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Cryptocurrency Markets

August Crypto Monthly: Prices Surge on Debasement Trade, Washington Updates, but Market Cap Still Down YoY; Volumes Improve Sequentially

Brokers, Asset Managers & Exchanges

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August 2026 represented the best month for the crypto ecosystem, from a value perspective in 2026 and the highest monthly return since November 2024. The total crypto ecosystem's market cap rose 23% MoM to $2.62tr, led by Ethereum (+33% MoM), Bitcoin (+25%), and other altcoins many of which recorded double-digit returns. Much of the appreciation came from the second half of the month —we highlight some of the drivers of the significant price returns on PDF pg. 4 of this report. While August can be a seasonally slow month, velocity improved sequentially and trading volumes increased ~20% MoM. That being said, both market cap and trading volumes are still below levels seen a year ago.

Figure 1: Word Cloud of Top News Headlines in August 2026



Source: CoinDesk, J.P. Morgan

See page 26 for analyst certification and important disclosures, including non-US analyst disclosures.

- **Total crypto market cap surges in August, sets 2026 record.** The crypto ecosystem's total crypto market cap jumped 23% in August, ending the month at $2.62tr, its highest monthly return observed YTD. The overall *average* market cap rose a smaller 8% MoM given much of August's positive return was concentrated in the second half of the month. Bitcoin's market cap ($1.58tr) rose 25% MoM, while Ether's cap ($298bn) jumped a more significant 33% MoM. The major altcoins' returns were also double digit, and outpaced traditional asset markets; for instance, the S&P 500 and Nasdaq-100 rose 3% and 4% MoM, respectively. We saw marginally positive growth in stablecoins' market cap for the first time in a few months in August, and DeFi's market cap expanded meaningfully, up 27% MoM in August.
- **Trading volumes increased in August, but still lag annual comps.** August activity levels, as measured by industry volumes, also improved in August. Total spot crypto volumes increased 22% in August, per CoinDesk Data, while overall cryptoecosystem volumes, as measured by TradingView, rose 14% MoM. Zooming in, spot Bitcoin and ether ADV each rose, up 11% and 19% MoM, respectively. The basket of stablecoins we track saw its aggregated ADV increase 11% MoM as DeFi volumes improved 23% MoM. While we observed sequential improvement in August, annual comps are still tracking lower YoY mostly across the board. In a seasonally slow period of the year in which volume is typically at its trough, August velocity improved sequentially, but still tracked ~34% lower from a year ago.
- **U.S. spot ETP outflows have best combined month in >1yr.** The U.S. bitcoin spot ETPs we track daily attracted $3.5bn of net sales in August, its best individual month since October 2025. The group's aggregate AUM ended higher, just shy of the $100bn threshold, as of August 31st. The U.S. spot ether ETPs gathered $1.7bn—after celebrating their two-year anniversary a month prior—which represented its best month since August 2025. The group's AUM ended the month at $14.7bn. Finally, U.S. spot Solana (SOL) ETPs recorded net sales of $117mn in August, a relatively strong month for this group—aggregate SOL ETPs' AUM ended at $1.4bn. Combined, these groups of spot ETPs posted their best month in August since 2025, over a year ago. We continue to closely monitor these vehicles' daily flows—see our latest daily publication on U.S. spot crypto ETP flows linked here.
- **Critical CLARITY Act vote on horizon.** The Senate is scheduled to pursue a cloture vote on September 15, an administrative vote that would bypass the filibuster if passed with >60 votes. Passing this vote would then likely remove process and content-related roadblocks for the Senate's crypto market structure draft to be finalized and move towards a final vote. If both of these Senate votes pass, the Senate draft would then move onto reconciliation with the U.S. House of Representatives' draft passed in July 2025; however, note the House of Representatives cancelled two weeks of its September session to allow lawmakers to return to home states early for midterm election campaigning. This change now narrows the window for the reconciliation of the Senate and House drafts before midterm elections, after which some lawmakers who fail to win reelection may become lame ducks in office.
- **August price action benefits from both 1) debasement trade and 2) legislative and regulatory catalysts.** August's sharp reversal and improvement in price performance amid the current crypto winter was driven by both macro and policy dynamics. First, U.S. Treasury Secretary Scott Bessent announced on August 19 that the U.S. Treasury expects to expand its longer-dated debt buyback given fears of higher yields. Simultaneously, we observed multiple positive headlines and events coming out of Washington, D.C.,suggesting progress in the legislative and crypto market structure guardrails. See page 4 of this report for more details breaking down August's strong performance.

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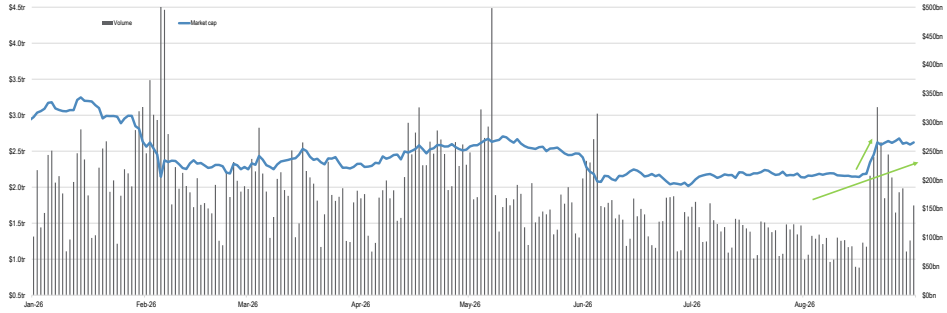
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Macro and U.S. Policy Landscape Drives Crypto's Bounce in August

The overall cryptoecosystem market cap rose surged 23% in August, its highest monthly return since November 2024 when crypto markets were boosted by the re-election of crypto-friendly U.S. President Trump. We observed the most discrete price reversal in the second half of the month on the back of U.S. Treasury Secretary Scott Bessent's buyback announcement on August 19 and other developments around crypto market structure lawmaking and rulemaking. Together, these factors boosted the overall market cap, up 22% in the second half of August, supporting the month's price return to its largest YTD.

Figure 2: August Posts Best Overall Crypto Price Return Month 2026TD

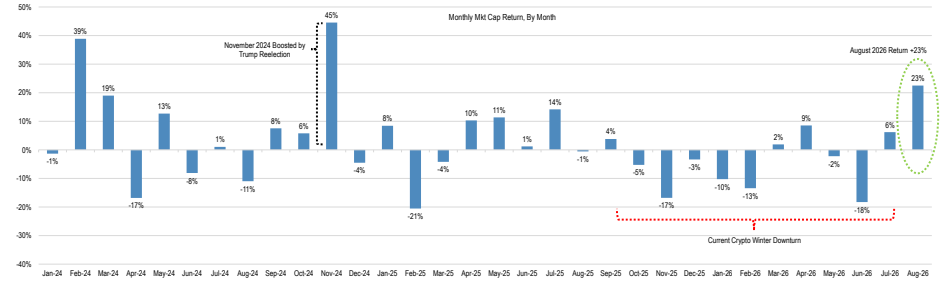
Total Cryptocurrency Market Cap; 2026TD



Source: TradingView

Figure 3: August Monthly Return of 23% Marks Best Since November 2024

Total Cryptocurrency Market Cap



Source: TradingView

Debasement Trade Refocuses BTC Thesis and Drives Reversal in Broader Ecosystem Valuations

On August 19, Secretary Bessent announced that the U.S. Treasury planned to expand its regular buyback of Treasuries, targetting later-dated notes, in an attempt to quell rising yields. Normally the maximize buyback is $2bn, but Bessent suggested the latest buyback will be at least double (>$4bn). Note this buyback was subsequently announced on September 9 to total $6bn, less than the street's expectation. Regardless, bitcoin still reacted positively to the news, jumping 7% that day, (up +22% through the end of August), on the back of the expected lower bond yields weighing on the dollar's strength and thus favoring risk-on assets and accelerating debasement concerns. Given Bitcoin still makes up ~60% of the total crypto ecosystem valuation, this move buoyed

the broader crypto ecosystem.

Incrementally Positive Tone from Washington, D.C., Probably Helps as Well

Aside from the macro landscape, we think the tone and policy developments out of Washington, D.C., have been incrementally positive. While the CLARITY Act was put on hold in August, we see the agencies (i.e., SEC, CFTC) stepping on the gas to advance their own rulemaking, the markets have become incrementally more positive on executive-branch comments and SEC and CFTC actions.

We highlight a few of the significant August events below:

- **August 17: SEC proposes "Regulation Crypto Assets" to help define token issuance.** The SEC jumpstarted this week of policy progress after publishing the most formalized opinion around digital asset offerings definitions related to crypto start-ups and capital raising, dubbed the "startup exemption" and "fundraising exemption". Here, the regime would exempt certain digital asset offerings from securities laws and include a safe harbor to exclude digital assets from security definitions if certain conditions were met. This framework falls short of an "innovation exemption" that many market participants seek but that has been delayed —which would allow currently defined securities markets moving onchain for securites' tokenization; nonetheless, these token issuance exemptions still represent tangible progress towards fully establishing operating guardrails for crypto projects.
- **August 17: U.S. Treasury seeks public comment on GENIUS.** The U.S. Treasury is responsible for implementing GENIUS Act-related requirements and ultimately defines what it means to be an approved stablecoin issuer and offer a stablecoin to a person in the United States. On August 17, the U.S. Treasury issued a notice of proposed rulemaking (NPRM) regarding the issuance, offering and sale of payment stablecoins in the U.S., jumpstarting this process to establish a post-GENIUS framework.
- **August 19: OCC Comptroller sets soft deadline for GENIUS rules.** The OCC, the primary federal regulator of stablecoin issuers under the GENIUS Act passed in July 2025, is one of the key oversight and enforcement agencies regarding stablecoins. On August 19, the Comptroller of the Currency at an industry symposium said the OCC is targeting to get a final rule out by November to facilitate the processing of applications in January 2027, as the GENIUS Act becomes effective January 18, 2027. Per Credit Union Today reporting, the OCC's proposed framework addresses topics within GENIUS such as reserves, redemptions, risk management and supervision.
- **August 19: President Trump hosts crypto CEOs, calls for CLARITY passage.** President Trump hosted a session with crypto CEOs, the Commissions' chairmen, and traditional capital markets CEOs on Wednesday 8/19 afternoon. He commented directly on the CLARITY Act and urged Congress to pass it. Alongside the debasement trade previously mentioned, these comments drove a Bitcoin to rally >7% intraday to $70k+, as the meeting's participants expressed optimism around rulemaking and CLARITY's prospects.
- **August 20: CFTC hosts inaugural Innovation Advisory Committee.** We tuned into a large roundtable hosted by the CFTC on Thursday 8/20 as the kick off for its Innovation Advisory Committee, comprised of dozens of traditional finance and

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digital asset CEOs. Topics discussed spanned crypto's previous regulation by enforcemnet under the previous agency regimes, AI impacts, and predition markets. While no formal rules were proposed, this meeting indicates that the CFTC is keenly focused on these innovations and that subsequent agency rulemaking processes seem inevitable.



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State of the Crypto Environment

August was an exceptionally strong month for the cryptoecosystem, relative to recent months during the past ~9 months of crypto winter. While the recovery seems fragile, momentum seems to be positive with key catalysts like the macro environment (i.e., inflation, rising rates, ongoing debasement), U.S. crypto market structure legislation, and U.S. digital asset regulations on the horizon.

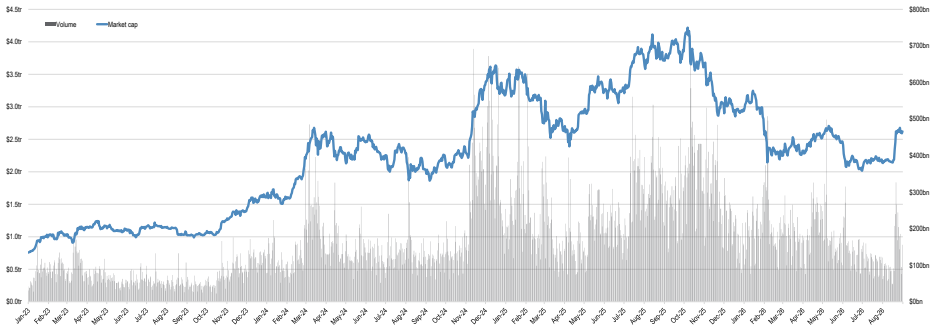
Total Crypto Market Cap Jumps 23% in August, Likely Driving Volumes Higher as Well

See our July Crypto Monthly linked here: Cryptocurrency Markets: July Crypto Monthly: Small Appreciation in Tokens Outshined by Ongoing Deterioration in Ecosystem Activity; Volumes Still Down ~70% YoY (21 August 2026)

The overall cryptoecosystem increased significantly in August, up 23% MoM on an absolute basis, ending the month at $2.62tr, its highest ending month level since January 2026. The *average cap* of $2.34tr increased 8% from July after flattish performance the month prior. August 2026 marked the best absolute monthly performance so far this year, and highest monthly return since November 2024, see details and comparisons in prior pages. While markets rose sequentially, volumes also increased for the first time since April 2026; that being said, volumes are still tracking significantly lower than annual comps. Spot volumes rose 23% MoM per CoinDesk Data, while broader TradingView data demonstrated total average daily volumes increasing 14% MoM.

Figure 4: Total Market Cap Climbs 23% in August to $2.62tr as Volumes Also Rise Sequentially

Total Crypto Ecosystem Market Capitalization



Source: TradingView

Token Prices Jump Double Digits in August; Led by ETH, BTC

Price returns were strong in August as nearly all major tokens we track posted >20% positive returns this month. Ethereum (ETH) led the group with a total return of 33% in August, ending the month at $2.5k. Bitcoin's (BTC) price also rose a similarly strong 25% MoM and ended the month at $78.9k (previously $62.9k at July month-end). Other altcoins also posted double-digit returns in August, per Bloomberg pricing data. Overall, crypto signifcantly outperformed traditional equity markets like the Nasdaq 100 (+4% MoM) and the S&P 500 (+3%).

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Table 1: Returns Table— Crypto Prices Soar this Month and Outperform Other Traditional Assets in August

		Returns					
Name	**Last Price**	**2Q26**	**3Q26TD**	**2025**	**2026TD**	**July**	**August**
Bitwise Top 10 Crypto Index	52	-16%	37%	-13%	-12%	8%	27%
NASDAQ 100 STOCK INDX	29,457	28%	-3%	21%	17%	-7%	4%
S&P 500 INDEX	7,686	15%	3%	18%	13%	0%	3%
Gold USD Denominated Spot Price	$4,437	-14%	11%	65%	3%	1%	10%
Bitcoin	$78,854	-14%	34%	-6%	-10%	7%	25%
Ethereum	$2,473	-25%	57%	-11%	-17%	18%	33%
BNB	$691	-12%	27%	23%	-20%	8%	18%
Cardano	$0	-40%	38%	-61%	-40%	17%	18%
Dogecoin	$0	-22%	15%	-63%	-29%	-3%	19%
XRP	$1	-23%	33%	-12%	-25%	2%	31%
Solana	$103	-12%	40%	-34%	-17%	-1%	42%
Polkadot	$1	-34%	2%	-73%	-53%	-8%	11%

Source: Bloomberg Finance L.P. and J.P. Morgan estimates
Note: BITW returns considers NAV, not index price.

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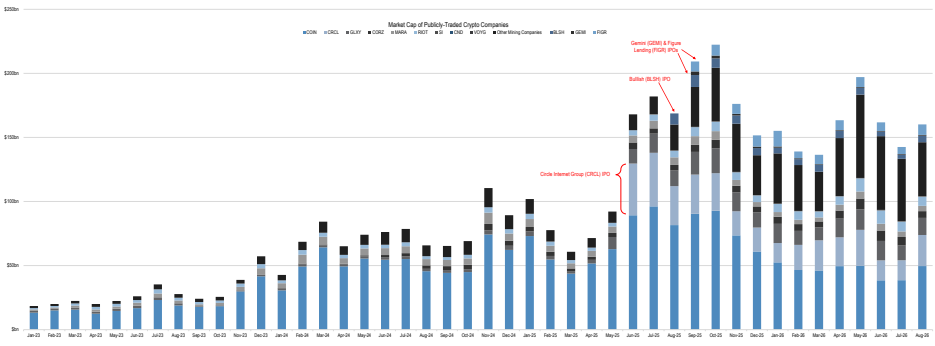
Details on the Cryptoecosystem

Market Caps Positive in August

Aggregate Public Crypto Companies' Market Caps Gain 12% in August

The publicly traded crypto companies basket we follow saw its aggregated market cap expand 12% MoM in August, erasing the 12% decline observed last month. Circle Internet (CRCL) and Bullish (BLSH) were among the best performers, each gaining 56% MoM, as their market caps ended August at ~$24bn and ~$5.1bn, respectively. Recall, Bullish (BLSH) announced a ~$4.2bn acquisition of transfer agent, Equiniti, in early May. See our research reacting to this deal linked here and a follow-up deep dive linked here. Separately, the legacy bitcoin miners were among the biggest losers in August, down an aggregate ~13% MoM, weighing on the rest of the group's strong performance. Coinbase (COIN) notably gained 29% in market cap in August.

Figure 5: Market Cap of Public Crypto Companies Rose 12% in August, Led by 56% Gain in CRCL, BLSH but Offset by Miners



Source: Bloomberg Finance L.P.
Mining companies group includes WULF, HUT, HIVE, CIFR, GREE, ARBK, SDIG, IREN, & CLSK

Aggregated Layer-1 Market Caps Rise >30% in August

The absolute change in the collective market cap for the basket of the largest Layer-1 (L1) protocol tokens we follow (ex-BTC, ETH) climbed 31% MoM in August, a sharp improvement from recent monthly declines. The group's *average* monthly market cap rose 10% MoM in August, outperforming the broader ecosystem's performance this month (up 8% MoM). Hyperliquid's HYPE token stood out this month as its market cap expanded 60% MoM through August to a market cap of ~$21bn.

See related research below:
Bullish: Opportunities and Risks in Bullish's Acquisition of Equiniti — Concerns for UK Business under Dematerializaiton (16 June 2026)

Coinbase: System Update 2026: Products Span Trading, AI as Coinbase Seeks to Become AI-Financial Account; Crypto Derivatives Onshoring (17 June 2026)

Coinbase: J.P. Morgan TMC Conference 2026 Takeaways (21 May 2026)

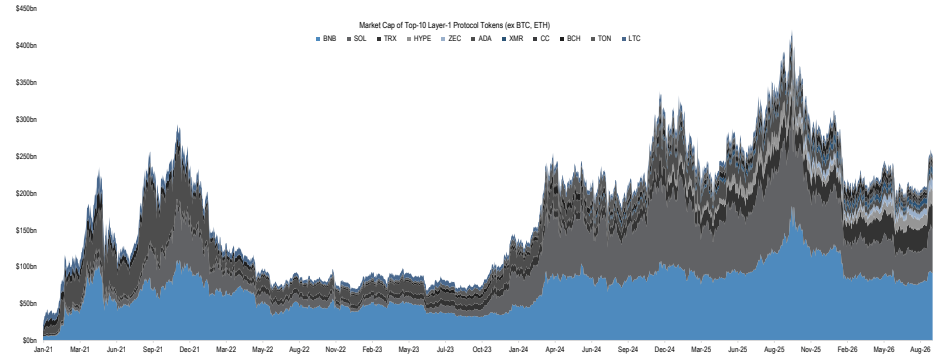
Bullish: Bullish Announces Acquisition of Equiniti for $4.2bn in Transformational Deal — Going Where the Puck Is, Eventually (May 7, 2026)

Bullish: Initiating Coverage with a Neutral Rating (September 8, 2025)

Circle: Initiating Coverage with an Underweight Rating as Valuation Pushed Outside Our Comfort Zone (June 30, 2025)

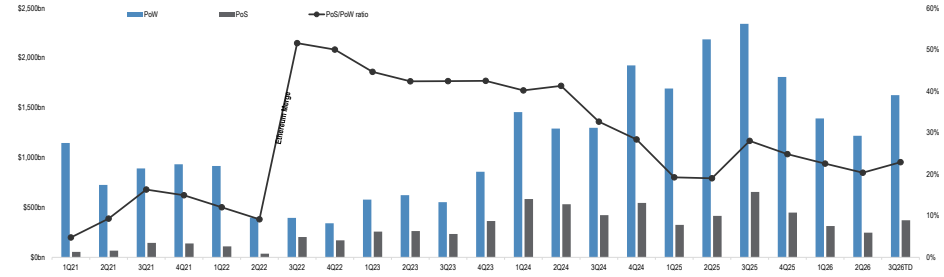
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Figure 6: Layer-1 Protocol (ex-BTC, ETH) Combined Market Cap Gains 31% in August, Outpacing Broader Ecosystem (~23%) in Absolute Terms



Source: TradingView

Figure 7: PoS/PoW Ratio Continues to Trend Positively 3Q26TD as Ether Outperformance in August Continues



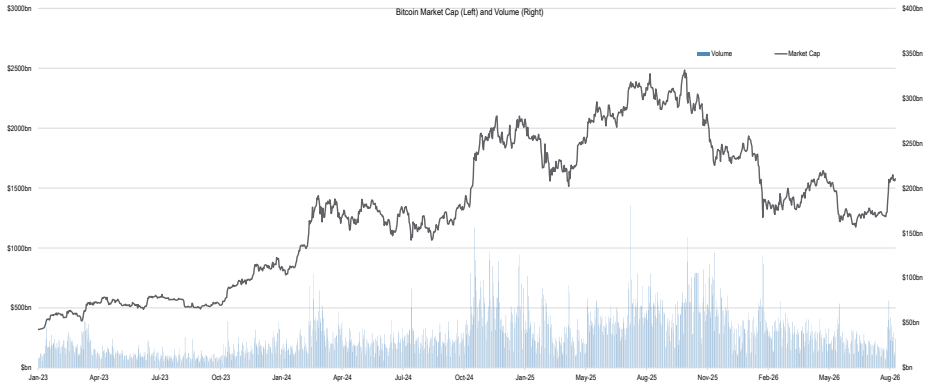
Source: TradingView, CoinMarketCap, and J.P. Morgan estimates

Update on Bitcoin—Market Cap Jumps 25% in August, Volumes Also Rise

Bitcoin's market cap appreciated 25% in August to arrive at $1.58tr by the end of the month. The *average* market cap of ~$1.39tr also increased in August—albeit at a lesser amount—up ~9% MoM. On a more positive note, volumes also inflected positively in August with spot trading ADV tracking 11% higher MoM per CoinDesk Data, a sharp, positive reversal from the ~40% decline in ADV observed in July.

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Figure 8: Bitcoin Market Cap Increases 25% in August, Ends at $1.58tr, but Volumes Inflect Positively, Up 11% MoM



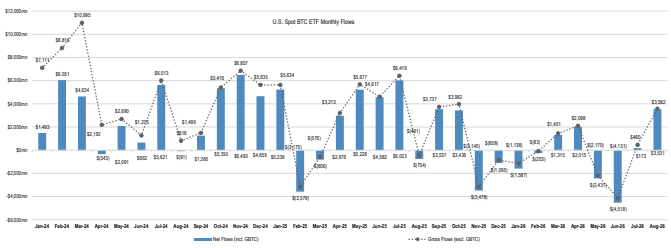
Source: TradingView

Most recent daily note: Sep 11 Spot ETP Flows: Week Culminates with Mixed Day but Netting Positive $185mn Supported by ETH ETPs; Last Week's Flows End in Net Redemptions of $312mn(14 September 2026)

August Spot BTC ETP Net Sales of $3.5bn Represent Best Month Since October 2025

The 11 U.S. spot Bitcoin ETPs we track saw $3.5bn of net sales (incl. GBTC) in August, the best month in net sales since October 2025 since the current crypto winter began. August marked a significant acceleration from July's positive reversal ($173mn) and June's worst month of net flows ($4.5bn in net redemptions) since the group launched in January 2024. August's flows were dominated by BlackRock's IBIT as it gathered $3.1bn, making up 88% of monthly flows. BlackRock's IBIT assets now total $61.6bn, or ~62% of the group's overall combined assets of $99.6bn.

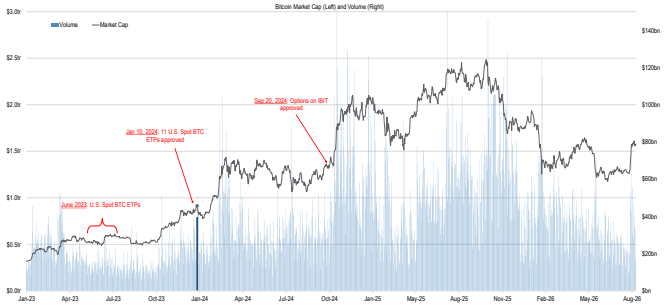
Figure 9: U.S. Spot Bitcoin ETPs Attract $3,531mn of Net Sales in August, Best Month Since October 2025



Source: J.P. Morgan estimates, Bloomberg Finance L.P.

Figure 10: BTC Market Cap Up 73% Since January 2024 ETP Launch

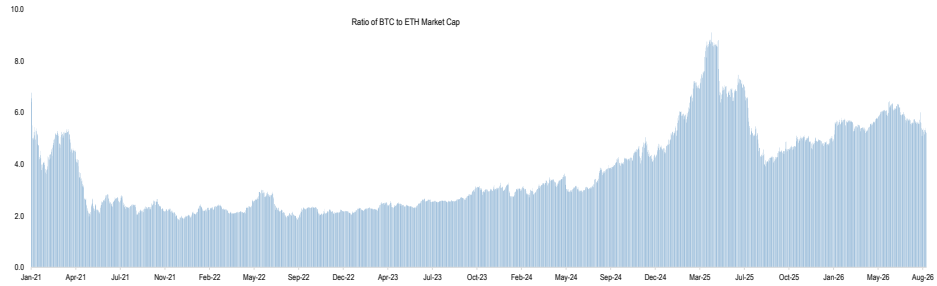
January 1, 2023 - August 31, 2026



Source: TradingView

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Figure 11: BTC/ETH Ratio Average Falls Another ~5% in August to ~5.5x as ETH Outperformance Continues

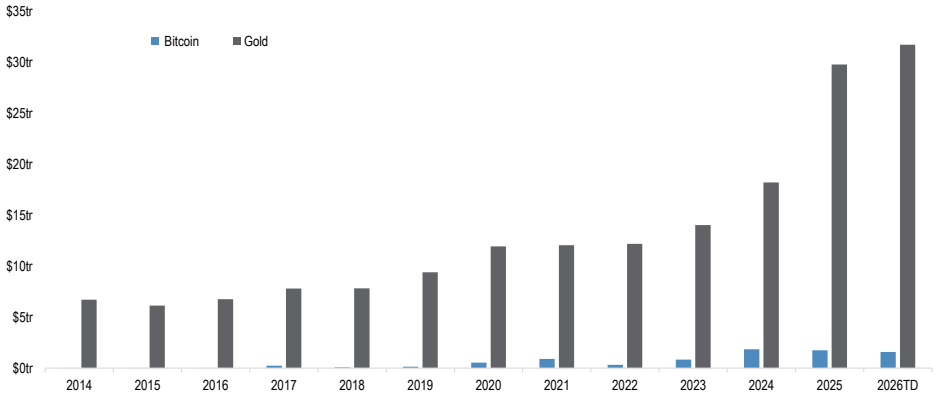


Source: TradingView

Bitcoin's August Return Dwarfs Already Strong Gold Performance

Gold's price gained a significant 9.7% in August as the asset also benefitted from the market's swarm towards the macro/debasement trade amid rate volatility and headlines; however, gold's ~10% gain sill lagged Bitcoin's ~25% MoM gain. Gold ended the month at roughly ~$4,437 per ounce versus $4,046 at the end of July. Conversely, Bitcoin ended August at $78.9k, per Bloomberg pricing, up from $62.9k in July. Despite the outperformance, Bitcoin's volatility rose MoM and exceeded that of gold as both assets posted strong returns. Bitcoin's 30-day volatility rose 8% MoM in August while gold's volatility declined 12% MoM.

Figure 12: Bitcoin vs. Gold Market Cap – Gold Returns >$30tr in August, Still Multiples of Bitcoin's ~ $1.6tr Cap Despite Bitcoin's Strength This Month



Source: TradingView, In Gold We Trust

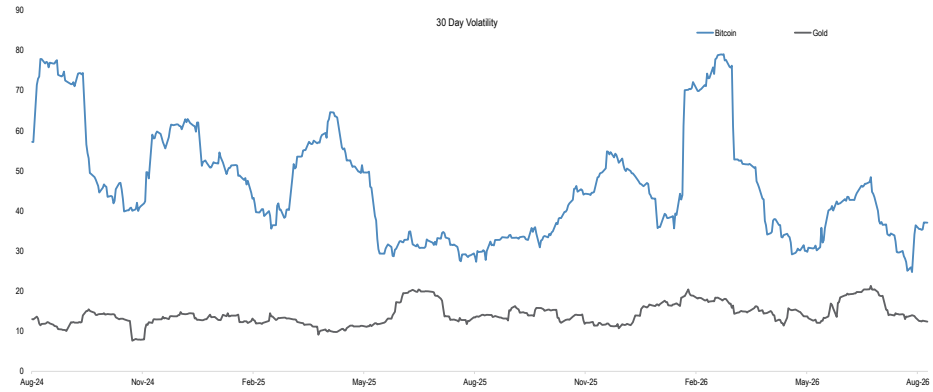
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Figure 13: Indexed Performance of Bitcoin vs. Gold Over Past Year, Through August 2026



Source: Bloomberg Finance L.P.

Figure 14: Both Bitcoin's and Gold's 30-Day Volatility Diverge this Month— Bitcoin Up 8% and Gold Down 12%, Respectively, in August



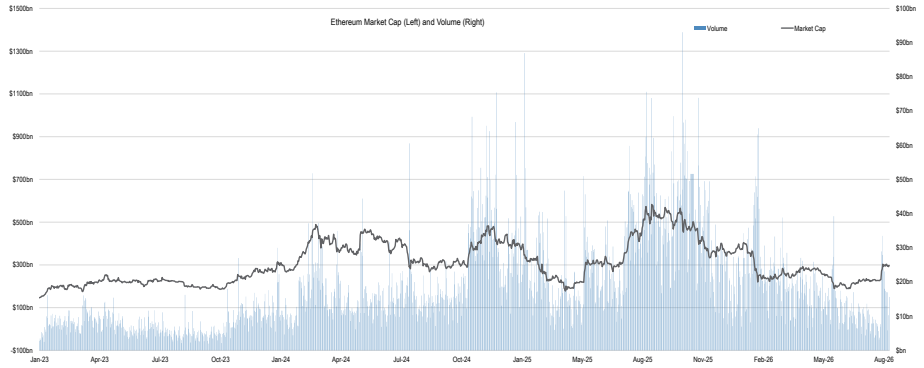
Source: Bloomberg Finance L.P.

Update on Ethereum—Market Cap Surges 33% in August as Volumes Also Improve

The Ethereum market cap expanded 33% in August, another month of notable outperformance versus Bitcoin (+25% MoM) and the broader crypto market (+23%). Ethereum's market cap ended August at $298bn. The *average* Ethereum market cap of $256bn increased a lesser 15% MoM. Ether volumes also increased MoM, with its ADV up 19% MoM, per CoinDesk Data.

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Figure 15: Ethereum Market Cap Rallies 33% to $298bn by End of August; ADV Improves 19% MoM

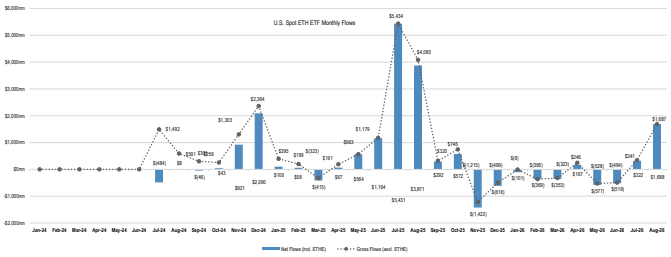


Source: TradingView

U.S. Spot ETH ETPs Attract ~$1.7bn in August, Best Month Since August 2025

The U.S. spot ETH ETPs recorded net inflows of $1.7bn (incl. ETHE) in August, a significant acceleration from July's net sales of $322mn, which flipped positively from its prior month. The group's AUM ended the month at $14.7bn versus $9.6bn at the end of July as the significant token price appreciation (+33%) supported asset levels. BlackRock's ETHA again dominated the group's net sales after attracting $1.4bn in August, making up 80% of the group's total net sales. BlackRock's ETHA assets stood at $8.7bn at the end of August. The Ethereum market cap is now just 26% lower than the level at which it was when the ether ETPs' were approved and subsequently launched at the end of July 2024.

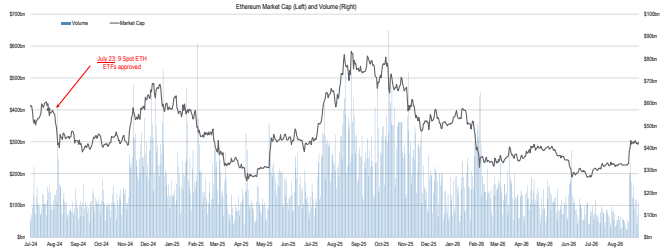
Figure 16: ETH ETPs Post Net Sales of $1,688mn in August 2026, Highest Since August 2025



Source: Bloomberg Finance, L.P., J.P. Morgan estimates

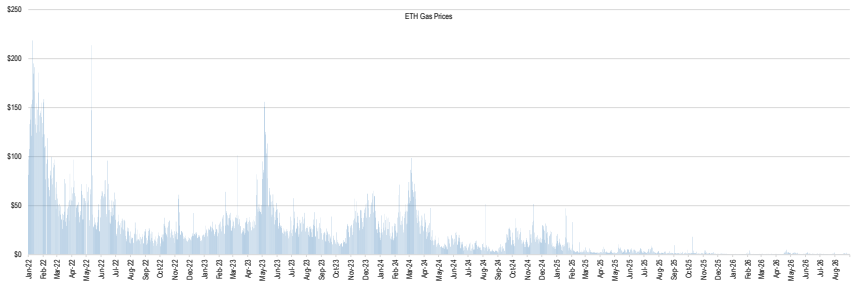
Figure 17: ETH Market Cap Still Tracking 26% Lower than the July 2024 ETP Launch Level

Chart displays July 1, 2024 - August 31, 2026



Source: TradingView

Figure 18: Monthly Ethereum Gas Fee of 0.72 Gwei Rises ~6% MoM in August

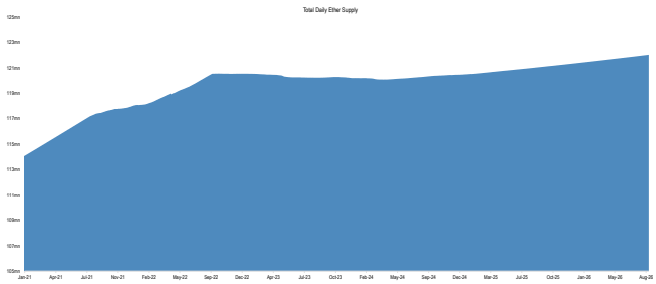


Source: Y Charts

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The average monthly Ethereum gas price rose just 6% in August to 0.72 after falling 27% the month prior (July average 0.68 Gwei). 2026TD average daily price in Gwei is still tracking ~75% lower than the daily average in 2025. Recall, we observed the most significant decline from MoM averages in March 2024 around the Ethereum Dencun upgrade.

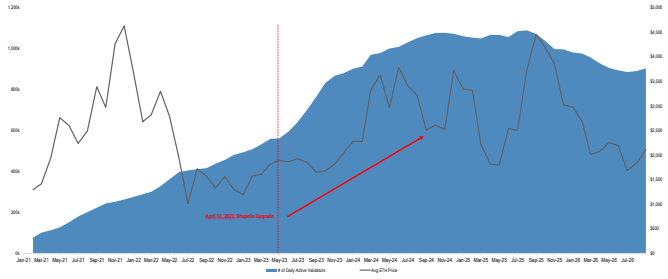
Figure 19: Daily Ether Supply Remained Flat in August



Source: Etherscan.io

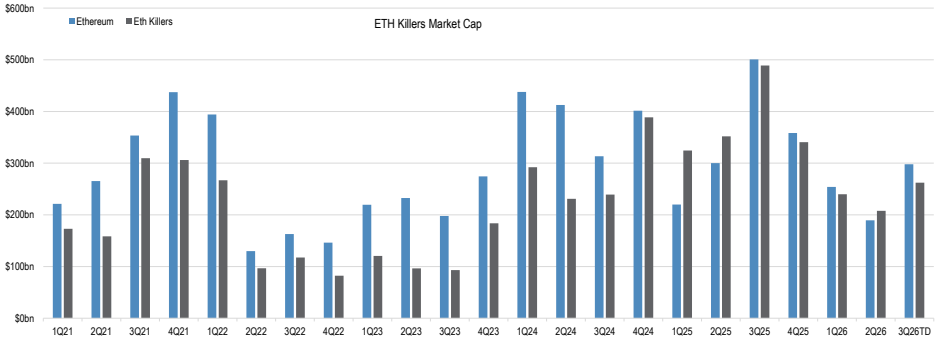
Figure 20: Number of Active Beacon Chain Validators Increased 1.5% MoM to ~904k at End of August

Reflects the number of daily active validators being run on the Ethereum Mainnet Beacon Chain*



Source: BeaconCha.in
*Chart restated with new data source as of April 2026 monthly report (previously total validators per BeaconScan.com)

Figure 21: ETH Momentum Continued in August (+33%), Supports ETH Exceeding ETH Killers' Cap; ETH Cap ($298bn) Ends August Above Killers' $262bn



Source: CoinmarketCap, ETH killers we aggregate are: SOL, ADA, AVAX, BNB, DOT, XTZ, ZEC, NEAR, LINK, & XRP

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See related research:
Cryptocurrency Markets: Stablecoin Growth Sees a Leg Up in the Aftermath of Passage of US. Regulation GENIUS Act; USDC Seems the Big Beneficiary (30 September 2025)

Circle: Upgrading to Overweight on Better Fundamentals — 3Q25 Results Were Solid with Key Metrics Beating Expectations (13 November 2025)

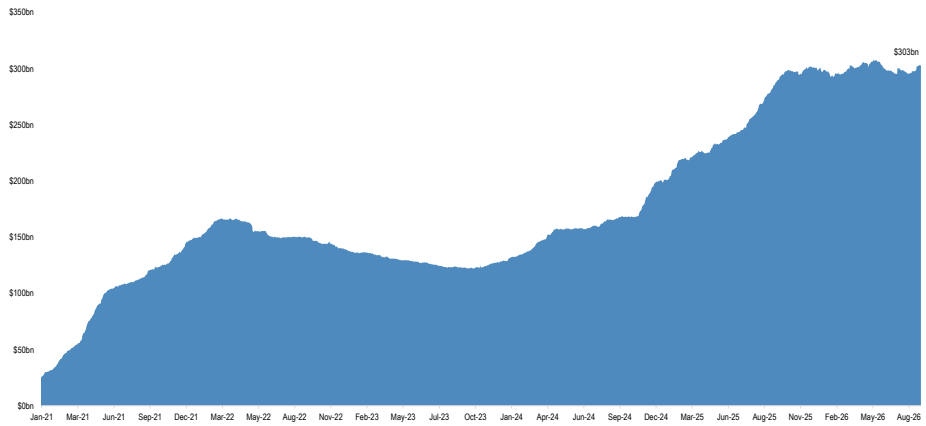
Stablecoin Market Caps a Touch Higher in August

The market cap of the basket of stablecoins we track expanded slightly in August, up 0.5% MoM, a break from the flat to slightly negative months prior. The *average* market cap of the basket fell 0.6% this month. Recall, our basket includes USDC, USDT, and DAI—and we have now added USDS as of June 2026 while restating historical data—which accounts for roughly 86% of the total market cap of digital dollars.

USDC, Among Other Stablecoins, Grow Market Cap in August

The total market cap of "digital dollars" classification of stablecoins and tokenized money market funds per RWA.xyz data was $303bn at the end of August, up 2% from the end of July. As such, stablecoins' aggregated market cap change significantly lagged the broader ecosystem's growth this month (+23%); as a result, the share of the stablecoin basket we track as a percentage of the total crypto market cap collapsed to 11.6% at the end of August versus 13.8% at the end of July. USDC—issued by Circle Internet—market cap rose 2.1% or ~$1.5bn in August to $73.5bn. Tether, or USDT, the largest stablecoin by market cap ($183.3bn), saw its market cap decrease by 0.2%, or $0.3bn, this month, per TradingView data.

Figure 22: Total Stablecoin Market Cap Rises a Touch in August at ~$303bn



Source: RWA.xyz; Note historical values restated

Figure 23: Stablecoin Share of Total Crypto Collapses to ~11.6% in August from 13.8% at End of Prior Month as Stablecoin Growth (+2%) Significantly Lags Broader Market Growth this Month (+23%)

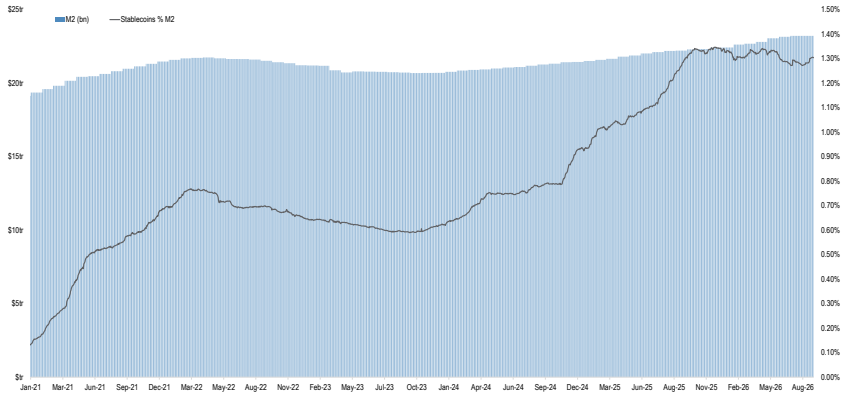


Source: Trading View, RWA.xyz

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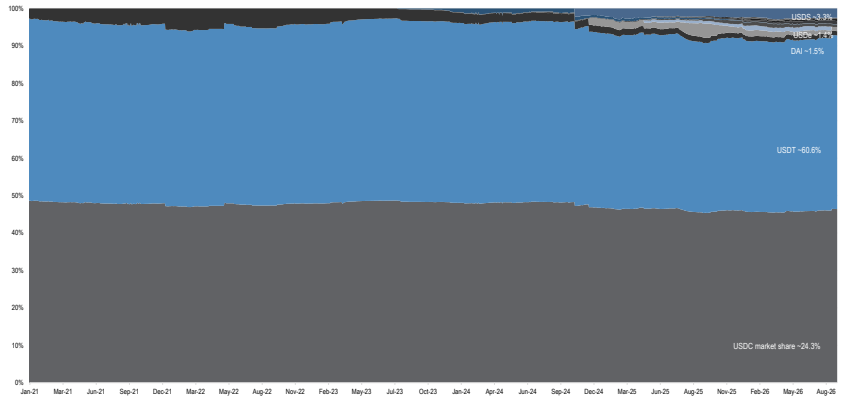
Figure 24: With U.S. M2 at ~$23tr, Total Stablecoins Make Up 130bps of M2 at End of August, Up 2bps MoM



Source: Board of Governors of the Federal Reserve System (US), M2 [M2SL], retrieved from FRED, Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/M2SL; Last Updated August 25, 2026

Figure 25: Top Stablecoins' Market Share of Digital U.S. Dollar Equivalents—Tether's USDT Largest Share Loser in August (60.6%) as Circle's USDC 24.3% Share Unchanged MoM

"Digital U.S. Dollar Equivalent" includes both U.S.-denominated stablecoins and tokenized money market funds



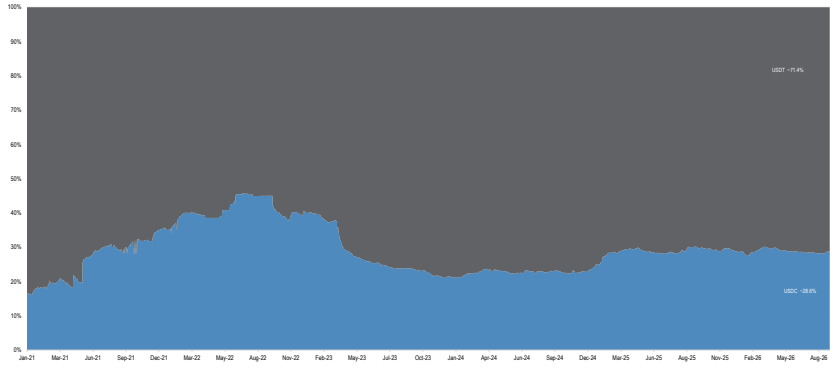
Source: DeFiLlama, TradingView

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Figure 26: Stablecoin Duopoly Share Between USDT and USDC Swings ~46bps in August, Favoring USDC (~28.6% Share)

Stablecoin Duopoly Between USDT and USDC Continues to Favor USDT (~70/30 Share Split)



Source: TradingView

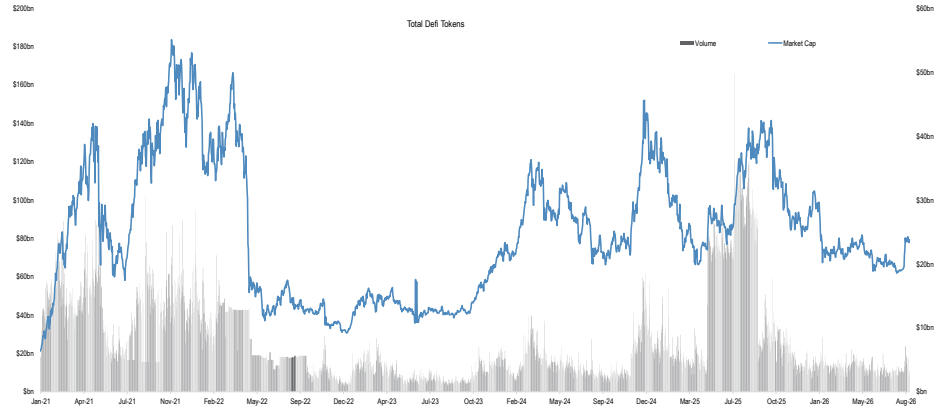
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DeFi Market Cap Surges 27% in August, Outperforming Broader Ecosystem

The DeFi market cap rallied 27% in August and ended the month at $79.3bn, according to TradingView data. DeFi's *average* market cap grew 4% MoM in August. Absolute DeFi is now tracking just 6% lower YTD. Separately, like the broader ecosystem, DeFi volumes also improved in August. DeFi's ADV increased 23% MoM, per TradingView data.

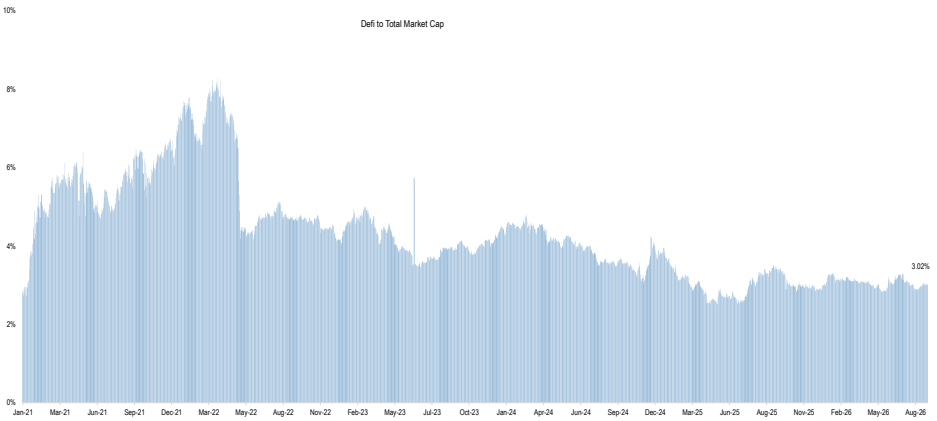
Figure 27: DeFi Market Cap Jumps 27% in August as ADV Also Rallies 23% MoM



Source: Trading View

Separately, DeFi's market cap expansion (up 27% MoM) outperformed the broader crypto market cap (up 23% MoM) in August; as a result, DeFi as a percentage of the overall market cap rose MoM to 3.02%, up roughly 10bps from July's month-end value of 2.92%. DeFi's share of Ethereum further collapsed in August, like the month prior, due to ether's continued outperformance +33% vs. DeFi +27% MoM. This ratio decreased ~57bps to 27.2% in the early days of September 2026, down from 27.8% in the early days of August, which had declined nearly 600bps from the month prior.

Figure 28: DeFi to Total Crypto Market Cap Ratio Rises 10bps in August to Average 3.02% Throughout Month

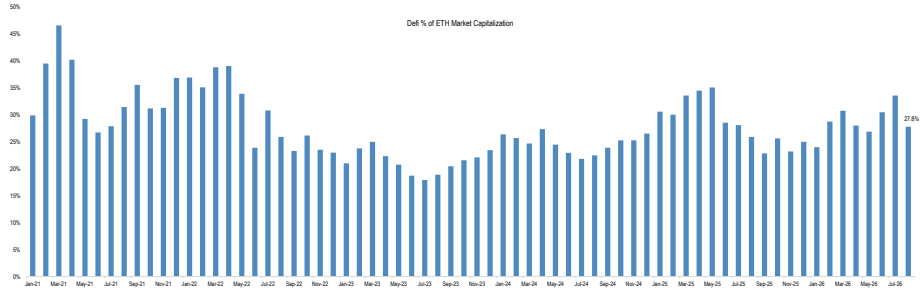


Source: TradingView

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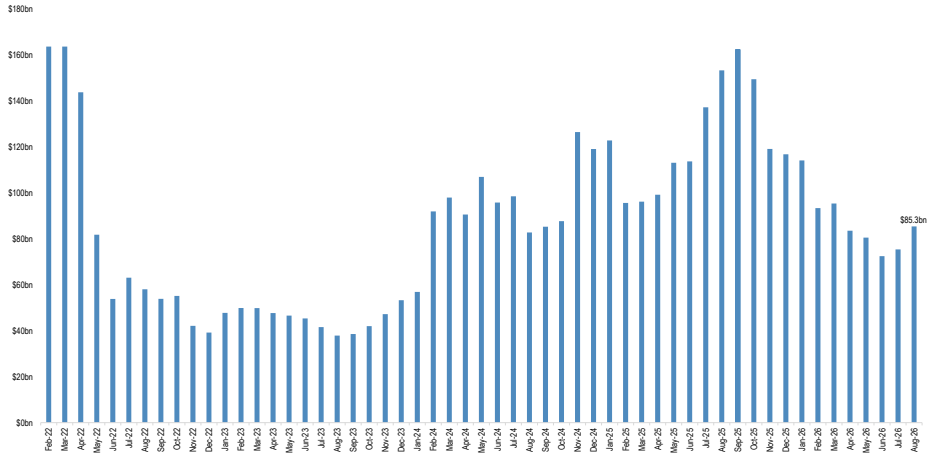
Figure 29: DeFi as % of ETH Declines ~57bps to 27.2% in Early September Given Ongoing Underperformance vs. ETH



Source: TradingView
Data as of 8/1/2026

Total value locked (TVL) increased 13% MoM in August; however, TVL continues to track negatively YTD (-27%) and is down 44% YoY. TVL ended August at $85.3bn.

Figure 30: Total Value Locked in DeFi Increases 13% MoM to ~$85bn in August



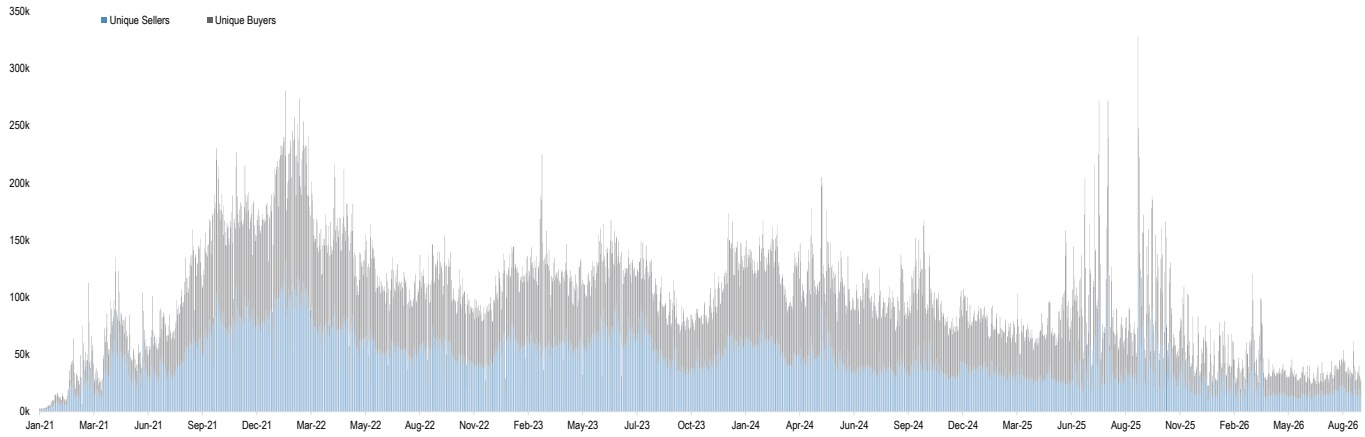
Source: DeFiLlama

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NFT Sales Jump (Off a Low Base) in August

Key indicators of the NFT market suggested an overall stronger environment in August. Average daily sales jumped 50% MoM in August but continue to track ~51% lower YoY. The number of unique buyers rose 7% MoM, a continuation from last month's positive trend, but are tracking 58% lower YoY. Meanwhile, the number of unique sellers also rose 7% MoM (-47% YoY). All-in, average trading profits remained negative in August, and these losses increased 12% sequentially in August, per CryptoSlam data.

Figure 31: Sales Jump in August (+50% MoM) as Market Participants Continue to Increase in Number Sequentially



Source: Crypto Slam

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Cryptoecosystem Engagement in August

Table 2: Rewards Rate Mostly Step Higher in August as Market Caps Expand

Assets		Estimated Rewards Rate	Estimated Rewards Rate (Prior)	Staking Market Cap	Staking Ratio (%)	Staking Ratio (Prior)
Ethereum	ETH	2.7%	2.6%	$107.0	35.2%	35.0%
Solana	SOL	5.4%	5.2%	$45.6	69.4%	68.9%
Hyperliquid	HYPE	2.2%	2.2%	$36.9	46.0%	45.8%
BNB Chain	BNB	6.2%	2.4%	$18.9	18.9%	19.1%
Tron	TRX	3.2%	3.2%	$15.0	46.5%	46.5%
Sui	SUI	1.5%	1.4%	$5.7	69.7%	72.3%
Cardano	ADA	2.1%	2.1%	$4.9	56.3%	56.9%
Avalanche	AVAX	6.6%	6.7%	$1.7	45.1%	45.7%
NEAR Protocol	NEAR	4.7%	4.7%	$1.5	47.8%	47.5%
Hedera	HBAR	1.9%	1.9%	$0.9	22.8%	22.6%

Data as of September 8, 2026
Source: Staking Rewards

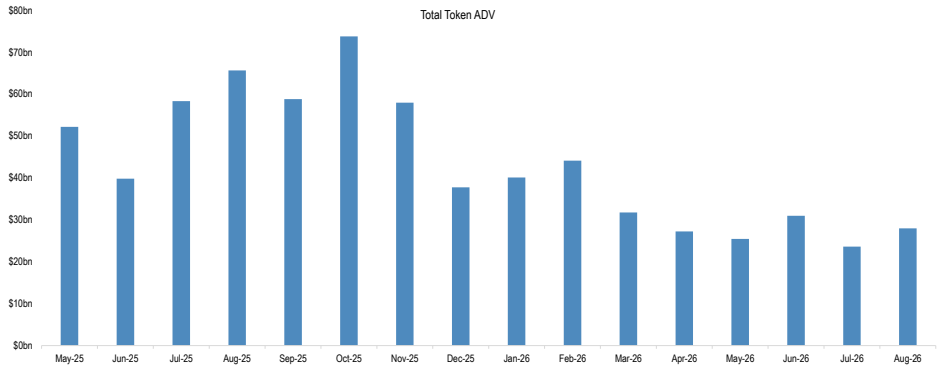
Monthly Token Volumes Jump in August, Recovering From July's Negative Blip

Spot Token Volumes Trends Recover Positively in August

Within the basket of tokens we track most closely via CoinDesk Data, spot token volumes increased 19% sequentially in August, reverting most off the ~24% decline we observed in July and returning to levels more on par with June 2026 ADV, one of the few months of sequential volume growth this year. Bitcoin and ether ADV growth was strong, up 11% and 19% MoM in August, respectively, but altcoins' ADV growth largely drove the basket. For instance, BNB and DOGE August ADVs each rose 50% MoM, while XRP ADV nearly tripled in August, per CoinDesk Data.

Figure 32: Token Basket ADV Rises 19% in August Led by Altcoins; BTC and ETH ADVs Rise 10-20% MoM

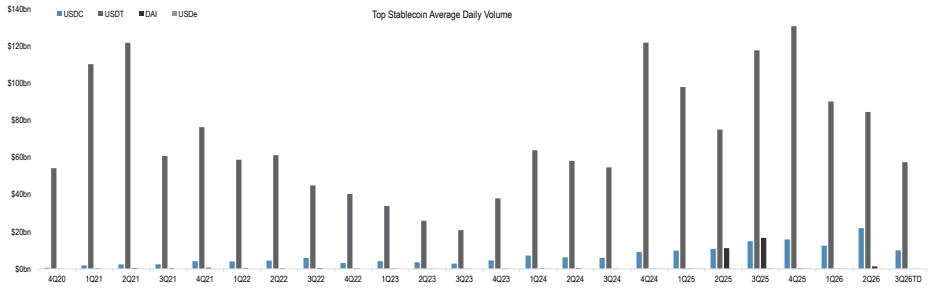
Average Daily Volumes of a Basket of Top Tokens – $ in billions



Source: CoinDesk Data
Basket includes BTC, ETH, USDT, BNB, ADA, DOGE, XRP, SOL, DOT, & LTC volumes and others

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Figure 33: All-in Aggregate Average Stablecoin Volumes Rise 11% in August but Continue to Trend Negatively 3Q6TD

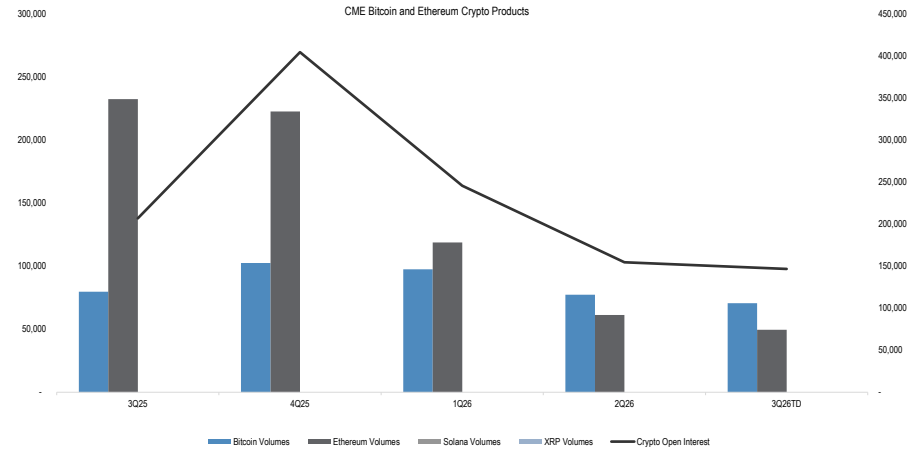


Source: TradingView
Basket now includes USDS and USDe as well as USDC, USDT, and DAI

CME Derivatives Also Rebound in August with Greater Acceleration than Spot Volumes this Month

We observed TradFi crypto derivatives also post higher volumes in August, which increased more than the relative rise in spot volumes this month. For instance, BTC derivatives at CME ADV jumped 50% MoM in August, while spot BTC volumes increased 11% MoM. Similarly, ether derivatives' ADV at CME rose 42% MoM vs. spot ether volume improvements of 19% MoM. SOL and XRP derivatives each followed a similar pattern. Open interest is roughly flat to slightly lower sequentially, down 5% 3Q26TD; however, we now see open interest tracking lower YoY as well, down 29% YoY.

Figure 34: Total CME Derivatives Volumes Also Enjoy Rebound in August, Albeit to a Larger Extent than Spot; 3Q26TD Open Interest Still Tracking Lower YoY

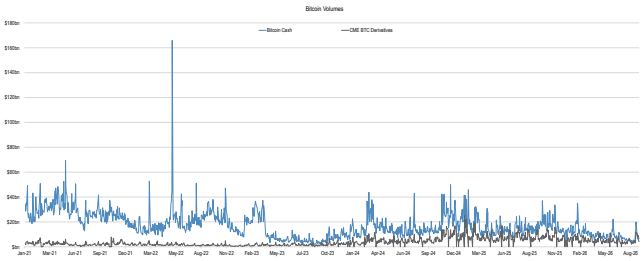


Source: CME and J.P. Morgan estimates

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Figure 35: Bitcoin Volumes: BTC Derivatives ADV Jump 50% in August vs. Spot BTC ADV Improvement of 11%

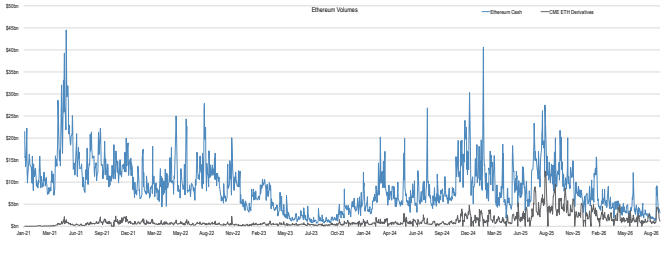
$ billions



Source: CME, CoinDesk Data, J.P. Morgan estimates

Figure 36: Ethereum Volumes: ETH Derivatives ADV Rises 42% MoM vs. Spot ETH ADV Increasing 19% in August

$ billions

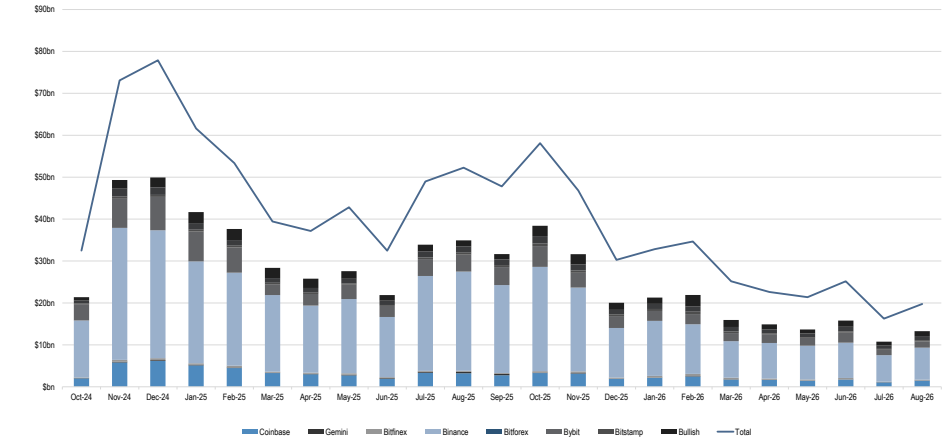


Source: CME, CoinDesk Data, J.P. Morgan estimates

Exchange Basket and Total Token Volumes Tick Up in August but Still Relatively Low vs. Annual Comps

Centralized crypto exchanges' (CEX) combined ADV we track increased 23% in August with 3Q26TD ADV tracking ~65% lower YoY. Apparent market share gainers in August include Gemini and Bitfinex, which saw their respective ADVs jump 98% and 53% MoM. Lagging the group was Crypto.com, as its ADV improved just 13% MoM. Total spot trading volume across all exchanges (CEX and DEX) and all tokens improved similarly in August, up 22% per CoinDesk Data, which is presented by the blue line in Figure 37, below.

Figure 37: Total Crypto Spot ADV Rises 22% in August, In line with Exchange Basket's ADV Increasing 23% MoM



Source: CoinDesk Data
Restated to now include Crypto.com historicals

Note that these figures represent just a basket of both CEX and DEX exchange-based trading activity within the cryptoecosystem. Our data provider is working through updates in the process of gathering some exchanges' volumes, so the monthly and quarterly numbers are likely to be restated, especially for the decentralized venues.

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Table 3: Exchange Volumes—Top Exchanges' Volumes Activity Increases 23% in August, but 3Q26TD ADV is Still Tracking ~65% Lower YoY

	ADV				ADV				ADV		
	4Q25	1Q26	2Q26	3Q26	MTD	2Q26 YoY	3Q26 YoY	MoM	July	August	Last Week
Coinbase	2,762,657,649	2,098,114,161	1,595,600,435	1,257,014,633	1,449,598,744	-37%	-60%	36%	1,064,430,522	1,449,598,744	1,779,219,853
Gemini	114,382,603	71,870,768	48,150,867	43,723,241	58,094,331	-69%	-86%	98%	29,352,152	58,094,331	65,030,699
Binance	18,883,655,130	11,193,349,683	8,321,985,040	6,964,851,342	7,614,262,545	-48%	-69%	21%	6,315,440,138	7,614,262,545	9,079,160,205
Bitfinex	322,002,297	435,149,956	288,115,789	167,158,853	202,348,281	9%	-25%	53%	131,969,425	202,348,281	238,528,737
Bitforex	-	-	-	-	-	-	-	-	-	-	-
Bitstamp	524,906,914	465,337,469	242,750,931	250,706,918	286,814,187	-8%	-43%	34%	214,599,648	286,814,187	413,679,330
Bullish	2,195,657,983	1,940,401,493	1,227,719,247	1,051,374,095	1,170,950,542	-31%	-26%	26%	931,797,649	1,170,950,542	1,490,115,277
ByBit	3,779,138,297	2,245,807,440	2,110,466,665	1,394,590,044	1,510,846,339	-29%	-66%	18%	1,278,333,750	1,510,846,339	1,571,153,323
Crypto.com	3,055,680,093	2,134,534,275	1,240,001,850	693,319,811	736,831,554	-48%	-78%	13%	649,808,068	736,831,554	928,318,262
Total	**33,058,497,462**	**21,770,570,451**	**16,013,919,885**	**12,703,855,676**	**13,998,946,607**	**-42%**	**-65%**	**23%**	**11,408,764,745**	**13,998,946,607**	**16,750,215,594**

Source: CoinDesk data

Investment Flows Surge in August Amid Record ETPs Month

Refer to daily spot ETPs note here: Sep 11 Spot ETP Flows: Week Culminates with Mixed Day but Netting Positive $185mn Supported by ETH ETPs; Last Week's Flows End in Net Redemptions of $312mn(14 September 2026)

Investment flows into crypto-related funds surged meaningfully in August after an already decent recovery in July. Net sales across the vehicles we track totaled $5.6bn versus July's net sales of $465mn, a ~12x improvement. The sequential improvement was largely driven by a recovery and YTD records in the spot ETPs. Flows were just marginally positive flows in July, but now the BTC and ETH ETPs combined for net sales of $5.3bn in August, the highest month in a year. Finally, recall that we added a few new vehicles—both direct ETFs, including the new U.S. spot SOL ETPs, and private funds—to our list of ~75 vehicles, which has been reflected in the restated historical data in Table 4, below.

Table 4: Monthly Net Flows ~12x from Prior Month to Record Strong Month YTD in August; Spot ETPs have Best Month in ~1yr

		Flows					
	AUM	4Q25	1Q26	2Q26	3Q26TD	July	August
ETF							
Direct	$120,480.3	-$8,165.5	-$2,145.6	-$7,412.9	$3,840.6	$468.1	$5,449.2
Indirect	$3,919.0	-$240.0	-$168.4	-$79.0	$92.4	$0.0	$154.1
Trusts	$788.5	-$241.3	-$145.1	-$41.1	-$19.5	-$1.7	-$18.4
Funds	$915.1	$72.8	$8.8	-$22.4	$32.5	$2.3	$26.5
Hedge Fund	$25.0	$2.1	-$1.8	$1.6	-$4.0	-$4.0	$0.0
Total	**$126,127.8**	-$8,571.9	-$2,452.0	-$7,553.6	$3,942.0	$464.8	$5,611.4

Source: Bloomberg Finance L.P., and J.P. Morgan estimates
*Note: Historicals restated in version published for March 2025 as new calculation methodology adopted for direct ETFs to better mirror daily note; historicals also updated in December to include new U.S.

2025 version for underlying data to include all of Grayscale's public funds' flows—added GDLC, BTCC, BPI, GLNK, LTCN, and DEFG