

Worldwide Digital Asset-Based ETP AUM 77% Ahead YTD; Total ETP Count Increases 20% to 194

London, UK, July 9, 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) year-to-date (YTD) increased to \$87.9 billion, marking a 77% increase from \$49.5 billion. The total number of ETPs increased by 32 to 194, or 20% more, than those on Jan. 1 this year.

In June, the AUM of ETPs holding underlying digital assets decreased 8%, from \$95.4 billion recorded at the end of May. During the same period, the digital assets market cap dropped by 9.1% to \$2.43 trillion from \$2.68 trillion. In Q2, total AUM of such ETPs decreased by 6.9% from \$94.4 billion recorded at the end of Q1.

The growth in ETPs' AUM has outpaced the increase in the value of underlying digital assets YTD by approximately 108%. ETPs' AUM saw a 77% increase, compared to a 37.3% rise in the digital assets market cap. This premium growth persisted in Q2, after a strong Q1, despite a market downturn. In Q2, the AUM of ETPs holding digital assets decreased by 6.9%, while the total market cap of digital assets dropped by 13.7%.

The significant premium is still attributed to the approval of BTC Spot ETFs, which began trading on Jan. 11 and saw a cumulative net inflow of around \$14.5 billion in Q1 and Q2. Market participants are now anticipating the launch of Ethereum (ETH) Spot ETFs in July. This could lead to additional net inflows and pave the way for broader adoption of altcoins wrapped into financial products.

"Ethereum backed ETFs will further legitimize digital assets as an institutional grade investment class," said Fineqia's CEO Bundeep Singh Rangar. "BTC Spot ETFs cracked open the door, and ETH ETFs will swing it further."

In June, the price of BTC dropped by 8.4%, to \$61,850 from \$67,550 at the end of May. During the same time, the AUM of ETPs with BTC as the underlying asset saw a 7.9% decrease, dropping to \$67.5 billion from \$73.3 billion recorded at the end of May. This data indicates a neutral flow into BTC ETPs for June.

In Q2, the AUM of ETPs holding BTC as underlying, recorded a 7.3% decrease from \$72.8 billion at the end of Q1 2024. During the same time, BTC price dropped 11.2% to \$61,850 from \$69,650 recorded at the beginning of Q2. These statistics underscore the significant impact of the BTC Spot ETFs launch on the premium growth for ETPs holding digital assets.

During June, Ethereum (ETH) decreased 9.9% in value to \$3,409 from \$3,784 recorded at the end of May. In the same period, the AUM of ETPs holding ETH as underlying dropped 8.2%, to \$14 billion from \$15.3 recorded at the end of May. In Q2, ETH price decreased 2.8% from \$3,508 at the end of Q1. During the same time, ETH-denominated ETPs AUM decreased 1.9% from \$14.3 recorded at the beginning of Q2.

The data indicates a slight premium for ETPs holding ETH as the underlying asset following the announcement of ETH Spot ETF approval in the US. This premium is expected to significantly increase, however, once the ETFs start trading as a presumed consequence of additional inflows.

ETPs representing an index of alternative coins dropped 10% in AUM during June, to \$3.23 billion, from \$3.36 billion recorded at the end of May. During Q2, the drop was 17.2% from \$3.9 billion at the end of Q1.

ETPs representing a diversified basket of cryptocurrencies decreased by 4.9% in June, to \$3.09 billion from \$3.25 billion recorded at the end of May. In Q2, the total drop was 7.9% from \$3.36 billion at the end of Q1.

ETPs include Exchange Traded Funds (ETFs) and Exchange Traded Notes (ETNs). 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 June.

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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