

A Privacy Token Breaks Into Crypto's Top 10

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By Andrew Yang

Public blockchains make every transaction visible. Once a wallet is linked to a person or company, anyone can trace its balance and payment history, a level of exposure that would be unthinkable in traditional finance. As more individuals and institutions move money onchain, that transparency has become a real cost, and privacy has become one of crypto's strongest narratives. Zcash (ZEC) has risen more than 2000% since the start of 2025 and now ranks among the ten largest crypto assets by market capitalization, as privacy has become one of crypto's strongest narratives. Zcash was built to offer users the option of financial privacy. Since Bitcoin is a public distributed ledger, tokens can be traced back to specific wallets and tracked. Zcash wanted to change that. Privacy on Zcash is optional rather than enforced, so users can choose when to shield their transactions.

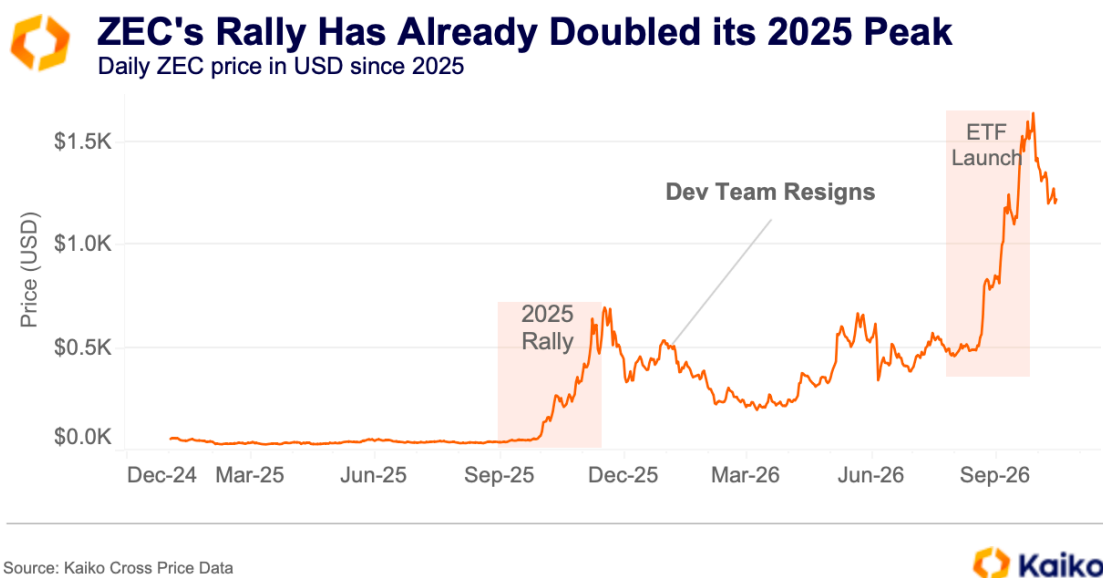
- ZEC has gained about 2,076% since January 1, 2025.
- Daily spot volume roughly tripled around the launch of Grayscale's spot ZEC ETF on August 25.
- ZEC ranks 10th by market cap at approximately \$19.0 billion,

ZEC Rose From \$40 to \$700 in Under Three Months as Privacy Returned to Focus

Zcash launched in 2016 on Bitcoin's codebase, sharing its 21 million coin cap and four-year halving schedule, but adding zero-knowledge proofs that let users shield the sender, receiver and amount of a transaction. For most of the years that followed, that feature was treated as a liability. Regulators in South Korea pushed local exchanges to delist privacy coins, and OKX removed ZEC in January 2024 as part of a wider wave of privacy coin delistings. ZEC bottomed at about \$17 in July 2024.

While ZEC has been around for quite some time, it did not see a major rally until late 2025. ZEC climbed from about \$40 at the start of September 2025 to nearly \$700 by November 16, before ending the year around \$517, a 9x gain over the calendar year. The

2026 rally went further still, taking ZEC well past its 2025 peak.



Like Bitcoin, Zcash goes through halvings, and its second halving in November 2024 cut the block reward to 1.5625 ZEC, slowing the issuance of new supply in the year before the rally. A likely contributing factor to its rise over the course of 2025.

Around this time, ZEC also gained high-profile backers. Arthur Hayes publicly endorsed the token, and entrepreneur Naval Ravikant posted on October 1, 2025 that “ZCash is insurance against Bitcoin.” The idea is that if Bitcoin becomes a mainstream asset fully tracked by governments and institutions, users who want financial privacy will look to a protocol such as Zcash.

The regulatory backdrop also began to shift. In March 2025, the U.S. Treasury lifted its sanctions on Tornado Cash after a court ruled that immutable smart contracts could not be sanctioned, a first sign that privacy technology was no longer being treated as inherently criminal.

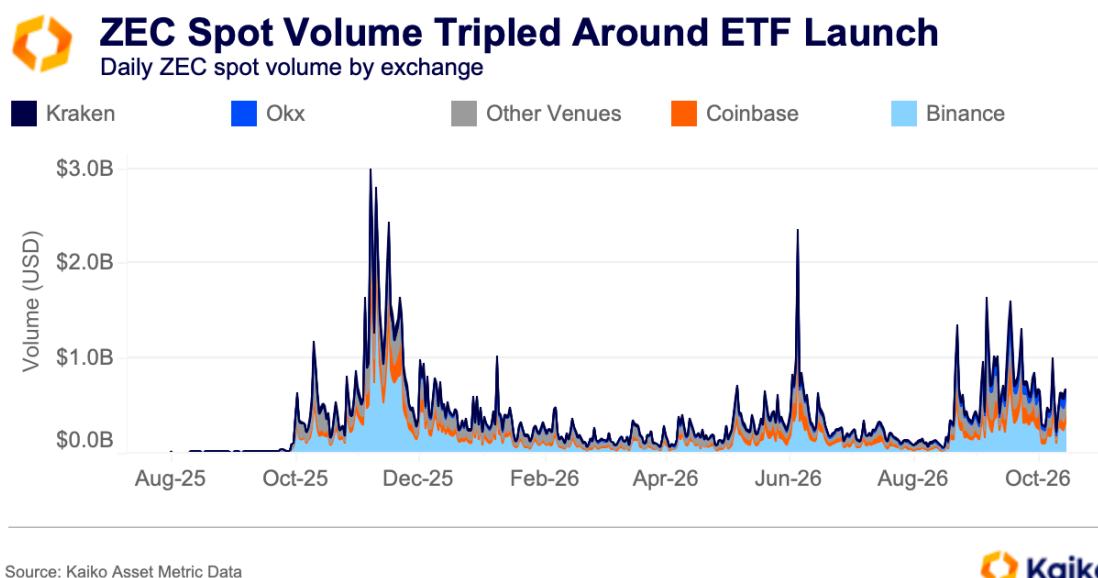
ZEC Volume Tripled as the Grayscale ETF Opened the Door to New Buyers

In 2026, Zcash faced several setbacks before climbing to a multi-year high of \$1,642 in September. The first came on January 7, when the entire development team at the Electric Coin Company (ECC), the company that created Zcash, resigned. ECC is governed by Bootstrap, a nonprofit board, and the two sides clashed over plans to bring in outside investment and privatize Zashi, the Zcash wallet ECC had built. Bootstrap argued the deal could expose the wider Zcash ecosystem to legal and political risk, while ECC’s chief

executive said the team had been effectively forced out. ZEC fell 12% the next day as spot volume tripled to about \$1billion. The protocol itself was unaffected, and the former ECC team went on to found the Zcash Open Development Lab (ZODL), rebranding Zashi as the Zodl wallet in February.

Just a week later, on January 14, the U.S. Securities and Exchange Commission (SEC) closed its investigation into the Zcash Foundation without taking action, ending an inquiry that began with a subpoena in August 2023. The decision fit a broader shift at the SEC, which under new leadership had already dropped or closed cases against several crypto firms in 2025. Access then widened. Robinhood listed ZEC on April 23, including for users in New York, although exchange volume barely moved that week, which is consistent with new demand flowing through the app rather than through crypto exchanges. The rally was interrupted in early June, when developers disclosed a bug in Zcash's shielded pool that could have allowed undetectable counterfeiting, and ZEC fell 43% in two days.

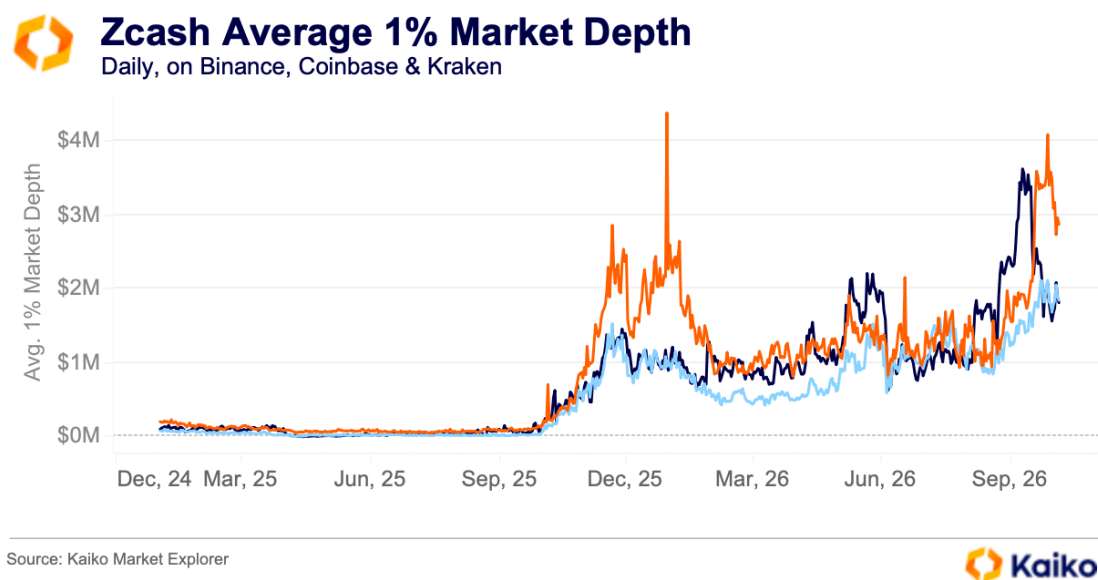
The biggest step came on August 25 2026, when Grayscale converted its Zcash Trust, which held more than \$313 million the day before, into a spot ZEC ETF listed on NYSE Arca. Trades in the ETF and on Robinhood do not appear in exchange data, but the effect on exchange activity is visible, and volume began rising before launch day.



Average daily spot volume across the 18 exchanges tracked rose from \$229 million in the 30 days before the launch to \$774 million in the 30 days after. Much of the move came early, as ZEC jumped 47% between August 20 and August 24, suggesting traders on

crypto exchanges were positioning for new demand rather than buying the ETF itself. On October 5, FinCEN, the U.S. Treasury's financial crimes unit, also withdrew its proposed rules on crypto mixing and self-hosted wallets, removing another regulatory overhang.

The rise in trading activity has come with deeper order books, which points to a market that can absorb larger trades.



In October 2026, the average 1% market depth for ZEC ranged from about \$1.9 million on Kraken to \$3.1 million on Binance, compared with under \$0.1 million on each venue in September 2025. Depth on Binance and Coinbase stayed around \$1 million through the June sell-off, and all three venues rebuilt liquidity after the ETF launch. Because depth is measured in USD, much of this growth reflects ZEC's higher price rather than more tokens on the books, yet it still means large orders can now be executed without moving the price as sharply, a key condition for institutional participation.

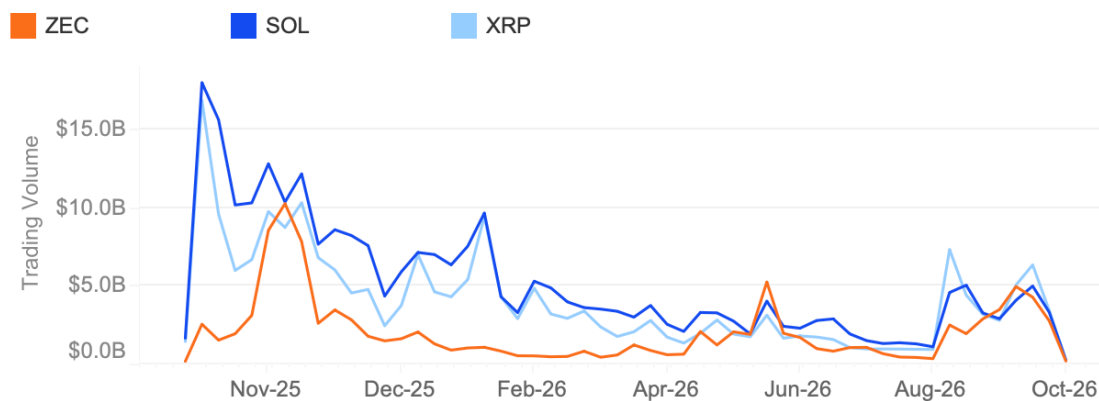
ZEC Volume Caught Up With SOL and XRP as Their Activity Faded

XRP and SOL have been among the largest crypto assets for years, but ZEC has started to trade on a similar scale.



ZEC Spot Trading Volume Compared to SOL and XRP

Weekly spot volume (USD), Binance, Coinbase and Kraken



Source: Kaiko Market Explorer



SOL and XRP volumes have fallen sharply from their October 2025 highs, as activity in the major altcoins faded through 2026. ZEC moved the other way because it had its own catalysts, from the privacy narrative and endorsements from prominent investors to new access through Robinhood and the ETF, rather than simply tracking Bitcoin. On some days ZEC traded more than both, most notably during the November 2025 rally and on June 5, 2026, after the shielded pool bug disclosure. That spike came from selling rather than new demand, but it shows how quickly ZEC can draw a large share of trading activity when it has news of its own.

Privacy Is Becoming a Requirement, Not a Fringe Feature

Most blockchains are fully transparent. Once an address is linked to a name, anyone can see its balance and payment history, which exposes individuals to safety risks, companies to competitors and institutions to front-runners tracking their positions in real-time.

Zcash sits between full transparency and full anonymity. Privacy is optional, and holders can share viewing keys with auditors or regulators, keeping shielded transactions compatible with compliance. Institutions are taking a different route. The Canton Network builds privacy into the network itself, so each party sees only the part of a transaction that concerns it. Broadridge's repo platform on Canton processed an average of \$359 billion a day in September 2026. Repos are short-term loans backed by securities such as U.S. Treasuries. This suggests privacy is becoming a requirement for regulated finance as well. While both deal with privacy, they do not serve the same purpose. Canton is privacy for

institutions, a permissioned network where known, vetted participants keep trades confidential from competitors and the public. Zcash is privacy for individuals, an open network where anyone can hold and send value privately without asking permission.

However, with privacy still comes trade-offs. The June bug showed that hidden transactions make it harder to prove no counterfeit ZEC was created, and access is still fragile, with the EU set to bar crypto service providers from handling privacy coins from 2027. Privacy has a real use case, but ZEC's value still depends on regulators and exchanges continuing to treat it as a legitimate asset.

Conclusion

In less than three years, ZEC went from being delisted by major exchanges to ranking among the ten largest crypto assets and leading the privacy sector. Spot volume roughly tripled around the Grayscale ETF launch, ZEC trades on a similar scale to SOL and XRP on major exchanges, and order books can absorb \$2 million to \$3 million within 1% of the price. Each step that made ZEC easier to buy, from the SEC closing its probe to the Robinhood listing and the ETF, widened the pool of potential buyers.

The same factors will decide what comes next. Investors will watch ETF flows, whether the share of shielded ZEC keeps rising, and how European exchanges respond to the EU ban in 2027. The recent U.S. policy shift could also reverse under a future administration. If access keeps widening, ZEC may hold its place among the largest crypto assets. If it narrows, the June sell-off shows how quickly that position can unwind.