Digital Assets - Comments

July 30, 2026

SA LIQUIDATION LOOKS LIKE GENUINE “CAPITULATION,” LOOK TO HYPE AS EXPRESSION OF ANY TECH STOCK RECOVERY, WHITE HOUSE RECEIVES REVISED ETHICS LANGUAGE SETTING UP POTENTIAL HEADLINE RISK

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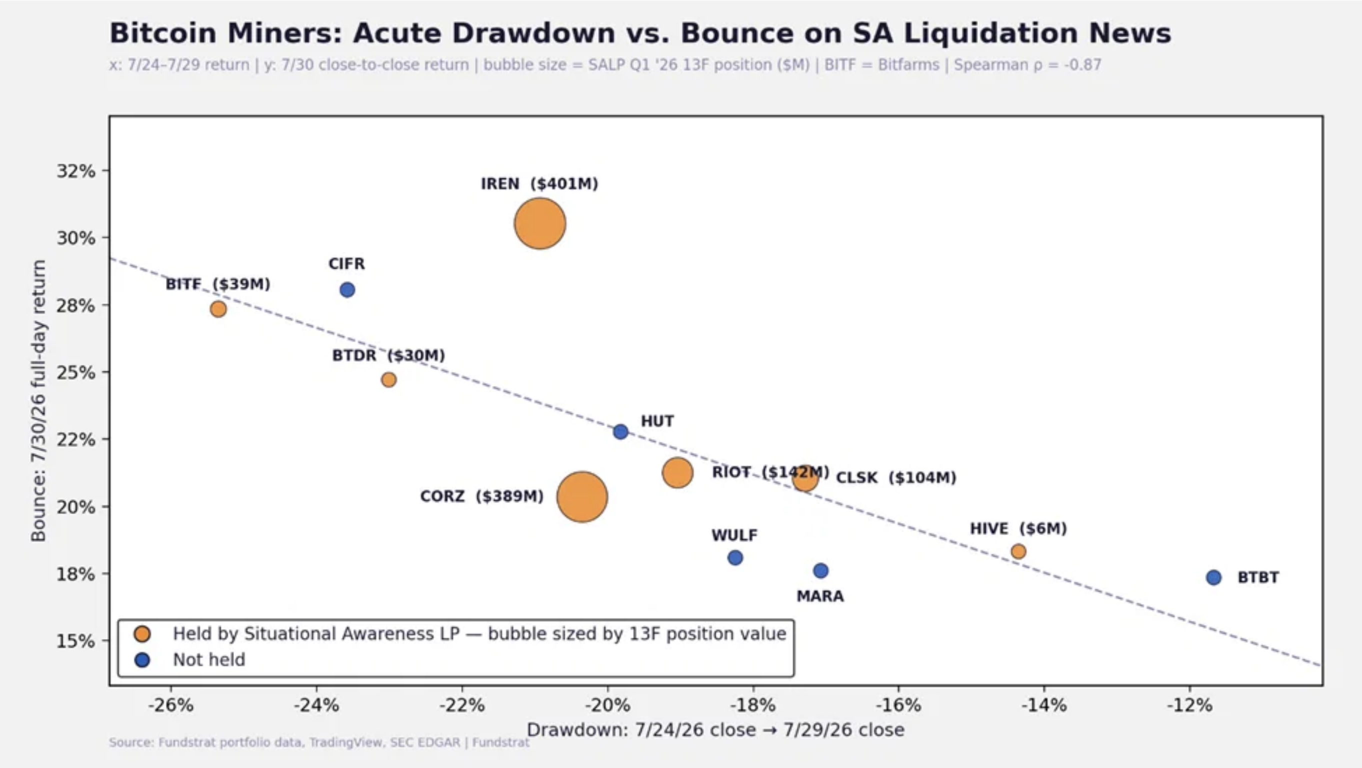
Situational Awareness Becomes Forced Seller of Miners

The most interesting development in markets today was undoubtedly within the AI infrastructure complex, where reports confirmed that Situational Awareness, the AI-focused investment fund founded by former OpenAI researcher Leopold Aschenbrenner, liquidated its entire public equity portfolio and reportedly sold a meaningful portion of its private holdings as well. While reports differ on the extent of the private asset sales, the public equity liquidation appears to have been substantial (AUM reported to be $45B as of July 1st). Given the fund's sizeable exposure to AI infrastructure names, including several Bitcoin miners that have since evolved into AI data center businesses, I think this provides a compelling explanation for at least some of the pronounced weakness we've seen across the group over the past several weeks.

To be clear, there were legitimate reasons for investors to become more cautious. Rising real yields have increased the cost of capital for hyperscalers and data center operators. The market has also spent the past several months debating whether advances in open-source models and more efficient inference would ultimately reduce AI compute demand. Combined with the broader momentum unwind in technology, those concerns warranted some multiple compression/de-risking.

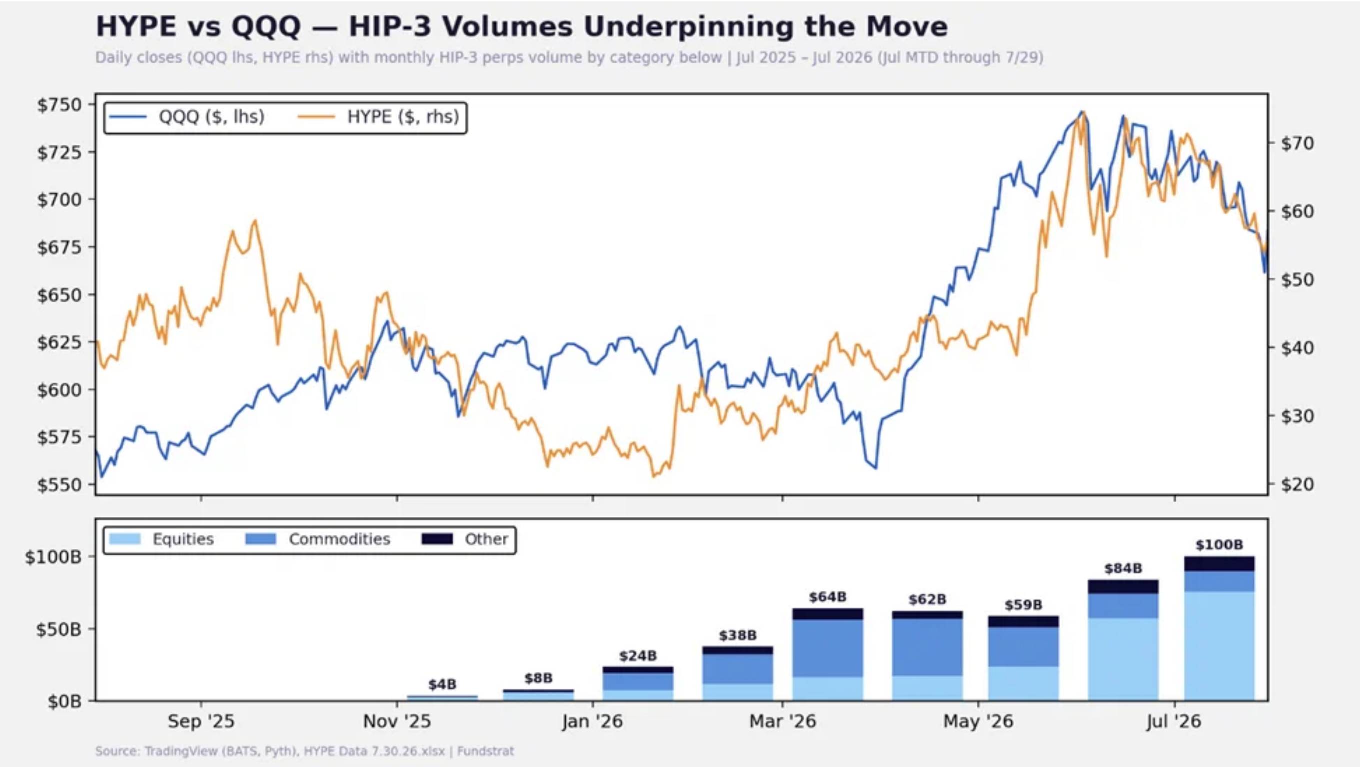
That said, those factors alone do not explain the magnitude of the decline. Between leveraged ETF deleveraging in Korea and what now appears to have been a sizeable institutional liquidation, there were meaningful technical sellers in the market. Today's sharp rebound across many of the AI infrastructure names is consistent with that view.

In terms of action plan, I am not inclined to chase these 20-30% candles in the immediate term (I suspect that there is some “underwater supply” overhead). But I do think today's developments make me a bit more sanguine that Wednesday marked the lows for these names.



HYPE as An Expression of a Tech Low

If the AI trade has indeed begun carving out a bottom, HYPE is one of the more attractive ways to express that view in the token market. One underappreciated aspect of HYPE's business today is that it has become increasingly tied to activity outside of crypto through HIP-3 builder-deployed markets. Equity and commodity perpetuals now account for a meaningful share of trading activity (>50% in July), and July volumes quietly remained quite strong despite a relatively subdued crypto tape. In other words, if technology and AI-related equities begin recovering, HYPE is likely a beneficiary of increased speculation in these markets.



Clarity Update: Ethics Language Sent to WH

Negotiations surrounding the Clarity Act seemingly continue to progress. Reports today suggest Senators Tillis (R) and Gallego (D) completed revised ethics language that has now been sent to the White House for review. While there is still work to be done, the fact that negotiations remain active suggests a constructive resolution cannot be ruled out. Recall that if we receive a headline that the White House is making concessions on ethics, even if we don't have a vote, it likely increases the chances of passage post-recess or post-midterms.

BOJ Meeting Tonight

The last catalyst to pay attention to in what has been a week packed with consequential data points is tonight's BOJ meeting. Recent strength in the yen, driven in part by apparent intervention from Japan's MOF, bears watching. As we've discussed previously, sharp yen appreciation has historically coincided with tighter financial conditions given the yen's role as a funding currency, and has consequently preceded weakness in BTC price action. While I don't have a particularly strong directional view on tonight's decision, I do think it represents one more macro hurdle that markets need to clear in the near term.

Crypto Equities Portfolio - July 30, 2026

Ticker	Date of Latest Rebalance	Weight at Latest Rebalance	Subsector/Theme	Subsector/Theme	Current Price	30-Day Return	90-Day Return	YTD Return
MSTR	7/20/26	1.0%	DAT	BTC	97.74	12%	-45%	-36%
PURR	7/20/26	4.0%	DAT	HYPE	6.30	-20%	0%	44%
COIN	7/20/26	1.0%	Financial Services	Super App	163.58	12%	-14%	-28%
HOOD	7/20/26	2.5%	Financial Services	Super App	86.60	-14%	18%	-23%
BTGO	7/20/26	1.0%	Financial Services	Infrastructure	5.05	-3%	-52%	-65%
GLXY	7/20/26	3.5%	Financial Services	AI Compute	21.52	-21%	-23%	-4%
FIGR	7/20/26	2.0%	Crypto-Enabled Services	Tokenization	25.81	-15%	-15%	-15%
CLSK	7/20/26	1.0%	BTC Mining	AI Compute	14.54	-0%	19%	44%
WULF	7/20/26	1.0%	BTC Mining	AI Compute	17.82	-28%	-16%	55%
IREN	7/20/26	1.0%	BTC Mining	AI Compute	38.26	-16%	-16%	1%
BTDR	7/20/26	1.0%	BTC Mining	AI Compute	11.10	-30%	-6%	-1%
HUT	7/20/26	1.0%	BTC Mining	AI Compute	108.27	-6%	41%	136%
HIVE	7/20/26	1.0%	BTC Mining	AI Compute	3.00	-18%	23%	16%
KEEL	7/20/26	1.0%	BTC Mining	AI Compute	4.05	-29%	31%	72%
CORZ	7/20/26	1.0%	BTC Mining	AI Compute	21.81	-15%	7%	50%
CIFR	7/20/26	1.0%	BTC Mining	AI Compute	22.66	-8%	33%	53%
RIOT	7/20/26	1.0%	BTC Mining	AI Compute	22.12	-19%	20%	75%
MARA	7/20/26	1.0%	BTC Mining	AI Compute	11.82	-15%	3%	32%
GSOL	7/20/26	4.0%	Spot Token	SOL	5.64	2%	-10%	-38%
ETHA	7/20/26	8.0%	Spot Token	ETH	14.51	22%	-17%	-35%
BITB	7/20/26	17.0%	Spot Token	BTC	35.14	10%	-17%	-26%
Cash	7/20/26	45.0%	Cash	Cash	1.00	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	**230%**	**-2%**

Source: Bloomberg, Artemis, Fundstrat

Core Strategy Portfolio - July 30, 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	64,663	10%	-17%	-26%
ETH	7/6/26	8.0%	Alt. Major	SCP	1,917	22%	-16%	-35%
SOL	7/6/26	5.0%	Alt. Major	SCP	74	1%	-11%	-40%
HYPE	7/6/26	5.0%	Altcoin	DeFi	56	-14%	35%	118%
USDC	7/6/26	45.0%	Stablecoin	Cash	1.00	0%	0%	-0%

Returns	ITD (1/16/2023)	YTD
BTC	210%	-26%
ETH	24%	-39%
S&P 500	86%	9%
Core Strategy Portfolio	185%	-8%

Source: Bloomberg, Artemis, Fundstrat

Tickers in this video: #HYPE #BTC

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