THE MARGIN CALL LEDGER

Crypto's Hardest Session in Months Was a Margin Call, Not a Verdict. An Estimated $650 Million of Leveraged Longs Were Force-Closed in 24 Hours — and Ether Took the Deepest Cut of the Three.

Bitcoin closed Tuesday, October 6 at $85,558 and Wednesday, October 7 at $83,276 — down 2.67% on 1.24× its 20-day average volume, after trading as low as $82,772 intraday (−3.26% from Tuesday's close). Ether fell harder: Tuesday's $2,698 close to Wednesday's $2,574, down 4.60% on 1.50× volume, with an intraday low of $2,541 (−5.82%). Solana closed down 3.78% on 0.81× volume, with a $115.30 intraday low (−4.54%). None of the three moves began with a change in any project's own story; public reporting ties the trigger to intensified attacks on tankers in the Strait of Hormuz, which pushed Brent crude above $101 a barrel and lifted Treasury yields and the dollar — and the derivatives market's own machinery did the rest. CoinGlass-aggregated data cited across outlets put 24-hour crypto liquidations at roughly $547–700 million, of which an estimated $650 million (roughly 13 times the ~$50 million of shorts closed) were leveraged longs. This is the mechanical mirror of the cascade this house counted in Note No. 017: there, a price rise forced shorts to buy; here, a price fall forced longs to sell. This note sizes the mechanism, not the direction.

WHAT BROKE, AND WHY IT IS A RULE, NOT A CHOICE

A leveraged long position on a crypto perpetual future is closed by the exchange — automatically, by a pre-published formula — the instant the position's margin ratio breaches its maintenance threshold at the prevailing mark price. The engine does not ask whether the trader thinks the move will reverse; it market-*sells* the position closed, which adds supply at the exact moment the tape can least absorb it. Per CoinGlass data reported by Cryptonomist, CoinGape, and Yahoo Finance, total 24-hour liquidations on Wednesday ranged from roughly $547 million (Cryptonomist, citing a 235% jump from the prior day) to roughly $700 million (CoinGape, citing CoinGlass directly) — a range, not a single verified number, and this note treats every dollar figure in it as approximate. Within that total, nearly $650 million were long positions against roughly $50 million of shorts — nearly 13 longs force-closed for every short, the inverse ratio of the roughly 5-to-1 short-to-long split this house counted in Note No. 017. BeInCrypto reported more than $403 million in longs closed within a single hour as the move accelerated. Ether was hit hardest on this specific measure: CoinGlass data put Ethereum's own long liquidations at $201 million for the day — its highest single-day long liquidation since June 5, per the same source.

$650M in Longs

Estimated leveraged long positions forced closed in 24 hours (of roughly $547–700M in total liquidations, per CoinGlass-aggregated reporting), against an estimated $50M of shorts — a nearly 13-to-1 skew. **A liquidation is a rule, not a decision** — the exchange's engine closes the position and sells the underlying the moment margin crosses a pre-set threshold, regardless of what the trader on the other side would otherwise choose.

THE FORCED-SELLER LEDGER

PARTICIPANT	MECHANISM	SIZE VS. THE MARKET	VERDICT
Leveraged long positions	Auto-liquidated when the mark price crossed their maintenance-margin threshold as BTC, ETH, and SOL broke intraday support	Est. $650M of the $547–700M in 24h liquidations (CoinGlass)	Forced seller — by rule, not by view
Exchange liquidation engines	Rule-based: closes an underwater position by market sell at a pre-published threshold, no human in the loop	>$403M in longs closed within a single hour (BeInCrypto); Ether's $201M was its largest single-day long liquidation since June 5	Purely mechanical — the amplifier itself
Short sellers	The opposite side of the same engine, triggered only where price rose into a short's margin level	Est. $50M of the total — roughly 1/13th the long-side figure	Mechanical, but nearly absent — the asymmetry is itself the tell
Oil- and rates-driven macro flows	Brent crude above $101/bbl on intensified Iran–Hormuz tanker tensions, lifting Treasury yields and the dollar	Not disclosed; no public per-desk position feed — see “What we do not know”	Reported catalyst, not this note's subject

THE TAPE, RECOMPUTED OURSELVES

We pulled each asset's full daily history and computed the indicators from the raw series. At Wednesday's close: Bitcoin's 14-day Wilder RSI reads **52.8**, down from 63.6 the prior session — a 10.8-point drop in one day, back to neutral from a mild-overbought reading. It sits 3.7% above its 50-day average ($80,280) and 16.1% above its 200-day average ($71,729). Wednesday's dollar range is 1.30× Bitcoin's own 14-day ATR ($2,164) — an outsized day by its own recent standard, though not an extreme one. Ether's RSI fell from 59.7 to **45.4**, a 14.3-point drop — the sharpest of the three — leaving it 1.1% above its 50-day average and 21.0% above its 200-day, with Wednesday's range at 1.89× its ATR, the widest relative range of the three. Solana's RSI fell from 64.3 to **54.1** (−10.2 points); it sits 8.3% above its 50-day average and 34.5% above its 200-day, with Wednesday's range at 1.26× ATR. All three indicators compressed by roughly 10–14 points on the same calendar day, across three assets whose 50-, 200-day, and 52-week frames are otherwise unrelated — that synchrony is itself consistent with one cross-asset mechanical driver rather than three separate stories arriving by coincidence, the same signature this house flagged in the opposite direction in Note No. 017.

10–14 RSI Points

The one-session drop in 14-day Wilder RSI across Bitcoin (−10.8), Ether (−14.3, the sharpest), and Solana (−10.2) — three unrelated indicator windows compressing together on the same calendar day. Ether also carried this session's widest range relative to its own volatility (1.89× ATR) and its heaviest volume versus normal (1.50×) — **on every measure in this note, Ether was hit hardest of the three.** Solana's volume, by contrast, ran below its own 20-day average (0.81×) despite the price move — a reminder that a liquidation cascade and an organic sell-off do not always leave an identical tape.

THE ANALOG LEDGER — EVERY DECLINE OF COMPARABLE SIZE, AND WHAT CAME NEXT

For each asset we found every prior single session with a decline at or beyond roughly its own Wednesday move (a band, not an exact match — see method), and measured the forward return from that day's close. Crypto trades continuously and moves of this size are not rare the way they are for a mega-cap stock, so read this as a base rate for "a liquidation-sized down day," not for this specific event:

ASSET	BAND / HISTORY	N	MEDIAN +5D	MEDIAN +21D	MEDIAN +63D
BTC	≤−2.5% since Sept 2014	625	+1.27% (58% pos.)	+1.81% (56% pos.)	+4.17% (57% pos.)
ETH	≤−4.5% since Nov 2017	316	+1.17% (57% pos.)	−0.86% (48% pos.)	+0.24% (51% pos.)
SOL	≤−3.5% since Apr 2020	470	+0.77% (52% pos.)	+1.41% (52% pos.)	+3.61% (55% pos.)

The honest read: Bitcoin shows the cleanest positive skew across all three horizons, though a majority-positive 56–58% is still a long way from a sure thing. Ether is the outlier on the downside risk measure — its 21-day median return after a comparable decline is slightly *negative*, and only 48% of those episodes were positive, the weakest reading of the three assets at that horizon. Solana sits between the two. None of this is a forecast for this specific session; it is each asset's own history, against itself, over very different sample windows.

WHAT WE DO NOT KNOW

We cannot see the liquidation engines' own order-level data; CoinGlass aggregates estimates across venues, and the two outlets we cite for Wednesday's total liquidations put the figure anywhere from $547 million to $700 million — we are citing published reporting, not our own measurement, for every liquidation and open-interest figure in this note. We

cannot independently verify the long/short split ($650M versus $50M) beyond the reporting that cites it, and different snapshots taken the same day can disagree by tens of millions of dollars. We do not know, and are not claiming to know, the full causal chain behind the Hormuz-tanker reporting or whether oil, rates, or the dollar did more of the work; our lens is the mechanical amplifier — the liquidation cascade itself — not the initial catalyst, the same stance this house took on the catalyst side of Note No. 017. We also do not have our own feed for exchange-level open interest, so we cannot say here whether Wednesday's forced selling reduced aggregate leverage in the system or whether new positions were opened right behind it, the way Note No. 017 documented open interest rebuilding within hours of that cascade; one report notes crypto open interest had been rising into the week with comparatively restrained funding rates, which would argue against reading Wednesday as a full reset, but we have not verified that figure ourselves. Crypto trades continuously, so each “daily” bar here is a calendar-day snapshot that can straddle a news event mid-session, unlike an equity market's discrete close. Finally, the analog bands above were drawn around each asset's own move size rather than a fixed, rare threshold, which is why the sample sizes run into the hundreds — a decline of this size is common for this asset class in a way it is not for a large-cap stock, and that frequency is itself part of the honest read.

Sources & method: Price and volume — BTC-USD (from Sept. 17, 2014), ETH-USD (from Nov. 9, 2017), and SOL-USD (from Apr. 10, 2020) daily OHLCV through the October 8, 2026 session, via public market-data feeds; all indicators (Wilder RSI-14, 50/200-day SMAs, 14-day ATR, 20-day volume ratios, 52-week high/low, and the analog forward-return study) computed by Ananke Alpha directly from the raw series, not quoted from a third-party dashboard. Liquidation figures — CoinGlass-aggregated derivatives data as reported by Cryptonomist (“Crypto Market Liquidations Surge To $547 Million Amid Oil Price Impact,” Oct. 7, 2026), CoinGape / Yahoo Finance (“Crypto Market Selloff Deepens as $700M in Bitcoin, ETH, XRP, SOL, DOGE, XAU Liquidated,” Oct. 7, 2026), BeInCrypto (cited one-hour liquidation figure), and CoinGlass (cited Ether single-day long-liquidation figure); these are third-party aggregates across exchanges, not Ananke Alpha's own measurement, and figures varied by tens to over a hundred million dollars between snapshots taken the same day — treat every liquidation dollar figure in this note as approximate. Macro catalyst reporting — Cryptonomist and CoinDesk coverage citing intensified attacks on tankers in the Strait of Hormuz and Brent crude trading above $101/barrel on Oct. 7, 2026; Ananke Alpha has not independently verified the oil-market reporting and takes no position on it beyond citing it as the reported catalyst. Analog study — every prior single session at or beyond the stated decline threshold since each asset's earliest available data, one observation per day, forward returns measured from that day's close; approximate, and not a prediction. Verify before acting.

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