

As the dog coin crash sparks more community interest, Solana's SOL Token rises 20%

Despite larger digital currencies like [BTC](#) and [ETH](#) scarcely moving, Solana's [SOL](#) has increased by over 20% in the last day. This is because the recently created Shiba inu-themed token Bonk (BONK) decided to execute a significant airdrop, which sparked interest in the Solana club. After losing for almost nine days in a row, SOL traded at just over \$8 on Friday before soaring back above \$13 on Tuesday. However, due to Solana's strong ties to Sam Bankman-Fried, the discredited founder of the cryptocurrency exchange FTX, who is accused of fraud and misappropriating customer cash, selling pressure has been created.

Based on Coinglass, short bets of \$6.7 million have been closed as a result of the recent price increase. Since the demise of the FTX exchange and the ensuing market meltdown in November, this is the biggest short sale. In addition, according to Coinglass data, funding rates for SOL perpetual swaps are extremely negative, indicating that traders are pessimistic and wagering on the token's price to decline, a strategy known as shorting.

Bonk's airdrop, which represented 50% of its token supply, most certainly sparked a lot of club interest. 20% of the airdrop supply is going to Solana NFT collections, which include 297,000 unique NFTs, and 10% is going to artists and collectors specializing in Solana. In only the last 24 hours, Bonk observed on-chain volumes of over

\$19 million. Since its launch on December 25, Bonk has amassed over 85,000 owners and a market value of almost \$93 million as of Tuesday. In the last week, users have used bonk tokens in over 500,000 financial operations, according to statistics.

Bonk coins have already been included by a number of Solana projects for use as payments for listed NFTs, and several have even added "burn" methods for NFT-based events. However, burning tokens depletes a cryptocurrency's supply of coins altogether. In the last 24 hours, bonk prices increased by around 95%. [Dogecoin](#) (DOGE) and Shiba Inu (SHIB), two significant memecoins, remained untouched.

The crypto community has a reputation for being irrationally enthusiastic about memecoins, with the market valuation of SHIB and DOGE exceeding \$30 billion apiece in early 2022.

Source: The Pipsafe Team - dog coin