers a highly scalable and efficient platform, making it particularly appealing for decentralized finance (DeFi) and decentralized application (dApp) development. This technological advantage has driven its token price up by over 111% in the last month, capturing the interest of speculative investors eager to capitalize on the next big blockchain.

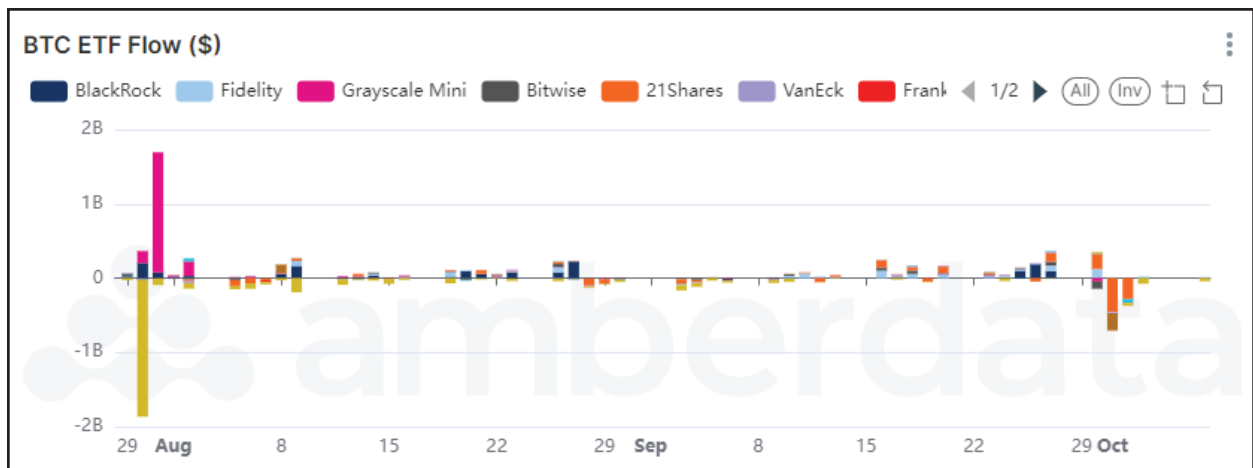
Despite this momentum, Sui remains in its infancy compared to Solana which has already faced and overcome several scaling challenges. While the hype around Sui is building, the network's long-term success will depend on its ability to develop a sustainable ecosystem and manage the growing pains that have hindered similar projects. As such, Sui's trajectory could remain highly volatile, particularly as it tests its infrastructure under increasing demand, making this an area of potential opportunity but with considerable risk.

MARKET ANALYSIS

Bitcoin ETF Outflows Signal Caution, Ethereum ETF Sees Stability

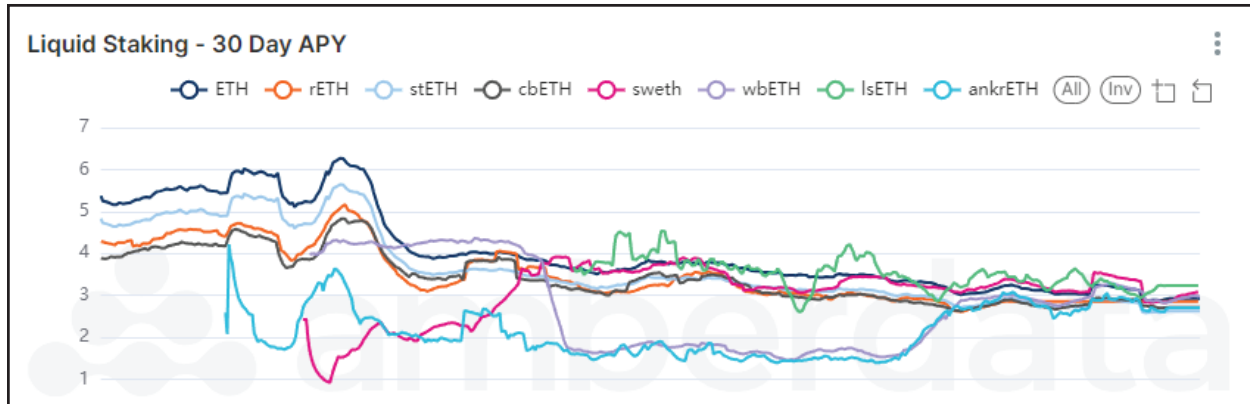


Bitcoin ETFs experienced over \$700 million in outflows at the start of October, primarily driven by large redemptions from 21Shares and WisdomTree. With \$56.2 billion in total assets under custody, equivalent to 928,000 BTC, this significant outflow reflects a broader sense of caution among institutional investors, possibly triggered by macroeconomic uncertainties. BlackRock, which holds \$21.9 billion of Bitcoin through its ETF, leads the market, followed by Grayscale and Fidelity with \$13.2 billion and \$12.6 billion respectively.



In contrast, Ethereum ETFs have seen more stable inflows, with \$6.58 billion under custody and a modest net inflow of \$60 million. This divergence between Bitcoin and Ethereum ETFs highlights differing market dynamics, where Ethereum's staking and DeFi ecosystem may offer a more resilient outlook. While Bitcoin's large outflows indicate a potential bearish sentiment or risk-averse repositioning, Ethereum's steadier performance suggests investors remain confident in its long-term use cases despite overall market volatility.

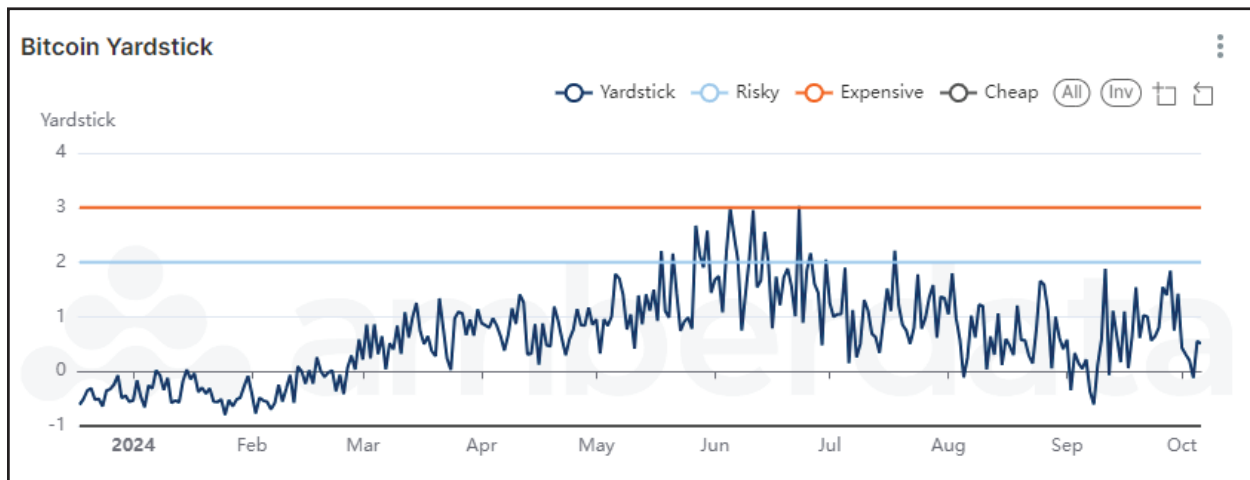
Ethereum Staking Yields Stabilize at Lower Levels



Ethereum staking yields have leveled off between 2.7% and 3%, reflecting a period of stability after months of declining returns. While liquid staking tokens such as WbETH and AnkrETH have seen minor yield increases, the current rates are still significantly below the 4-6% highs witnessed during the first half of 2023. This suggests that the staking market has matured and may now reflect more realistic long-term returns rather than the high-yield environment that early adopters enjoyed.

Despite this stabilization, the reduced yields could lead to lower demand for staking in the near term, as yield-seeking investors might look for higher returns elsewhere. With current APYs trending below the first half of 2024 averages, the market could face continued pressure unless there is a significant shift in Ethereum demand or there is broader market liquidity. However, this more stable yield environment may also imply that Ethereum staking is becoming a more predictable, lower-risk investment option for long-term holders.

Bitcoin Yardstick Oscillates, Reflecting Shifting Market Sentiment



The Bitcoin Yardstick, which measures network valuation against energy usage (hash rate), has oscillated significantly this year, moving between risky and expensive levels. After reaching a "risky" zone in June—correlating with the start of a multi-month downturn from Bitcoin's \$70,000 highs—the metric briefly recovered in September, before recently falling back to lower levels. This fluctuation highlights the ongoing risk-on/risk-off sentiment that has dominated Bitcoin's price movements, driven by macroeconomic volatility and geopolitical uncertainty.

The recent downturn in the Yardstick implies a potential tightening in the market, as the lower metric suggests Bitcoin may be entering a period of reduced investor confidence. However, the brief recovery in September indicates that any improvement in market sentiment or macroeconomic outlook could quickly trigger a positive rebound. Investors should continue to monitor this indicator, as its movements often reflect underlying shifts in long-term market sentiment and the broader risk environment for Bitcoin.

INTERESTING LINKS

Here's the latest from us

- [AD Derivatives NL: Employment Data, Volatility Trends, and Fed Outlook](#)
- [AD Derivatives Podcast Featuring Bohan Jiang, Head of OTC Options Trading at Abra](#)
- [Bitcoin \(BTC\) ETF Flows in 2024](#)
- [AD Derivatives Newsletter: Fed Meetings, Inflation, & Bitcoin's Surge](#)
- [Keeping Tabs on Open Interest Data with Amberlens](#)

And in case you missed it

- [Stablecoins & Digital Commodities Dashboards](#)
- [Analyzing Binance ETH-USDT Order Book & Tradebook Data](#)
- [Amberdata Announces Partnership with Derive \(Formerly Lyra\), a Leading DeFi Options and Derivatives Exchange](#)
- [AD Derivatives Newsletter: Fed Rate Cut, BTC Vol & Institutional Flows](#)
- [AD Derivatives Podcast Feat Jake Ostrovskis, OTC at Wintermute](#)

DATA

AmberLens: intelligence.amberdata.com

Amberdata Derivatives: pro.amberdata.io

Spot Market

Spot market charts were built using the following endpoints:

- <https://docs.amberdata.io/reference/market-metrics-exchanges-volumes-historical>
- <https://docs.amberdata.io/reference/market-metrics-exchanges-assets-volumes-historical>
- <https://docs.amberdata.io/reference/get-market-pairs>
- <https://docs.amberdata.io/reference/get-historical-ohlcv>

Futures

Futures / Swaps charts were built using the following endpoints:

- <https://docs.amberdata.io/reference/futures-exchanges-pairs>
- <https://docs.amberdata.io/reference/futures-ohlcv-historical>
- <https://docs.amberdata.io/reference/futures-funding-rates-historical>
- <https://docs.amberdata.io/reference/futures-long-short-ratio-historical>
- <https://docs.amberdata.io/reference/swaps-exchanges-reference>
- <https://docs.amberdata.io/reference/swaps-ohlcv-historical>
- <https://docs.amberdata.io/reference/swaps-funding-rates-historical>

DeFi DEXes

DEX charts were built using the following endpoints:

- <https://docs.amberdata.io/reference/defi-dex-liquidity>
- <https://docs.amberdata.io/reference/defi-dex-metrics>
- <https://docs.amberdata.io/reference/defi-impermanent-loss>

DeFi Borrow / Lend

DeFi lending charts were built using the following endpoints:

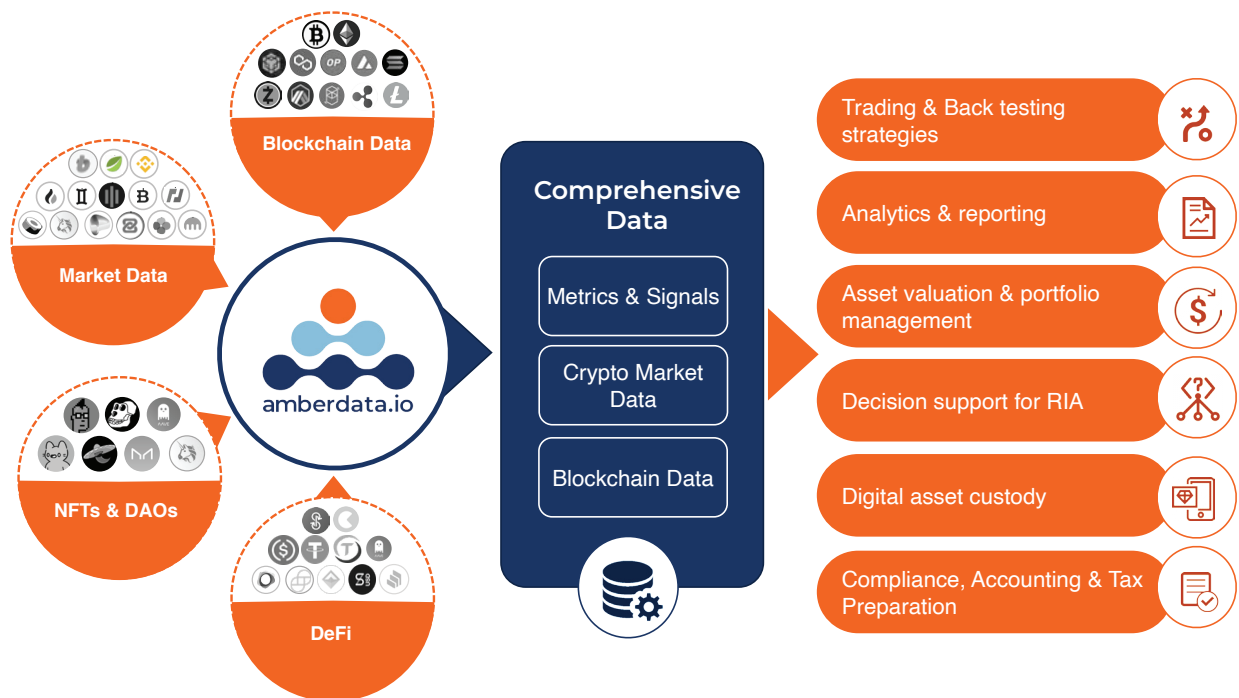
- <https://docs.amberdata.io/reference/defi-lending-protocol-lens>
- <https://docs.amberdata.io/reference/defi-lending-asset-lens>

Networks

Network charts were built using the following endpoints:

- <https://docs.amberdata.io/reference/blockchains-metrics-latest>
- <https://docs.amberdata.io/reference/transactions-metrics-historical>
- <https://docs.amberdata.io/reference/get-historical-transaction-volume>

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If you're looking to enter the digital asset space, you need Amberdata.

Our platform connects to all the blockchains and markets that matter today, allowing a comprehensive view of crypto markets, blockchain networks, NFTs, DAOs, and DeFi. We provide real-time and historical transparency into markets and price discovery across spot, derivative and decentralized exchanges, as well as on-chain data from the most active cryptocurrency networks and protocols.

Our data solutions support all pre- and post-trade functions. We provide deep market data, down to Level 2 order books, facilitating backtesting of quant trading strategies. And our blockchain data provides transparency not seen with other asset classes, allowing you to track pending transactions and wallet balances over time across various blockchain networks, as well as market

cap and total value locked. You can also create analytics dashboards with fundamental data to track network health and understand DeFi data like liquidity and lending rates. For fund accounting and administration, you'll know what was in a wallet at any time and what it was worth in any currency. For institutions that want to do custody themselves rather than outsource it, we provide the on-chain data needed.

With Amberdata, you get a single integration point for market and on-chain data, eliminating the need to integrate offerings from multiple vendors and allowing you to accelerate time to market for your digital asset products. We've built our data sets with institutional use cases in mind, providing the easy to consume formats and reliability you receive with traditional asset classes.

Request a demo to find out how the Amberdata platform solves digital asset data challenges and enables institutions to enter the digital asset space quickly, easily, and reliably. amberdata.io/demo



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