

Monthly Market Recap

July 2026

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Market Performance

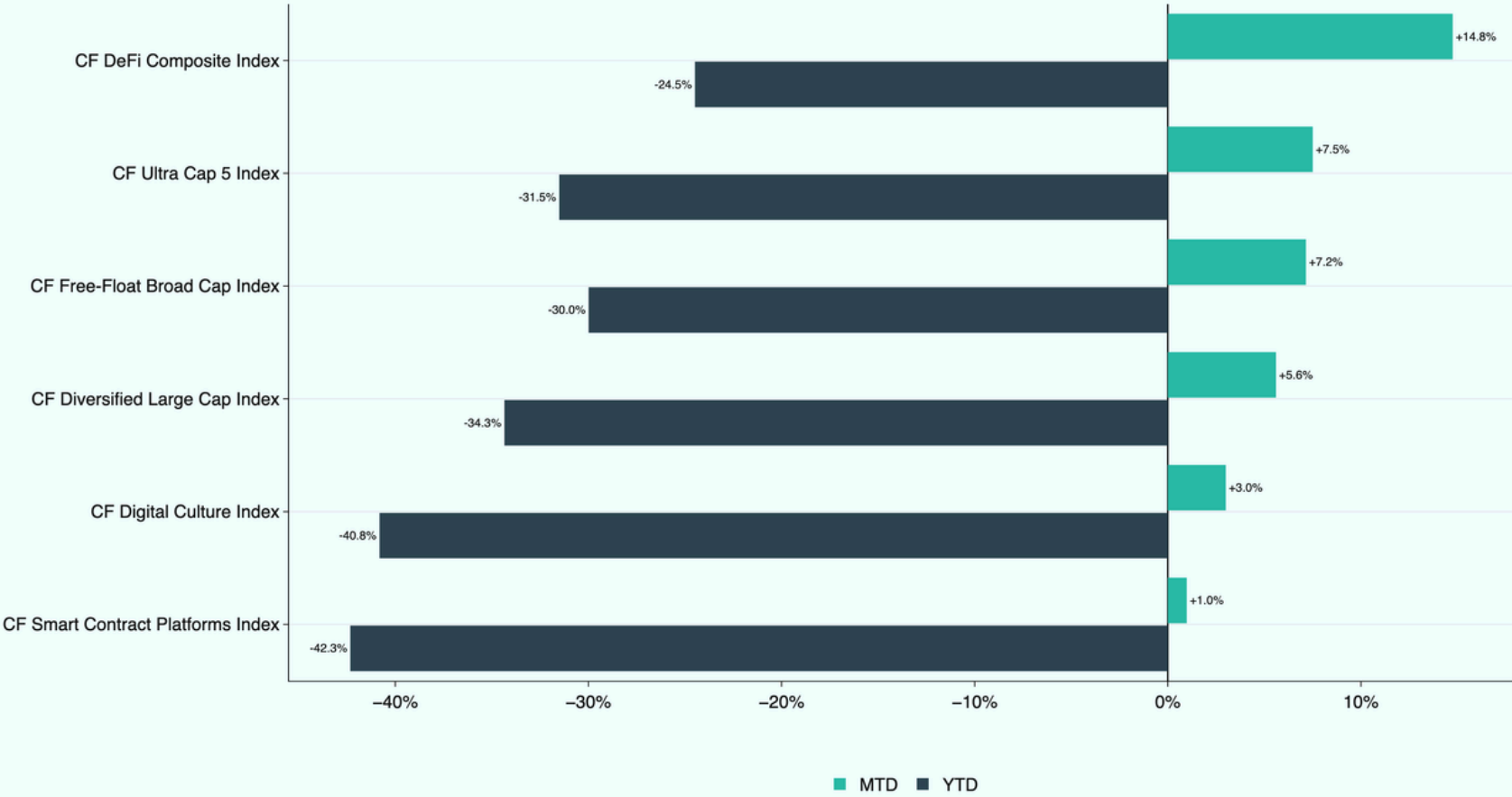
Cooler Inflation Sparks Rebound as Hike Risk Persists

Market Summary

Macro, geopolitical, and policy crosscurrents in July ran the other way from June. June CPI, released July 14, fell 0.4% month over month and slowed to 3.5% year over year against consensus of 3.8%, the largest monthly decline in more than six years, with energy prices down 5.7%. Core CPI was flat on the month at 2.6%, and June PCE, released July 30, eased to 3.7% headline and 3.3% core. At Chair Kevin Warsh's second meeting on July 29, the FOMC held the policy rate at 3.50% to 3.75%, but the vote split 9 to 3, with Hammack, Kashkari and Logan dissenting in favor of a hike, and the statement carried no forward guidance. Geopolitics deteriorated: the United States struck Iran on July 8 and revoked its oil sanctions waiver, both sides exchanged fire over the Strait of Hormuz from July 13, and a naval blockade followed. Brent ranged from \$77 to \$97 before settling at \$87.93, and the waterway stayed closed at month end.

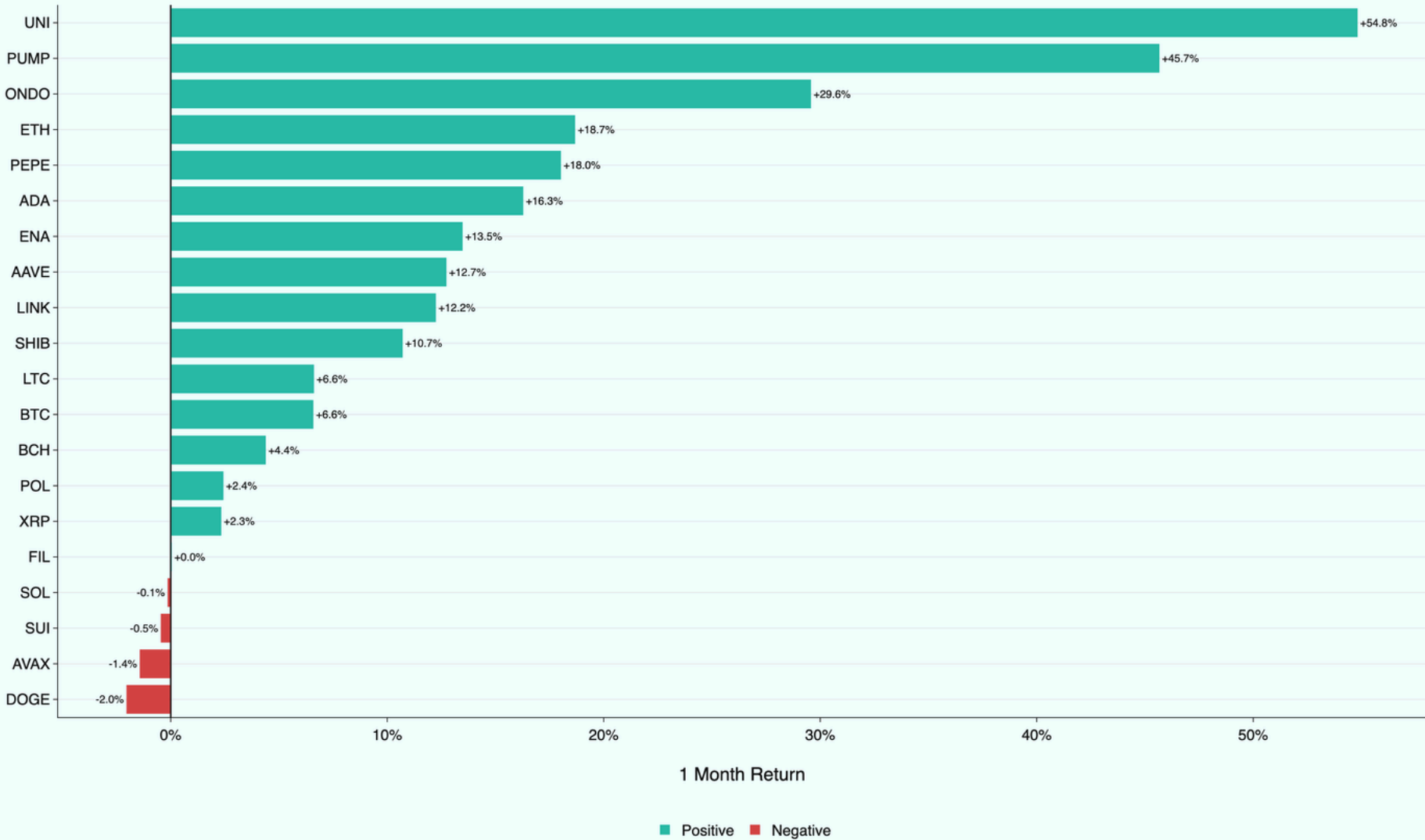
Last month's price action reversed, with every CF Benchmarks index posting a monthly gain. The CF DeFi Composite Index led, up 14.8% month-to-date (MTD), followed by the CF Cryptocurrency Ultra Cap 5 Index at 7.5% and the CF Free-Float Broad Cap Index at 7.2%. The CF Diversified Large Cap Index rose 5.6% and the CF Digital Culture Index 3.0%, with the CF Web 3.0 Smart Contract Platforms Index the laggard at 1.0%. On a year-to-date (YTD) basis, drawdowns narrowed to a 24% to 42% range, with the CF DeFi Composite Index down the least near 25%.

Benchmark Performance



Monthly and year-to-date total returns in USD.
Source: CF Benchmarks, Bloomberg, as of July 31, 2026

Major Crypto-Pairs



Source: Returns are based in USD terms, CF Benchmarks, Bloomberg, as of July 31, 2026

Leaders

Uniswap (UNI) led the major crypto-pairs in July, rising 54.8% month over month (MoM), the largest gain in the group, after Robinhood Chain went live on July 1 and governance proposals 99 and 100 passed with roughly 97% support, extending protocol fees across v4 and routing collected fees into UNI buybacks and burns. Pump.fun (PUMP) followed at 45.7%, absorbing its largest ever token unlock on July 12 as cumulative buybacks reached \$414 million and reduced supply by 15.4%. Ondo Finance (ONDO) gained 29.6%, aided by a July 16 partnership with SBI Group to tokenize Japanese assetsz.

Laggards

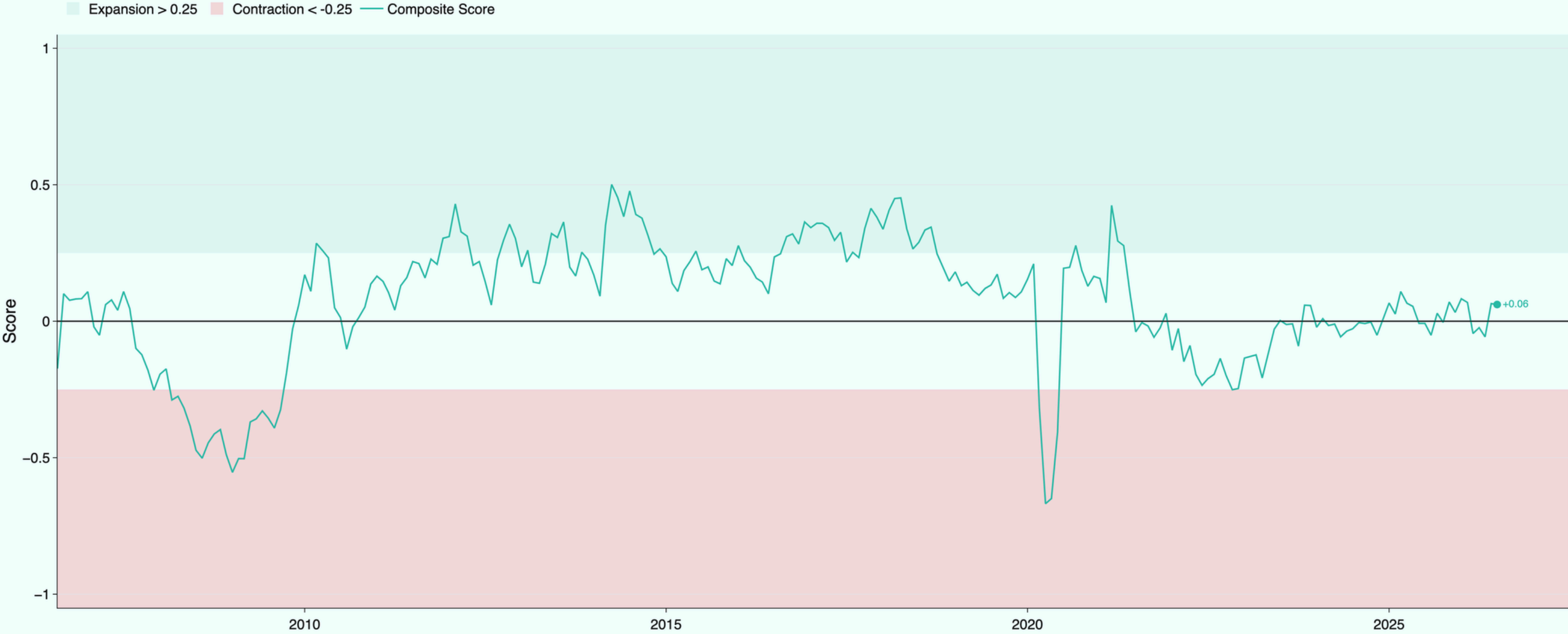
Worldcoin (WLD) was the weakest major, down 25.9% MoM after leading the group in June, giving back its treasury-driven rally even as daily emissions fell 43% on July 24. Hyperliquid (HYPE) fell 16.2% as perpetuals volume halved to \$43 billion and weekly revenue fell from \$23 million to \$7.5 million, shrinking the buyback bid. LayerZero (ZRO) declined 12.8% following a 25.7 million token cliff unlock on July 20.

Macro Overview

Macro Regime Dashboard

The composite regime score sits just above zero, near +0.06, in the neutral zone (expansion above +0.25, contraction below -0.25) and essentially unchanged in July. The cycle still reads flat and late stage. Broad near-term disinflation, a steeper yield curve and still accommodative financial conditions sit on one side; a contractionary reading from the Brave-Butters-Kelley leading index that anchors the leading panel, falling labor force participation and softer freight volumes sit on the other.

Macro Regime Composite Score



Source: CF Benchmarks, FRED, as of July 31, 2026

Macro Regime Overview - Improving

Yield Curve, 10Y minus 2Y



Change in Real M2 YoY



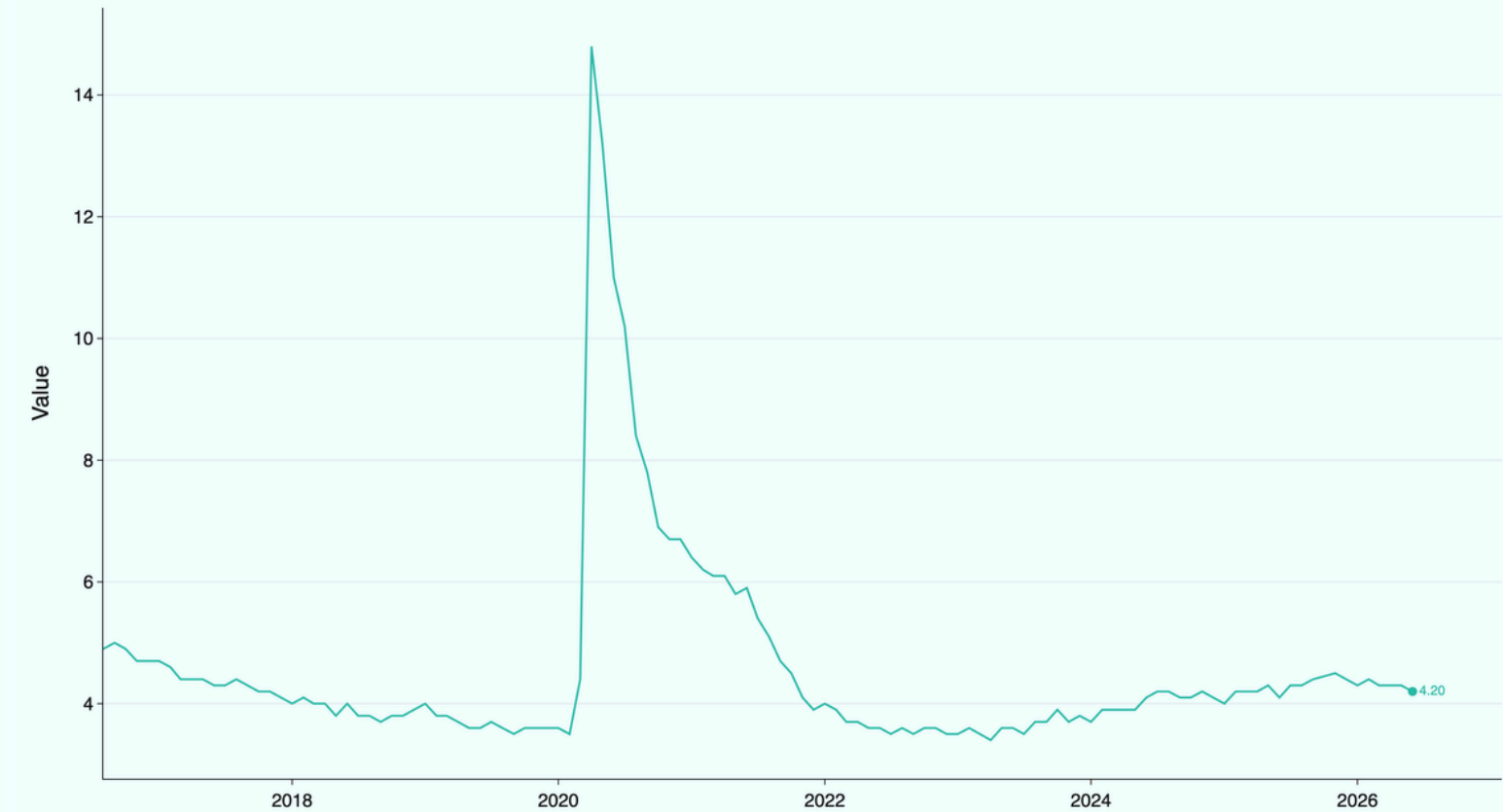
The improvement sits in the curve and in real liquidity, though the composition matters. The 10-year to 2-year Treasury spread steepened to +0.47% at month end from +0.30%, and the 10-year to fed funds spread widened 24 basis points to +1.05%. With the policy rate held at 3.50% to 3.75%, that move came from the long end, the 10-year rising about 24 basis points against roughly 7 at the 2-year. This is a bear steepener: the market is pricing firmer growth and higher long-run inflation compensation, not easier policy, and it is the same repricing that lifted long-run inflation expectations. Real M2 growth firmed to +1.99% year over year (YoY) from +1.36%, up 0.63 percentage points (pp) month over month (MoM).

Macro Regime Overview - Stable

Average Weekly Hours, Manufacturing



US Unemployment Rate



Labor market conditions are holding rather than turning. Average weekly hours in manufacturing were unchanged at 41.6, the only series in the model with no month-over-month (MoM) movement at all and still consistent with steady factory utilization. The headline unemployment rate eased 0.1 percentage points (pp) to 4.2%, and the Sahm rule indicator fell to 0.07 from 0.10, leaving recession-signal thresholds untouched. Neither series is accelerating, but neither is rolling over; the signal here is the absence of deterioration as much as the absence of momentum.

Macro Regime Overview - Deteriorating

UMich Inflation Expectations, 5 to 10 Year



US Building Permits



We are seeing signs of weakness in long-run expectations and the housing pipeline. University of Michigan 5 to 10 year inflation expectations rose to 3.6% from 3.3%, the highest reading since June 2025 and the clearest dissent from an otherwise broad near-term disinflation. Building permits fell to 1.37 million from 1.41 million, a 36,000 unit month-over-month (MoM) decline that leaves the year-over-year rate at -1.8% and points to a thinner forward construction pipeline. Together they point to anchoring in long-run expectations coming under question alongside a rate-sensitive housing sector that has yet to respond.

What We're Watching

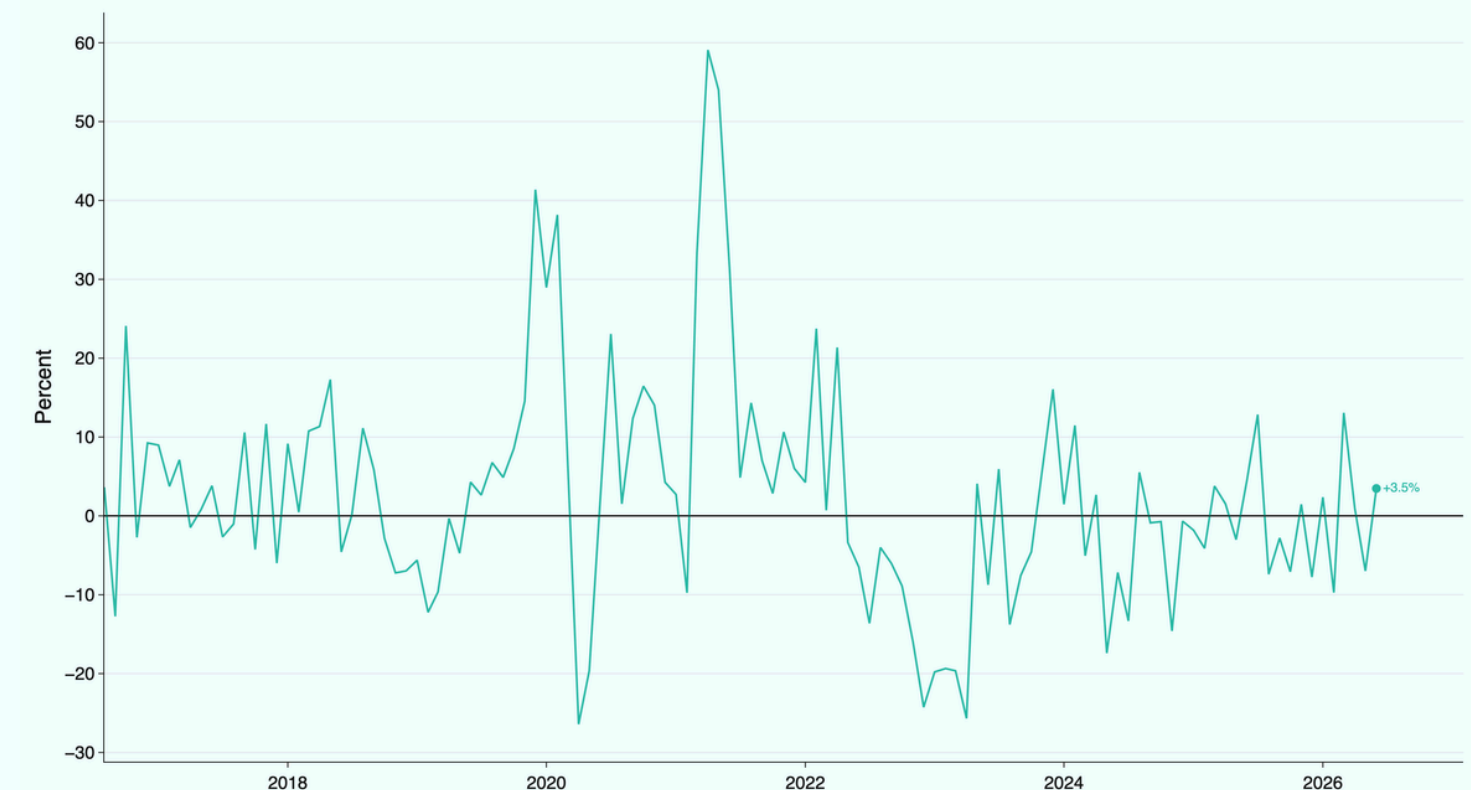
We are watching services inflation closely, as it has remained sticky since 2021. Core PCE inflation eased to 3.3% year over year from 3.4%, a modest step down but still more than a percentage point above target, and its stickiness is closely tied to shelter, the largest services component. Housing starts rebounded to 1.427 million (SAAR) from 1.199 million, a 19.0% month-over-month (MoM) gain that thickens the new-supply pipeline; more supply tends to cool shelter costs, which in turn eases upward pressure on services inflation. The offset is building permits, which fell on the month, leaving the durability of that supply response open.

Core PCE



Source: CF Benchmarks, FRED, as of July 31, 2026

Housing Starts

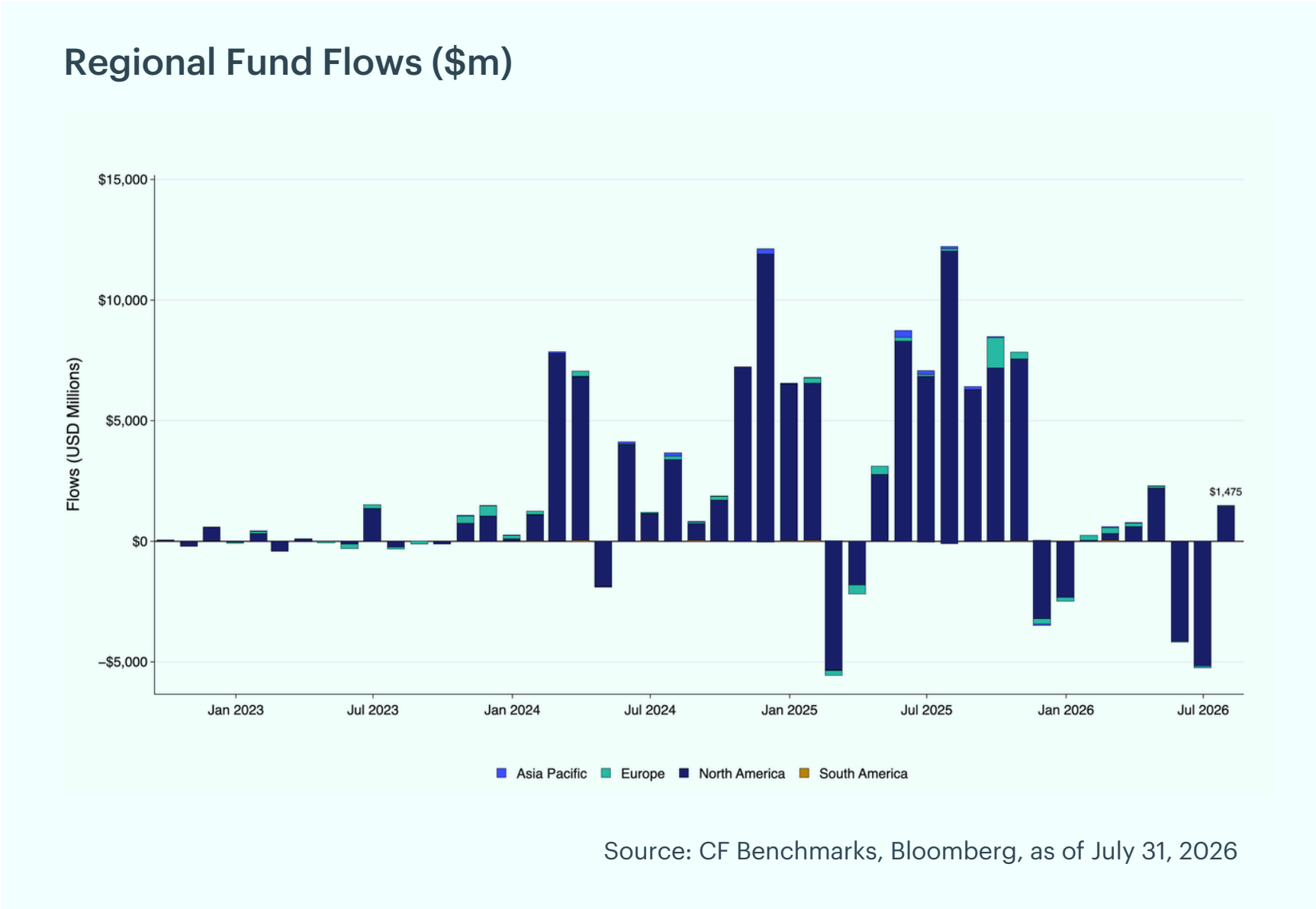
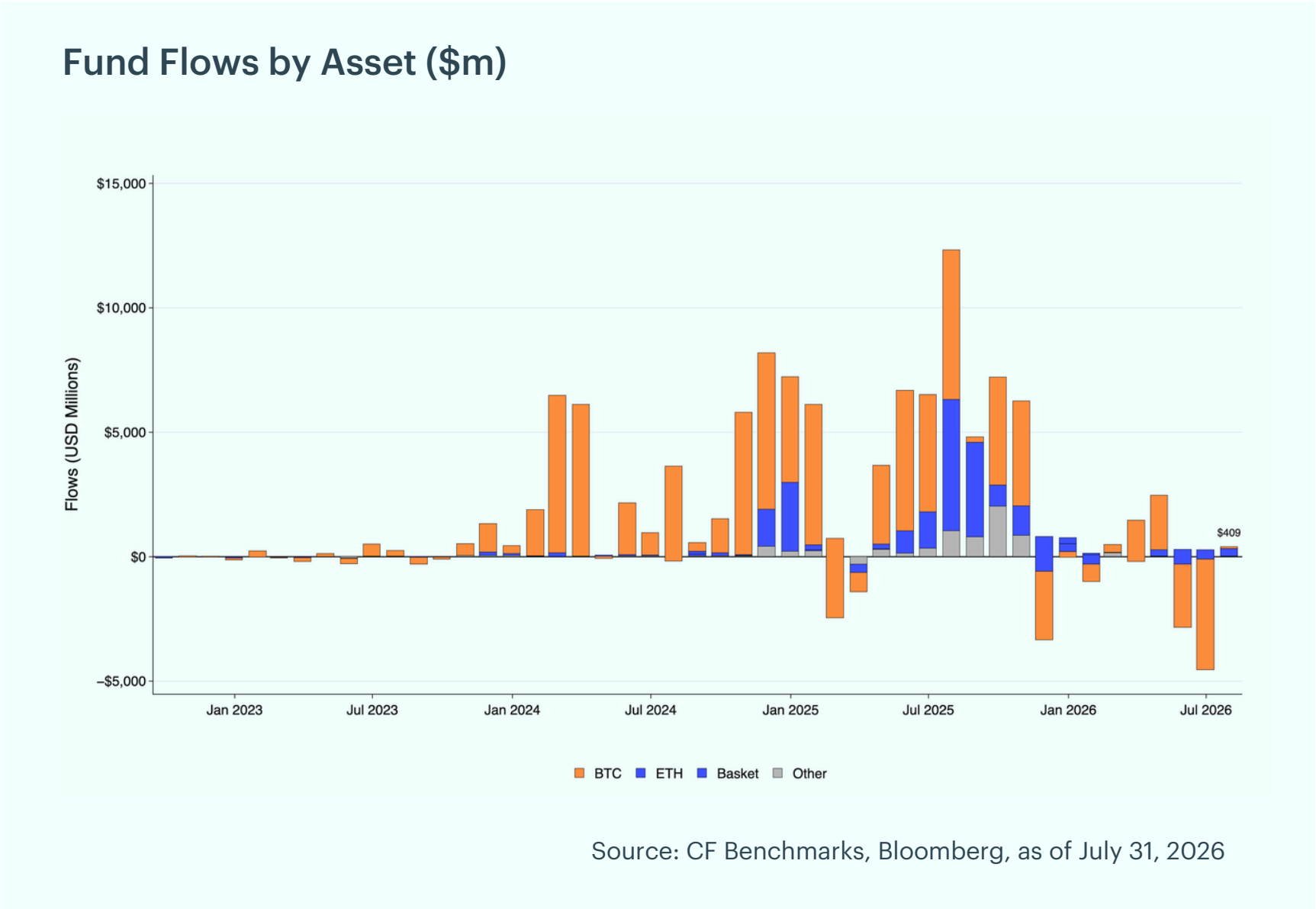


Source: CF Benchmarks, FRED, as of July 31, 2026

Investor Activity & Sentiment Positioning

Fund Flows

Digital asset funds swung to net inflows in July, taking in \$409 million after \$4.5 billion of outflows in June and ending a record eight-week outflow streak mid-month. Ether funds led with \$297 million of inflows and Bitcoin funds turned modestly positive at \$89 million, while Other Single Crypto funds added \$27 million and Basket/Index funds saw a marginal \$4 million outflow. Regional flows, which cover a broader fund universe and do not sum to the headline figure, were led by North America at \$1.4 billion of inflows, with Europe adding \$45 million and Asia Pacific shedding \$13 million.



Futures Positioning and Open Interest

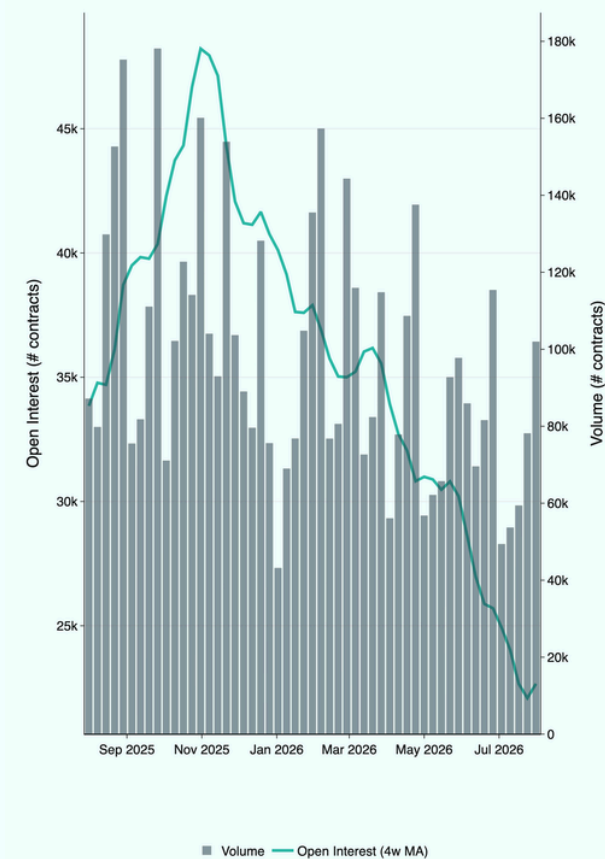
CME futures positioning eased further in July. On a four-week moving average basis, CME Ether (ETH) open interest fell 11.8% month over month (MoM) to roughly 22,668 contracts, the steepest drop in the group, and Solana (SOL) open interest declined 9.9%, while CME Bitcoin (BTC) eased 1.6% to about 20,066 contracts and XRP was little changed at 28,021 contracts. Peak weekly volumes fell from June, with BTC at 85,457 contracts, ETH at 101,947, and XRP at 27,132, though both BTC and ETH set their July highs in the final week of the month.

CME Bitcoin Volume and Open Interest



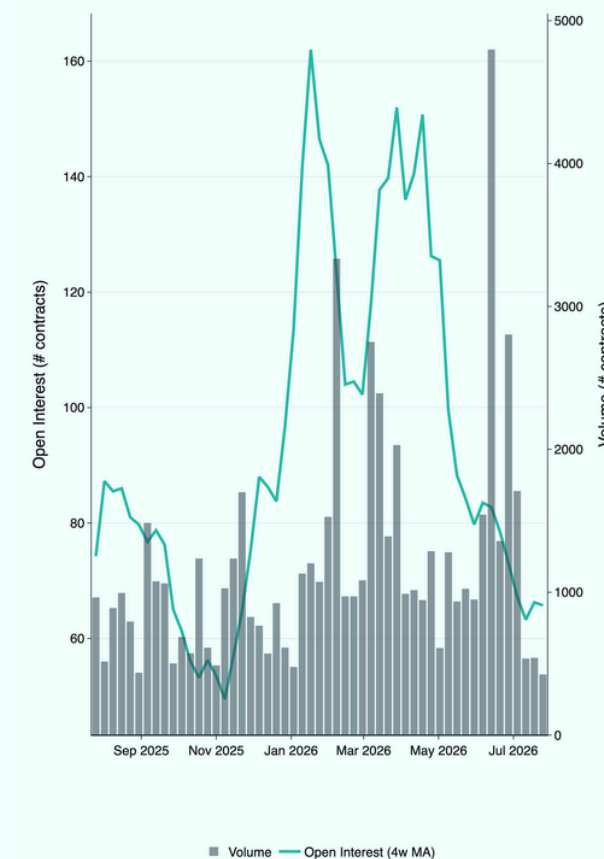
Source: CF Benchmarks, CFTC, Bloomberg,
as of July 31, 2026

CME Ether Volume and Open Interest



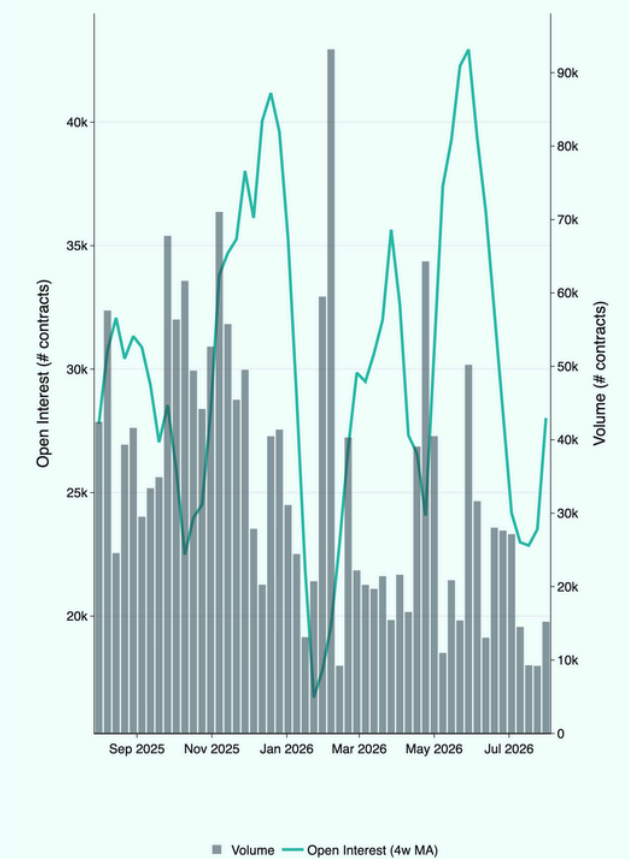
Source: CF Benchmarks, CFTC, Bloomberg,
as of July 31, 2026

CME Solana Volume and Open Interest



Source: CF Benchmarks, CFTC, Bloomberg,
as of July 25, 2026

CME XRP Volume and Open Interest



Source: CF Benchmarks, CFTC, Bloomberg,
as of July 31, 2026

CF Bitcoin Volatility Index (BVX)

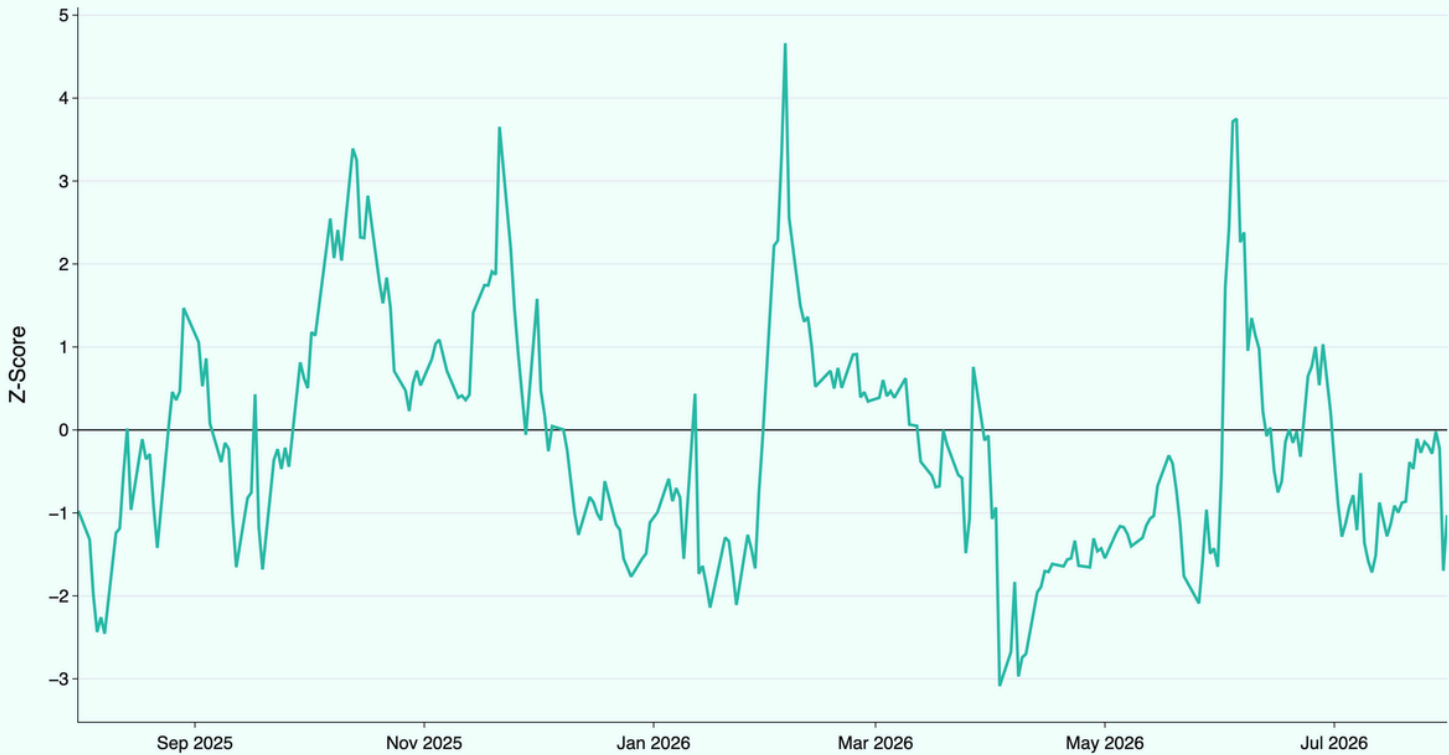
The CF Bitcoin Volatility Index Settlement Rate (BVXS) is a daily benchmark that provides a forward-looking, 30-day constant-maturity measure of implied volatility, derived from CFTC-regulated Bitcoin option contracts traded on the CME. The BVX reflects the fair strike of a variance swap. The BVX fell in July, trading in a 36.95 to 43.28 range and closing the month at 37.90, down 16.2% from 45.21 at the end of June and in the 15th percentile of its trailing-year range. The rolling 30-day z-score finished at -1.03 and stayed negative throughout the month, ranging from -1.72 to -0.02, indicating implied volatility ran persistently below recent norms.

BVX Index



Source: CF Benchmarks, Bloomberg, as of July 31, 2026

Rolling 30-Day Z-Score



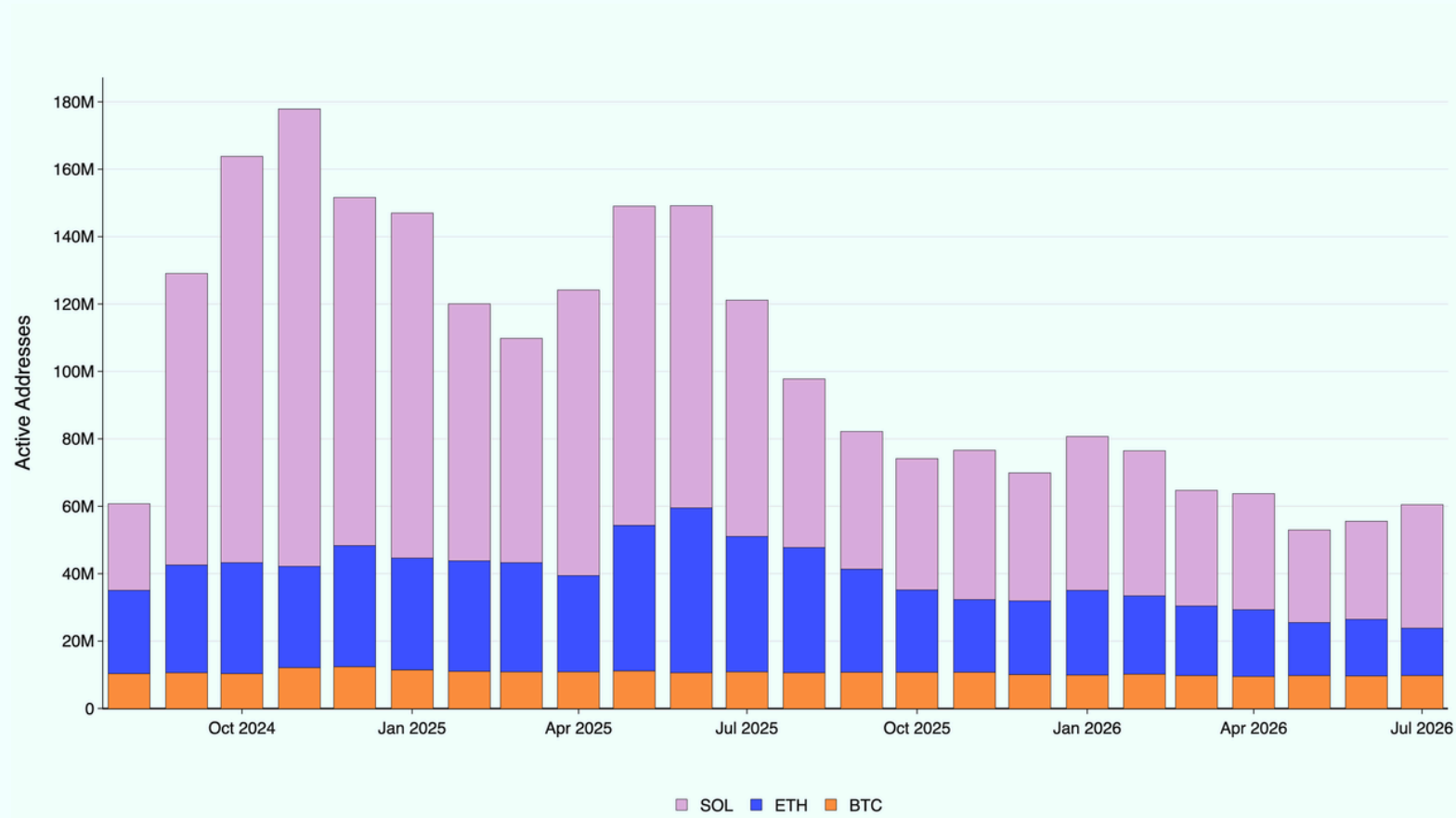
Source: CF Benchmarks, Bloomberg, as of July 31, 2026

Network Fundamentals & Reward Rates

Monthly Active Addresses

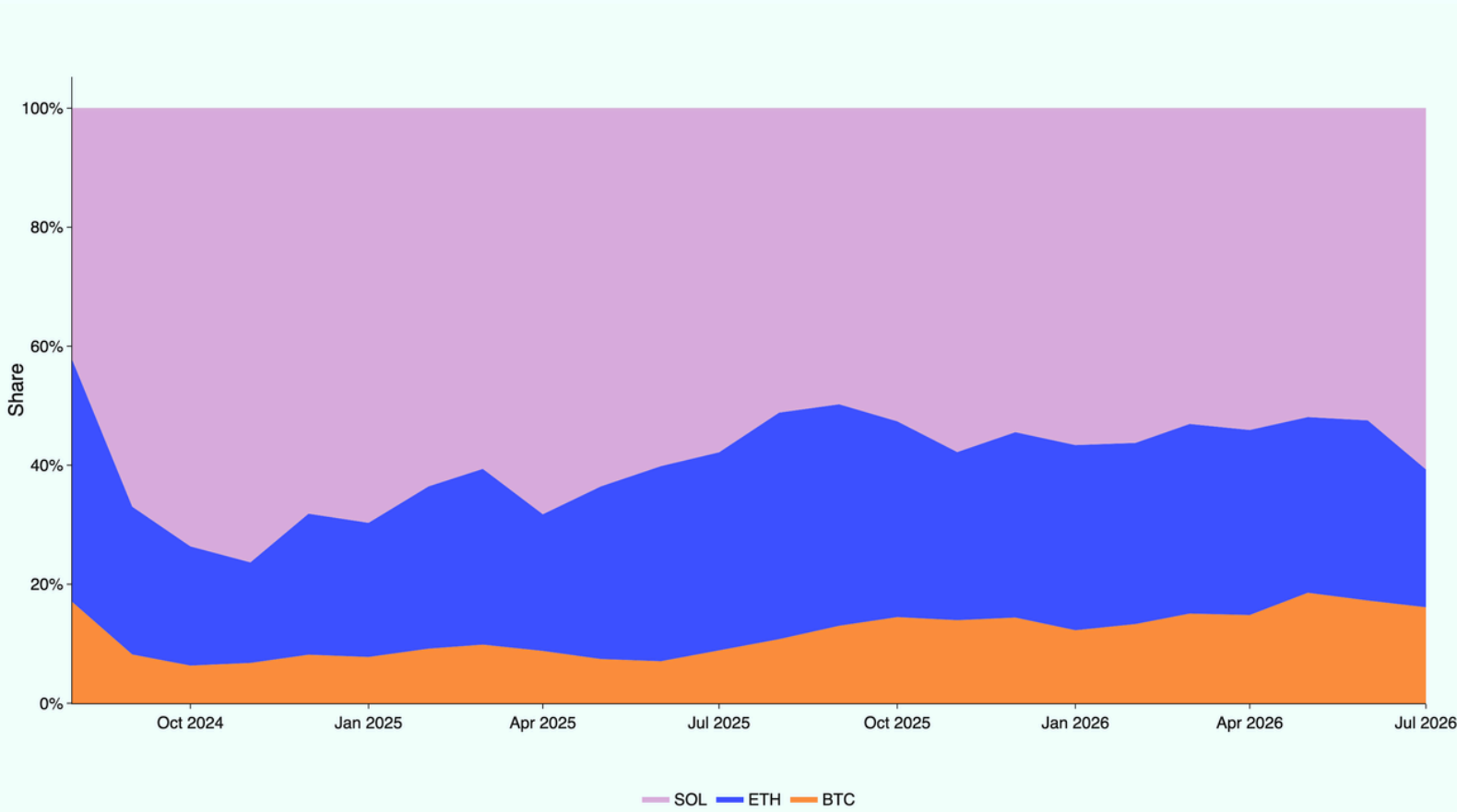
Monthly active addresses rose to 60.5 million across the three tracked networks in July, up 8.8% month over month (MoM) from 55.6 million. The gain was driven by Solana (SOL), where active addresses climbed 25.8% to 36.7 million, a move of more than 20% on the month, with Bitcoin (BTC) adding 1.7% to 9.8 million. Ethereum (ETH) fell 16.7% to 14.0 million, leaving Solana at roughly 61% of the tracked total.

Active Addresses



Source: CF Benchmarks, Token Terminal, as of July 31, 2026

Share of Active Addresses

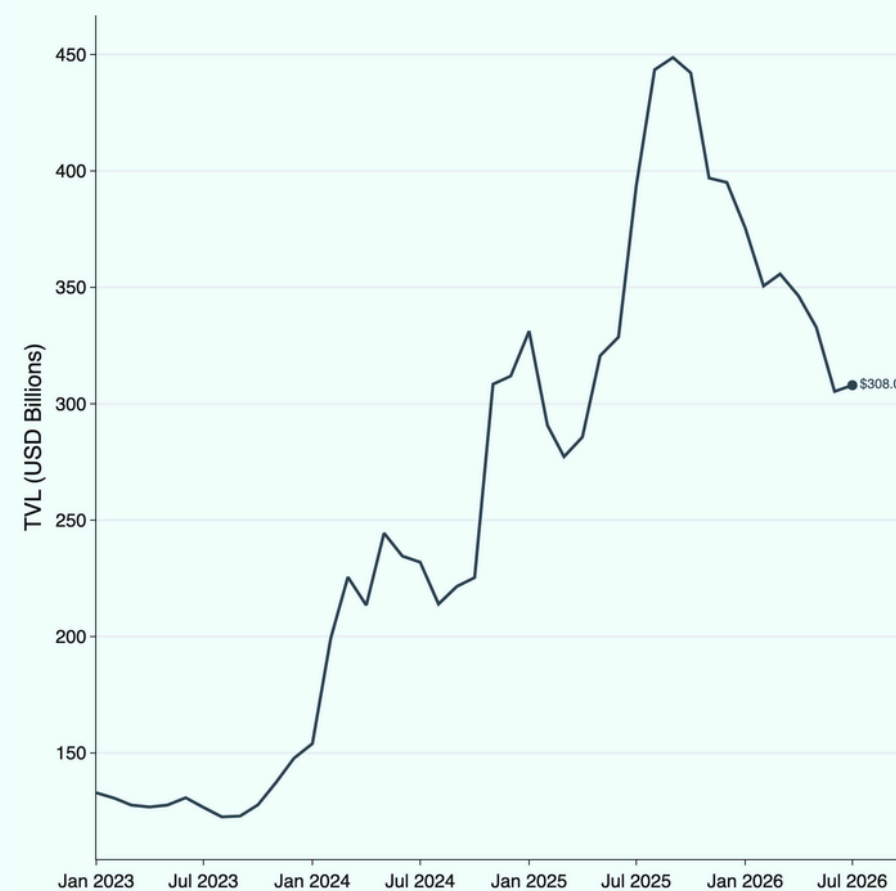


Source: CF Benchmarks, Token Terminal, as of July 31, 2026

Total Value Locked (TVL) in DeFi Protocols

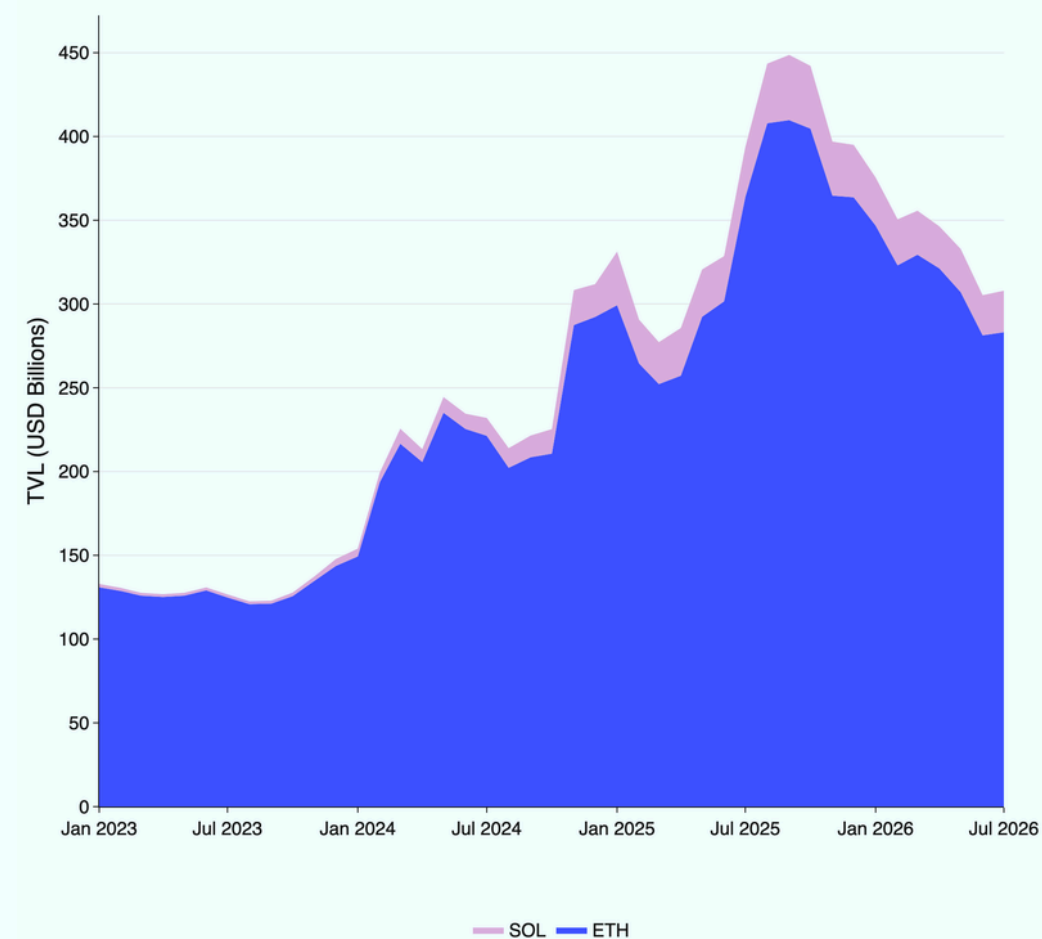
Total Value Locked (TVL) in decentralized finance (DeFi) represents the aggregate value of assets deposited across DeFi protocols, expressed in U.S. dollars. It serves as a key indicator of the sector's overall health and growth. Total Value Locked rose 0.9% in July to \$308.0B, up from \$305.3B in June. Ethereum TVL edged higher to \$283.1B (+0.7%) while Solana TVL gained to \$24.8B (+3.4%), leaving Ethereum at roughly 92% of the tracked total.

Total TVL



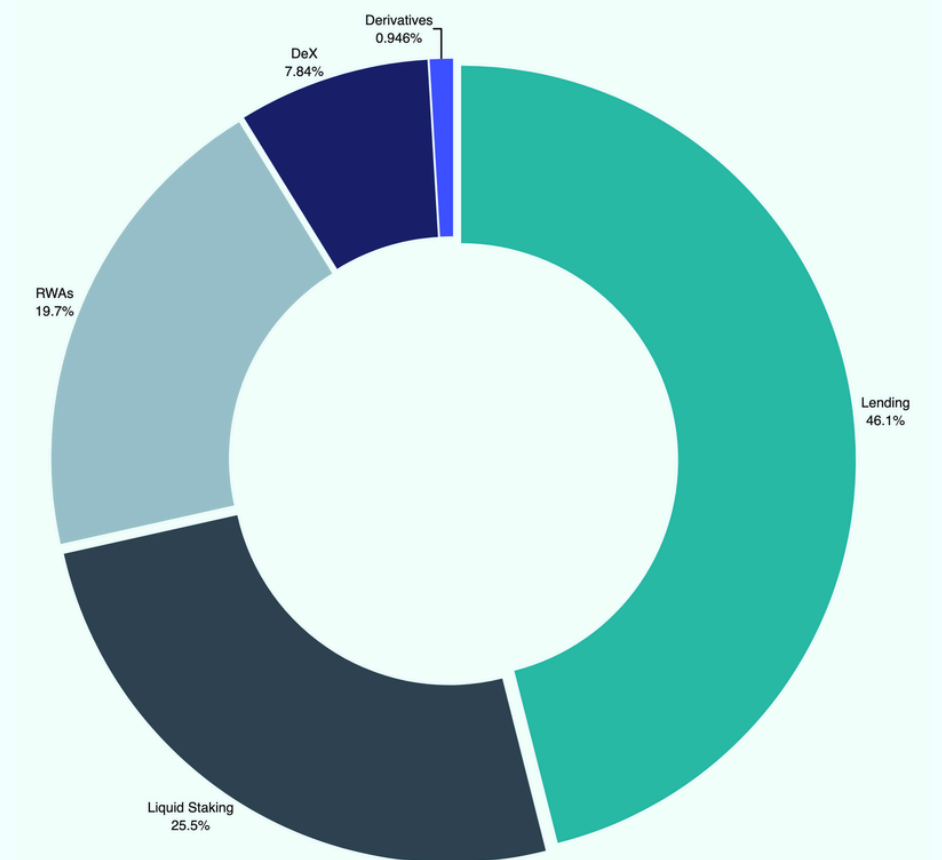
Source: CF Benchmarks, Token Terminal,
as of July 31, 2026

TVL by Chain



Source: CF Benchmarks, Token Terminal,
as of July 31, 2026

TVL By Segment

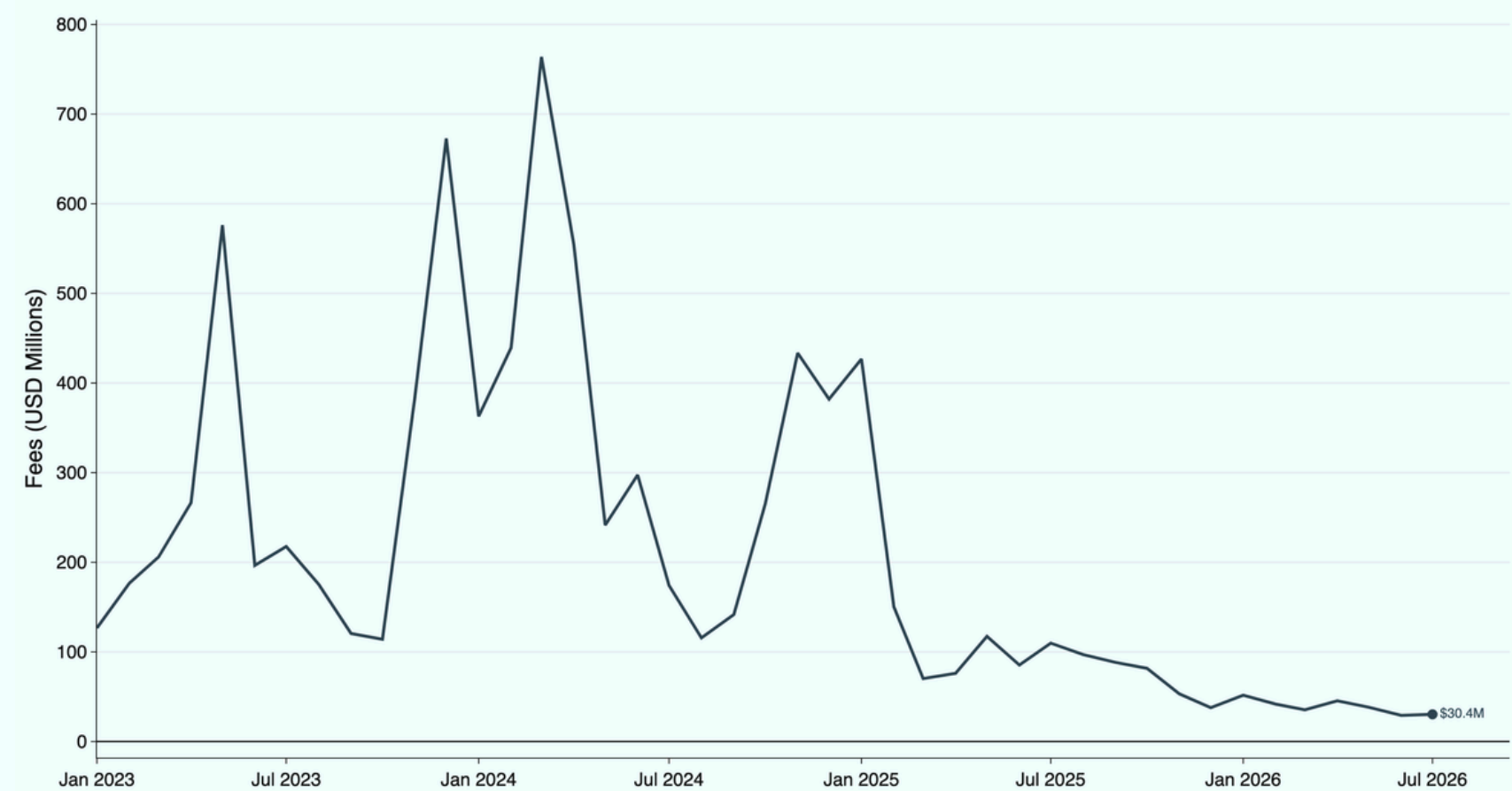


Source: CF Benchmarks, Token Terminal,
as of July 31, 2026

Layer-1 Fee Overview

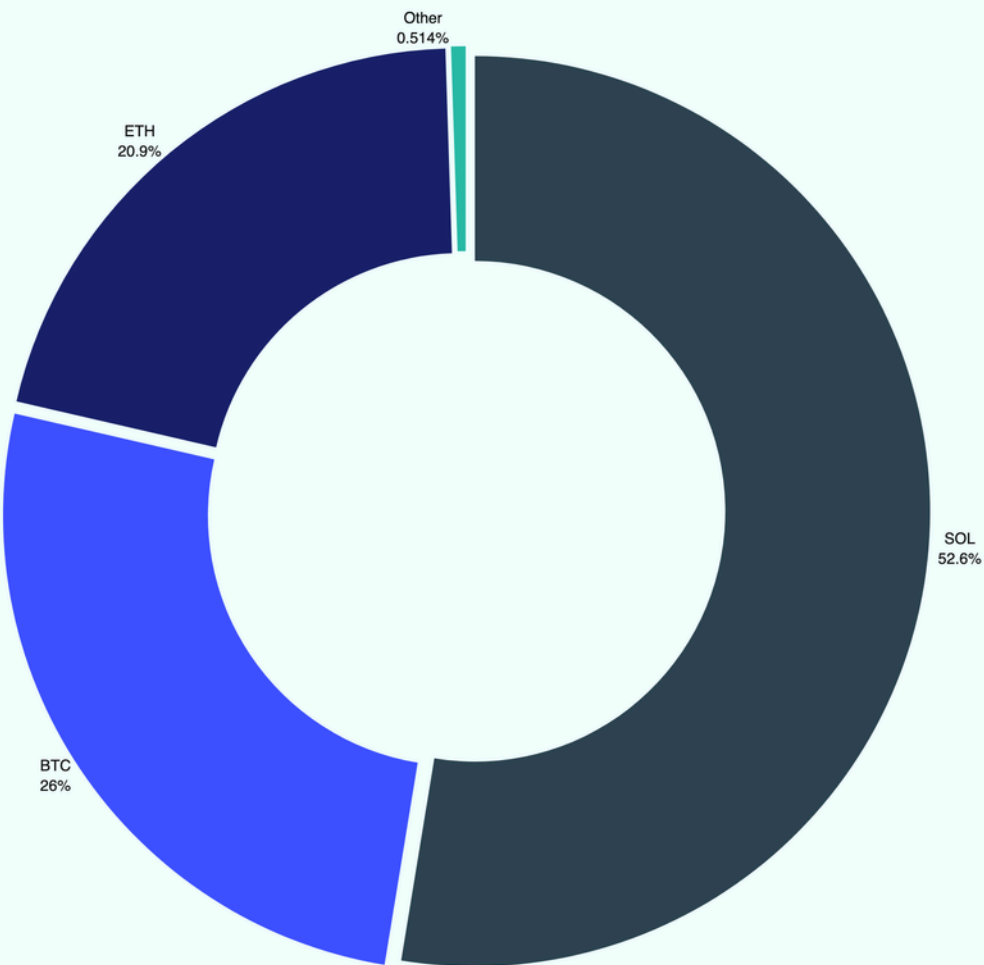
Fees are the charges users pay to record transactions and data on a blockchain and act as a gauge for demand to use these networks. They tend to rise when there is an influx of new users on-chain and can fall when activity wanes or scaling upgrades reduce costs. Total Layer-1 fees rose 3.7% month-over-month in July to \$30.4M from \$29.3M in June. Solana led with \$15.8M (51.9% of the total) on a 37.1% increase, a move of more than 20% on the month, followed by Ethereum at \$8.4M (27.8%, down 25.4%) and Bitcoin at \$6.0M (19.7%, down 4.3%).

Monthly L1 Fees Paid



Source: CF Benchmarks, Token Terminal, as of July 31, 2026

Share of Layer 1 Fees

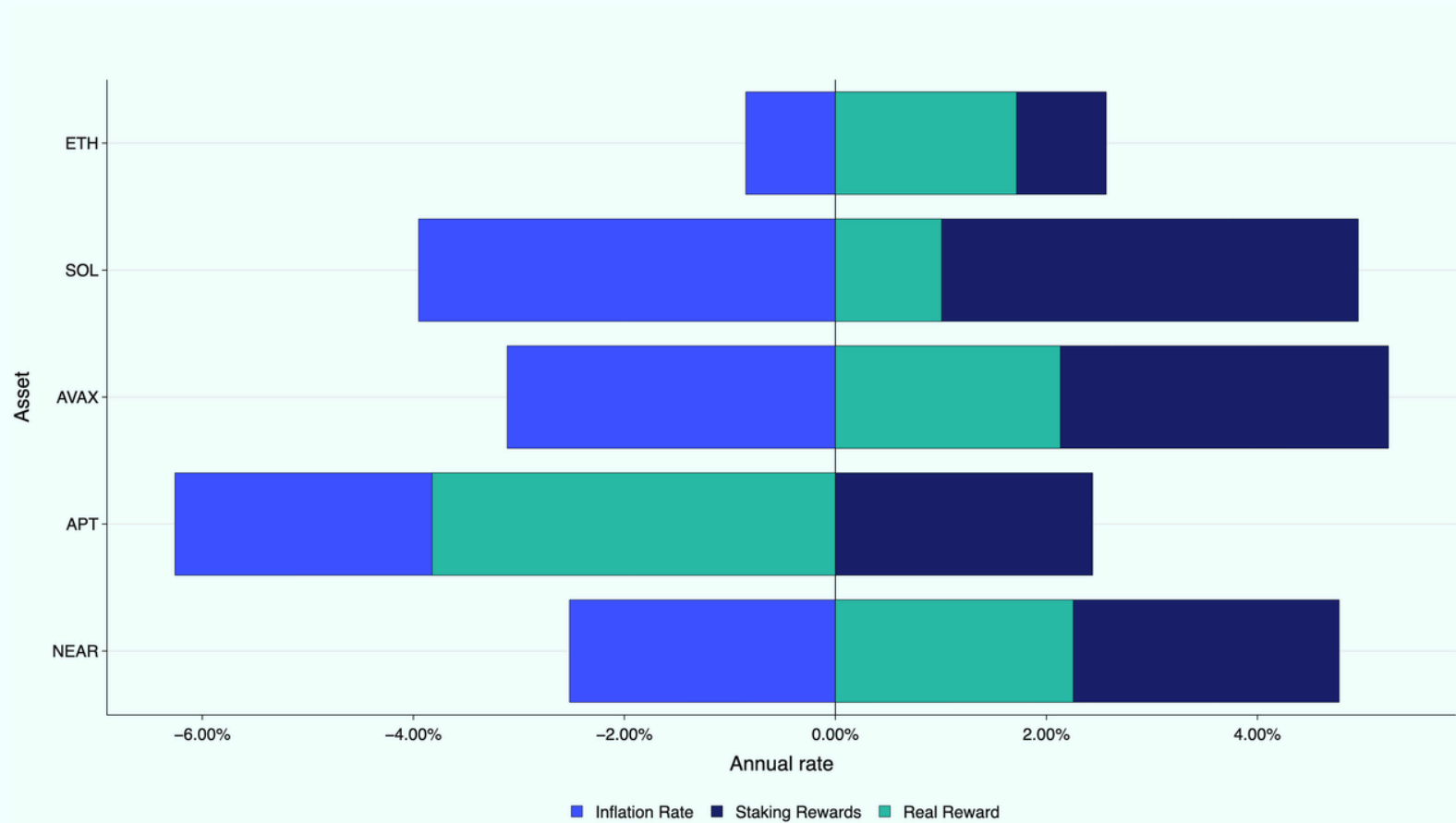


Source: CF Benchmarks, Token Terminal, as of July 31, 2026
“Other” Represents the sum of the fees on Cardano, DOGE, Sui, and XLM

Staking Rewards & Inflation Rates

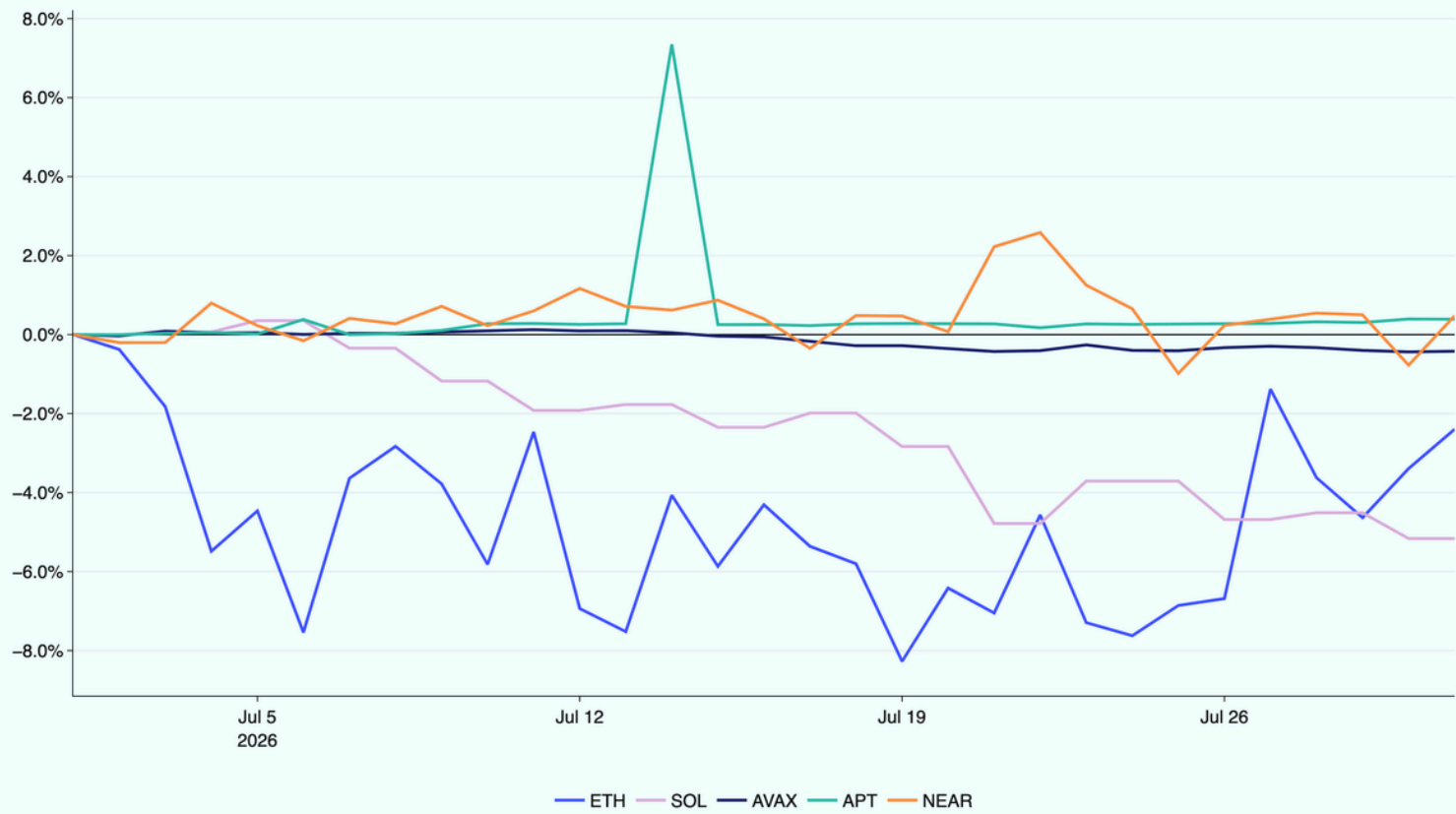
The reward rate in a Proof-of-Stake (PoS) blockchain is the annual return validators earn for staking, typically expressed as a percentage. It depends on factors such as total staked tokens, network yield, and protocol incentives. Inflation and staking participation strongly influence real returns: higher inflation raises nominal rewards but dilutes token value, while greater staking participation reduces individual yields yet strengthens network security and decentralization.

Staking Real Yields



Source: CF Benchmarks, stakingrewards.com as of July 31, 2026

Monthly Change in Reward Rate



Source: CF Benchmarks as of July 31, 2026

CF Staking Reward Rates as of July 31st

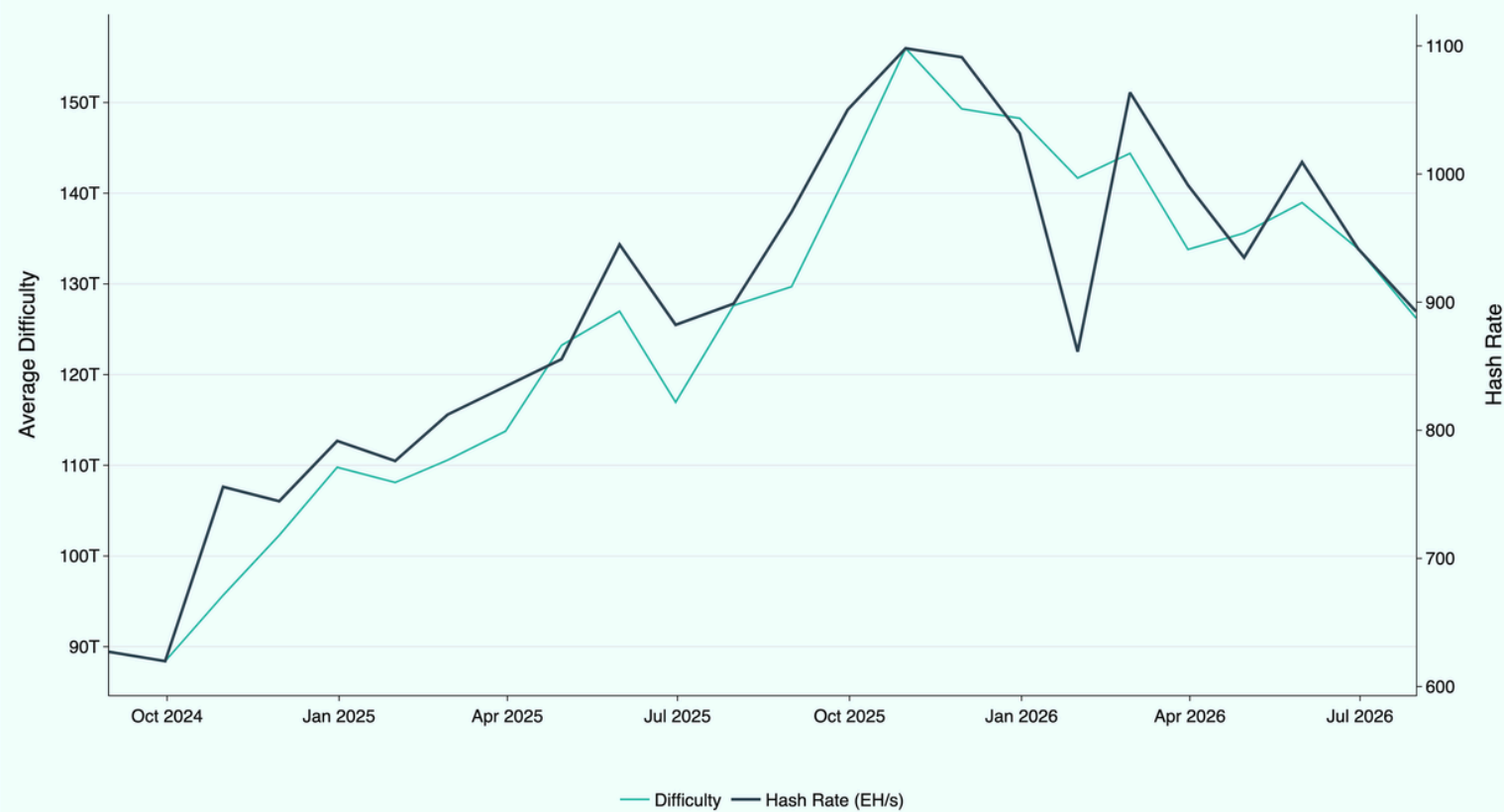
ETH	SOL	AVAX	APT	NEAR
2.57%	4.96%	5.24%	2.44%	4.77%

Bitcoin's Hash Rate & Mining Revenue

Bitcoin's hash rate eased 5.2% in July, slipping to 893 exahashes per second from 942 EH/s at June's end, and ranged between 846 and 940 EH/s during the month. Mining difficulty, which measures the computational effort required to mine a new block and adjusts to maintain consistent block times, declined 5.7% to 126.2T as the network loosened alongside the pullback in hash power.

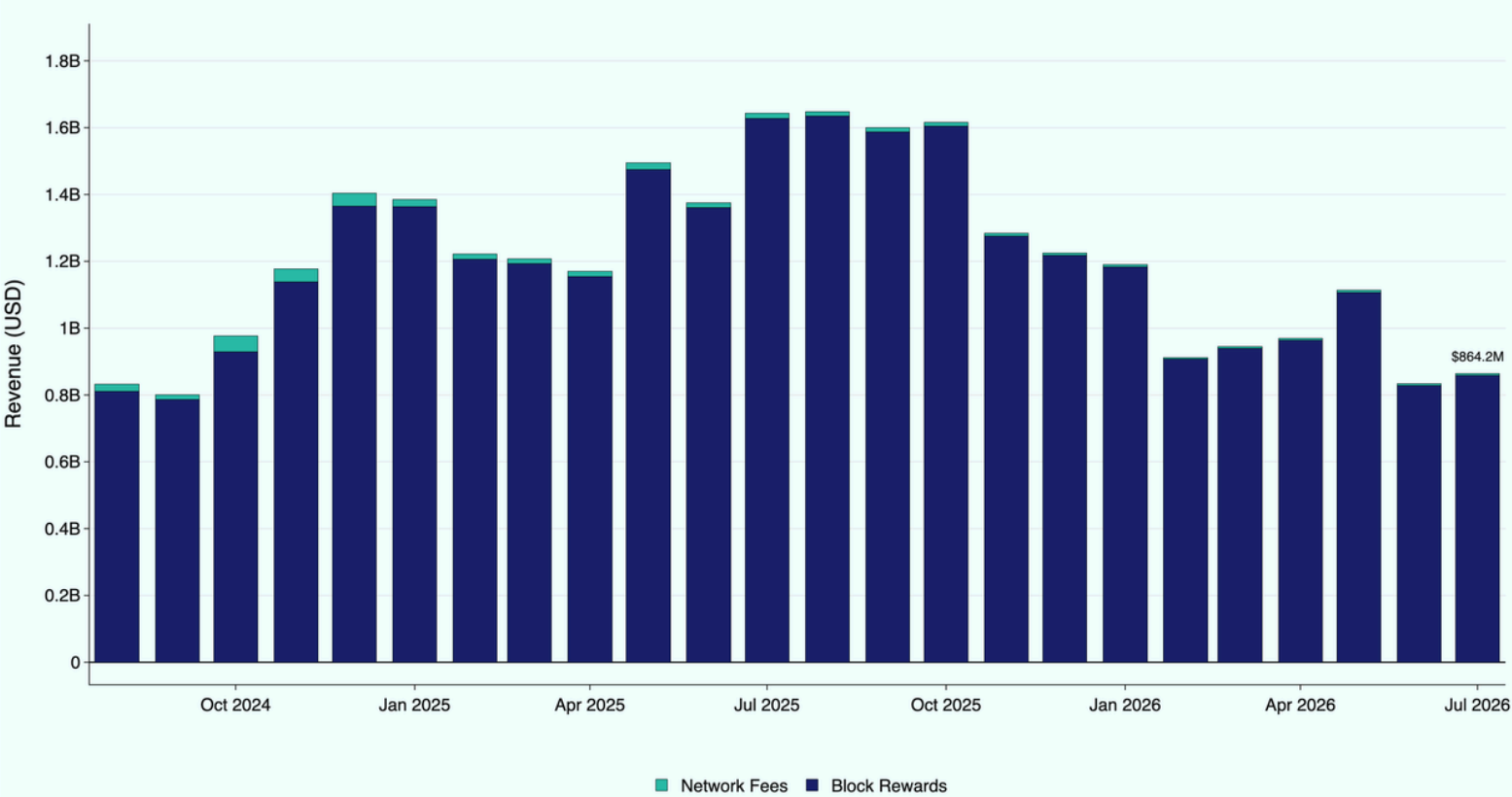
Bitcoin miners saw a 3.6% increase in revenue in July, with total mining revenue of \$864.2 million. Of the total rewards earned during the month, 0.7% came from transaction fees, with block rewards totaling \$858.2 million and fees contributing \$6.0 million. Revenue rose even as network hash rate declined, with a 6.6% gain in Bitcoin's price through the month more than offsetting the pullback in hash power.

Hash Rate and Difficulty



Source: CF Benchmarks, Dune Analytics as of July 31, 2026

Bitcoin Mining Revenues by Month



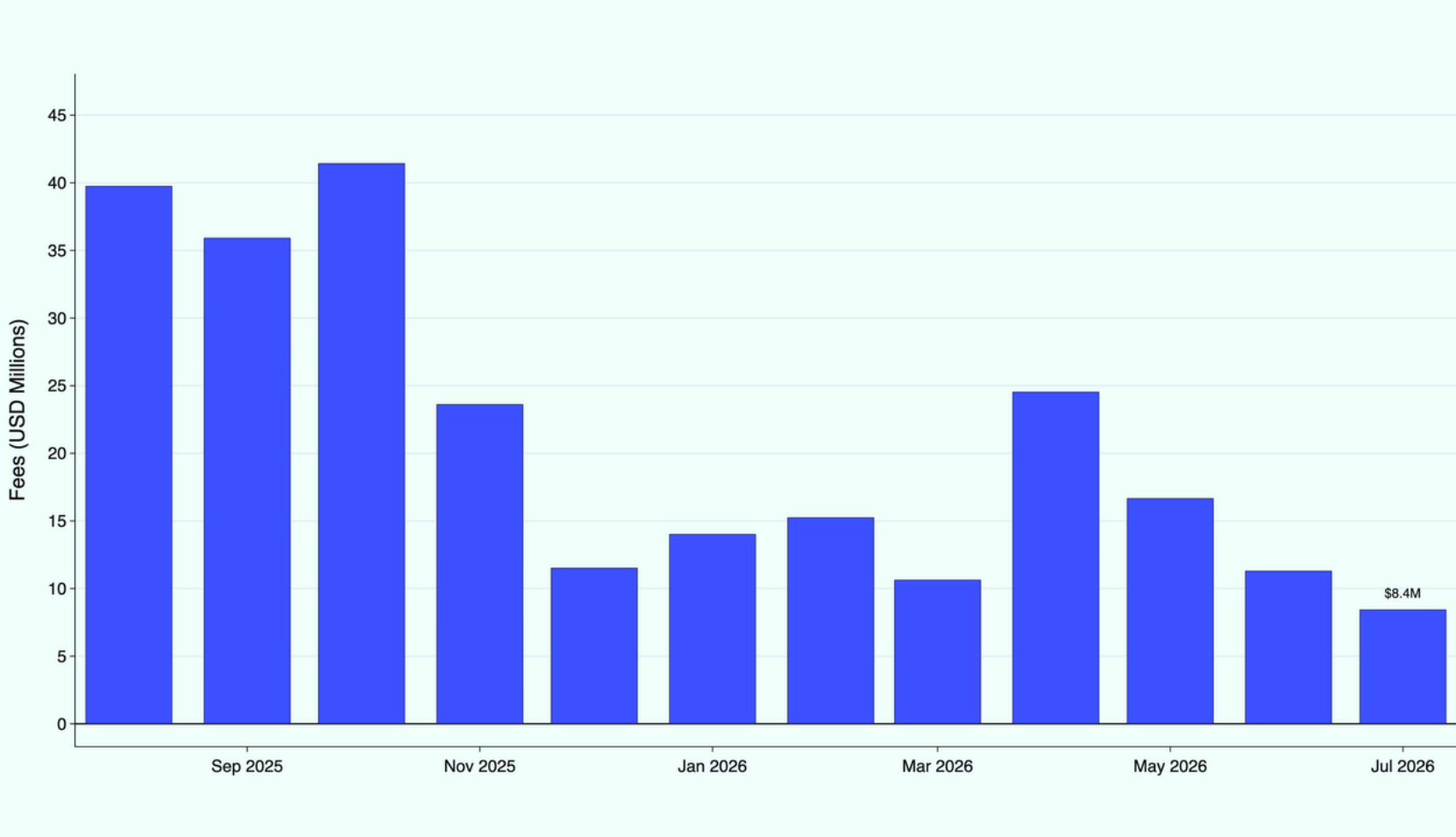
Source: CF Benchmarks, Dune Analytics as of July 31, 2026

Network & On-chain Updates

Ethereum Revenue Dashboard

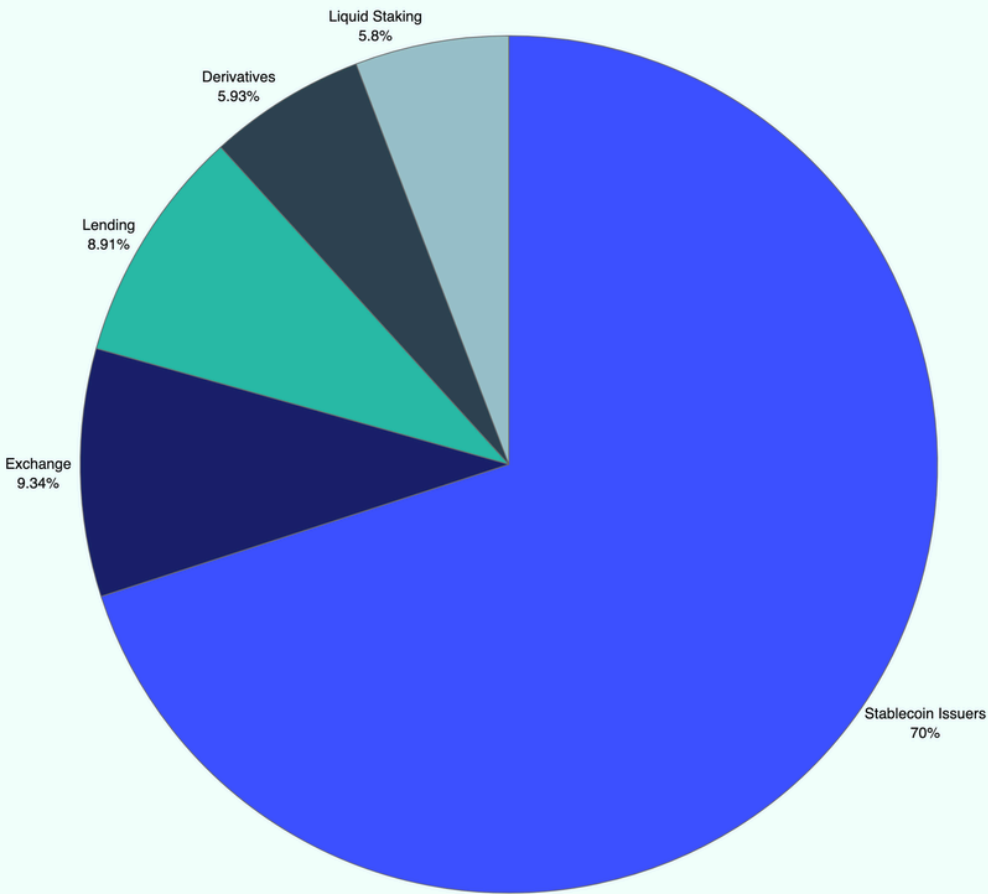
Analyzing Ethereum's total fees and their sector composition provides insight into the use cases driving network revenue. Ethereum layer-1 fees fell 25.4% month-over-month in July to \$8.4 million from \$11.3 million in June as on-chain activity cooled further and users continued to migrate to layer-2s. Based on the latest sector breakdown, stablecoin transfers accounted for the largest share of network revenue at 63.1%, followed by exchange activity at 8.4%, lending at 8.0%, derivatives at 5.4%, and liquid staking at 5.2%.

Trailing Twelve Month Fees, ETH



Source: CF Benchmarks, Token Terminal, as of July 31, 2026

Fees by Sector

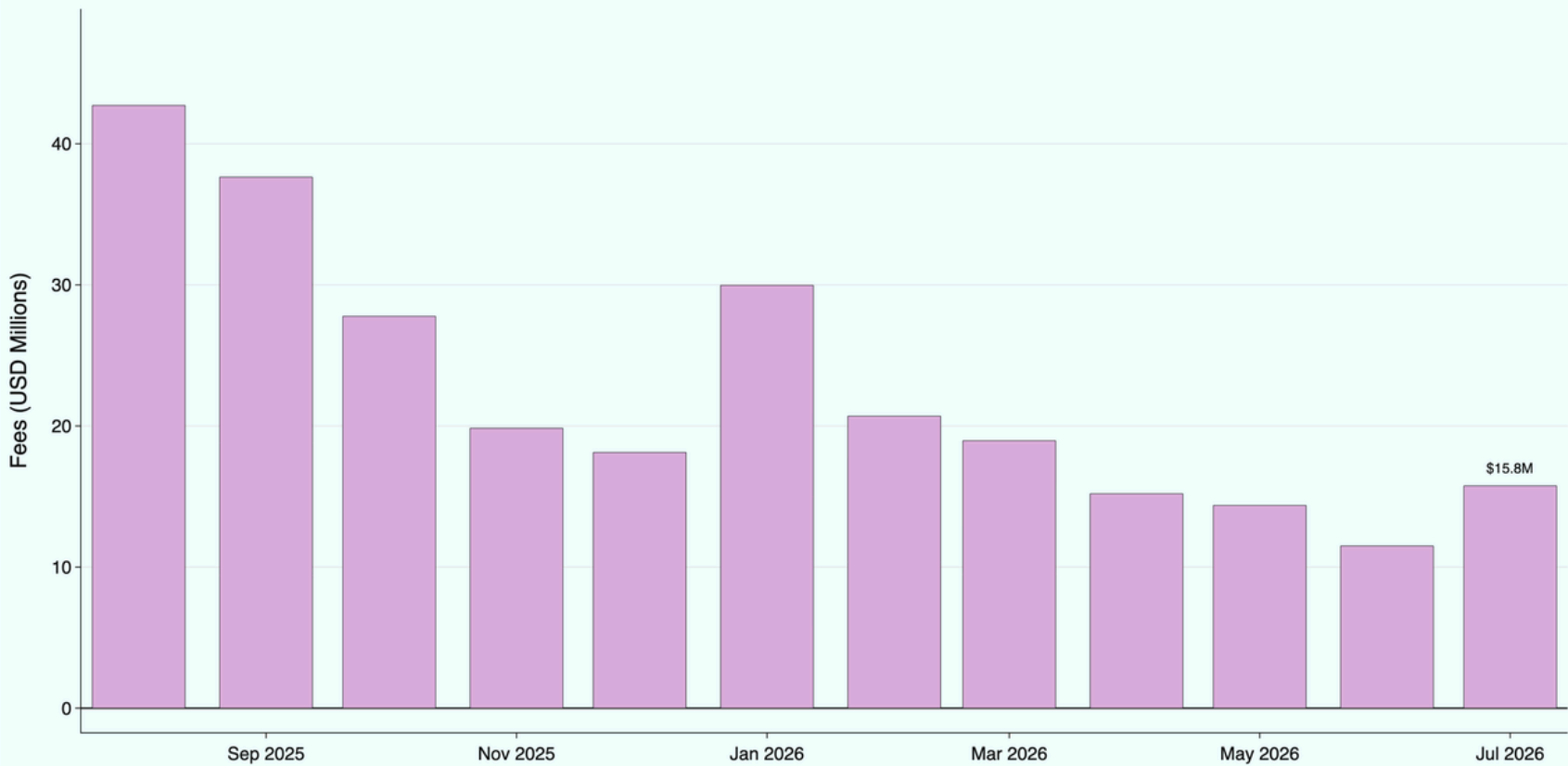


Source: CF Benchmarks, Token Terminal, as of July 31, 2026

Solana Revenue Dashboard

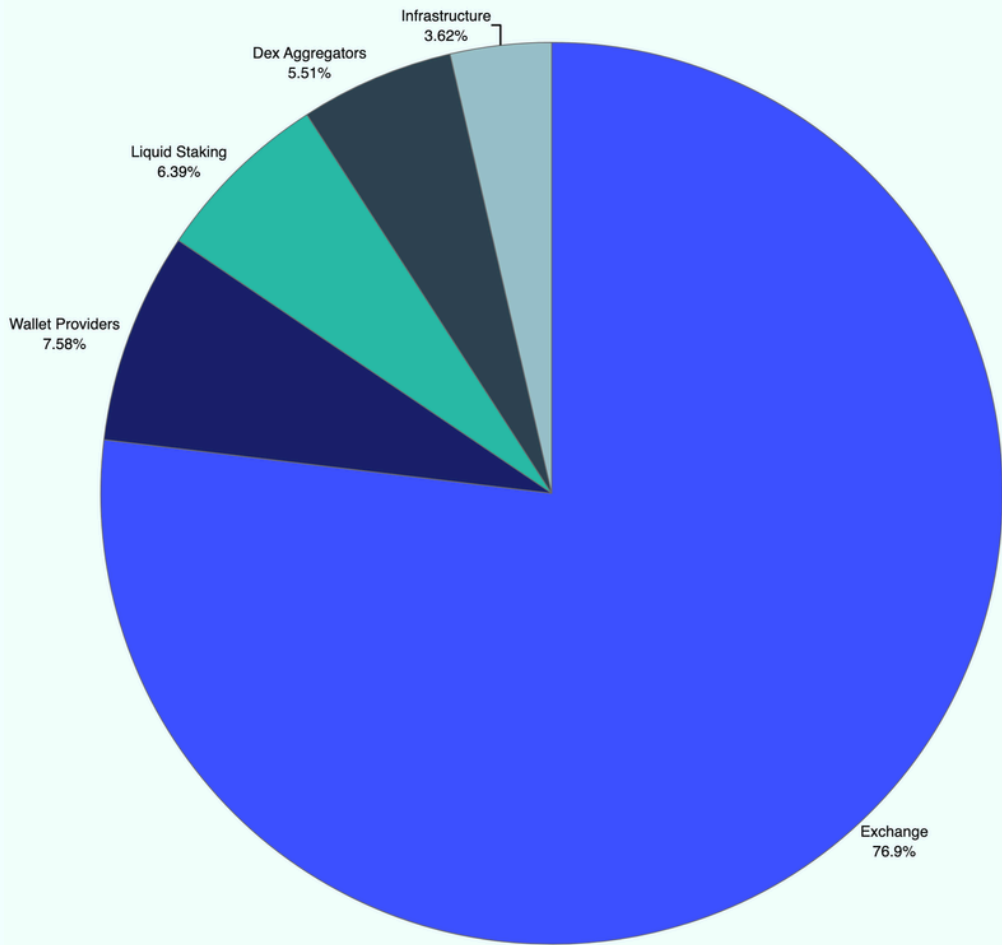
Similar to Ethereum, examining Solana's fee revenue and its sector composition helps identify the applications driving network demand and value capture. In July, Solana's layer-1 fees rose 37.1% to \$15.8 million from \$11.5 million in June, a move of more than 20% on the month that broke a five-month run of softening fee generation. Based on the latest sector data, exchange activity dominated network revenue at 63.8%, followed by base-layer transactions at 16.2%, wallet providers at 6.3%, liquid staking at 5.3%, and DEX aggregators at 4.6%.

Trailing Twelve Month Fees, SOL



Source: CF Benchmarks, Token Terminal, as of July 31, 2026

Fees by Sector



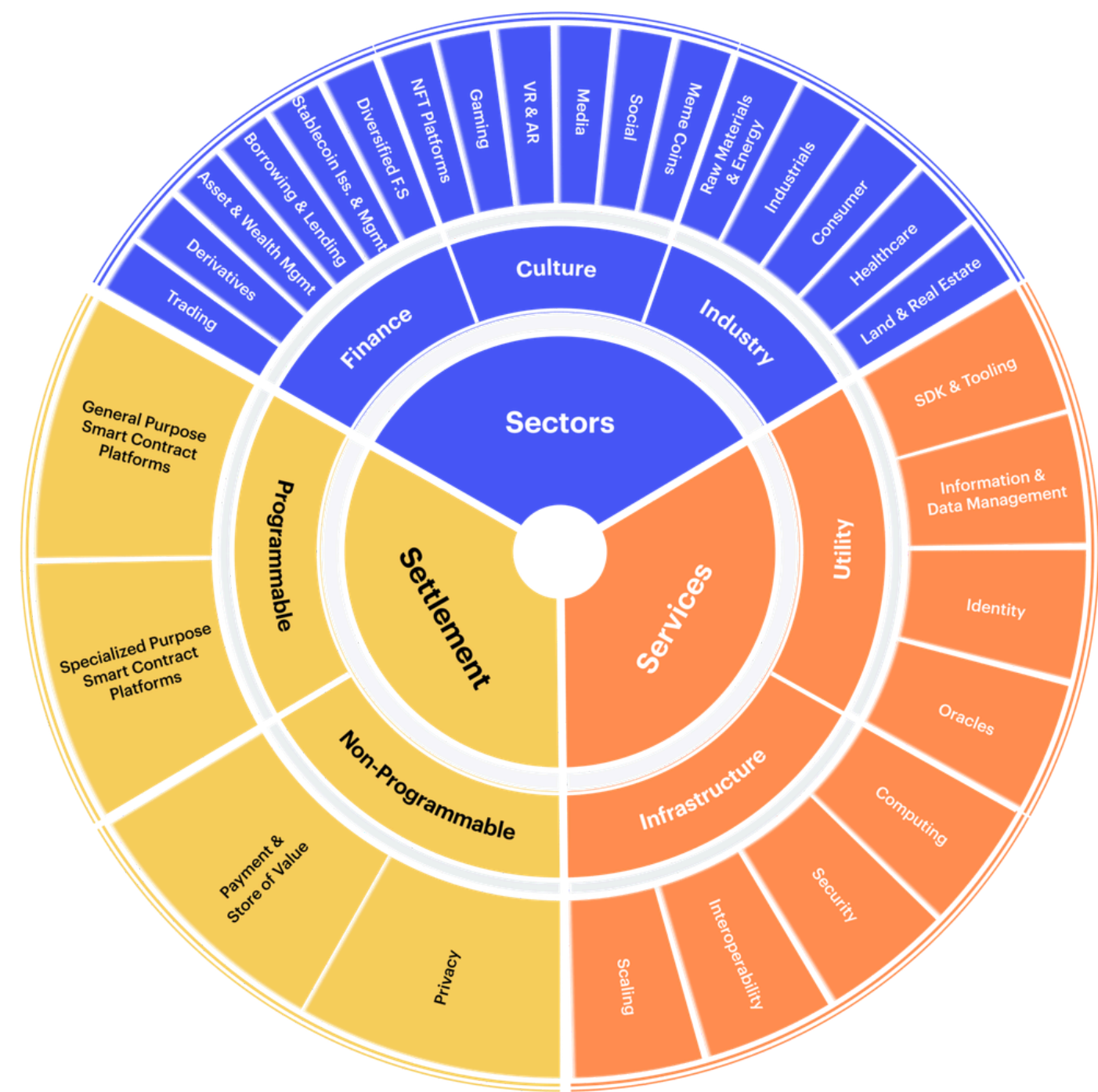
Source: CF Benchmarks, Token Terminal, as of July 31, 2026

Appendix

CF Digital Asset Classification Structure

CF Digital Asset Classification Structure

The CF Digital Asset Classification Structure (CF DACS) classifies coins and tokens based on the services that the associated software protocol delivers to end users, grouping assets by the role they play in delivering services to end users. The CF DACS powers CF Benchmarks' sector composite and category portfolio indices and allows users to perform attribution analysis to better understand the fundamental drivers of returns within their digital asset portfolios.



Additional Resources

Index Resources

For more information about our CF Benchmark indices and our methodologies, please visit the respective web links below:

- [CF Diversified Large Cap Index](#)
- [CF DeFi Composite Index](#)
- [CF Web 3.0 Smart Contract Platforms Index](#)
- [CF Digital Culture Composite Index](#)
- [CF Cryptocurrency Ultra Cap 5 Index](#)
- [CF Broad Cap Index Market Cap Weight](#)
- [CF Broad Cap Index Diversified Weight](#)

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