

Global Crypto Based Exchange Traded Products AUM Drop on Aug. Monthly and YTD Basis

London, UK, Oct. 4, 2022 – Fineqia International Inc.'s (the "Company" or "Fineqia") (CSE: FNQ) (OTC: FNQQF) (Frankfurt: FNQA) analysis of Global Exchange Traded Products (ETPs) that have cryptocurrencies as underlying assets, revealed a drop of 11% during the month of Aug. in the value of their Assets Under Management (AUM).

Total AUM declined to \$25.4 billion from \$28.5 billion between Aug. 1 and Sept. 1. The data from 155 listed ETPs, including Exchange Traded Funds (ETFs) and Exchange Traded Notes (ETNs), was compiled by Fineqia Research.

ETPs holding Bitcoin (BTC) declined 12% to \$16.7 billion from \$19 billion in the same period. That closely correlated with the 13% slide in the BTC price, which dropped to about \$20,000 on Sept. 1 compared with \$23,000 a month earlier. ETPs representing alternative coins, or a basket of cryptocurrencies, dropped 12% and 13% respectively.

Ethereum (ETH) denominated ETPs dropped two times more than the underlying ETH price during this period, as the cryptocurrency's price was held up by investor confidence in the ETH network's move on Sept. 15 to a Proof of Stake (PoS) consensus mechanism from a more power consumptive Proof of Work (PoW) one. Ethereum ETPs total AUM dropped 8% to \$6.7 billion from \$7.3 billion, while ETH itself declined only 2.6% in August.

"There are red and green signals in the crypto markets, a short-term nervousness, and a long-term confidence. Despite a decline in capital inflows into traded crypto products, the actual number and variety of products being introduced in the market is still on the rise," said Bundeep Singh Rangar, CEO of Fineqia. "Investments in private blockchain technology companies have continued in this down market."

Blackrock Inc. recently invested in Coinbase Global Inc. and Barclays Plc invested in Copper Technologies, according to Bloomberg News and Sky News. So far in 2022, 46 new ETPs were released with a variety of cryptocurrency assets. Only four of these held BTC or ETH as underlying collateral as issuers looked to diversify their offerings.

On a Year to Date (YTD) basis, the value of crypto asset denominated ETPs declined greater than the broader cryptocurrency market so far in 2022. While total AUM decreased 57%, similar to a 55% drop in the broader crypto market, this was despite a 42% increase in the number of ETPs.

At the start of 2022, the AUM of crypto ETPs totaled \$58.5 billion, with 109 ETPs listed. By Sept. 1, listed ETPs grew to 155, while their value dropped to \$25.2 billion. On Sept. 1, the total cryptocurrency market cap was below \$1 trillion, compared with \$2.2 trillion in Jan.

The raising of interest rates by central banks worldwide to combat inflation caused by the economic effects of the Covid-19 pandemic and the surge in energy prices, have reduced demand for crypto currencies and other assets supported by cryptocurrencies.

All references to dollars are to US dollars.

All cryptocurrency prices are sourced from CoinMarketCap.

All ETFs and ETPs AUM were compiled from publicly available sources, such as 21Shares AG, Grayscale Investment LLC, VanEck Associates Corp., MorningStars, Inc., and TrackInSight SAS by Fineqia's in house Research Department.

<https://www.weforum.org/agenda/2022/08/central-banks-hike-interest-rates-inflation-pressures/>

<https://news.bloomberglaw.com/banking-law/blackrock-teams-up-with-coinbase-in-crypto-market-expansion-1>

<https://news.sky.com/story/barclays-snaps-up-stake-in-2bn-cryptocurrency-firm-copper-12658295#:~:text=Copper%2C%20which%20is%20advised%20by,UK%20lender%2C%20Sky%20News%20I earns.>

About Fineqia International Inc.

Fineqia is a listed entity in the Canada (CSE: FNQ), US (OTC: FNQQF) and Europe (Frankfurt: FNQA). Fineqia's strategic focus has been to provide a platform and associated services to support securities issuances and manage administration of debt securities. Fineqia is currently building out its alternative finance business and it currently holds a growing portfolio of blockchain, fintech and cryptocurrency technology companies worldwide.

For more information, visit www.fineqia.com

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