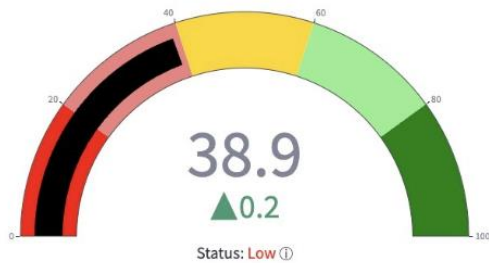


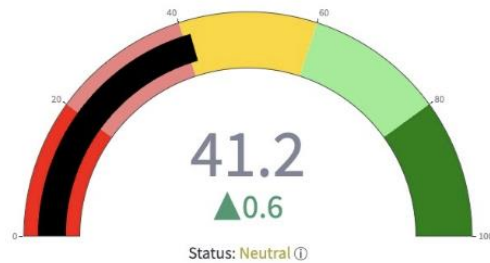
# Digital Pulse Report: Hidden Truth

## FUNDAMENTAL PULSE – WEEKLY NETWORK PERFORMANCE

COINBASE SIZE TILT INDEX NETWORK SCORE



BTC & ETH NETWORK SCORE



Bitcoin has bounced back from its lows of **\$54k**, driven by the rapid accumulation of ETFs. Bitcoin's Pulse score remains weak, indicating that broader participation from more market players is still needed.

ASSETS	ASSET SCORE	DIRECTION	7D CHANGE	30D CHANGE	1Y CHANGE
Coinbase Size Tilt Index	38.9	Contracting	0.2	-1.3	-11.4
BTC & ETH	41.2	Contracting	0.6	-3.2	-6.6
Bitcoin	31.8	Contracting	2	0.5	-24.3
Ethereum	50.6	Growing	-0.9	-6.9	11.1
Cardano	30.3	Contracting	3.4	7.2	-42.9
Bitcoin Cash	35.8	Contracting	-7.9	16.8	-3.4
Polygon (ETH)	23.5	Contracting	-1.6	8.4	-24.3
Uniswap (ETH)	46.6	Contracting	-11.8	-20.4	-2.4
Litecoin	74.8	Growing	0.9	-6.5	33.1

Snapshot from the Coinbase Asset Management Pulse on 07/14/2024.

There are currently nine assets in the Coinbase Size Tilt Index. Of these, seven have sufficient data on Coin Metrics for CBAM to perform the Pulse calculations of the Coinbase Size Tilt Network Score (Top Left). Polkadot and Solana presently do not have sufficient data for the Pulse calculations. The Coinbase Size-Tilt Index Network Score is derived by using market cap size tilt weights (square root of market cap) and multiplying by the individual asset scores, for the seven assets that have scores. For the "BTC & ETH network score", this aggregate score is derived from an equal weighting of the BTC and ETH scores.

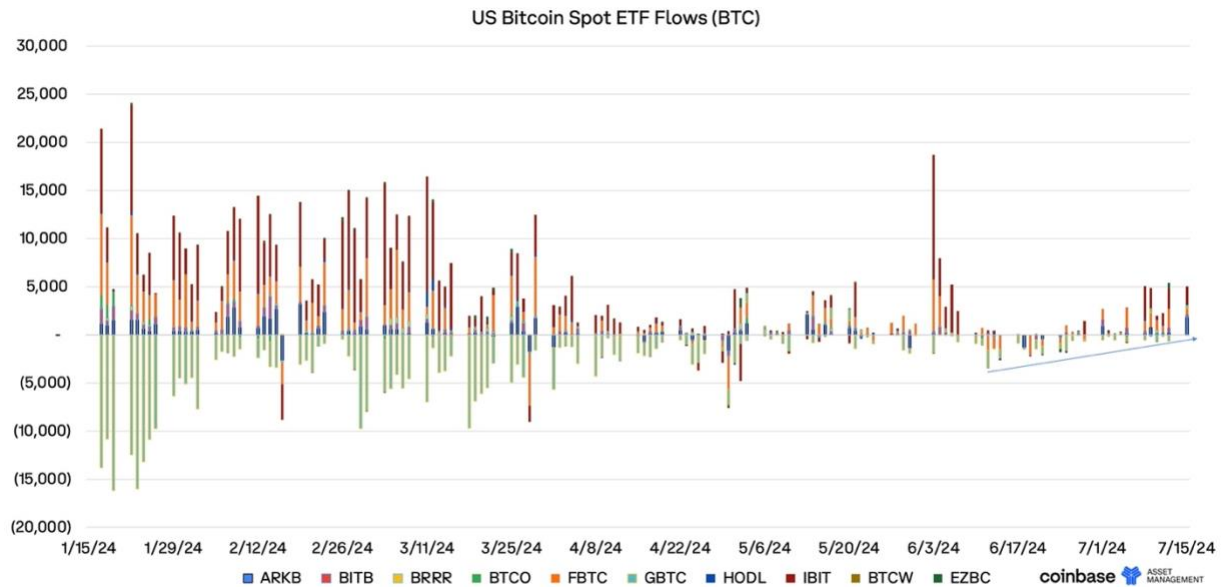
Pulse scores are 12-month trailing percentile values. Changes on the gauge charts (top left, top right) represent the seven-day change. High > 60, Neutral 40 to 60, Low < 40. A score of 41.8 means the score is better than 41.8% of its values in the past 365 days. Asset scores are unique and sensitive to changes in a particular asset. Readers should not attempt to use these metrics to value these assets in a cross-sectional manner.

market notes: The Pulse of the Digital Asset Markets – A systematic snapshot of the digital ecosystem's fundamental health. Please see metric descriptions endnotes for details.

**Hidden Truth:** In the ever-shifting landscape of financial markets, deciphering the truth can be a daunting task. With countless indicators reflecting a myriad of opinions, forming a solid conviction often feels like chasing shadows. To navigate this complexity, one must systematically evaluate data and resist inherent biases. Recent trends in Bitcoin reveal intriguing patterns and potential turning points. Bitcoin's net capital inflows have reached all-time highs. This follows a record streak of 427 days without a 25% drawdown in value. Such a prolonged period often warrants a cooling phase to filter out excesses. Recently, we saw that cooling period with German Government BTC sales of \$3 billion. Interestingly, the market rebounded at its fastest since April 2023, suggesting \$54k as a potential bottom. This charge was driven by ETF buyers who accumulated over 18.4k BTC in a week, helping Bitcoin regain its 200-day Simple Moving Average (SMA), a strong bullish signal. Now, long liquidations are near zero, and the balance in the German Government's BTC wallet is depleted. Are we clear to resume the bullish trend? Not entirely. While positive signs such as record capital inflows and bullish technical indicators paint an optimistic picture, looming uncertainties like the Mt. Gox distributions keep traders on edge as implied volatility slowly climbs out of 2024 lows. As we navigate the intricate dance of market movements, one thing remains clear—crypto is a battlefield of hidden convictions.

## BITCOIN ETF ACCUMULATION

Bitcoin ETF holders led the charge last week, accumulating over 18.4k BTC in net inflows. The market quickly rebounded by 19% after falling to \$54k, demonstrating the significant buying power on the sidelines that is ready to move strategically.



Source: Glassnode.

## Metric Definitions

1. **Volume:** The sum of native units transferred between addresses onchain.
2. **Transfer Count:** The number of transfers between addresses.
3. **Active Addresses:** These are the addresses actively participating in the network by receiving or sending ledger changes. This includes activities such as value transfers, signing blocks, and other forms of ledger change activity.
4. **Address Growth Rate:** The rate at which new addresses with non-zero balances are added to the network.
5. **Valuation:** This metric compares the onchain volume to the realized capitalization. The realized capitalization is a revised form of market capitalization that accounts for the coin's value when it was last spent.
6. **Velocity:** This indicator measures the rate at which coins circulate in the network. It is measured by onchain volume divided by active supply. In this instance, this metric is primarily used to help assess an asset's market-relevant supply.
7. **Network Distribution:** The metric used, the Supply Equality Ratio (SER), compares the smallest accounts (the sum held by accounts with a balance less than 0.00001% of the supply) against the richest accounts (the sum held by the top 1% addresses).

These metrics are constructed over specific timeframes, such as 1 day, 7 days, and 30 days. For instance, the one-week on-chain volume represents the total number of native units transferred over a week.

The seven-day change in on-chain volume is the difference between the on-chain volume on a given day and the volume from seven days earlier.

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