



JAN
2024

INVESTMENT REPORT

DC REPORT

Agenda:

- Market update

Summary:

January painted a vibrant picture of crypto's maturation and expansion. Historic Bitcoin ETF approvals fueled a market surge, while the looming halving and Ethereum's roadmap ignited anticipation for future leaps. Altcoins shone under narratives like Layer 2 solutions and Cosmos, and industry giants like BlackRock and Michael Saylor made bold moves, blurring lines between traditional and crypto worlds. From Bitcoin's 15th birthday to Avalanche's "memecoin" exploration, DeFi expansion, and 21Shares' bridging investment, January was a pivotal month, showcasing a flourishing industry captivating everyone from established institutions to vibrant altcoin enthusiasts.

MARKET UPDATE

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DigitalCompass

MARKET UPDATE

- **Bitcoin ETF approved:** After a lot of speculation around the BTC spot ETF approval for the past few months, it was finally approved on the 10th of January. Blackrock is already holding more than 28,000 in the trust. Gary Gensler published a letter which mentioned that even though they approved the ETF they don't approve or endorse Bitcoin.
- **Bitcoin on a high:** The year started with a Bitcoin boom! Prices touched nearly \$46,000, the highest in 21 months, this is mostly in response to rumors of the Bitcoin ETF approvals, lower interest rates, and the big event everyone's waiting for the "halving" expected to happen around April 24th.
- **Less than 100 days for halving:** The halving is rapidly approaching programmed to happen sometime in late April 2024. As we get closer to the halving event, Bitcoin gains more presence in mainstream circles increasing exposure.
- **Bitcoin turns 15:** Bitcoin produced its genesis block on the 3rd of January 2009 so this month it turned 15 years old. It's now a \$900 billion industry that's changing the world of finance.
- **Larry Fink** has been doing different interviews in which he said these are just the stepping stones towards tokenization, bitcoin is bigger than any government and more.
- **Ethereum roadmap unveiled:** Ethereum's co-founder shared his plans for 2024, focusing on making it more efficient and private.
- **Ethereum Cancun Upgrade:** Scheduled for Q1 2024, is poised to elevate the scalability, security, and efficiency of the Ethereum network. Proto-Danksharding's introduction is expected to increase transaction processing speeds and volumes, particularly benefiting Layer 2 solutions that build upon the main Ethereum blockchain.
- **Ethereum ETF might be coming next:** Blackrock and other entities already filled for an ETH ETF so we could see it happen in a few months.

Issuer (Ticker)	Company	Asset	Exchange	Custodian	Index/Pricing Provider	SEC Next Deadline	SEC Final Deadline
<i>"Physically" Backed</i>							
VanEck Ethereum ETF	VanEck	Ethereum	CBOE	Gemini??	MVIS	12/25/23	5/23/24
ARK 21Shares Ethereum ETF	21Shares & ARK	Ethereum	CBOE	Coinbase	S&P Dow Jones	12/26/23	5/24/24
Hashdex Nasdaq Ethereum ETF	Hashdex	Ethereum	Nasdaq	N/A	Nasdaq	1/1/24	5/30/24
Grayscale Ethereum Trust <i>Conversion (ETHE)</i>	Grayscale	Ethereum	NYSE	Coinbase	Nasdaq??	12/6/23	6/18/24
Invesco Galaxy Ethereum ETF	Invesco & Galaxy	Ethereum	CBOE	Coinbase	Bloomberg	12/23/23	7/5/24
iShares Ethereum Trust	BlackRock	Ethereum	Nasdaq	Coinbase	CF Benchmarks	~1/25/24	~8/7/24
Fidelity Ethereum Fund	Fidelity	Ethereum	CBOE	Fidelity	Fidelity/CoinMetrics	~1/21/24	~8/3/24

Note: Dates are estimates and deadlines, so they may come earlier.

Source: Bloomberg Intelligence, SEC.gov

Bloomberg

MARKET UPDATE

- **Altcoin market has been getting traction:** Altcoins have been rising in the last few months. Some narratives worth noting are Layer 2s, modularity, Cosmos ecosystem chains and more.
- **MicroStrategy buys more Bitcoin:** Michael Saylor, is selling some of his company shares to buy even more Bitcoin.
- **Memecoins get fancy: Avalanche,** another blockchain platform, might invest in "memecoins" like BONK and Dogwifhat. These are fun, internet-inspired coins that are gaining popularity.
- **De.Fi** announced that 21 Shares one of the entities which got their ETF approved is an investor.

Gary Gensler letter on approval: <https://www.sec.gov/news/statement/gensler-statement-spot-bitcoin-011023>
<https://www.ishares.com/us/products/333011/ishares-bitcoin-trust>

https://www.dtcc.com/products/cs/exchange_traded_funds_plain_new.php
<https://www.bloomberg.com/news/articles/2024-01-02/bitcoin-soars-to-highest-level-in-21-months-on-etf-approval-hope?srnd=cryptocurrencies-v2>
<https://www.bloomberg.com/news/articles/2024-01-05/bitcoin-btc-etf-issuers-clear-major-hurdle-for-sec-approval>
<https://cointelegraph.com/news/vitalik-buterin-ethereum-roadmap-2024>
<https://www.coindesk.com/business/2024/01/03/michael-saylor-commences-plan-to-sell-216m-worth-of-microstrategy-stock-options/>
<https://www.coindesk.com/markets/2023/12/29/avalanche-foundation-to-purchase-meme-coins-as-part-of-culture-drive/>
<https://cryptopotato.com/happy-15th-birthday-bitcoin-heres-the-journey-so-far/>

Halfin: <https://pbs.twimg.com/media/GDhqZrlaoAALmTx?format=jpg&name=medium>

Larry Fink Interviews:

<https://twitter.com/MartiniGuyYT/status/1745890918060765265>
<https://twitter.com/BitcoinNewsCom/status/1745954438328561705>

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