Crypto Digest

Confidence Under Pressure

17 November 2026



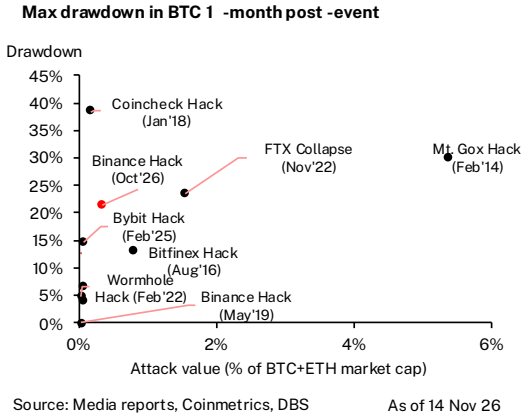
Chang Wei Liang, FX & Credit Strategist



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- *Binance's hack rattled confidence; Bitcoin fell around 21% since the breach*
- *Democratic sweep clouds prospects for pro-crypto legislation*
- *ETF outflows accelerate amid security concerns and broader market weakness*

Drawdowns Following Major Crypto Hacks



Source: Media reports, Coinmetrics, DBS As of 14 Nov 26

Binance hack tests market confidence. On 29 October, Binance suffered a USD6.34bn security breach, equivalent to roughly 0.3% of BTC and ETH's combined market value. Bitcoin has since fallen ~21%, reflecting security concerns as well as broader market weakness. Binance has frozen USD2.85bn of affected assets and replenished 98% of impacted customer assets. Five previous hacks involving less than 1% of BTC and ETH's combined market value saw an average maximum one-month Bitcoin drawdown of ~15%, and the current drawdown is in line with historical moves.

Democratic victory raises regulatory uncertainty. Democrats won both houses of Congress in the 3 November midterms, potentially slowing Trump's crypto-friendly policy agenda. Democrats could push for tighter investor protection and exchange oversight, while the CLARITY Act could face a tougher legislative path. However, existing stablecoin legislation remains intact, and the Trump administration also retains control of financial regulatory agencies, limiting the scope for an immediate reversal of pro-crypto policies.

Institutional withdrawals deepen selling pressure. U.S. spot Bitcoin ETFs recorded USD2.22bn of net outflows during 2–13 November, marking the worst 2-week flow since late June. Ether ETFs lost ~USD700mn during the period, marking seven consecutive weeks of withdrawals. This reflects broader risk aversion amid elevated borrowing costs, security concerns and regulatory uncertainty. Selling pressures intensified following a technology-led market sell-off on 5 November post-elections, which triggered over USD1bn of leveraged crypto liquidations. Extended outflows suggest weaker underlying institutional demand, with a recovery likely dependent on how the legislative environment evolves after the Democrats take power in Congress next year.

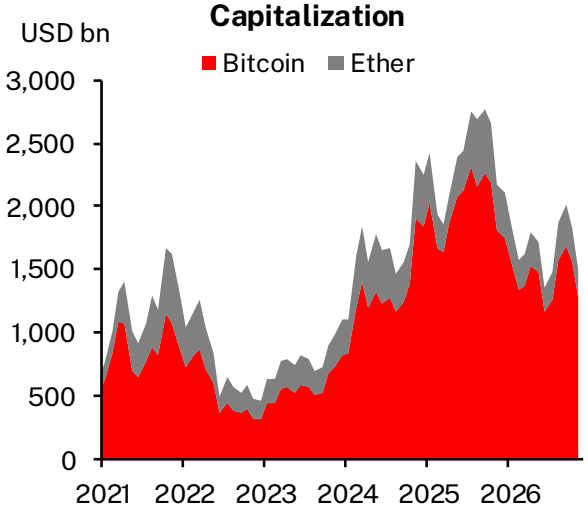
ASSET MARKET RETURNS

Market prices, capitalization, and returns

Market metrics (in USD)	Bitcoin	Ether	S&P500	Gold
Price*	63,821	1,756	7,652	4,157
Market capitalization (trn)	1.3	0.2	67.7	27.9
Monthly return (%)	-17.5%	-22.0%	0.9%	7.3%
Year-to-date return (%)	-27.1%	-40.9%	11.8%	-3.7%
1Y return (%)	-29.6%	-41.5%	11.7%	-1.9%
5Y return (%)	11.8%	-62.2%	67.5%	134.3%

Source: Bloomberg, Coinmetrics, DBS *As of 14 Nov 26

Cryptocurrencies Market Capitalization



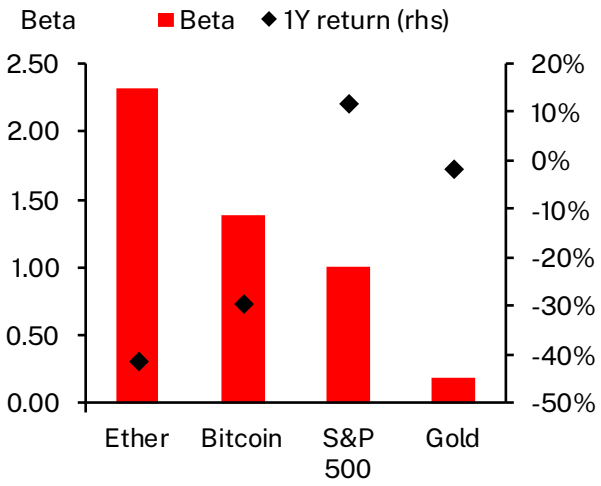
Source: Coinmetrics, DBS

Crypto 5Y return correlations

	Bitcoin	Ether	S&P500	Gold
Bitcoin		0.86	0.50	0.17
Ethereum	0.86		0.55	-0.01
S&P500	0.50	0.55		0.19
Gold	0.17	-0.01	0.19	

Source: Bloomberg, DBS

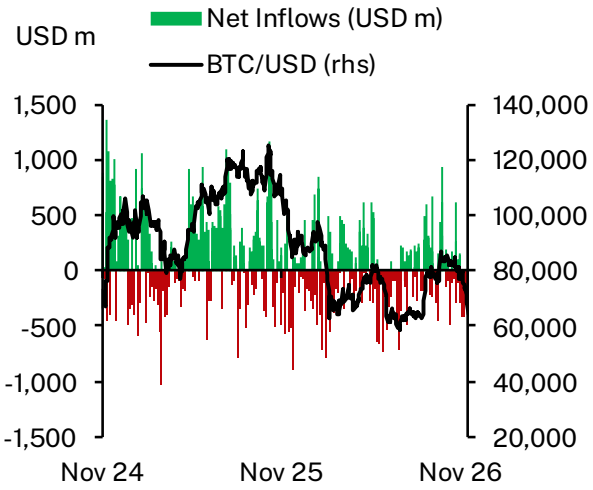
5Y CAPM betas vs 1Y spot return (%)



Source: Coinmetrics, Bloomberg, DBS

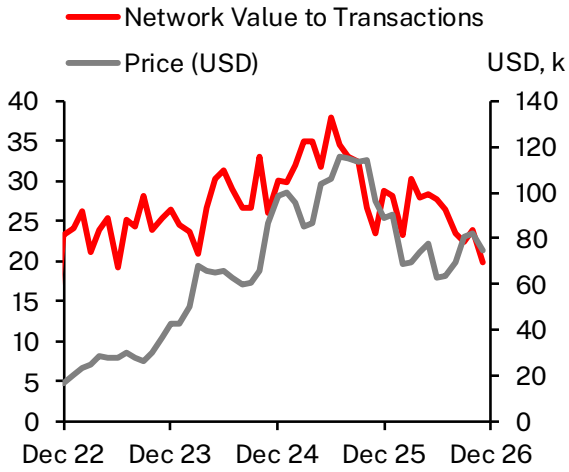
FLOWS & NETWORK METRICS

BTC: US ETF daily net inflows and price



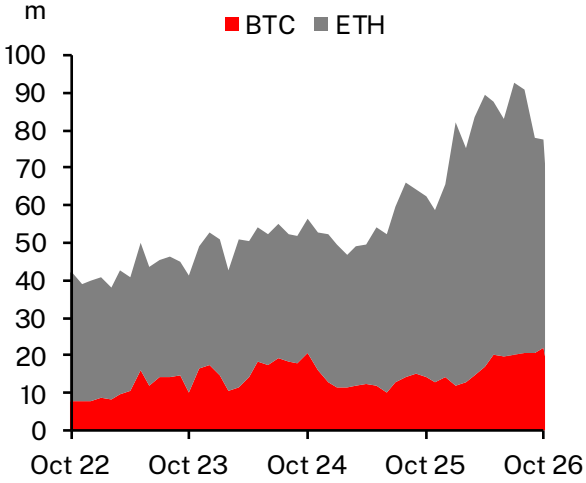
Source: Bloomberg, DBS

BTC: Network value to transactions



Source: Coinmetrics, DBS

Monthly transactions count (m)



Source: Coinmetrics, DBS

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