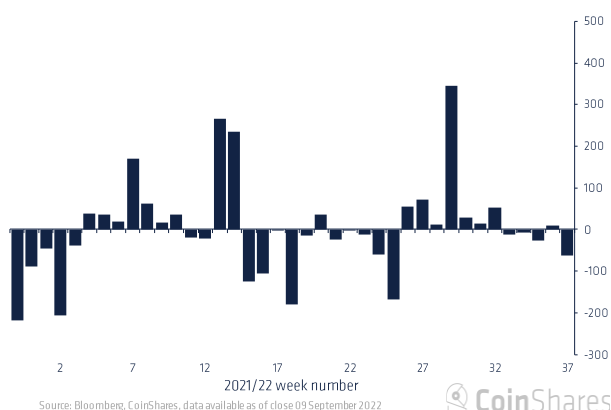


12th September 2022

Investor jitters over the Merge prompt outflows from Ethereum

- Digital asset investment products saw outflows totalling US\$63m, the 5th consecutive week of outflows.
- The outflows remain relatively small in size, totalling US\$99m over the last 5 weeks, while volumes remain only 46% of this year's average at US\$1bn for the week.
- Ethereum was the primary focus of the outflows, totalling US\$62m last week, this comes despite the improved certainty of the Merge and perhaps highlights a concern amongst investors that the event might not go as planned.

Weekly Crypto Asset Flows (US\$m)



Flows by Provider (US\$m)

CoinShares	Week flows	MTD flows	YTD flows	AUM
Grayscale	-	-	-37	19,706
CoinShares XBT*	-3.2	-5.5	-391	1,541
CoinShares Physical*	1.4	2.8	242	407
21Shares	2.8	3.3	132	1,109
ProShares	-10.2	-6.1	283	747
Purpose	-3.3	0.2	84	740
3iQ	-57.0	-58.7	-513	686
CI Investments	0.4	2.2	-32	644
Other	6.4	1.6	648	4,325
Total	-62.7	-60.2	416	29,905

Flows by Asset (US\$m)

CoinShares	Week flows	MTD flows	YTD flows	AUM
Bitcoin	-13.0	-15.4	251.7	18,001
Ethereum	-61.6	-62.2	-360.8	8,083
Multi-asset	0.2	0.9	222.9	2,808
Binance	-0.9	-1.1	-23.0	312
Short Bitcoin	10.6	15.5	121.0	154
Litecoin	-	-	2.8	101
Solana	0.3	0.5	114.2	98
Tron	-	-	-3.6	62
Cardano	0.4	0.4	14.1	38
XRP	0.1	0.2	8.2	32
Other	1.0	1.0	68	217
Total	-62.7	-60.2	416	29,905

Source: Bloomberg, CoinShares, data available as at 09 Sep 2022

* Independent daily attestation by Armanino

Digital asset investment products saw outflows totalling US\$63m, the 5th consecutive week of outflows when taking into consideration of the negative sentiment inferred by last week's inflow into short-bitcoin investment products. The outflows remain relatively small in size, totalling US\$99m over the last 5 weeks, while volumes remain only 46% of this year's average at US\$1bn for the week. Despite the uptick in prices on Friday, it was the largest day of outflows.

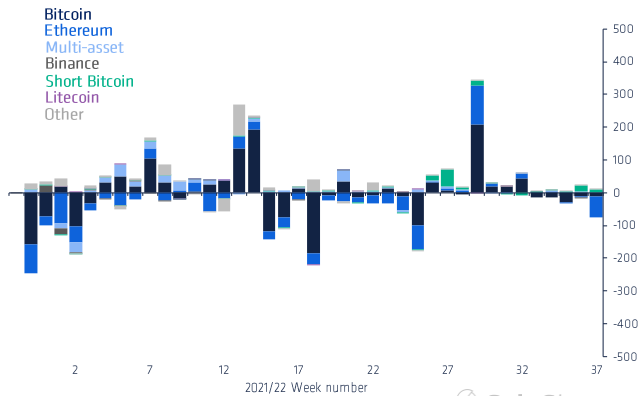
Regionally the outflows were focussed on Canada and the US which saw outflows totalling US\$60m and US\$10m respectively. While Europe was the contrarian with inflows totalling US\$7m.

Ethereum was the primary focus of the outflows, totalling US\$62m last week, this comes despite the improved certainty of the Merge (expected to be on or around 15th September) and perhaps highlights a concern amongst investors that the event might not go as planned. We have written about [this](#) extensively and do not expect there to be any issues.

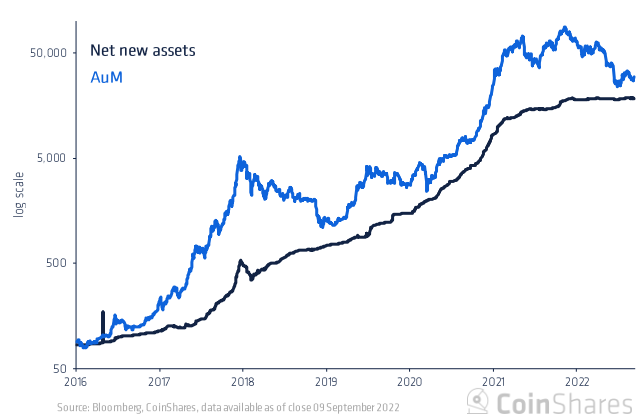
Bitcoin saw a 5th consecutive week of outflows totalling US\$13m, while short-bitcoin investment products saw inflows totalling US\$11m highlighting continued negative sentiment.

Altcoins saw inflows totalling US\$1m, most notably from Polygon and Cardano with US\$0.4m each.

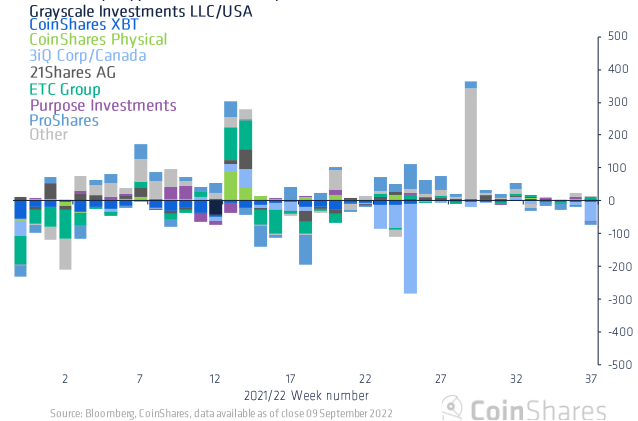
Weekly Crypto Asset Flows by Asset (US\$m)



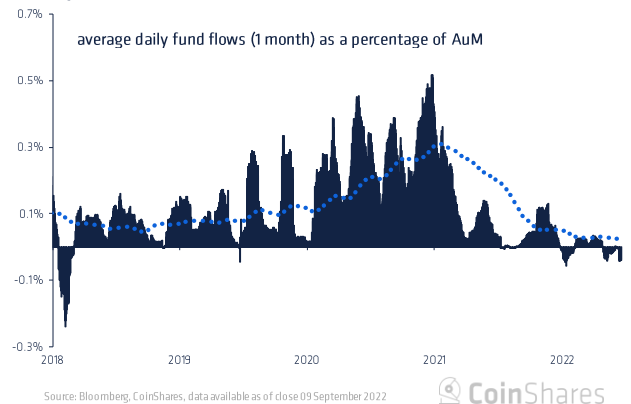
Digital Asset ETP & Mutual fund Net New Assets US\$m



Weekly Crypto Asset Flows by Institution (US\$m)



Crypto Asset Fund Flows as a Percentage of Fund AuM

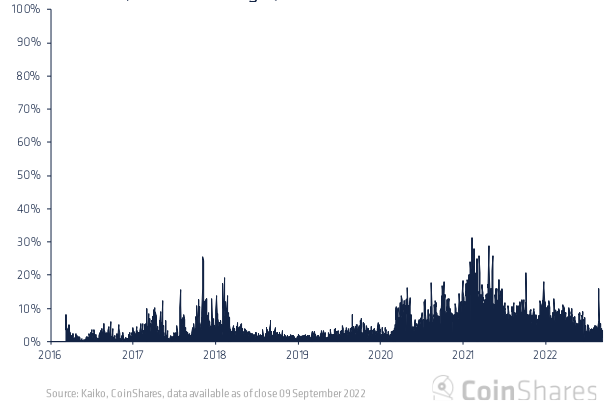


Blockchain Equity ETPs (US\$m)

	Week flows	MTD Flows	YTD flows	AuM
Invesco Coinshares Global B	-	-	38	672
Amplify Transformational D	-12.6	-12.6	-28	562
Siren Nasdaq Nexgen Econo	2.7	2.7	-52	122
First Trust Indxx Innovative	-	-	-1	114
Global X Blockchain Etf	0.5	2.5	61	74
Bitwise Crypto Industry Innc	-	-	44	73
Goldman Sachs Finance Rei	-	-	-	52
Vaneck Digital Transformati	-	-	37	35
Blockchain Technologies Etf	-	-	-3	26
Fidelity Crypto Industry And	0.7	0.7	18	22
Capital Link Global Fintech I	-	-	-6	18
Fidelity Metaverse Etf	-	-	9	13
Horizons Big Data & Hardwa	0.1	0.1	-1	7
Ishares Blockchain And Tech	-	-	4	7
Defiance Digital Revolution	-	-	6	7
Viridi Bitcoin Miners Etf	-	-	4	6
Grayscale Future Of Finance	-0.0	0.0	10	6
Invesco Alerian Galaxy Crypt	-	-	2	3
Valkyrie Bitcoin Miners Etf	-	-	6	3
Etc Group Digital Assets An	-	-	3	3
Volt Crypto Industry Revolui	-	-	0	3
Melanion Btc Equities Unive	-	-	2	3
Invesco Alerian Galaxy Block	-	-	-	2
Grayscale Future Of Finance	-	-	-	2
Valkyrie Balance Sheet Oppr	-	-	1	1
Cosmos Global Digital Miner	-	-	0	1
Total	-8.6	-6.6	155	1,837

Source: Bloomberg, CoinShares, data available as of close 09 September 2022

Bitcoin ETP & Mutual Fund Turnover as % of Total Bitcoin Turnover (Trusted Exchanges)



Flows by Exchange Country (US\$m)

	Week flows	MTD flows	YTD flows	AUM
Australia	-	-	8.9	6
Brazil	0.8	1.4	152.7	304
Canada	-59.9	-57.3	-403.6	2,270
France	-0.0	-0.0	-2.7	7
Germany	5.0	1.9	169.7	1,184
Sweden	-3.2	-5.5	-391.0	1,541
Switzerland	4.7	5.1	589.6	1,764
United States	-10.1	-5.8	287.1	21,443
Other	-0.0	-0.0	5.1	1,386
Total	-62.7	-60.2	416.0	29,905

Source: Bloomberg, CoinShares, data available as at 09 Sep 2022

DISCLOSURES

The information contained in this document is for general information only. Nothing in this document should be interpreted as constituting an offer of (or any solicitation in connection with) any investment products or services by any member of the CoinShares Group where it may be illegal to do so. Access to any investment products or services of the CoinShares Group is in all cases subject to the applicable laws and regulations relating thereto.

Although produced with reasonable care and skill, no representation should be taken as having been given that this document is an exhaustive analysis of all of the considerations which its subject-matter may give rise to. This document fairly represents the opinions and sentiments of CoinShares, as at the date of its issuance but it should be noted that such opinions and sentiments may be revised from time to time, for example in light of experience and further developments, and this document may not necessarily be updated to reflect the same.

The information presented in this document has been developed internally and / or obtained from sources believed to be reliable; however, CoinShares does not guarantee the accuracy, adequacy or completeness of such information. Predictions, opinions and other information contained in this document are subject to change continually and without notice of any kind and may no longer be true after the date indicated. Third party data providers make no warranties or representation of any kind in relation to the use of any of their data in this document. CoinShares does not accept any liability whatsoever for any direct, indirect or consequential loss arising from any use of this document or its contents.

Any forward-looking statements speak only as of the date they are made, and CoinShares assumes no duty to, and does not undertake, to update forward-looking statements. Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Nothing within this document constitutes (or should be construed as being) investment, legal, tax or other advice. This document should not be used as the basis for any investment decision(s) which a reader thereof may be considering. Any potential investor in digital assets, even if experienced and affluent, is strongly recommended to seek independent financial advice upon the merits of the same in the context of their own unique circumstances.

This document is directed at, and only made available to, professional clients and eligible counterparties. For UK investors: CoinShares Capital Markets (UK) Limited is an appointed representative of Strata Global Limited which is authorised and regulated by the Financial Conduct Authority (FRN 563834). The address of CoinShares Capital Markets (UK) Limited is 82 Baker Street, London, W1U 6TE. For EU investors: Napoleon AM (napoleon-am.com) is a French asset management company regulated by the Autorité des Marchés Financiers (AMF), registered under number GP-19000015 since 27/03/2019. Its office is located at 25 rue du 4 Septembre, 75002 Paris, France.

The CoinShares Astronaut is a trademark and service mark of CoinShares (International) Limited.

Copyright © 2022 CoinShares All Rights Reserved