# Solana faces volatility as futures launch approaches



The cryptocurrency Solana has experienced significant volatility, seeing its price reach a low of $125 on February 28, 2025. However, following an announcement from the Chicago Mercantile Exchange (CME) regarding the impending launch of Solana futures on March 17, the altcoin entered a 16% relief rally. The futures product is currently awaiting regulatory approval from the Commodity Futures Trading Commission (CFTC), a step that could shape its market trajectory.

From February 24 until the drop, Solana displayed a series of lower lows culminating in its recent yearly low. However, during this time, a bullish divergence was observed between the price of Solana and its relative strength index (RSI), indicating the potential for a price rebound. The rally materialised with the RSI entering oversold territory, marking its lowest level since June 2023 when Solana was valued at $15.

The immediate resistance level is set at $160, with a confirmed close above $143 posited as crucial for reinforcing the bullish signal. Should these resistance levels transform into support, this could lend further credence to the notion that $125 may serve as a local bottom for Solana's price.

As the crypto market anticipated volatility, March 1 marked a significant date when 11.2 million SOL tokens entered the circulating supply due to unlocking events. This development is expected to result in a 2.84% increase in Solana's total market capitalisation, estimated to be around $1.62 billion. The unlock has drawn attention from various investors, including major players such as Galaxy, Pantera, and Figure, who are looking to secure extensive unrealised gains.

Keyrock Trading, a platform focusing on crypto market making, has provided insight into potential outcomes based on historical data. They noted that when similar investor-based unlocks occurred, there was typically a 5% correction in the month leading up to the event. Interestingly, Solana has witnessed a stark decline of approximately 60% over the past month. Keyrock classified the unlock as a medium-size event and specifically stated, “Medium unlocks historically see an ~8% decline within 30 days post-unlock."

Predictions regarding Solana's price post-unlock suggest the possibility of another downturn, with crypto trader Jeremy indicating that Solana could form a bottom in the range of $110 to $120, although he acknowledges the potential for $125 to remain a robust support level.

Amidst these developments, it remains crucial for investors to stay informed and perform thorough research before making decisions, as every trading move comes with its set of risks.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://changelly.com/blog/solana-price-prediction/> - This URL provides information on Solana's price volatility and predictions, supporting the article's discussion on Solana's price movements and potential future trends.
* <https://coinstats.app/news/8fe19a36e8d8d415c35f50a7c78e49b0fd0d9c7d36ae1b3abae60a047eb4534c_Solana-SOL-Price-Prediction-for-February-28/> - This URL supports the article's mention of Solana's recent price movements and technical indicators, such as the Relative Strength Index (RSI).
* <https://www.cftc.gov/> - This URL provides information on the Commodity Futures Trading Commission (CFTC), which is relevant to the article's mention of regulatory approval for Solana futures.
* <https://www.cmegroup.com/> - This URL is related to the Chicago Mercantile Exchange (CME), which is mentioned in the article as planning to launch Solana futures.
* <https://www.investopedia.com/terms/r/relative-strength-index-rsi.asp> - This URL explains the Relative Strength Index (RSI), a technical indicator mentioned in the article as indicating potential for a Solana price rebound.