

Worldwide Digital Asset-Based ETP AUM Remains 64% Ahead YTD Despite Monthly Drop

London, UK, May 8³, 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 a 64% growth in total Assets Under Management (AUM) in the year-to-date (YTD) period amid continued interest by investors. On a monthly basis, the total AUM dropped to \$81 billion from \$94.4 billion at the end of March, marking a 14.2% decrease.

The total market value of digital assets decreased by 18.8%, to about \$2.29 trillion from \$2.82 trillion in April. Even amid the market decline, financial products backed by digital assets maintained a 24.5% premium over the digital assets market, consistent with the trend seen in Q1. Year-to-date, ETPs holding digital assets rose 64% in AUM, while the digital assets market cap increased by 29.2%. This highlights a premium growth for ETPs of approximately 117% in comparison to the relative underlying.

This surge in premium is predominantly attributed to the approval of [Bitcoin \(BTC\) Spot ETFs](#) in the United States, which commenced trading on Jan. 11, stimulating capital inflows into financial products featuring digital assets as underlying assets throughout Q1.

"It's like baking bread, ETPs' strong growth and premium reflect investor confidence in the broader crypto landscape," said Bundeep Singh Rangar, CEO of Fineqia. "With this resilience, driven by innovations like BTC Spot ETFs, signals a maturing market with growing interest in diverse digital assets the initial rise from the SEC's yeast effect having cooled off, the loaves of bread are ready and being served on the ETF and ETN shelves across the world."

Following the approval of spot BTC ETFs in the U.S. earlier this year, countries including the U.K., Hong Kong, Singapore, South Korea, Thailand and Japan are following suit, joining a handful of other countries such as Australia, Brazil, Canada, Germany, Liechtenstein, and Switzerland that had previously permitted such products.

During April, the price of BTC declined by 13.6% to \$60,150 from \$69,650 at the end of March. Simultaneously, the AUM of ETPs with BTC as their underlying asset experienced a 13.2% decrease, dropping to \$63.2 billion from the \$72.8 billion recorded at the end of March. These figures emphasize a neutral flow throughout April, with the reduction in AUM perfectly reflecting the decline in the underlying asset's price. Year-to-date, ETPs holding BTC have shown a 77.7% increase, while the BTC price has risen by 42.2%. This highlights an 84% growth in premium for financial products with BTC as the underlying asset in 2024.

"ETPs' strong growth and premium reflect investor confidence in the broader crypto landscape," said Bundeep Singh Rangar, CEO of Fineqia. "This resilience, driven by innovations like BTC Spot ETFs, signals a maturing market with growing interest in diverse digital assets."

In April, Ethereum (ETH) saw a 14.9% decline in value, dropping to \$2,985 from the \$3,508 recorded at the end of March. During the same period, the AUM of ETH-denominated ETPs decreased by 16.4%, falling to \$12 billion from the \$14.3 billion recorded at the end of March. Year-to-date, ETPs holding ETH have shown a 26.6% increase, while the ETH price has grown by 31.1%. This emphasizes how the growing expectation among market participants of the SEC rejecting the approval of ETH Spot ETFs in May has led to a decrease in institutional exposure to ETH in favour of BTC.

ETPs representing a diversified basket of cryptocurrencies decreased 9.5% in AUM during April, to \$2.8 billion, from \$3.36 billion recorded at the end of Mar. Year-to-date, AUM of ETPs holding a basket of cryptocurrencies rose 24.2% from \$2.25 billion at the beginning of 2024.

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ETPs representing an index of alternative coins decreased by 23.9% in April to \$2.97 billion from \$3.9 billion recorded at the end of March. Year-to-date, the total growth was 33.2% from \$2.23 billion at the end of 2023. Solana (SOL) remains the dominant force in this index, comprising almost half of the alternative coins AUM.

In April, ETPs with SOL as the underlying asset saw a 31.4% decrease in AUM, falling to \$1.29 billion from the \$1.87 billion recorded at the end of March. During the same period, the SOL price dropped by 37.4%, declining to \$127 from the \$203 recorded at the end of March. These statistics highlight that the premium observed in April in the AUM of ETPs holding digital assets as underlying compared to the broader digital assets market value can be mainly attributed to the resilience shown by ETPs holding SOL.

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 192 as of the end of April.

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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