

Global Digital Asset-Based Exchange Traded Products AUM Reaches All-Time High \$95.4 Bn; 18% Surge in May

London, UK, June 13, 2024 – Fineqia International Inc. (the "Company" or "Fineqia") (CSE: FNQ) (OTC: FNQQF) (Frankfurt: FNQA), a leading digital asset and fintech investment business, announces that its analysis of global Exchange Traded Products (ETPs) with digital assets as underlying collateral revealed Assets Under Management (AUM) increased to \$95.4 billion from \$81 billion at the end of April, marking a 18% increase.

Year-to-date, ETPs holding digital assets have seen a 93% rise in AUM, up from \$49.5 billion at the end of 2023. The total AUM recorded at the end of May represents a new all-time high for ETPs holding digital assets, surpassing the previous high of \$94.4 billion recorded at the end of March.

In May, the total market value of digital assets increased by 16.9%, to approximately \$2.68 trillion from \$2.29 trillion. This indicates a 6.5% premium growth for ETPs compared to the underlying assets during May. While the AUM of ETPs holding digital assets rose by 93% year-to-date, the digital assets market cap increased by 51%, from \$1.77 trillion. This highlights a premium growth of approximately 82% for ETPs relative to the underlying assets.

The premium observed in May can be partially attributed to the increasing confidence of market participants concerning the approval of Ethereum (ETH) Spot ETFs, which was confirmed with the approval by the U.S. Securities and Exchange Commission (SEC) on May 23, further boosting demand and positive sentiment around financial products with underlying digital assets.

"Ethereum ETFs are like the second domino in a long line," said Fineqia's CEO Bundeep Singh Rangar. "What started with Bitcoin is now carrying on to ETH and paves the way for multiple altcoins to likely be approved as mainstream digital assets in the future. This is already evident in various parts of the world, fundamentally reshaping investment theses."

In May, the price of Bitcoin (BTC) rose by 12.3% to \$67,150 from \$60,150. Simultaneously, the AUM of ETPs with BTC as their underlying asset experienced a 15.9% increase, rising to \$73.3 billion from the \$63.2 billion recorded at the end of April. These figures underscore a net inflow throughout May, following a month of lower demand in April that indicated neutral flow into ETPs holding BTC.

Notably in May, BlackRock's BTC Spot ETF (IBIT) officially surpassed Grayscale's BTC Spot ETF (GBTC) in AUM. This shift reflects the ongoing trend of outflows from GBTC following its conversion from a trust to an ETF, contrasting the robust inflows into IBIT since its inception. By the end of May, both ETFs had more than \$19 billion in AUM, with IBIT holding \$19.7 billion and GBTC holding \$19.2 billion.

Year-to-date, ETPs holding BTC tallied a 106% increase, while the BTC price rose 59.7%. This highlights a 77.6% premium in growth for financial products with BTC as the underlying asset in 2024, aptly demonstrated by the approximately \$14 billion in net inflow recorded in BTC Spot ETFs across the U.S.

In May, Ethereum (ETH) saw a 26.8% increase in value, rising to \$3,785 from \$2,985 at the end of April. During the same period, the AUM of ETH-denominated ETPs increased by 27.9%, reaching \$15.3 billion from \$12 billion. Year-to-date, ETPs holding ETH have shown a 61.9% increase, while the price of ETH has risen 66.2%.

This trend is expected to reverse once the SEC approves ETH Spot ETFs for trading, leading to net inflows into financial products holding ETH and mirroring the premium growth observed for ETPs holding BTC. The start date for ETH Spot ETFs is currently expected in July or August 2024, potentially sustaining demand for digital assets ETPs in Q4 2024, resulting in additional net inflows.

ETPs representing a diversified basket of cryptocurrencies saw a 20.8% increase in AUM during May, rising to \$3.25 billion from \$2.8 billion at the end of April. Year-to-date, the AUM of ETPs holding a basket of cryptocurrencies has risen 44.4%, up from \$2.25 billion at the beginning of 2024.

ETPs representing an index of alternative coins increased by 20.8% in May, reaching \$3.59 billion from \$2.97 billion at the end of April. Year-to-date, the total growth was 60.9%, up from \$2.23 billion at the end of 2023. Solana (SOL) remains the dominant asset in this index, comprising almost half of the alternative coins' AUM.

ETPs include Exchange Traded Funds (ETFs), which are common in North America, and Exchange Traded Notes (ETNs) that are more popular in Europe. Fineqia Research's AUM calculation factors in the launch or closure of ETPs during any stated period. The number of tracked ETPs stood at 194 as of the end of May.

All references to price are quoted in USD, and the cryptocurrency prices are sourced from CoinMarketCap and CoinGecko.

The ETP and ETF AUM data referenced in this announcement were compiled from reputable sources, including 21Shares AG, Grayscale Investment LLC, VanEck Associates Corp., Morningstar, Inc., and TrackInSight SAS, by Fineqia's dedicated in-house research department.

About Fineqia International Inc.

Fineqia (www.fineqia.com) is a digital asset business that builds and targets investments in early and growth stage technology companies that will be part of the next generation of the Internet. Publicly listed in Canada (CSE: FNQ) with quoted symbols on the Nasdaq and the Frankfurt Stock Exchange, Fineqia's portfolio of investments includes businesses at the forefront of tokenization, blockchain technology, NFTs, AI, and fintech. Fineqia's VC fund in formation, Glass Ventures, backs category-defining Web 3.0 and Web 4.0 companies built by world-class entrepreneurs. <https://twitter.com/FineqiaPlatform> and <https://www.linkedin.com/company/fineqia/>.

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