Caleb & Brown
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Cryptocurrency Brokerage

Inside the Markets
November 2026

Crypto slides on ETF outflows and a record exchange hack. Can it steady?

BTC Snapshot	
12-month high	$107,482
12-month low	$57,718
Price (10 November 2026)	$75,192

Key Market Metrics	
BTC Dominance	59.7%
ETH Price	$2,130
Total Crypto Market Cap	$2.5T
Alt-Coin Market Cap	$1.0T

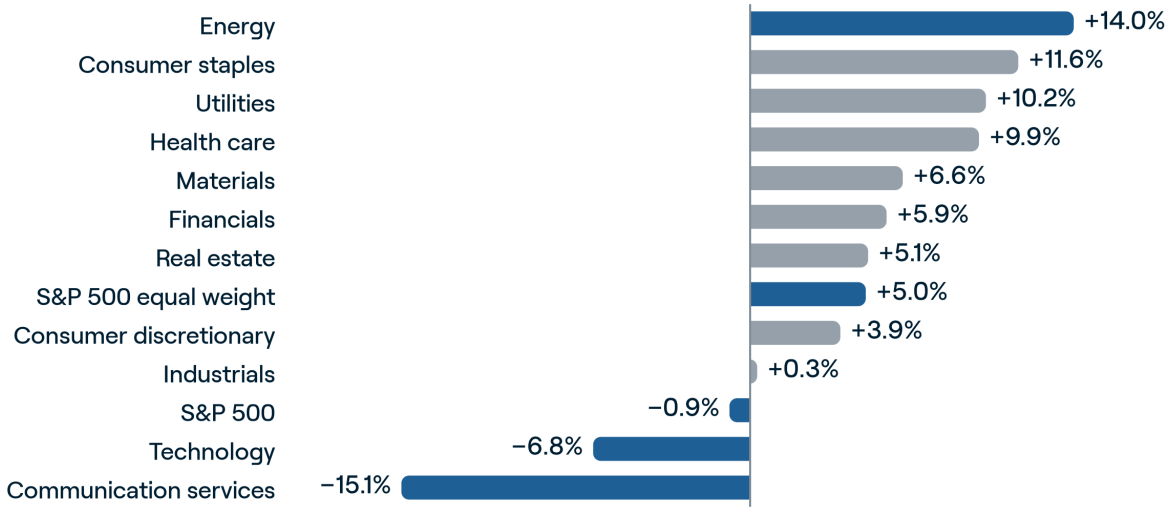
October was a difficult month for risk assets. An AI-led sell-off sent the Nasdaq to its worst month since March 2025, the U.S. Federal Reserve paused with two officials dissenting in favour of a hike, and oil climbed above US$100 per barrel as attacks on shipping around the Strait of Hormuz intensified. Crypto fell harder, with bitcoin down 7.3% and Ethereum down 16.1%, as spot ETF demand reversed and Binance suffered the largest crypto hack on record. November will test whether demand can stabilise amid expectations of a December rate hike, changing congressional control and continued AI volatility.

Keep reading for the key catalysts shaping crypto in November.

AI spending doubts sink the Nasdaq as investors rotate into the wider market

U.S. equities split sharply in October. The S&P 500 fell 0.9% and the Nasdaq dropped 5.3%, its steepest monthly fall since March 2025, while the Dow Jones rose 1.7%. Much of the damage was in technology and artificial intelligence (AI) stocks, as investors questioned how quickly heavy AI spending will generate returns.

Technology and communication services were the only S&P 500 sectors to fall in October, declining 6.8% and 15.1% respectively on a total-return basis, while energy gained 14.0% and consumer staples and utilities each rose more than 10%. The equal-weighted S&P 500 beat its cap-weighted equivalent by 5.85 percentage points, the widest monthly margin since April 2009.



S&P 500 sector total returns and the equal-weighted S&P 500, October 2026 (%). Source: S&P Dow Jones Indices

Past performance is not a reliable indicator of future results.

The pressure came from big technology names. Alphabet's shares fell more than 12% on October 29 after its results missed expectations, and Intel lost almost 29% on October 30 after a weak outlook. According to FactSet, the "Magnificent 7" were on track for third-quarter earnings growth of 22.6% as of October 30, below the 32.6% for the rest of the S&P 500. If that holds once Nvidia reports, it will be the first time the group has lagged since the fourth quarter of 2022.

Overall earnings remain strong. FactSet puts third-quarter earnings growth at 31.4%, combining reported results with estimates for companies yet to report. With prices down and estimates up, the S&P 500's forward price-to-earnings ratio eased to 17.7 as of November 5, its lowest since November 2023.

The AI trade took another hit after the November 3 midterm elections, when Texas elected a governor who campaigned for a data-centre moratorium. Wells Fargo estimates the state accounts for 27% of planned U.S. data-centre capacity. On November 5, the S&P 500 fell 4.4% and the Nasdaq 5.5%, their worst sessions since April 2025, leaving the Nasdaq in correction territory. Nvidia's results on November 17 will test whether demand for AI infrastructure can steady sentiment.

The Fed pauses, but two dissents keep a December hike in play

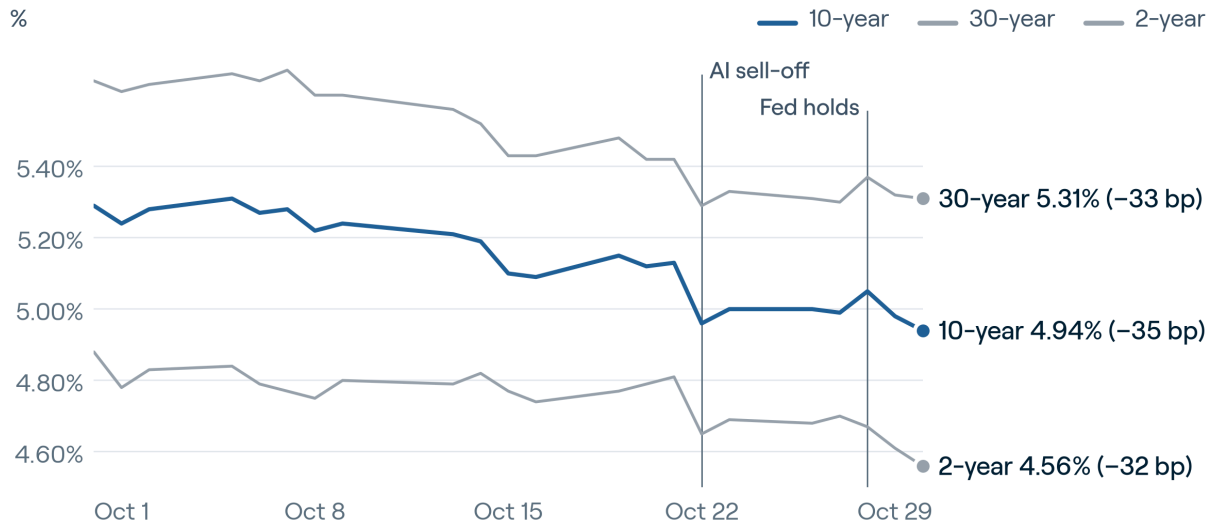
The Federal Open Market Committee (FOMC) held its target range at 3.75%–4.00% on October 28. The 10–2 vote leaned hawkish, with Governor Lisa Cook and Cleveland Fed President Beth Hammack both preferring a further 25 basis point increase. The statement upgraded the pace of economic activity from "solid" to "strong", and Fed Chair Kevin Warsh said "politics played no role in the decision" while declining to commit to a December move.

> "I expect that monetary policy will need to move to a restrictive stance to bring inflation back to 2 percent in a timely manner. I prefer getting to that stance through more frequent smaller adjustments when possible..."
>
> Beth Hammack, President and CEO - Federal Reserve Bank of Cleveland

The data gave the hawks support. September's consumer price index (CPI) rose 3.7% year-on-year (YoY), with core CPI at 2.6%, both slightly above forecasts. The personal consumption expenditures (PCE) index, the Fed's preferred gauge, rose 3.6% YoY in September, with core PCE at 3.1%. Third-quarter GDP grew at a 3.4% annualised rate.

The labour market firmed as well. October's non-farm payroll change came in at 165,000 versus a forecast 65,000, with unemployment at 4.1%. Upward revisions added 84,000 jobs to August and September. As of November 7, CME's FedWatch tool put the likelihood of a rate hike at the Fed's December 9 meeting at 76.3%, up from 70.7% a week earlier.

Bonds rallied regardless. According to U.S. Treasury data, the 10-year yield fell 35 basis points in October to 4.94%, its largest monthly decline since December 2023. It had closed at 5.31% on October 5, its highest close since 2002. The 2-year fell 32 basis points to 4.56% and the 30-year 33 basis points to 5.31%, presumably as investors sought safety during the AI sell-off and priced a pause.



U.S. Treasury par yields, 2-, 10- and 30-year, October 2026 (%). Source: U.S. Department of the Treasury

Past performance is not a reliable indicator of future results.

With growth strong and inflation well above 2%, futures pricing and the two dissents suggest another hike is likely, although the Fed has not committed to one. Other central banks were already tightening. The Reserve Bank of Australia raised its cash rate by 25 basis points to 4.85% on November 3, in a 6–3 vote, and the Bank of England raised Bank Rate to 4% on November 5, its first increase since August 2023.

Oil surges on Hormuz attacks, then gives back its gains in early November

West Texas Intermediate (WTI) crude gained 15.2% in October to settle at US$104.12 per barrel on October 30, while front-month Brent rose 13.6% to US$117.64, both their highest settlements since the end of April. The rally followed an escalating campaign against shipping. The UK Maritime Trade Operations agency recorded 43 security incidents in the Gulf in October, 30 of them direct strikes on tankers, and the Houthis claimed attacks on Saudi energy facilities.

The risk premium faded quickly in early November. WTI fell 7.4% on November 2 on hopes for U.S.–Iran talks and fell again after the November 3 vote, as traders priced higher odds of a negotiated outcome. Oil posted its biggest weekly percentage loss since 2022, according to Bloomberg, with WTI settling at US$90.83 on November 6, close to where it began October. No deal or ceasefire was in place at the time of writing. New tanker incidents were reported over the weekend, according to the UK Maritime Trade Operations office. On November 6, President Trump said the U.S. had carried out "minor strikes" on Iran, the first since the midterms.

> "With that said, so long as there is no concrete conclusion to the war, and tanker and Houthi attacks remain prevalent, we do not anticipate a complete erosion of the risk premium via diplomacy headlines alone."
>
> Ryan McKay, Director of Commodity Strategy - TD Securities

Further disruption could reverse oil's decline and complicate the Fed's inflation outlook.

Gold and silver slide as rate expectations climb

Precious metals fell for a second consecutive month. Spot gold declined 6.8% to around US$3,876 per ounce. Spot silver fell around 18.6% to approximately US$49 per ounce, below US$50 for the first time since November 2025. The prospect of further rate hikes, firmer inflation data and selling during the October 30 tech sell-off presumably outweighed safe-haven demand. October's CPI on November 10 will test that balance.

Global liquidity keeps growing, but only slowly

According to StreetStats, dollar-denominated Global M2 rose 1.55% over the three months to September 30, a pace it classifies as historically normal. At constant exchange rates, Global M2 grew only 0.83%, well below average. That suggests liquidity remains a modest tailwind at best while the Fed leans towards tightening.

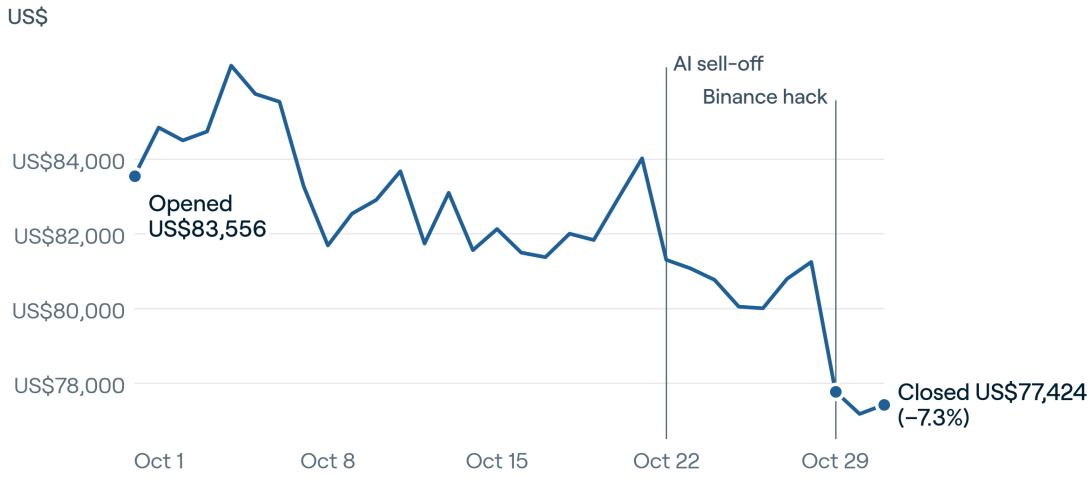
Throughout November, market participants will be watching October's inflation data, the November 18 FOMC minutes, Nvidia's results, ETF flows, MSCI's November 11 final list of non-operating companies, oil and U.S.–Iran diplomacy, and the lame-duck session in Congress.

Monthly performance (October): S&P 500 -0.9%, Dow Jones +1.7%, Nasdaq -5.3%

Gold -6.8%, silver -18.6%, WTI crude oil +15.2%

Bitcoin falls as ETF demand reverses and a record hack hits sentiment

Bitcoin opened October at US$83,556 and reached a monthly high of US$87,249 on October 2, before a run of macro shocks pushed it steadily lower. It fell sharply late on October 29, when a record hack at Binance followed a sell-off in technology stocks, and set a monthly low of US$76,141 on October 30 as that sell-off deepened. Bitcoin closed the month at US$77,424, declining 7.3%, and recorded back-to-back losing Octobers for the first time since 2011 and 2012, according to 21Shares.



Bitcoin daily close, October 2026 (US$). Source: Coinbase

Past performance is not a reliable indicator of future results.

The pressure came in waves: ETF outflows and leveraged selling on October 7 and 8, September's hotter CPI on October 14, new index rules from MSCI on October 15 and the AI sell-off on October 22. The biggest crypto-specific shock came late on October 29, when Binance's hot wallets were compromised, with losses the exchange later put at approximately US$6.3 billion. The FBI attributed the attack to North Korea's "TraderTraitor" group. Blockchain analytics firm Elliptic described it as the largest crypto theft on record, more than four times the previous record set in February 2025.

Binance pledged that users would bear no losses and reopened withdrawals in phases from November 1. By November 4, it said it had replenished approximately 98% of the impacted amount from its own resources, and that approximately US$2.85 billion had been frozen or intercepted, subject to reconciliation. Bitcoin fell 4.3% on October 29 (UTC), partly before the hack as technology stocks sold off. The Crypto Fear & Greed Index (alternative.me) dropped from 51 to 30 the next day. 21Shares compared bitcoin's drawdown around the hack with past exchange failures.

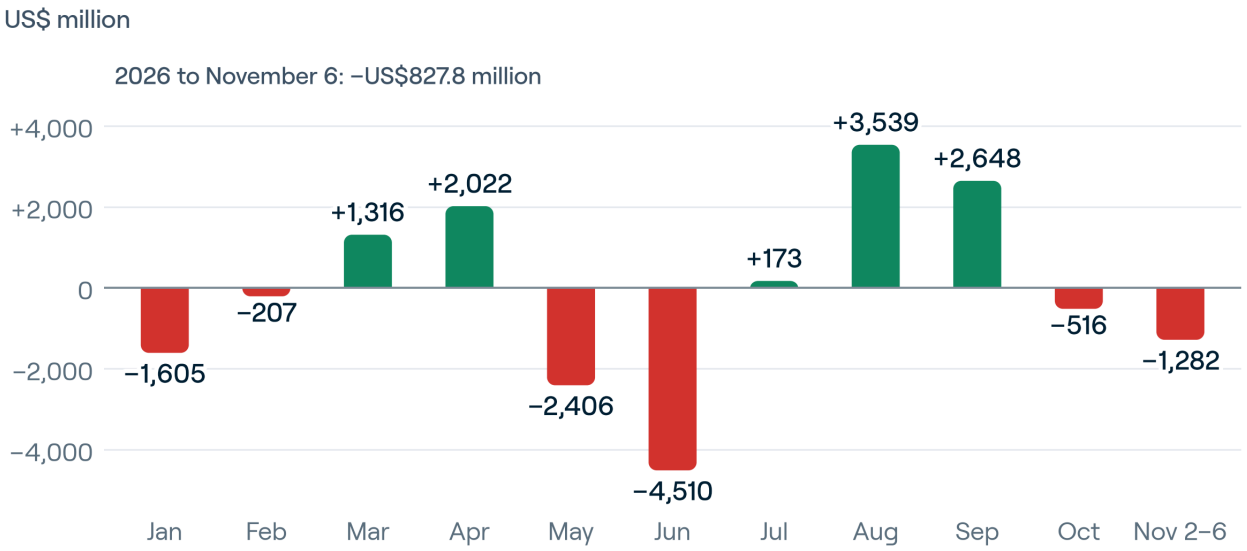
> "The market absorbed the largest hack in crypto's history with a 6% drawdown, a fraction of the 15% to 39% declines around past exchange failures, and the protocols kept running."
>
> Matt Mena, Senior Associate, Research - 21Shares

Institutional demand also reversed. U.S. spot bitcoin exchange-traded funds (ETFs) recorded net outflows of US$515.9 million in October, their first month of outflows since June, after inflows of US$2.65 billion in September. BlackRock's iShares Bitcoin Trust (IBIT) still took in around US$932 million, but redemptions from other funds outweighed it. Across all the funds, net outflows reached US$643.2 million on October 30, the largest single-day outflow since June 25. The selling accelerated in early November, with US$1.28 billion leaving in the week to November 6, turning 2026's net ETF flows negative.

Corporate buying slowed. Strategy acquired just 1,662 bitcoin in five weekly filings covering October 1 to November 1, compared with 2,615 in September. It skipped one week entirely while spending around US$200 million a week buying back its STRC preferred shares. It now holds 849,327 BTC at an average cost of US$75,451, close to where bitcoin was trading at the time of writing. MSCI also adopted rules on October 15 that make "non-operating companies" ineligible for its global indexes, and Strategy said in its latest quarterly filing that it expects its shares to be excluded from MSCI's global indexes. The final list is due on November 11. Separately, Mt. Gox's trustee pushed its repayment deadline back by a year, to October 31, 2027.

On-chain data suggests the market is now testing its cost base. Glassnode estimates that the average recent buyer paid around US$75,700 and identifies the US$73,000 to US$76,000 band as key support. Early November has been volatile. Bitcoin closed above US$80,000 on November 4 as markets digested the midterm results, then fell back in the November 5 AI sell-off. It was trading around US$75,800 at the time of writing.

Bitcoin closed October at US$77,424, declining 7.3% for the month. November will likely hinge on ETF flows, expectations for the Fed's December 9 decision and whether bitcoin can hold the cost-basis levels analysts are watching.



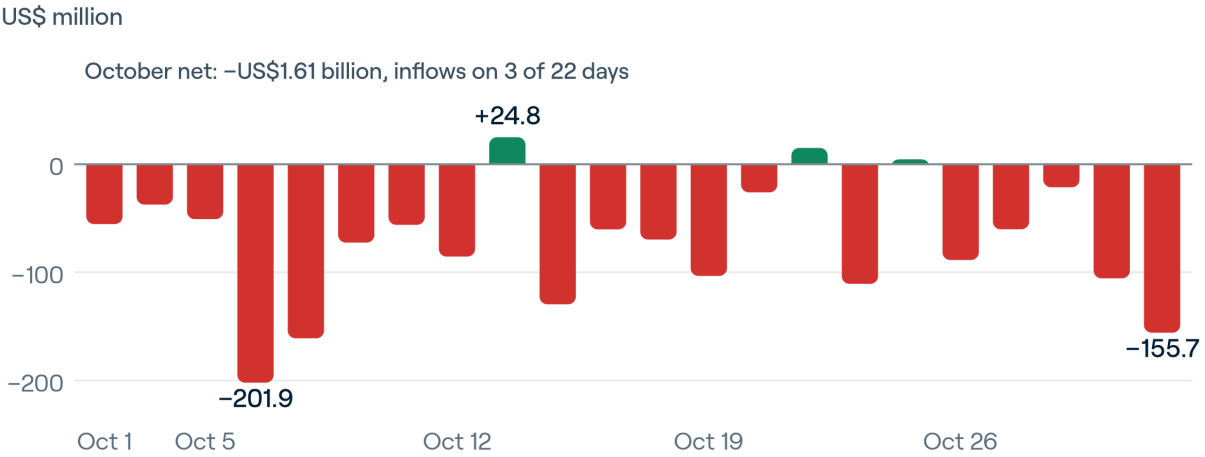
U.S. spot bitcoin ETF monthly net flows, January to November 6, 2026 (US$m). Source: Farside Investors

Past performance is not a reliable indicator of future results.

Ethereum underperforms as record ETF outflows weigh on demand

Ethereum opened October around US$2,684 and reached a monthly high of approximately US$2,777 on October 2. Its heaviest falls came on October 7 and 8, when BitMine Chairman Tom Lee said the company would stop buying at 5% of supply and leveraged positions were flushed out. It fell sharply again on October 29, the day of the Binance hack, and reached a monthly low of approximately US$2,170 on October 30. Ethereum closed the month around US$2,253, sharply underperforming bitcoin. The ETH/BTC ratio fell 9.4% in October and touched its lowest close since July on October 29.

Record ETF outflows point to weakening institutional demand. U.S. spot Ethereum ETFs recorded net outflows of around US$1.61 billion in October, their worst month since launching in July 2024. That was about 9% of the funds' assets at the start of the month, compared with roughly 0.5% for spot bitcoin ETFs. It also turned their 2026 net flows negative.



U.S. spot Ethereum ETF daily net flows, October 2026 (US$m). Source: Farside Investors

Past performance is not a reliable indicator of future results.

BitMine kept buying, but more slowly, lifting its holdings to 6.06 million ETH by November 1, around 4.9% of supply and roughly 49,500 ETH short of its 5% target. Its weekly purchases fell from 15,112 ETH to 8,573 ETH over the month. Lee linked the sell-off to broader de-risking in technology-heavy markets.

"Crypto is widely held in the US, Korea and Taiwan. So naturally, when investors in those regions de-risk, this creates spillover pressures in crypto markets."

Tom Lee, Chairman - BitMine

The Binance hack also touched Ethereum. According to Elliptic, the attacker used Binance's own compromised signing systems together with a wallet feature introduced in Ethereum's 2025 Pectra upgrade. It was the exchange's infrastructure that was breached, not the network. The attacker still controlled around 584,000 ETH on November 1, which markets will watch as the funds move.

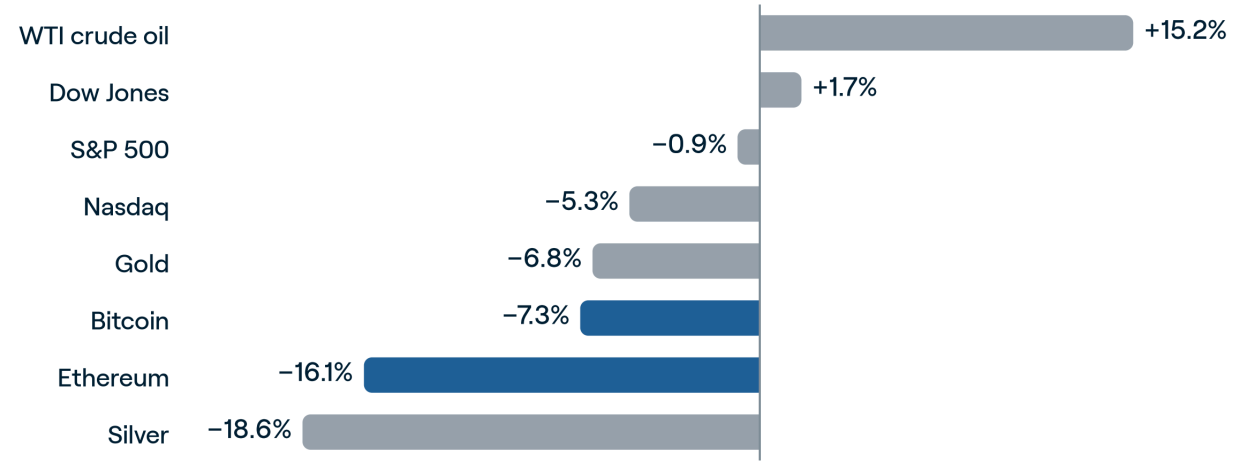
Staking reached a new record despite the price fall. According to validatorqueue.com, around 44.4 million ETH, or 36.4% of supply, was staked on November 6. October's net increase was still the smallest of 2026, as a temporary spike in exits cleared. By November 8, the entry queue had shrunk to around 945,000 ETH, a backlog clearing rather than a surge in new demand.

Traditional finance kept building on Ethereum regardless, with JPMorgan bringing its JPM Coin deposit token to Ethereum on October 19. DefiLlama's current series puts stablecoin supply on the Ethereum mainnet at around US$141.7 billion at the end of October, down from a revised US$145.6 billion at the end of September.

Ethereum closed October around US$2,253, declining 16.1% for the month. November will test whether ETF outflows ease and how the market absorbs slower buying from BitMine, which has said it will stop once it holds 5% of supply.

Security and policy shocks test crypto, but macro remains in control

Bitcoin and Ethereum fell 7.3% and 16.1% respectively in October, underperforming the S&P 500 and the Dow Jones, as ETF outflows, the AI sell-off and a record hack weighed on sentiment.



Performance across major assets, October 2026 (%). Source: Coinbase, FRED, CNBC, Investing.com and Kitco

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The Binance theft drove October's crypto hack losses to around US$6.5 billion, according to blockchain security firm CertiK. Binance has since replenished most of the affected assets from its own resources.

On regulation, the outlook shifted after the November 3 midterm elections, in which Democrats won control of both chambers of Congress. The CLARITY Act has not advanced since its failed Senate procedural vote on September 15. As of November 8, prediction market Polymarket put the chance of it becoming law in 2026 at around 2.5%.

> "For crypto, the Democratic sweep may well be the final nail in the Clarity Act's coffin."
>
> Mati Greenspan, Founder - Quantum Economics

Regulators and market infrastructure providers still pressed ahead. The Office of the Comptroller of the Currency (OCC) issued its final rule implementing the GENIUS Act on October 21, ahead of the stablecoin law taking effect on January 18, 2027. On October 28, the Depository Trust & Clearing Corporation (DTCC) launched its tokenisation service, with JPMorgan, Citi, Bank of America and Morgan Stanley among 20 initial participants.

Overall, October showed that crypto remains closely tied to macro conditions and risk appetite. Market participants will likely spend November watching the Fed's path, inflation data, AI earnings and ETF flows, with the change in congressional control adding a new layer of policy uncertainty.

If you have questions about your portfolio as you navigate the weeks ahead, book a call with your Caleb & Brown broker.

November key dates and crypto catalysts

U.S. inflation and jobs data, the Federal Reserve's December decision, the AI trade, U.S.–China trade deadlines and the lame-duck Congress are expected to influence sentiment in the weeks ahead.

November 10 Tue	U.S. CPI (October), with PPI on November 13
November 11 Wed	MSCI final list of non-operating companies
November 17 Tue	Nvidia third-quarter results and U.S. retail sales (October)
November 18 Wed	FOMC minutes (October 27–28 meeting)
November 25 Wed	U.S. Q3 GDP (second estimate) and PCE (October)
November 30 Mon	MSCI index changes take effect after the close
December 4 Fri	U.S. non-farm payrolls (November)
December 9 Wed	U.S. FOMC rate decision and economic projections
December 11 Fri	U.S. government funding deadline

U.S. trade policy

What's at stake? Section 301 tariffs of 10% or 12.5% on most goods from 60 economies have applied since July 24, 2026, and a ruling on challenges at the U.S. Court of International Trade is still pending. Separate 50% tariffs on selected Canadian goods under Section 338 face their first lawsuit. The U.S.–China trade truce runs to January 10, 2027, and on November 6 the U.S. Trade Representative extended the remaining Section 301 exclusions on Chinese goods to January 9, 2027. China's pause on its expanded rare-earth export controls ends on November 10 unless extended.

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

U.S. Federal Reserve rate decision (December 9)

What's at stake? The next FOMC meeting is on December 8–9, with the decision and new economic projections due on December 9. The meeting minutes from the FOMC's October meeting will be released on November 18, and October's CPI and PCE data and November's jobs report all arrive before the decision.

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

Crypto policy and legislation

What's at stake? Democrats won control of both the House and the Senate in the November 3 midterms and take over when the new Congress convenes on January 3, 2027. The CLARITY Act (H.R. 3633) passed the House on July 17, 2025 but has not advanced since a 49–50 Senate procedural vote on September 15, 2026. No new vote is scheduled for the lame-duck session that begins on November 9. The American Reserve Modernization Act (H.R. 8957) and the Digital Asset Tax Certainty Act (H.R. 10357) still await House floor votes. Bills not passed by the end of this Congress would need to be reintroduced. The Securities Clarity Act (referred to the House Committee on Financial Services on March 26, 2025), the Lummis Crypto Tax Bill and the 21st Century Mortgage Act remain in committee, and state-based crypto legislation remains before legislatures 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.

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

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