

Strategy Doubles Down, Aims To Raise \$84B For BTC Purchases

Strategy doubles down on its 21/21 plan after seeing a net loss in Q1. Ripple's bid for USDC-issuer Circle is rejected, Kraken finalizes its acquisition of NinjaTrader, and Tether sees \$1B in Q1 profit. In Trending Topics, TOKEN 2049 is filled with bullish sentiment, and we discuss a 3,520 BTC hack that led to a big XMR pump.

This Week's Main News

Strategy sees Q1 loss, doubles down on 21/21 plan

Bitcoin treasury firm Strategy reported a Q1 net loss of \$4.2bn, or \$16.49 per share, significantly missing expectations. Revenue declined 3.6% year-over-year to \$111mn, falling short of the projected \$117mn. Strategy also reported \$6bn in operating expenses for the quarter, largely driven by a \$5.9bn unrealized loss tied to its BTC holdings.

Despite the financial setback, Strategy is ramping up its BTC strategy. The company announced plans to double its capital-raising initiative, aiming to secure up to \$84bn—\$42bn through equity and \$42bn via debt instruments—to expand its BTC reserves. This announcement comes after Strategy recently depleted almost the entirety of their initial \$21bn at-the-market offering. Strategy currently holds 553,555 BTC, over 2% of BTC's circulating supply, acquired for a total cost of \$37.9bn.

Strategy also raised its 2025 BTC gain target from \$10bn to \$15bn. The company's controversial Bitcoin-centric strategy continues to attract investor attention, and the firm shows no signs of slowing down despite market uncertainty.

Ripple's \$4-\$5B bid for Circle is rejected

Ripple Labs reportedly offered \$4–5bn to acquire USDC-issuer Circle, in a bid to expand its footprint in the stablecoin market, Bloomberg reported on Wednesday citing anonymous sources.

The cash-and-equity proposal was ultimately rejected by Circle, which viewed the offer as undervaluing the company, especially ahead of its planned IPO. Ripple, which recently launched its own RLUSD stablecoin, aimed to close the gap with USDC's \$61bn market cap. No revised offer has been announced following the rejection.

Kraken reports \$472M Q1 revenue

Kraken reported \$472mn in revenue for Q1, a 19% increase year-over-year but 7% lower than the previous quarter. The crypto exchange also completed its acquisition of NinjaTrader during the quarter, expanding into traditional derivatives trading for U.S. customers.

Kraken's funded accounts grew 26% year-over-year, reaching 3.9mn. Despite a decline in trading volumes from Q4 highs, Kraken highlighted the resilience of its business and its strategy to diversify beyond crypto, aiming to integrate multi-asset trading across its global platform.

Tether sees \$1B profit for Q1

Tether announced a \$1bn operating profit for Q1, driven by its U.S. Treasury exposure which approached \$120bn in March. The company's attestation report reveals the \$120bn figure includes both direct and indirect exposure to U.S. Treasuries, including holdings via money market funds and reverse repos. As of the end of Q1, its direct Treasury holdings stood at around \$99bn.

USDT's circulating supply grew by \$7bn for Q1, with supply currently sitting at \$148bn. Tether also invested over \$2bn in sectors such as renewable energy and AI, while operating under new regulatory oversight in El Salvador.

In a sentence

- [Prosecutors push for 20-year sentence for former Celsius CEO Alex Mashinsky](#)
- [Trump-linked stablecoin USD1 to close Binance's record \\$2B investment from MGX](#)
- [Metaplanet to open US arm, plans to raise \\$250M for Bitcoin strategy](#)

Trending Topics

Institutions state their bullishness at TOKEN2049

The energy at TOKEN2049 Dubai this week was filled with positivity, as representatives from major financial institutions confirmed a decisive global shift toward embracing crypto. With over 15,000 attendees from more than 150 countries, the conference served as a global hub for discussions on the future of crypto.

Robert Mitchnick, BlackRock's Head of Digital Assets, discussed the most significant trend that has been the hallmark of this bull run: a growing institutional appetite for Bitcoin ETFs. He noted that while initial flows were dominated by retail investors, there is now a noticeable shift toward institutional participation. Mitchnick suggested that Bitcoin has done away with its often-touted label as "leveraged beta", potentially serving as a hedge or portfolio diversifier.

Mathew McDermott, Goldman Sachs' Global Head of Digital Assets, emphasized the importance of regulatory clarity for the crypto's growth. He

pointed to two forthcoming U.S. stablecoin bills as potential catalysts for institutional adoption. McDermott also revealed that Goldman Sachs is making progress in the development of its own Digital Asset Platform, primarily focused on tokenization initiatives.

Adding a bold prediction to the conference's discussions, Arthur Hayes, co-founder of BitMEX and CIO of Maelstrom, reiterated his forecast that BTC could reach \$1mn by 2028. In a keynote speech, Hayes attributed this potential surge to anticipated U.S. monetary policy shifts that would increase dollar liquidity, helping to drive up crypto prices. He encouraged investors to "go long on everything," clearly communicating his optimistic outlook on the market.

Whether or not the \$1mn mark is overly optimistic, the sentiment expressed at TOKEN2049 made one thing clear: institutional confidence among major financial players in crypto is growing fast.

3,520 BTC hack leads to big surge for Monero (\$XMR)

Monero (XMR) surged back into the spotlight this week as one of the largest hacks in crypto's history led to massive flows into the privacy coin.

According to on-chain sleuths ZachXBT and Yehor Rudytsia, a hacker moved over 3,520 BTC - worth around \$330mn at the time - from a long-dormant wallet and began converting it into Monero (XMR) across multiple exchanges. It was confirmed the hacker utilized social engineering techniques to execute the scam.

The bulk of the funds were funneled into XMR late Sunday evening in an inefficient manner that likely cost the perpetrator millions in slippage and fees - another clue this was not a routine portfolio rebalance. Monero spiked from \$236 to as high as \$391 on KuCoin, its highest price since 2021, and has

now settled around \$280. With major exchanges delisting XMR in the wake of tightening regulations, the coin's low liquidity only amplified the price impact across various exchanges.

The incident has stirred debate not only on the vulnerabilities still plaguing individual crypto custody, but the unique and controversial role Monero plays in the crypto space. While Bitcoin continues its march toward institutional legitimacy, Monero is seen as a holdout for the cypherpunk faithful.

Regulators in Europe are currently weighing privacy coin bans, and this high-profile theft may tilt the scales. In a crypto market that is largely adapting to achieve institutional acceptance, Monero is not going along quietly.

Recommended Reading

From our analysts

- **Strategic Bitcoin Reserve Deadline Nearing:** BTC gains 9% ahead of SBR deadline, with Strategy nearly depleting its \$21B ATM. Expectations of a new ATM and legal clarity on the Strategic Bitcoin Reserve bolster a bullish outlook. Defensive perp funding and ETF inflows signal strong performance.
- **LaunchLab: Raydium Makes Its Memecoin Move:** Two weeks after launch, Raydium's LaunchLab is gaining traction as it looks to lure Pump's users with new incentives and features. The key question remains: will it build lasting momentum – or fade quickly à la SunPump?

Reading

- **The hidden risk of updatable firmware:** Crypto's hidden threat: firmware updates in hardware wallets can be ticking time bombs, says Igor Zemtsov, chief technology officer at TBCC.