

Caleb & Brown

Crypto Brokerage

Inside the Markets

July 2025

How geopolitics affected markets in June and is Altseason coming in H2?

June's market movements were largely driven by geopolitics. Following a period of heightened uncertainty and risk-off sentiment in mid-June, the final week of the month brought the Iran-Israel ceasefire and a finalised trade framework between the U.S. and China. These developments led to risk assets recovering some of the losses incurred earlier in the month.

Keep reading to understand what's currently impacting crypto markets and what we'll be monitoring in July.

Geopolitical tensions ease for now

June saw the escalation of the Iran-Israel conflict, which involved 12 days of strikes between the nations. The U.S. got involved on June 22, when it [struck](#) three of Iran's nuclear facilities. A ceasefire was declared between Iran and Israel on June 24, though [some reports](#) have expressed doubt over whether it will hold.

In trade talks, the U.S. and China finalised a trade framework. The deal includes an agreement for China to speed up its rare-earth exports to the U.S., while the U.S. is to lift 'restrictive measures' against China. On July 2, President Trump announced that the U.S. and Vietnam had reached an [agreement](#).

The S&P 500 and Nasdaq closed at record highs on June 27, followed by further highs into the first week of July. The gains demonstrate that traders and investors view recent geopolitical progress as positive developments for risk assets. It's important to note that renewed Middle East tensions or challenges with U.S. trade policy could lead to a return of risk-off sentiment.

"Inflation is stable, interest rates are range-bound, and earnings are trending higher. That's a favourable backdrop for stocks to continue to forge higher as we begin the second half."

- [Terry Sandven - U.S. Bank Wealth Management](#)

Looking at [monthly performance for June](#), the Nasdaq gained 6.5%, the S&P 500 rose 5%, and the Dow Jones gained 4.3%. It follows the S&P 500 having its best [May in 30 years](#), and the S&P 500 and the Nasdaq having their [best quarter](#) in over a year, with gains of 10.6% and 17.8%, respectively, in Q2. This performance demonstrates the strength of upward momentum across risk assets, particularly with the level of uncertainty present throughout Q2.

BTC Snapshot

12-month high \$111,814
12-month low \$54,150
Price (8 July 2025) \$109,108

Key Market Metrics

BTC Dominance 65.30%
ETH Price \$2,568
Total Crypto Market Cap \$3.45T
Alt-Coin Market Cap \$1.25T

The FOMC still wants to 'wait and see'

The U.S. Federal Open Market Committee (FOMC) left rates on hold at [4.5%](#) at its June 18 meeting. Federal Reserve Chair Jerome Powell said the economy is solid, but a '[wait-and-see](#)' approach is still required while the full effects of President Trump's tariffs are better understood. Market commentators are now forecasting that the next rate cut will occur at the FOMC's September meeting. However, Federal Reserve Governors Christopher Waller and Michelle Bowman have been [more vocal](#), stating that a rate cut could be delivered as early as the FOMC's July 29 meeting. Risk assets were little changed on the Federal Reserve officials' June commentary as broader geopolitical tension moved markets in June.

BTC carried crypto markets in H1

Opening the month at US\$104,645, bitcoin rallied to a monthly high of US\$110,651 on June 9. BTC then sold off to a low of US\$98,225 on June 22 when risk assets sold off in the wake of the U.S. strike on Iran. Bitcoin closed June up [2%](#), and the chart below suggests that global M2 money supply is accelerating, which is typically positive for bitcoin's price.

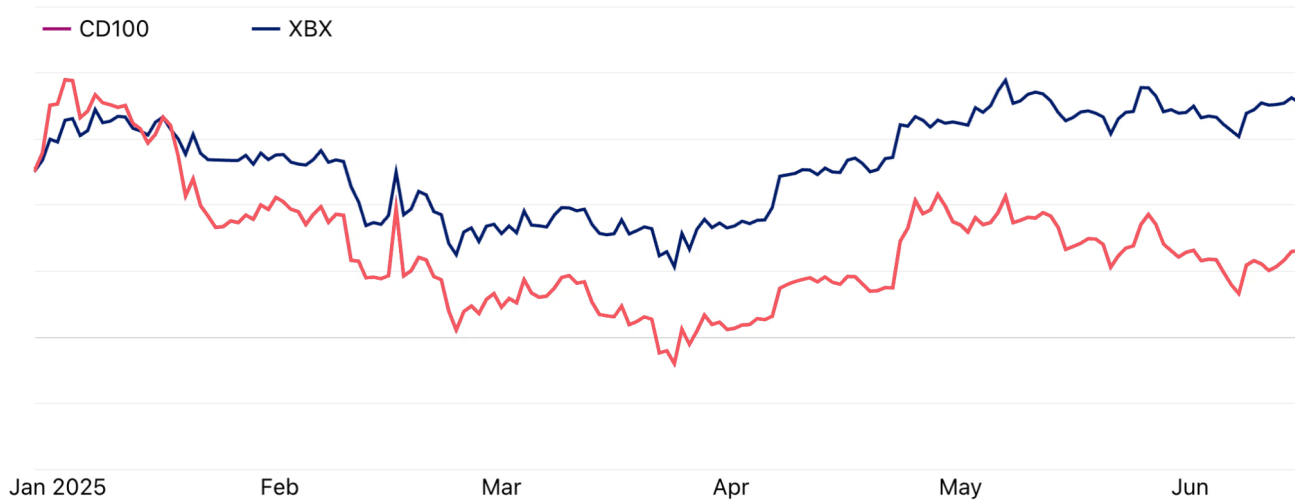


Source: [Global Macro Investor](#) Past performance is not a reliable indicator of future results.

“As our long-term GMI predictions play out, we’re entering a period that will be both incredibly challenging and unimaginably rewarding – the worst of times and the best of times...We’re still in the early stages of a global race – a scramble by institutions, sovereigns, and individuals – to accumulate as much Bitcoin as possible.”

- [Julien Bittel, Head of Macro Research - Global Macro Investor](#)

While bitcoin's June performance was relatively subdued, it gained [13%](#) in the first half of 2025, which is more than many other crypto assets. Ethereum, for example, declined by 25% in H1, while Solana lost 17%. The Others index on TradingView, a chart that measures the performance of all cryptocurrencies except the top 10 assets by market capitalisation, declined by 30% in H1.



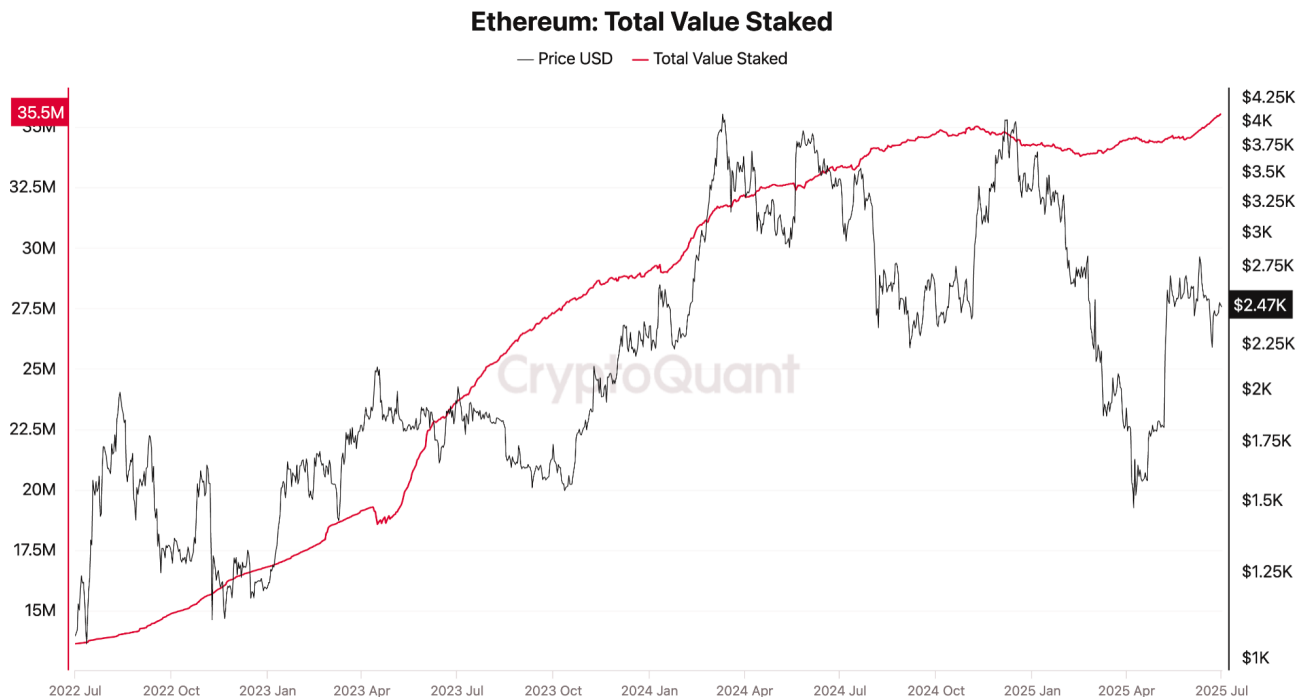
Year-to-date returns of the CoinDesk Bitcoin Index (XBX) and the CoinDesk 100 Index (CD100). (CoinDesk Indices) Source: [Coindesk](#)

On-chain metrics suggest that June's modest gains signal a period of consolidation that could potentially set a [floor for future price growth](#) as BTC whales and retail holders take profits and strong institutional ETF flows continue.

Ethereum ends down for June, but upside could be coming

Opening the month at US\$2,529, Ethereum climbed to US\$2,880 on June 11, before declining. Ethereum finished the month down 2.3%. June is typically the second-worst month of the year for Ethereum, with a median return of [-5.7%](#) over the last decade.

Despite ending June down, a couple of promising developments bode well for ETH in the longer term. Staked Ethereum hit a record high of [35 million ETH](#) in June, with 500,000 ETH being staked in the first half of June alone. This demonstrates growing confidence in the network, particularly following the Pectra upgrade and recent [OptimismP2P testing](#), which aims to achieve 10x latency reduction.



Ethereum total value staked (Source: [CryptoQuant](#))

This month's developments in Ethereum, along with broader market indicators, suggest that the second half of the year may bring the next altseason.

Is Altseason coming in H2?

Bitcoin dominance currently stands at [65.8%](#). Typically, altseason begins after bitcoin dominance reaches 70%, as a significant drop usually follows. The last time BTC dominance broke above 70% was in January 2021.

“Historically, it has taken bitcoin dominance 1-2 months to rally to 71% after a successful retest of 64% as support.”

- [Rekt Capital](#)

Further, when [75% of the top 50 coins outperform BTC](#) over the last 90 days, altcoin season has officially begun. These market dynamics suggest that now may be an opportune time to research altcoin opportunities and get positioned ahead of any potential upside moves that may occur later in 2025. Speak to your Caleb & Brown broker about your approach as we move into H2.

July's key dates and crypto catalysts

The U.S. Federal Reserve's rate trajectory, the passage of key legislation and U.S. trade talks are expected to influence sentiment in the weeks ahead.

June 9	June 10	June 18	July 9	August 14
SEC Crypto Roundtable	CLARITY Act Hearing	FOMC Rate Decision	EU Tariff Pause Deadline	China Tariff Pause Deadline

U.S. trade policy

What's at stake? The U.S. reached agreements with some of its trading partners, including India, Vietnam, China, and the U.K. The EU's deadline for its 90-day tariff pause was originally July 9, but it was extended to August 1, along with other nations that haven't yet reached an agreement with the U.S. China's (noting that the current framework agreed in late June only addresses rare earths) deadline is August 14.

What to consider? Expect volatility in risk assets around trade announcements. Engage with your broker to understand how tariff changes may affect your positions.

U.S. Federal Reserve rate decision (July 30)

What's at stake? The next FOMC meeting is on July 30. The meeting minutes will be released on August 20.

What to consider? The U.S. Fed's rate trajectory will affect market sentiment. Discuss potential outcomes with your broker.

Crypto legislation

What's at stake? Several crypto bills are currently before Congress. The House of Representatives is planning a legislative '[crypto week](#)' from July 14 to 18 to advance the CLARITY Act, the Anti-CBDC Surveillance State Act, and the GENIUS Act.

The [Digital Asset Market Clarity \(CLARITY\) Act](#) was introduced to the U.S. House on May 29. The CLARITY Act aims to shift regulatory oversight of most cryptocurrencies from the U.S. SEC to the CFTC as 'digital commodities'. The bill passed two House committee votes on June 10 and will now proceed to a House floor vote.

The [GENIUS Act](#) passed a Senate floor vote on June 17. The bill is now being considered by the House of Representatives.

The House's stablecoin legislation, the [STABLE Act](#), is eligible for a House floor vote, but it hasn't occurred yet. Debate on the administration's tax bill took priority in recent weeks.

The '[big, beautiful bill](#)' passed a Senate vote on July 1 and a House vote on July 3. It now proceeds to President Trump to be signed into law. The One Big Beautiful Bill Act passed without any amendments to the crypto tax code, though some policymakers tried to add these throughout the process. [Market analysts](#) don't expect any immediate impacts on crypto, although the fact that the bill raises the U.S. debt ceiling by US\$5 trillion could bode well for bitcoin, which typically appreciates as the debasement of fiat currency continues.

The [Securities Clarity Act](#) was reintroduced to the House and referred to the House Committee on Financial Services on March 26. It remains before the Committee at the time of writing.

The [Lummis Crypto Tax Bill](#) was introduced in the Senate on July 3. The bill proposes a US\$300 de minimis exemption for most digital asset transactions and aims to simplify tax reporting and encourage everyday crypto use. Additionally, it defers taxation on mining and staking rewards until assets are sold and streamlines charitable crypto donations.

[State-based crypto legislation](#) is before Congress in several U.S. states.

What to consider? If you're assessing your exposure to stablecoin-related or U.S.-based crypto projects, now may be a good time to reach out to your broker to revisit your strategy.

Need help navigating the markets? Speak with your Caleb & Brown broker to align your portfolio with evolving macro and crypto developments.

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