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## Bitcoin ETFs Plunge, Gate Expands U.S. Crypto Access

August 2, 2025

– Categories: *Crypto*



Bitcoin and Ether exchange-traded funds (ETFs) posted significant losses on Friday, wiping out recent gains and highlighting growing investor caution. At the same time, major crypto exchange Gate launched spot trading in the United States, while venture capital firm Andreessen Horowitz voiced concerns over a proposed U.S. crypto bill.

According to blockchain analytics platform SoSoValue, spot Bitcoin ETFs recorded net outflows of \$812.25 million in a single day, marking the second-largest daily loss ever reported for the sector. The heavy redemptions reduced the total net inflows to \$54.18

billion, with assets under management falling to \$146.48 billion. This figure now represents approximately 6.46 percent of Bitcoin's total market capitalization.

Leading the outflows was Fidelity's FBTC fund, which reported \$331.42 million in redemptions. ARK Invest's ARKB followed with \$327.93 million in outflows. Grayscale's GBTC fund also saw a decline of \$66.79 million. BlackRock's IBIT, considered one of the more stable products, experienced a more modest loss of \$2.58 million. The substantial withdrawals suggest that investors may be reacting to broader market volatility and macroeconomic uncertainty.

Ether ETFs also saw their longest streak of inflows come to an end. After 20 consecutive days of positive movement, these funds recorded net outflows of \$152.26 million on Friday. Total assets in Ether-based ETFs now stand at \$20.11 billion, which accounts for 4.70 percent of Ethereum's overall market capitalization. The reversal points to possible profit-taking as well as concerns surrounding regulatory clarity in the United States.

Despite ETF setbacks, some crypto firms are moving forward with expansion. Gate, a global cryptocurrency exchange founded in 2013 by Chinese developer Lin Han, officially launched spot trading services in the United States. Spot trading allows users to buy and sell digital assets at current market prices, differing from futures and derivatives. The company said the decision was driven by improved regulatory clarity and plans to add fiat deposit and withdrawal services along with custodial wallet features.

Meanwhile, Andreessen Horowitz (a16z) raised concerns about the draft 21st Century Financial Innovation and Technology Act, also referred to as the CLARITY Act. In a letter to the U.S. Senate Banking Committee, the venture capital firm criticized the bill's treatment of "ancillary assets", tokens sold under investment contracts that do not offer equity or governance rights. A16z warned that the bill's language could introduce ambiguity and conflict with the Howey test, the legal standard used to determine whether an asset qualifies as a security.

As market sentiment shifts and legislative debates unfold, the U.S. crypto sector is navigating a complex period shaped by institutional caution, increased scrutiny, and ongoing global participation.