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Digital Assets - Comments

July 20, 2026

MINER BOUNCE UNDERWAY, YIELDS BEAR WATCHING BUT CLARITY STILL THE NEAR-TERM DRIVER FOR CRYPTO, ADDING FIGR (PORTFOLIO REBALANCE)

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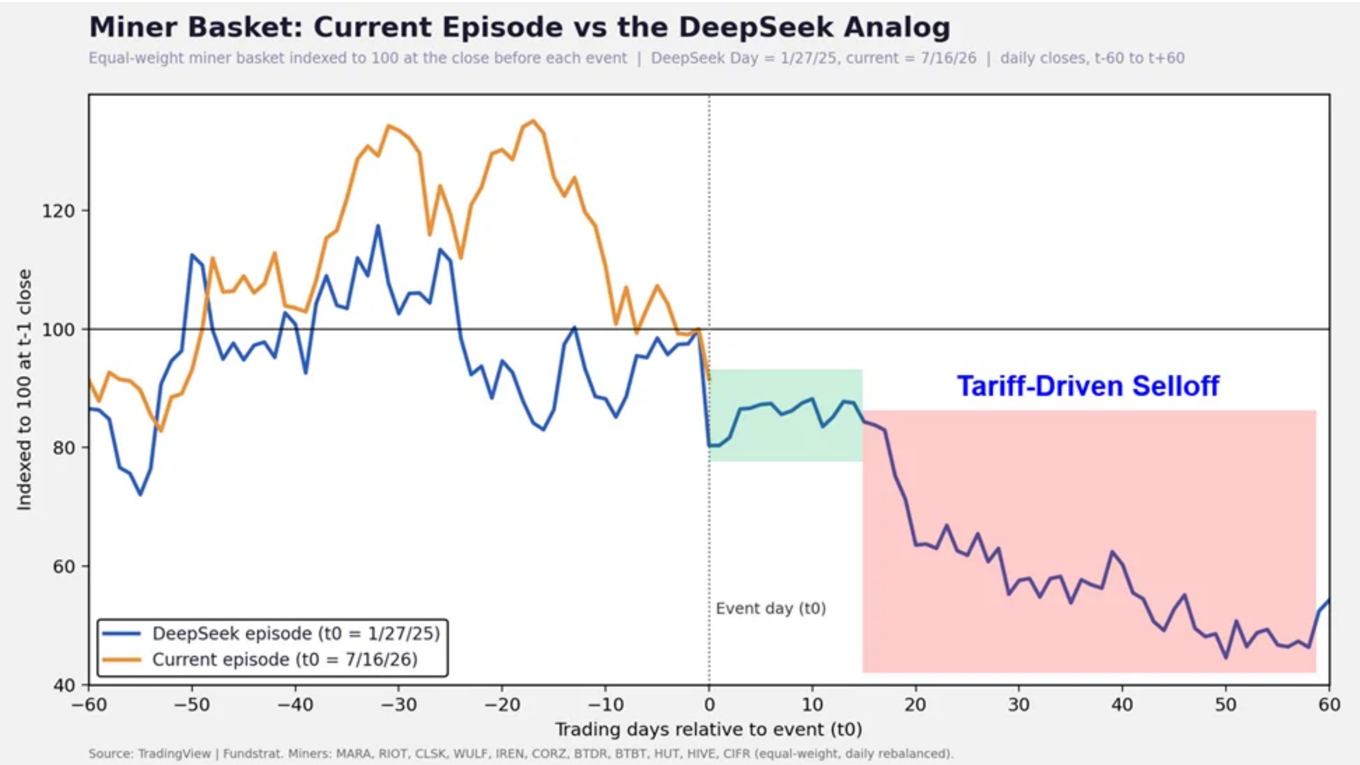
Miners Respond

Last Thursday, I argued that the selloff across the mining complex was beginning to look exhausted. At the time, the market had reacted negatively to Moonshot's release of its open-weight Kimi K3 model, drawing inevitable comparisons to the DeepSeek selloff in early 2025. My view then was that investors were likely overreacting to another step-change in model efficiency and that the setup looked increasingly favorable for a tactical rebound. That is largely what we saw Friday/today.

Much like the DeepSeek episode, the market initially interpreted greater model efficiency as a threat to long-term AI compute demand. However, history reminds us that the immediate reaction following DeepSeek was a sharp tactical bounce (before the broader macro environment ultimately took over).



Perhaps more importantly, today's news flow continued to reinforce the underlying investment case for miners.

- HUT announced a second 15-year, $9.8 billion lease for 352 MW of IT capacity at its Beacon Point campus with the same investment-grade tenant, doubling the customer's contracted footprint at the site to 704 MW.
- IREN raised its year-end AI Cloud ARR target from $3.7 billion to more than $4 billion, with approximately 85% of that target now under contract following the

signing of new multi-year cloud services agreements with leading AI developers representing $2.8 billion of total contract value.

Taken together, these announcements stand in stark contrast to the narrative that AI compute demand is beginning to deteriorate. While I fully expect today's extraordinary pace of AI capex growth / data center spend to normalize eventually, I am not sure we are there yet.

I suspect the road back to all-time highs for this cohort will not be a straight line, but near-term, I think it’s right to expect some continuation here.

Clarity Remains the Primary Driver for Crypto Near-Term

Turning to spot crypto, the Clarity Act remains the single most important near-term catalyst for digital assets.

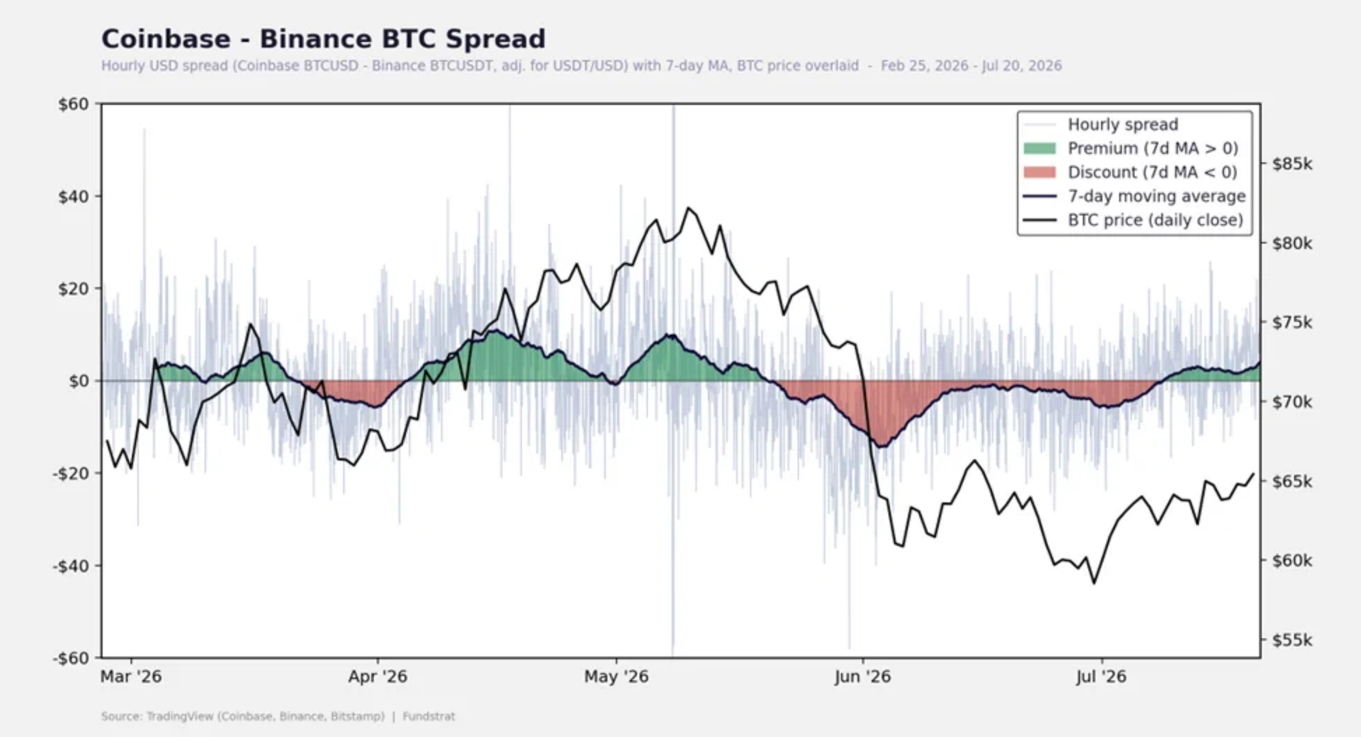
Prediction markets drifted lower again today, with implied odds of passage on Polymarket falling to roughly 31%. As I discussed last week, I remain skeptical that this market fully reflects informed expectations given its relatively limited liquidity and recent restrictions preventing Senators from trading on prediction markets. As a result, I still place less weight on the quoted probability than many market participants appear to.

Encouragingly, Patrick Witt announced that his military service has been deferred, allowing him to remain at the White House as discussions continue. Given his role in helping move the legislation to its current stage, I view his continued involvement as incrementally positive. We also learned after the close that the outcome of President Trump's recent discussions with Republican Senators regarding the ethics provisions has now been shared with other Republican Senators. While we still do not know the substance of those discussions, it suggests negotiations are moving forward behind the scenes.

NOTE: I mistakenly said that the outcome had been shared with Democratic Senators in my video this evening. That is incorrect, according to reports it has only been shared with Republican Senators.

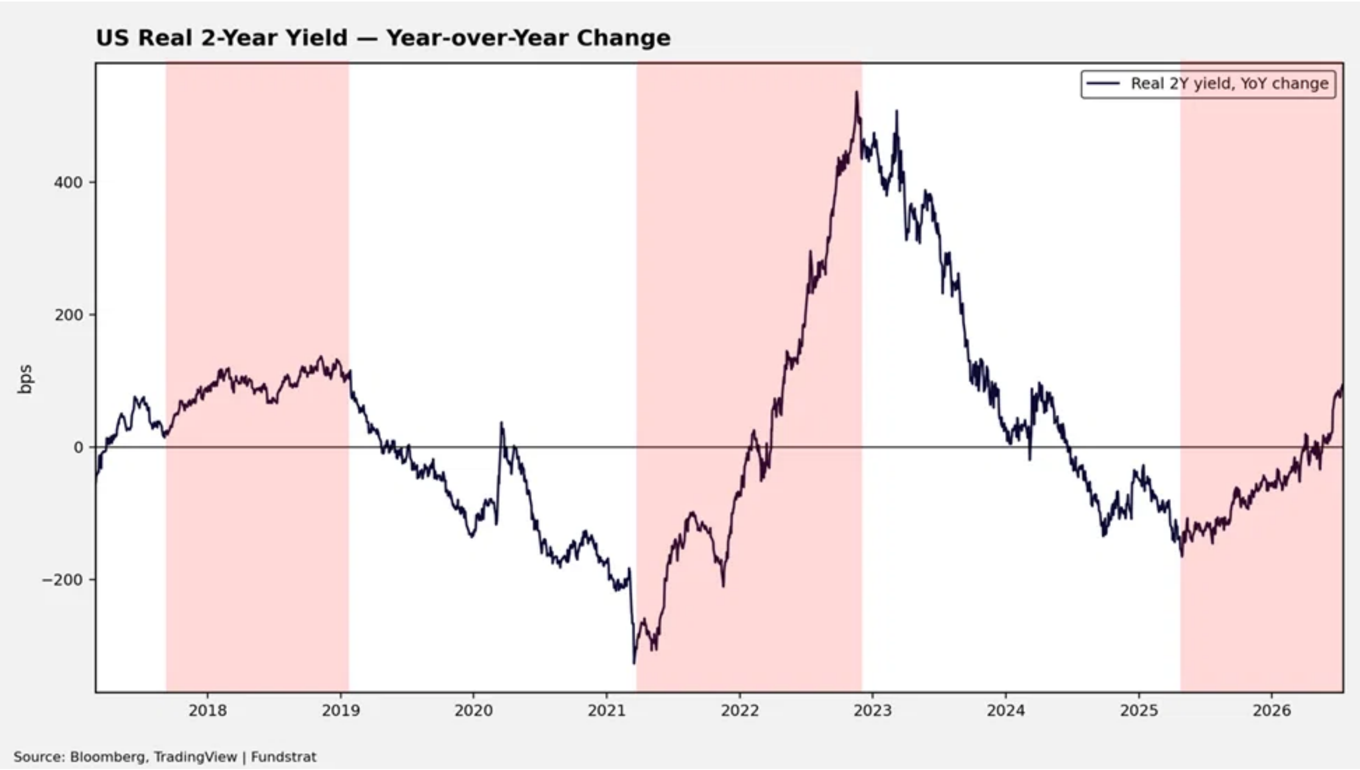
Coinbase/Binance Spread Moving in the Right Direction

The Coinbase-Binance spread has trended higher, suggesting U.S. spot demand has improved in recent weeks. That is an encouraging development after much of Q2 was characterized by a Coinbase discount. Should the Clarity Act ultimately become law, I think the greatest beneficiaries will likely be assets positioned further out on the risk curve, particularly those with direct exposure to tokenization and on-chain capital markets. Bitcoin should certainly benefit, but I suspect much of the incremental upside would accrue elsewhere within the digital asset ecosystem.



Macro Risks Have Not Disappeared

One area I am monitoring closely is real yields. Despite last week's softer inflation data, U.S. real yields have continued to move higher. Whether driven by stronger growth expectations, increased risk premium due to a lack of forward guidance from the Fed, or geopolitical uncertainty, higher real yields are tightening financial conditions for liquidity-sensitive assets like crypto. For now, I think Clarity remains the dominant catalyst and can outweigh macro in the near term. However, should progress on the legislation stall, I suspect rising real yields could once again become a meaningful headwind.



Portfolio Update: Figure Technology Solutions

- I added Figure Technology Solutions (FIGR) to the crypto equities portfolio today at 2% weight, funded from financial services names (BTGO, GLXY, HOOD).
- Figure is a company that leverages blockchain infrastructure to improve the efficiency of credit origination and secondary market activity, and it is executing impressively.
- Revenue roughly doubled YoY last quarter at ~50% adjusted EBITDA margins.
- Trading at roughly 11x my 2027 EBITDA estimate, I think the valuation remains attractive given both the growth profile and the long-term exposure to tokenized financial markets.
- I also think the core HELOC business benefits from a mortgage rate environment that is likely to stay elevated. Homeowners locked into low-rate first mortgages have little reason to refinance, which makes a HELOC the natural way to tap record home equity, and that dynamic drives Figure's volumes.

Note: Will provide greater details on this name tomorrow.

Bottom Line

The tactical rebound in AI infrastructure that I discussed last week appears to be underway, and today's contract announcements from IREN and Hut 8 reinforce my conviction that underlying demand for AI compute remains exceptionally strong. Within crypto, Clarity remains the dominant near-term catalyst. Although prediction markets imply relatively low odds of passage, I remain somewhat more constructive than current market pricing. Combined with improving U.S. spot flows, I believe the tactical backdrop remains favorable, even as rising real yields warrant continued monitoring.

Crypto Equities Portfolio - July 20, 2026

Ticker	Date of Latest Rebalance	Weight at Latest Rebalance	Subsector/Theme	Subsector/Theme	Current Price	30-Day Return	90-Day Return	YTD Return	Change from Prior Rebalance
MSTR	7/20/26	1.0%	DAT	BTC	97.82	-13%	-40%	-36%	0.0%
PURR	7/20/26	4.0%	DAT	HYPE	7.05	-24%	25%	61%	0.0%
COIN	7/20/26	1.0%	Financial Services	Super App	160.43	-2%	-18%	-29%	0.0%
HOOD	7/20/26	2.5%	Financial Services	Super App	99.28	-8%	15%	-12%	-0.5%
BTGO	7/20/26	1.0%	Financial Services	Infrastructure	5.06	-15%	-54%	-65%	-1.0%
GLXY	7/20/26	3.5%	Financial Services	AI Compute	23.66	-31%	-5%	6%	-0.5%
FIGR	7/20/26	2.0%	Crypto-Enabled Services	Tokenization	30.42	0%	0%	0%	2.0%
CLSK	7/20/26	1.0%	BTC Mining	AI Compute	14.42	-16%	25%	42%	0.0%
WULF	7/20/26	1.0%	BTC Mining	AI Compute	18.86	-35%	-5%	64%	0.0%
IREN	7/20/26	1.0%	BTC Mining	AI Compute	40.20	-33%	-11%	6%	0.0%
BTDR	7/20/26	1.0%	BTC Mining	AI Compute	11.37	-37%	-6%	1%	0.0%
HUT	7/20/26	1.0%	BTC Mining	AI Compute	100.93	-19%	32%	120%	0.0%
HIVE	7/20/26	1.0%	BTC Mining	AI Compute	3.09	-28%	24%	20%	0.0%
KEEL	7/20/26	1.0%	BTC Mining	AI Compute	4.34	-31%	55%	85%	0.0%
CORZ	7/20/26	1.0%	BTC Mining	AI Compute	22.40	-23%	8%	54%	0.0%
CIFR	7/20/26	1.0%	BTC Mining	AI Compute	20.54	-30%	14%	39%	0.0%
RIOT	7/20/26	1.0%	BTC Mining	AI Compute	19.90	-29%	14%	57%	0.0%
MARA	7/20/26	1.0%	BTC Mining	AI Compute	11.67	-18%	4%	30%	0.0%
GSOL	7/20/26	4.0%	Spot Token	SOL	5.85	12%	-7%	-36%	0.0%
ETHA	7/20/26	8.0%	Spot Token	ETH	14.33	11%	-17%	-36%	0.0%
BITB	7/20/26	17.0%	Spot Token	BTC	35.35	4%	-13%	-26%	0.0%
Cash	7/20/26	45.0%	Cash	Cash	1.00	0%	0%	0%	0.0%

Returns

	Since Portfolio Inception (6/22/23)	YTD
BTC	118%	-26%
ETH	1%	-36%
S&P 500	70%	9%
Crypto Equities Portfolio	**235%**	**0%**

Source: Artemis, Bloomberg, Fundstrat

Core Strategy Portfolio - July 20, 2026								
Ticker	Latest Rebalance	Last Rebalance Weight	Token Class	Sector	Current Price	30-Day Return	90-Day Return	YTD Return
BTC	7/6/26	37.0%	BTC	Currency	65,146	1%	-15%	-26%
ETH	7/6/26	8.0%	Alt. Major	SCP	1,899	9%	-18%	-36%
SOL	7/6/26	5.0%	Alt. Major	SCP	78	6%	-10%	-38%
HYPE	7/6/26	5.0%	Altcoin	DeFi	62	-12%	57%	146%
USDC	7/6/26	45.0%	Stablecoin	Cash	1.00	0%	0%	0%

Returns	ITD (1/16/2023)	YTD
BTC	212%	-26%
ETH	22%	-39%
S&P 500	86%	9%
Core Strategy Portfolio	**188%**	**-7%**

Source: Artemis, Bloomberg, Fundstrat

Tickers in this video: #BTC $HUT $IREN $FIGR $BTGO $GLXY $HOOD

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