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EXECUTIVE SUMMARY

After Bitcoin reached a new all-time high of $73,666 in March, Long-Term Holders (LTHs) sold substantial amounts of their BTC, leading to increased supply and a period of price correction and consolidation. This correction phase now appears to be nearing an end.

In the last two weeks, Bitcoin ETFs have seen resurgent demand, recording net inflows of $136 million per day, exceeding the $32 million daily sell pressure from miners post-halving by more than four times.

Added to that, exchange reserves of Bitcoin have been falling and new accumulation addresses, over the past month, have been increasing. We also see LTHs, who had sold significant portions of their holdings at the peak, are now re-accumulating Bitcoin for the first time since December 2023. This trend reflects long-term bullish sentiment among holders.

Solana's DeFi ecosystem is also experiencing rapid growth, evident in its lending, liquid staking, and perpetual markets. Solana boasts a Total Value Locked (TVL) of $4.78 billion and NFT 24-hour trading volumes of $1.8 million. Additionally, Solana now leads in stablecoin transaction size among all blockchains. This resurgence in Solana is attributable to the advantages it offers over other blockchains in terms of transactions per second throughput and scalability. Both Solana and Ethereum continue to grow, but the rise in Solana is notable, and despite the fact that by TVL, Solana is four places behind Ethereum, it is second in terms of decentralised exchange volumes by chain, as more users find utility in its blockchain.

In the macro economy, we saw differing views on US consumer confidence, with the Conference Board reporting an unexpected increase while the University of Michigan's sentiment index saw a sharp decrease. GDP growth for Q1, however, was more clear, coming in below expectations at a revised rate of 1.3 percent, reflecting reduced consumer spending and lower inflation.

It is evident that high interest rates and reduced fiscal support are slowing consumer spending, and was also confirmed by a stabilisation of the April PCE price index, while personal saving rates remain stubbornly low. Potential rate cuts by the Fed are anticipated later in the year.

Last week also brought in a lot of positive developments in crypto news, starting with Tether committing up to $150 million to Bitcoin miner Bitdeer to expand its operations, strengthening its position in the mining sector. NYSE and *CoinDesk* Indices will launch cash-settled Bitcoin index options, enhancing digital asset offerings and risk management tools. Franklin Templeton, VanEck, and Invesco Galaxy are also preparing to launch spot Ether ETFs, pending SEC approval.

On the topic of ETFs, BlackRock's iBIT has become the largest Bitcoin ETF, surpassing GBTC, with higher trading volumes and lower fees, attracting institutional investors.

Happy Trading!

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WHAT'S ON-CHAIN THIS WEEK?

Ethereum and Bitcoin: From New Highs to the Influence of ETFs and the Outlook from Here

We are now firmly in a phase of re-accumulation, as we see sellers exhausted and buying becoming increasingly consistent. Following the new all-time high of $73,666 for Bitcoin in March, we saw Long-Term Holders selling off a substantial amount of their BTC. The resulting increase in supply on the open market led to a period of price correction and consolidation. That now seems to be over.

This shift is most clearly evident in the behaviour of Bitcoin ETFs, which experienced net outflows throughout April, with the market falling to a local low of approximately $57,500, with the ETFs seeing net outflows averaging $148 million per day. This period of outflows marked a form of micro-capitulation, but soon dramatically reversed.

Figure 1. Bitcoin Spot ETF Flow, May 31, 2024 (Source:SoSoValue)

Bitcoin ETFs have been seeing resurgent buy side demand. Despite the $260.6 million outflow from GBTC last week, US Bitcoin Spot ETF recorded an average daily net inflows of $136 million per day in the last two weeks. Considering that miners naturally create daily sell pressure of $32 million post-halving, ETFs are buying more than four times more than the new supply being created.

Bitcoin ETF Flow Table (US$m)

Date	IBIT	FBTC	BITB	ARKB	BTCO	EZBC	BRRR	HODL	BTCW	GBTC	DEFI	Total
15 May 2024	0.0	131.3	86.3	38.6	4.6	1.9	3.7	7.5	2.1	27.0	0.0	303.0
16 May 2024	93.7	67.1	1.4	62.0	6.2	3.8	18.5	0.0	0.0	4.6	0.0	257.3
17 May 2024	38.1	99.4	20.8	10.0	5.7	0.0	6.4	9.5	0.0	31.6	0.0	221.5
20 May 2024	66.4	64.0	24.0	68.3	0.0	0.0	0.0	0.0	5.2	9.3	0.0	237.2
21 May 2024	290.0	25.8	(4.2)	0.0	0.0	0.0	0.0	(5.9)	0.0	0.0	0.0	305.7
22 May 2024	92.0	74.6	0.0	3.5	0.0	0.0	0.0	0.0	0.0	(16.1)	0.0	154.0
23 May 2024	89.0	19.1	0.0	2.0	2.0	0.0	0.0	9.5	0.0	(13.7)	0.0	107.9
24 May 2024	182.1	43.7	6.4	4.1	0.0	0.0	0.0	15.6	0.0	0.0	0.0	251.9
27 May 2024	-	-	-	-	-	-	-	-	-	-	-	0.0
28 May 2024	102.5	34.3	3.3	4.1	3.4	0.0	1.2	0.0	1.4	(105.2)	0.0	45.0
29 May 2024	24.6	17.7	11.0	4.0	1.0	0.0	0.0	0.0	1.1	(31.1)	0.0	28.3
30 May 2024	1.6	119.1	25.9	(99.9)	2.1	0.0	0.0	0.0	0.0	0.0	0.0	48.8
31 May 2024	169.1	5.9	0.0	0.0	0.0	0.0	0.0	(1.9)	0.0	(124.3)	0.0	48.8
Total	16,651.6	8,890.1	1,961.6	2,478.9	317.3	359.1	510.9	523.4	69.0	(17,901.7)	(2.1)	13,858.1
Average	169.9	90.7	20.0	25.3	3.2	3.7	5.2	5.3	0.7	(182.7)	(0.0)	141.4
Maximum	849.0	473.4	237.9	200.7	63.4	60.9	43.4	118.8	6.6	63.0	11.9	1,045.0
Minimum	(36.9)	(191.1)	(34.3)	(99.9)	(37.5)	(13.4)	(20.2)	(6.5)	(6.2)	(642.5)	(14.7)	(563.7)

Figure 2. From May 20 to May 31, 2024, Average Daily Net Inflow of US Bitcoin Spot ETF is $136 Million per Day

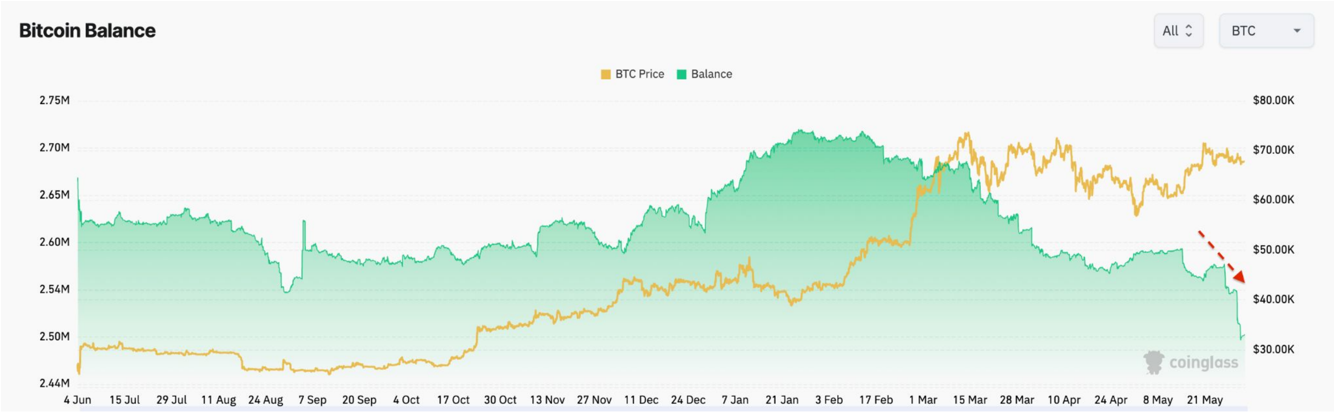


Figure 3. Bitcoin Held in Exchange Wallets (Source: Coinglass)

Aside from ETF flow metrics, another critical metric to consider is the exchange reserve, which tracks the total amount of Bitcoin held in exchange wallets. A decrease in this metric is seen as bullish, since it reduces the available supply, whereas an increase is bearish as it indicates more Bitcoin is ready to be sold. Since February, the Bitcoin exchange reserve has sharply declined, contributing to the recent price rally. This decline has intensified in recent days as investors anticipate a potential new all-time high, further reducing supply and possibly setting the stage for another rally.

Additionally, the approval of US Spot Ether ETFs by the US Securities Exchange Commission (SEC) has further opened up investment opportunities into crypto assets.

Figure 4. Average Transaction Size (Source: IntoTheBlock)

The average transaction size on the Ethereum network has also increased, in line with a similar increase in Bitcoin. Examining the accumulation addresses on both the Bitcoin and Ethereum networks, we see that, despite recent stable prices and modest growth for both assets, compared to previous months, there has been a noticeable increase in new accumulation addresses over the past month.

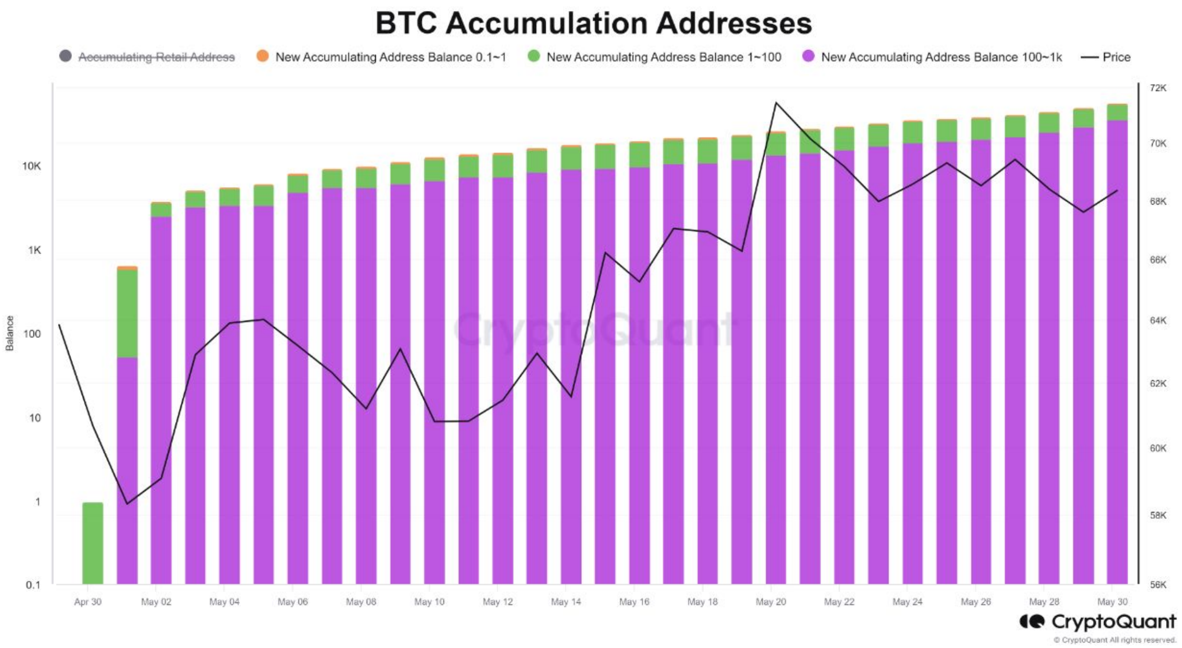


Figure 5. BTC Accumulation Addresses (Source: CryptoQuant)

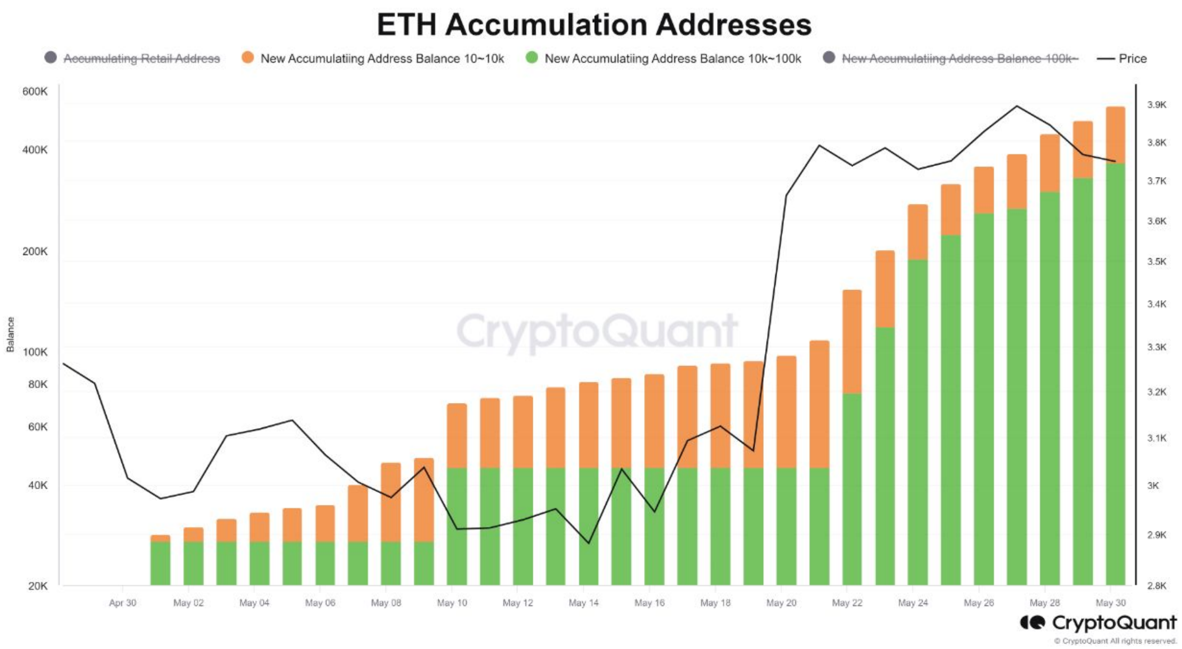


Figure 6. ETH Accumulation Addresses (Source: CryptoQuant)

This trend suggests that investor sentiment remains bullish despite price stability, with more investors joining the ranks of buyers for both Bitcoin and Ether. The estimated leverage ratio has also been stable, indicating a balanced market with minimal extreme risks.

Figure 7. Long-Term Holders Inactivity Spectrum (Source: Cryptoquant)

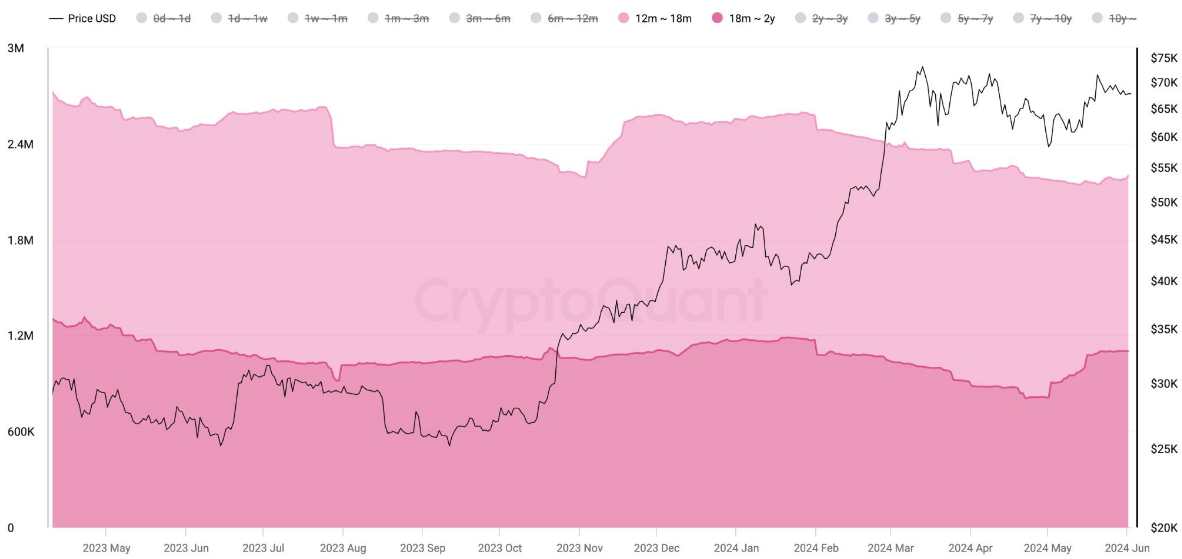


Figure 8. Bitcoin UTXO Age Band (Source: Crytoquant)

Now that the Long-Term Holder (LTH) distribution at the $73,666 all-time high has markedly decreased, we see this cohort beginning to re-accumulate coins for the first time since December 2023. During bullish periods, it is typical for LTHs to sell portions of their Bitcoin holdings as prices rise and this pattern was evident from early 2024 through April, with significant reductions in the supply held by 1-year and 2-year old Unspent Transaction Outputs (UTXO). Despite this selling pressure, the supply of Bitcoin in UTXOs held for over three years continues to grow, indicating long-term bullish sentiment among these holders.

Market Dynamics of Solana and Ethereum

Solana's DeFi ecosystem is experiencing rapid growth, evident in its lending, liquid staking and perpetual markets. Currently, Solana boasts a Total Value Locked (TVL) of $4.78 billion and NFT 24-hour trading volumes of $1.8 million. Additionally, Solana leads in stablecoin transaction size among all blockchains (see Figure below).

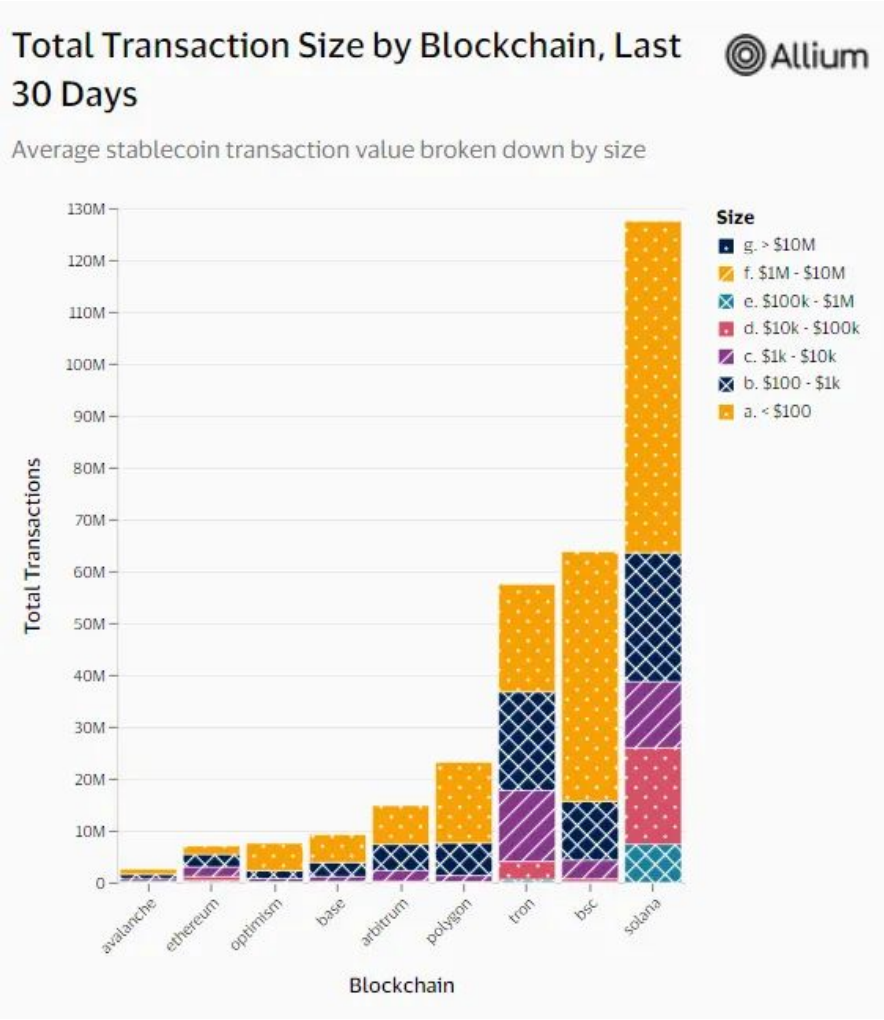


Figure 9. Total Transaction Size by Blockchain, in the last 30 days (Source: Allium)

Since its inception, Solana has demonstrated remarkable TVL growth, driven by its expanding DeFi sector. Although its TVL of $4.78 billion is lower than Ethereum's $65 billion, Solana's efficient and scalable infrastructure in terms of transactions per minute continues to attract significant projects and investments. This efficiency and scalability are key factors in Solana's increasing adoption and popularity within the DeFi space.

Figure 10. Solana Total Market Cap (Source: DefiLama)

However, an interesting trend to observe is the total market cap of stablecoins on Solana. This metric peaked in mid-April but has been declining, with an approximate 8 percent decrease over the past 30 days. In contrast, Ethereum's stablecoin market cap has only decreased by 2.5 percent during the same period. This shift can be attributed to renewed interest in Ethereum, spurred by the approval of the Ether spot ETF.

Despite the fluctuations in stablecoin market caps, both Solana and Ethereum are growing. For Ethereum, the successful implementation of Ethereum 2.0 could significantly enhance its attractiveness as a platform for decentralised applications, potentially increasing the demand for ETH. On the other hand, Solana's future price and growth prospects will largely depend on its ability to maintain high throughput and low costs while addressing any stability issues.

BlackRock's iBIT Surpasses Grayscale's GBTC as the Largest Bitcoin ETF

On May 29 BlackRock's iShares Bitcoin Trust (iBIT) surpassed Grayscale's Bitcoin Trust (GBTC) in terms of Bitcoin holdings, with iBIT reaching 288,670 BTC held, compared to GBTC's 287,450 BTC.

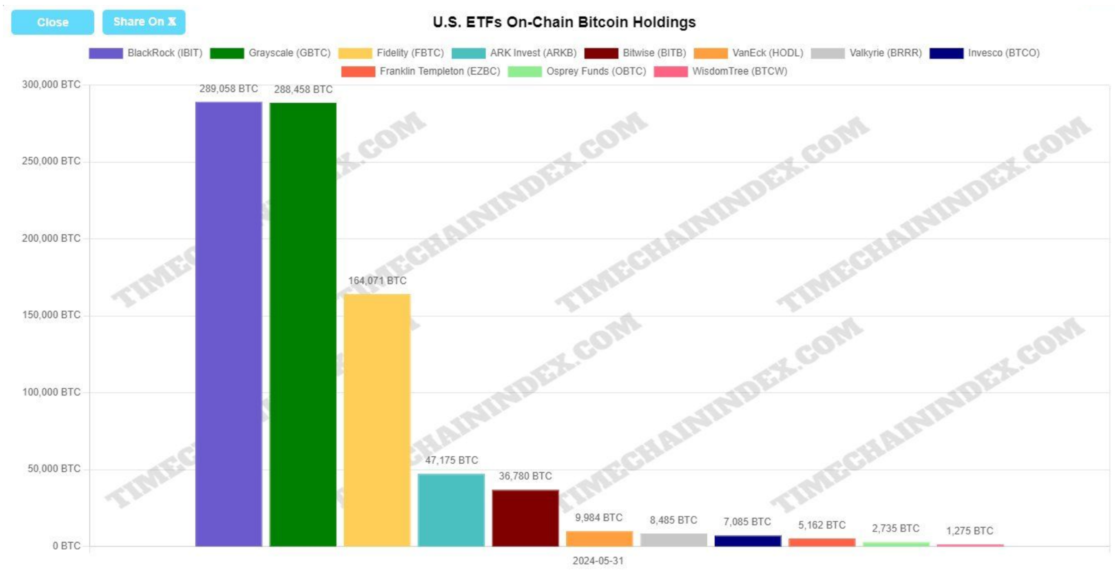


Figure 11. US ETFS On-Chain Bitcoin Holdings Source:Timechainindex.com

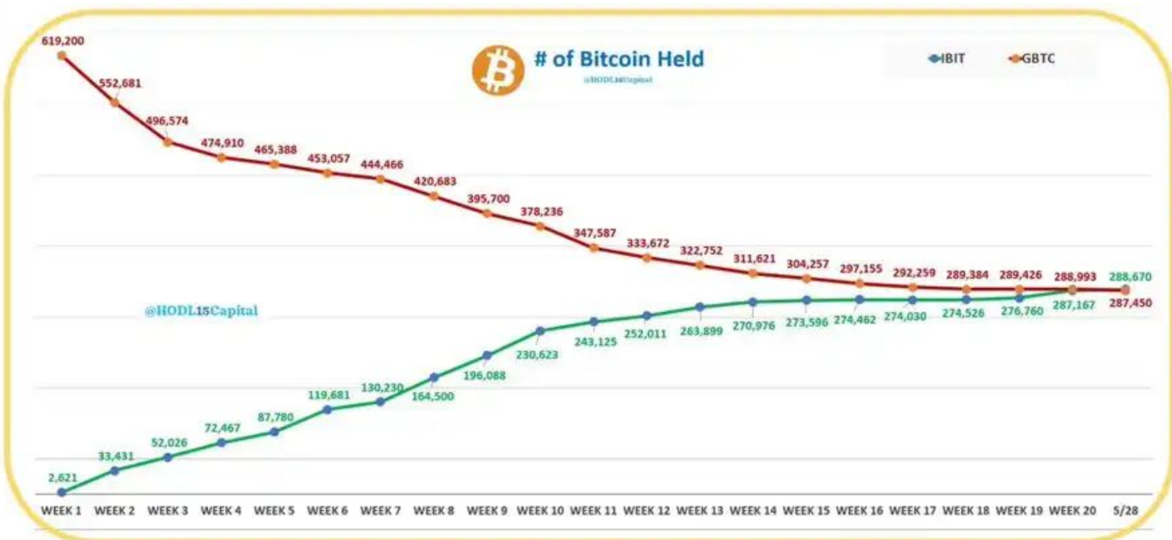


Figure 12. Number of Bitcoin Held : IBIT and GBTC

iBIT also recorded an average daily trading volume of $303.4 million over the last month, surpassing GBTC's $291 million. This increased trading volume reflects growing investor confidence in BlackRock's ETF product. iBIT's AUM has surged to $19.6 billion, overtaking GBTC's $19.26 billion.

Market Data

Sort by NetAssets | Top Gainer

#	Ticker	Exchange	Inst.	Prem./Dsc. As of 05/31	1DNetInflow As of 05/31	CumNetInflow As of 05/31	NetAssets As of 05/31	NetAssets% As of 05/31	Fee	MktPrice	DailyChg	ValueTraded As of 05/31	DailyVol	Status
1	GBTC	NYSE	Graysca...	+0.05%	-$124M	-$18B	$19.26B	1.44%	1.50%	$60.09	-1.56%	$336.41M	5.60M	Close
2	IBIT	NASDAQ	BlackRo...	+0.32%	$169M	$17B	$19.67B	1.47%	0.25%	$38.55	-1.56%	$890.57M	23.03M	Close
3	FBTC	CBOE	Fidelity	+0.11%	$6M	$9B	$11.08B	0.83%	0.25%	$59.11	-1.73%	$274.67M	4.64M	Close
4	ARKB	CBOE	Ark Inve...	+0.16%	$0	$2B	$3.18B	0.24%	0.21%	$67.55	-1.75%	$119.19M	1.76M	Close
5	BITB	NYSE	Bitwise	+0.17%	$0	$2B	$2.48B	0.19%	0.20%	$36.85	-1.65%	$80.97M	2.20M	Close
6	BTCO	CBOE	Invesco ...	+0.06%	$0	$317M	$492.98M	0.04%	0.25%	$67.62	-1.62%	$6.37M	94.53K	Close
7	HODL	CBOE	VanEck	+0.23%	-$2M	$524M	$673.74M	0.05%	0.25%	$76.52	-1.57%	$10.74M	140.62K	Close
8	BRRR	NASDAQ	Valkyrie ...	+0.22%	$0	$508M	$578.89M	0.04%	0.25%	$19.17	-1.54%	$2.24M	117.19K	Close
9	EZBC	CBOE	Franklin...	+0.07%	$0	$361M	$414.92M	0.03%	0.19%	$39.17	-1.73%	$5.59M	143.16K	Close
10	BTCW	CBOE	Wisdom...	+0.06%	$0	$70M	$86.02M	0.01%	0.25%	$71.72	-1.75%	$3.30M	46.15K	Close
11	DEFI	NYSE	Hashdex	+0.47%	$0	$2M	$12.35M	0.00%	0.90%	$77.55	-1.14%	$118.92K	1.52K	Close

Figure 13. US BTC Spot ETF (Source: SosoValue)

The competition between iBIT and GBTC has also resulted in tighter bid-ask spreads, enhancing liquidity and trading volume. This has reduced transaction costs for investors, making the Bitcoin ETF market more efficient and attractive.

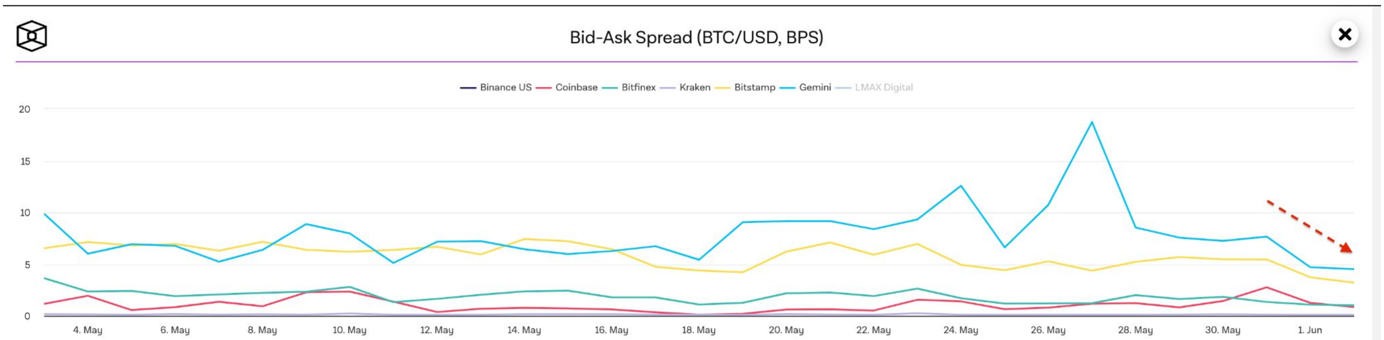


Figure 14. Bitcoin Bid-Ask Spread (Source: TheBlock)

Despite GBTC experiencing a $124 million outflow on May 31st, the overall Bitcoin ETF market saw a net inflow of $48.8 million last Friday, continuing an 14-day streak of positive net inflows for US Bitcoin ETFs. This trend suggests a robust investor interest in Bitcoin ETFs, with iBIT leading the charge.

The growing institutional investment in iBIT should lead to an increase in BTC prices. Additionally, the positive momentum from Bitcoin ETFs boosts overall investor sentiment, contributing to upward price movements. Investors are increasingly favouring iBIT due to its lower expense ratio of 0.25 percent, compared to GBTC's 1.5 percent. This cost efficiency, coupled with BlackRock's robust infrastructure, attracts more institutional funds to iBIT, enhancing its market position.

Institutional investors prefer the regulatory clarity and operational efficiency offered by BlackRock's ETF. This preference supports the broader acceptance and integration of Bitcoin into traditional financial systems, signalling a significant step towards mainstream adoption. With nearly $20 billion in assets and a competitive edge in fees, BlackRock's iBIT has set a new benchmark in the Bitcoin ETF market. As the competition evolves, the increasing interest and acceptance of Bitcoin ETFs reflect a broader trend of mainstream adoption and growth in the cryptocurrency market.

GENERAL MACRO UPDATE

GDP Grew Less than Expected

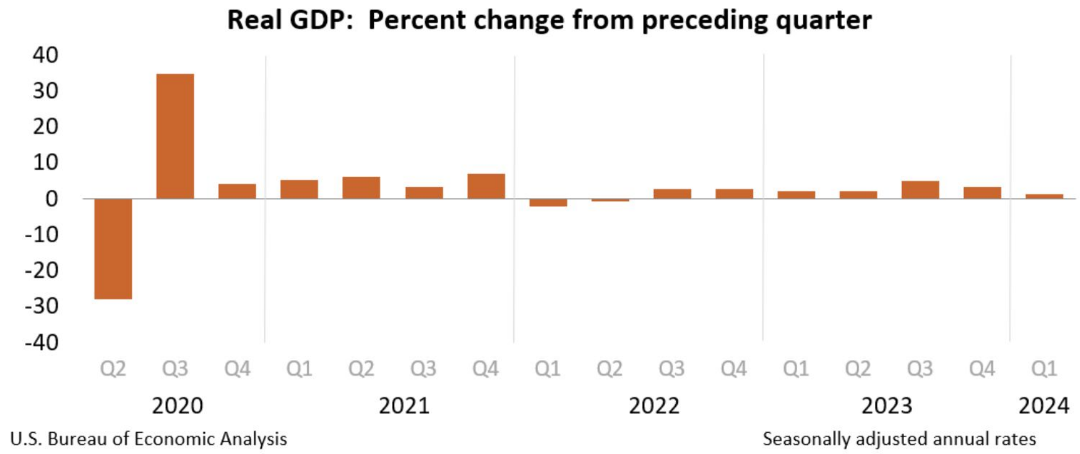


Figure 15. Real GDP (Source: Bureau of Economic Analysis)

The US economy expanded at a slower pace in the first quarter than initially estimated, with consumer spending and a key inflation measure seeing downward revisions. This development is good news for the Federal Reserve's potential plan to lower interest rates at least once before year-end.

The Gross Domestic Product (GDP) growth rate was adjusted down to 1.3 percent from the previous estimate of 1.6 percent, according to a Bureau of Economic Analysis report issued last Thursday, May 30th. This adjustment indicates that the Fed's strategy of gradually cooling the economy with high interest rates is influencing consumer behaviour, even though the outlook for inflation remains uncertain.

The GDP report highlighted that reduced consumer spending growth, now at an annualised rate of two percent, was largely due to a greater-than-expected decrease in household spending on goods, particularly durable goods like vehicles and parts. This decline outweighed increases in business investments, mainly in AI and other technologies, and residential investments, which saw a rise in single-family homebuilding.

Gross domestic income, another important metric, rose by 1.5 percent, reflecting the robust labour market in the first quarter, characterised by a solid compensation growth. This marks the fifth consecutive quarter of real income growth since early last year.

Recently however, the labour market has shown signs of cooling. The latest report on initial jobless claims, slightly increased to 219,000 from 216,000, suggesting a gradually cooling labour market rather than a sharp decline.

Considering the recent economic data, it appears the economy's growth aligns with its long-term trend. However, it is likely that post-pandemic inflation will remain higher than the Fed's two percent target for a longer period, due to factors beyond the control of monetary policies. Despite this, slower inflation and steady wage growth are expected to support overall spending, and hence the economy, in the second quarter.

US Consumer Spending Begins to Slow as High Interest Rates Take Toll

	2023	2024			
	Dec.	Jan.	Feb.	Mar.	Apr.
	Percent change from preceding month				
Personal income:					
Current dollars	0.3	1.1	0.3	0.5	0.3
Disposable personal income:					
Current dollars	0.3	0.7	0.3	0.5	0.2
Chained (2017) dollars	0.2	0.3	-0.1	0.1	-0.1
Personal consumption expenditures (PCE):					
Current dollars	0.6	0.1	0.7	0.7	0.2
Chained (2017) dollars	0.5	-0.3	0.3	0.4	-0.1
Price indexes:					
PCE	0.1	0.4	0.3	0.3	0.3
PCE, excluding food and energy	0.2	0.5	0.3	0.3	0.2
Price indexes:	Percent change from month one year ago				
PCE	2.6	2.5	2.5	2.7	2.7
PCE, excluding food and energy	2.9	2.9	2.8	2.8	2.8

Figure 16. Personal Consumption Expenditure (Source: Bureau of Economic Analysis)

American consumers have begun pulling back on spending, an indication of the impact that elevated interest rates are having on overall demand, and also compounded by the waning fiscal support from pandemic-era measures.

The April Personal Income and Outlays report revealed that the personal consumption expenditures (PCE) price index rose by only 0.3 percent in April, which was flat month-on-month, compared to March.

Year-on-year (YoY), the PCE price index is up 2.7 percent, also flat on the previous month, and in line with consensus forecasts. The core PCE index, which excludes food and energy prices, grew by 0.2 percent from the previous month, which was lower than expected, and a decrease from the 0.3 percent reported for March..

Housing inflation, a significant and persistent factor in overall inflation calculations, showed no improvement in April, climbing by 0.4 percent month-on-month. We expect disinflation to emerge by late summer, influenced by the delayed effects of real-time drops in housing prices.

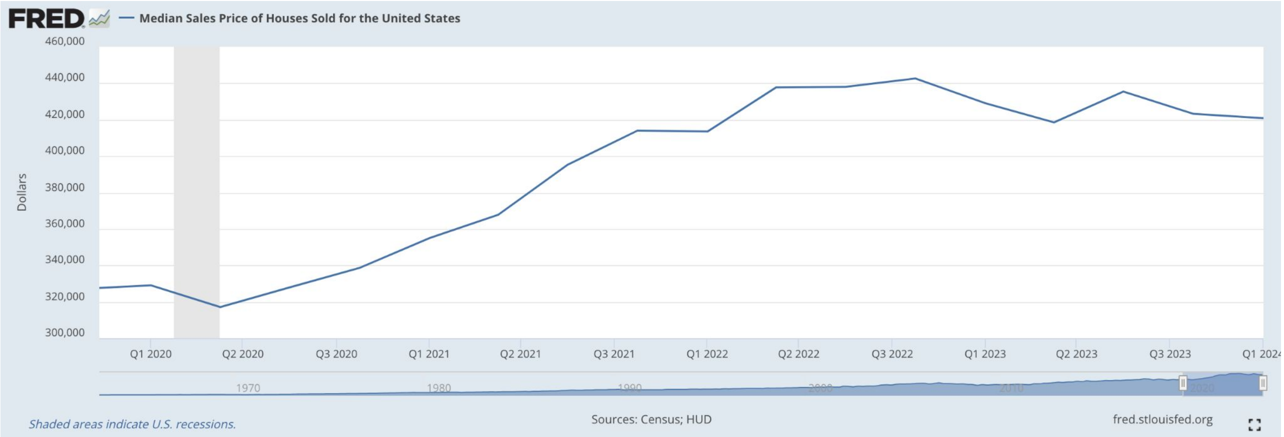


Figure 17. Median Sales Price of Houses Sold for the United States (Source: Census Bureau)

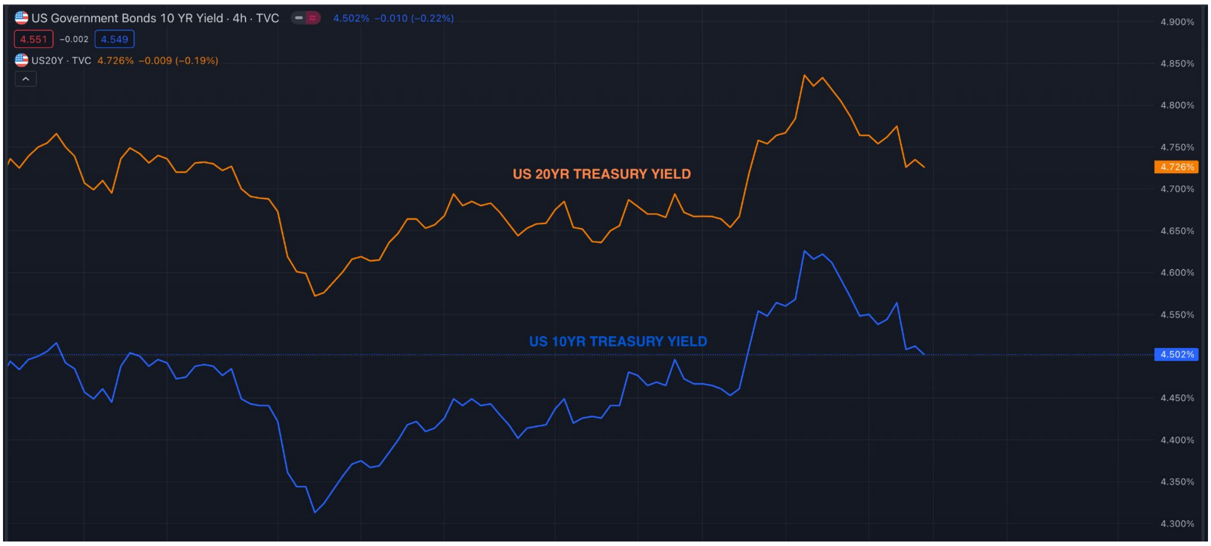


Figure 18. US 20YR and 10YR Treasury Yield (Source: Tradingview)

Following the release of the report, yields on US Treasury securities decreased, as bond prices rose, and equity index futures surged. The market continues to expect a rate cut by September according to the CME FedWatch Tool.

	CME FEDWATCH TOOL - CONDITIONAL MEETING PROBABILITIES						
MEETING DATE	375-400	400-425	425-450	450-475	475-500	500-525	525-550
6/12/2024		0.0%	0.0%	0.0%	0.0%	4.4%	95.6%
7/31/2024	0.0%	0.0%	0.0%	0.0%	0.5%	15.7%	83.8%
9/18/2024	0.0%	0.0%	0.0%	0.2%	7.5%	47.0%	45.2%
11/7/2024	0.0%	0.0%	0.1%	2.0%	17.2%	46.6%	34.1%
12/18/2024	0.0%	0.0%	1.2%	10.6%	33.7%	39.6%	15.0%
1/29/2025	0.0%	0.4%	4.3%	18.3%	35.7%	31.4%	10.0%
3/19/2025	0.2%	2.2%	10.8%	26.4%	33.7%	21.4%	5.3%
4/30/2025	0.9%	5.1%	16.0%	28.8%	29.6%	16.0%	3.5%

Figure 19. CME FedWatch Tool - Meeting Probabilities

The recent adjustment in the GDP estimate for the first quarter and the apparent stabilisation in the PCE index could prompt the Fed to reconsider its aggressive stance on maintaining high-interest rates. While recent data might increase the likelihood of rate cuts this year, it hasn't significantly changed forecasts, with respect to the number of rate reductions expected, which is currently two cuts within the year. However, more data may emerge showing a cooling economy in the coming months as disinflation begins to kick in and the Fed might need to act sooner to avoid a major economic downturn.

The report also showed that the personal saving rate, as a percentage of disposable income, was also flat at 3.6 percent, the lowest since December 2022. With consumers saving less, it appears that most of the excess savings accumulated during the pandemic have been depleted, particularly among lower-income earners who are more vulnerable to inflation and economic slowdowns.

US Consumer Confidence Rises in May, Buoyed by Labour Market Optimism Despite Inflation Concerns

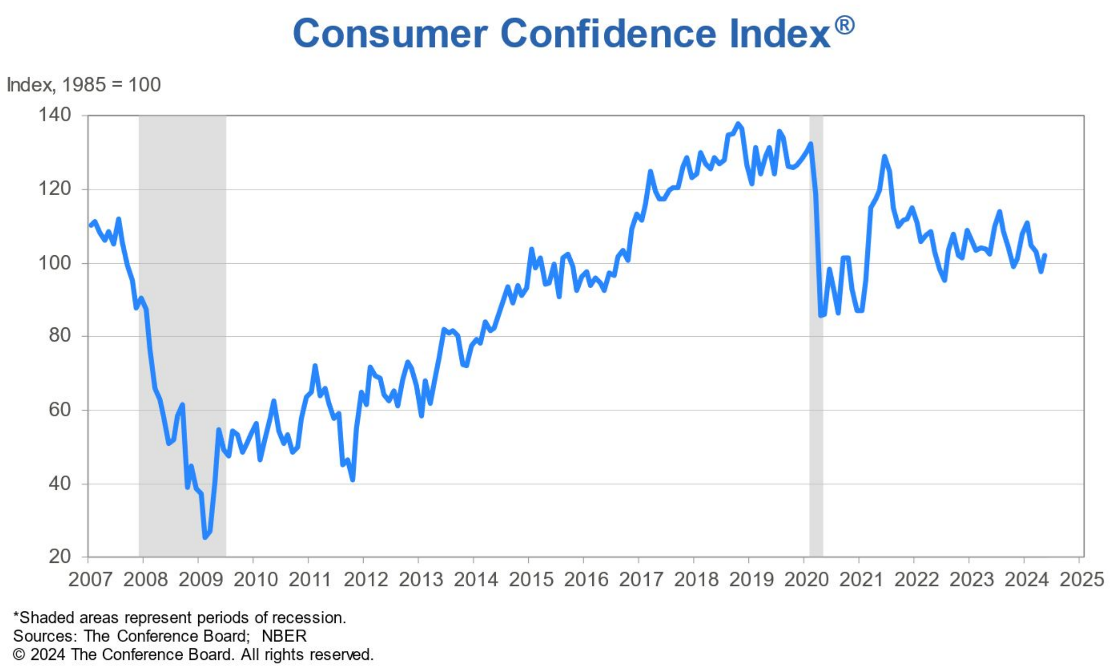


Figure 20. Consumer Confidence Index

May US consumer confidence figures took an unexpected upward turn after three consecutive months of decline, despite households reporting in the same survey their concerns about inflation. Additionally, there is a widespread expectation of higher interest rates over the next year, reflecting ongoing economic uncertainties and the potential impact on personal finances.

The Conference Board report revealed that more consumers expected the economy to potentially enter a recession within the next 12 months. Despite this, consumers remained positive about the stock market, and more people are planning to purchase major household appliances in the next six months.

While the economy is predicted to slow down this year due to the cumulative impact of 525 basis points worth of interest rate hikes from the Fed since March 2022, it continues to avoid a recession. Continued growth (albeit slowing), steady wages and a buoyant stock market has kept consumers spending, despite elevated prices and high borrowing costs.

The consumer confidence index increased to 102.0 in May, from an upwardly revised 97.5 in April. The consensus forecast was for a drop to 95.9 from the previously reported 97.0. The result came in sharp contrast to the University of Michigan's sentiment index, which saw a statistically significant 8.1 index-point decrease, with rising concerns over labour market and income growth. The Conference Board on the other hand, reported an improvement across all age groups, with the largest increase among consumers with annual incomes over $100,000.

We put more weight on the findings of the Conference Board in this case, as the survey is conducted monthly and usually reflects consumer sentiment as of the middle of the month. This can make it more current and sensitive to recent events.

The University of Michigan survey is conducted throughout the month in two stages (preliminary and final), and its results reflect a broader timeframe. This could cause the index to be less sensitive to very recent events compared to the Conference Board.

According to the Conference Board's survey, consumers' perceptions of the labour market also improved, with the survey's labour market differential, which reflects respondents' views on job availability, widening to 24 from 22.9 in April. This suggests that while job opportunities may not be as abundant as last year, the labour market remains strong by historical standards.

NEWS FROM THE CRYPTO-SPHERE

Major Financial Firms Take Steps Toward Launching Spot Ether ETFs

Figure 21.Major Financial Firms Take Steps Toward Launching Spot Ethereum ETFs

The US Security and Exchange Commission's (SEC) approval of the 19b-4 forms for Ether Spot ETFs led major firms like Franklin Templeton, VanEck, and Invesco Galaxy to submit their revised S-1 forms, aiming to offer investors a way to invest in Ethereum without directly purchasing the cryptocurrency

The recent approval of the 19b-4 forms (a filing made by self-regulatory organisations like stock exchanges to propose new rules or changes to existing rules) of Ether Spot ETF issuers, marked a significant milestone, and has now led to significant revisions of their S-1 forms, which provides detailed and financial operational information about the issuer.

Franklin Templeton, VanEck, and Invesco Galaxy have now submitted revised S-1 forms to the SEC in a bid to be the first to offer spot Ether ETFs into the market.

According to a filing made by Franklin Templeton, it plans to implement a 0.19% sponsor fee for its spot Ether ETF, mirroring the fee for its spot Bitcoin ETF (EZBC), which is notably the lowest among its competitors, and in and initial period, no fee is being charged.

The SEC requested that all prospective spot Ether ETF issuers submit their amended S-1 forms by last Friday. Although it may take several weeks for these forms to be approved and the ETFs to start trading, progress is being made. BlackRock also submitted an updated S-1 form on Thursday, revealing that its ETF would begin with a $10 million investment.

Tether to Invest up to $150 Million in Bitcoin Miner Bitdeer

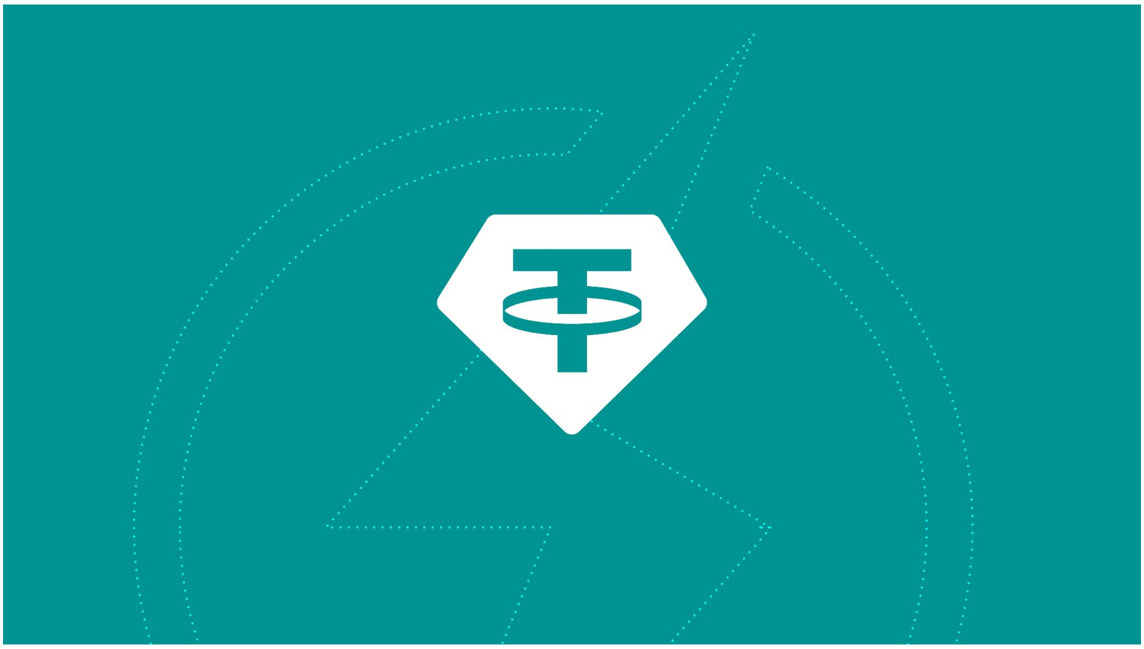


Figure 22. Tether to Invest up to $150 Million in Bitcoin Miner Bitdeer

- **Tether has committed up to $150 million to invest in Bitcoin miner Bitdeer, through a private placement of shares and warrants**
- **The funds will help Bitdeer expand its data centres and develop mining rigs, while Tether strengthens its position in the cryptocurrency mining sector, as part of its broader crypto economy ambitions**

In a strategic move to bolster its involvement in the cryptocurrency mining sector, Tether has agreed to purchase up to $150 million worth of shares in Bitdeer, a Bitcoin mining firm.

Bitdeer, based in Singapore, announced on Friday, May 31st, that it had entered into a subscription agreement for the private placement of 18,587,360 Class A ordinary shares. This transaction is expected to generate $100 million in proceeds. Additionally, the agreement includes a warrant that allows the purchase of an additional five million shares at $10 each, potentially bringing in an extra $50 million if fully exercised.

The capital raised from this investment will be allocated towards expanding Bitdeer's data centres and advancing the development of its ASIC-based mining rigs, according to the company's statement. The announcement had a positive impact on Bitdeer's stock.

“Tether is delighted to be working with Bitdeer. We regard Bitdeer as one of the strongest vertically integrated operators in the Bitcoin mining industry, differentiated by its cutting-edge technologies, and a robust R&D organisation,” said Paolo Ardoino, CEO of Tether. “Bitdeer’s proven track record and world-class management team are perfectly aligned with Tether’s long-term strategic vision. We anticipate close collaboration with Bitdeer across several key infrastructure areas moving forward.”

Tether has recently reorganised into four divisions to better reflect its broader ambitions within the crypto economy. One of these new divisions - Tether Power - is specifically dedicated to investments in Bitcoin mining, signalling Tether's growing commitment to supporting the infrastructure of the cryptocurrency market.

NYSE Teams Up with CoinDesk for New Bitcoin Index Options

Figure 23. NYSE Teams Up with CoinDesk for New Bitcoin Index Options

- **The New York Stock Exchange collaborates with *CoinDesk* Indices to launch options tracking the *CoinDesk* Bitcoin Price Index**
- **New financial products will be cash-settled and based on real-time Bitcoin spot prices**
- **These contracts, pending regulatory approval, aim to offer an innovative risk management tools for investors**

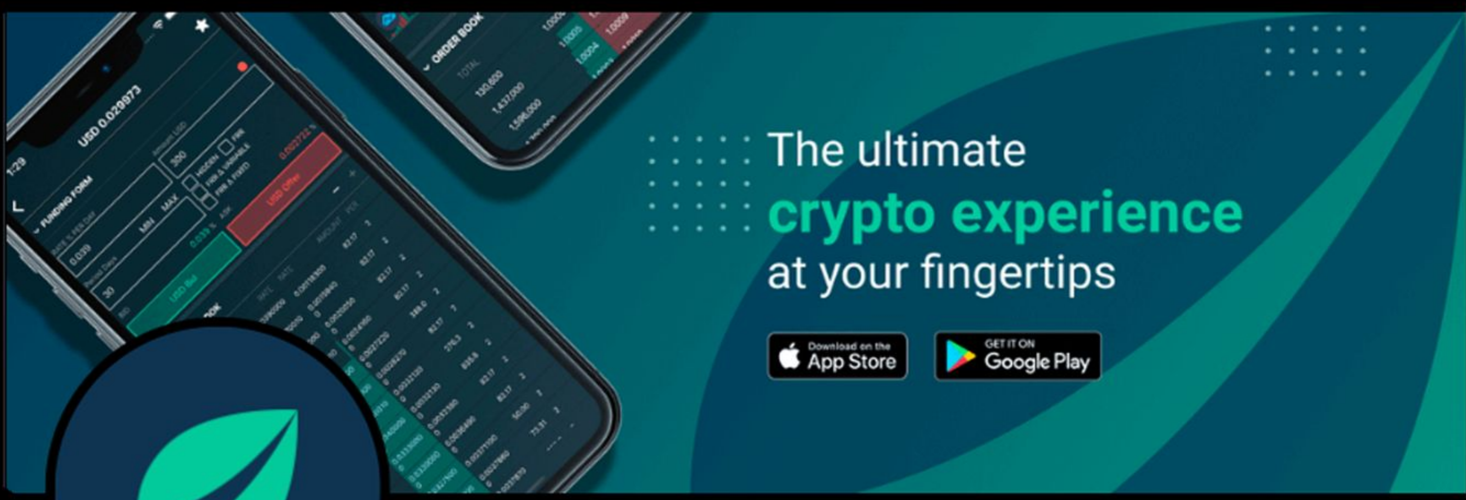
The New York Stock Exchange (NYSE), in partnership with *CoinDesk* Indices, has announced plans to introduce cash-settled index options that will track the *CoinDesk* Bitcoin Price Index (XBX). This initiative marks a significant step toward integrating Bitcoin more deeply into mainstream financial products.

Jon Herrick, Chief Product Officer at the NYSE, highlighted the widespread enthusiasm for Bitcoin following the recent approval of spot Bitcoin ETFs, underscoring the exchange's commitment to expanding its digital asset offerings. The proposed options will provide investors with a liquid and transparent tool for managing bitcoin exposure.

The XBX index, which has been a reliable benchmark for Bitcoin pricing since 2014, reflects the spot price of Bitcoin across several exchanges, updated every second. This index currently underpins $20 billion in ETF assets, demonstrating its critical role in the digital asset space.

Andy Baehr, Head of Product at *CoinDesk* Indices, noted that the collaboration with NYSE opens a new chapter for digital assets, bringing established risk management tools to both US and global investors. This partnership will leverage the expertise of NYSE and *CoinDesk* Indices in providing accessible investment options.

Looking ahead, the NYSE and *CoinDesk* Indices said they will work closely with regulatory bodies to refine and launch these products. The introduction of these options is poised to further bridge the gap between traditional finance and the evolving digital asset market.



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