

Bitcoin Demand Cools as Coinbase's 60-Day Premium Streak Breaks

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After maintaining a strong two-month streak that signaled heavy institutional demand, Bitcoin's (BTC) premium on Coinbase has turned negative for the first time since late May, a development that may indicate shifting momentum in the U.S.-based investment activity.

The Coinbase Premium Index, a widely monitored gauge of American investor sentiment, measures the percentage price difference between BTC/USD on Coinbase and BTC/USDT

on Binance. For 60 consecutive days, the premium remained positive, suggesting consistent buying pressure from U.S. institutions. That trend came to an end early Tuesday, as the premium flipped into negative territory, according to data from TradingView.

This shift hints at a relative softening in demand from U.S. investors, a group that has played a central role in Bitcoin's recovery over recent months.

A positive Coinbase premium traditionally reflects strong buying from American institutions that prefer the regulated environment of Nasdaq-listed Coinbase over the more internationally focused Binance. When the premium is negative, it suggests weaker demand from U.S. participants, especially compared to overseas retail activity.

Market analysts have flagged this reversal as a possible precursor to a broader short-term correction in Bitcoin's price, which has struggled to break decisively above the \$65,000 mark in recent sessions.

"The breakdown of the Coinbase premium streak isn't just a technical footnote; it speaks to a realignment in market dynamics," said veteran crypto strategist Jason Heller in a recent interview. "If U.S. institutions are cooling off, retail and offshore flows will have to pick up the slack, and that often brings more volatility."

Bitcoin had benefited throughout June and July from positive institutional sentiment, fueled in part by regulatory clarity surrounding spot BTC ETFs in the U.S. and a broader rotation out of underperforming equities. However, with bond yields climbing and macroeconomic uncertainty lingering, some fund managers may be taking profits or rebalancing portfolios.

At the same time, activity on offshore platforms like Binance has remained steady, suggesting that international interest in Bitcoin remains intact, even if the American appetite is wavering

at least temporarily.

The Coinbase premium flipping negative could be temporary, and not necessarily a long-term bearish signal. Yet it does underline how U.S. institutional flows are still a dominant force in the global crypto market, especially given the size and reach of American financial institutions.

For now, the trend will be one to watch closely. A sustained negative premium could trigger further outflows or defensive positioning, while a recovery may confirm renewed confidence among U.S. investors.

As the crypto sector continues to mature, signs like the Coinbase premium offer a valuable lens into institutional behavior, not just price speculation. And for a market increasingly intertwined with traditional finance, those signals carry more weight than ever.