Digital Assets - Comments

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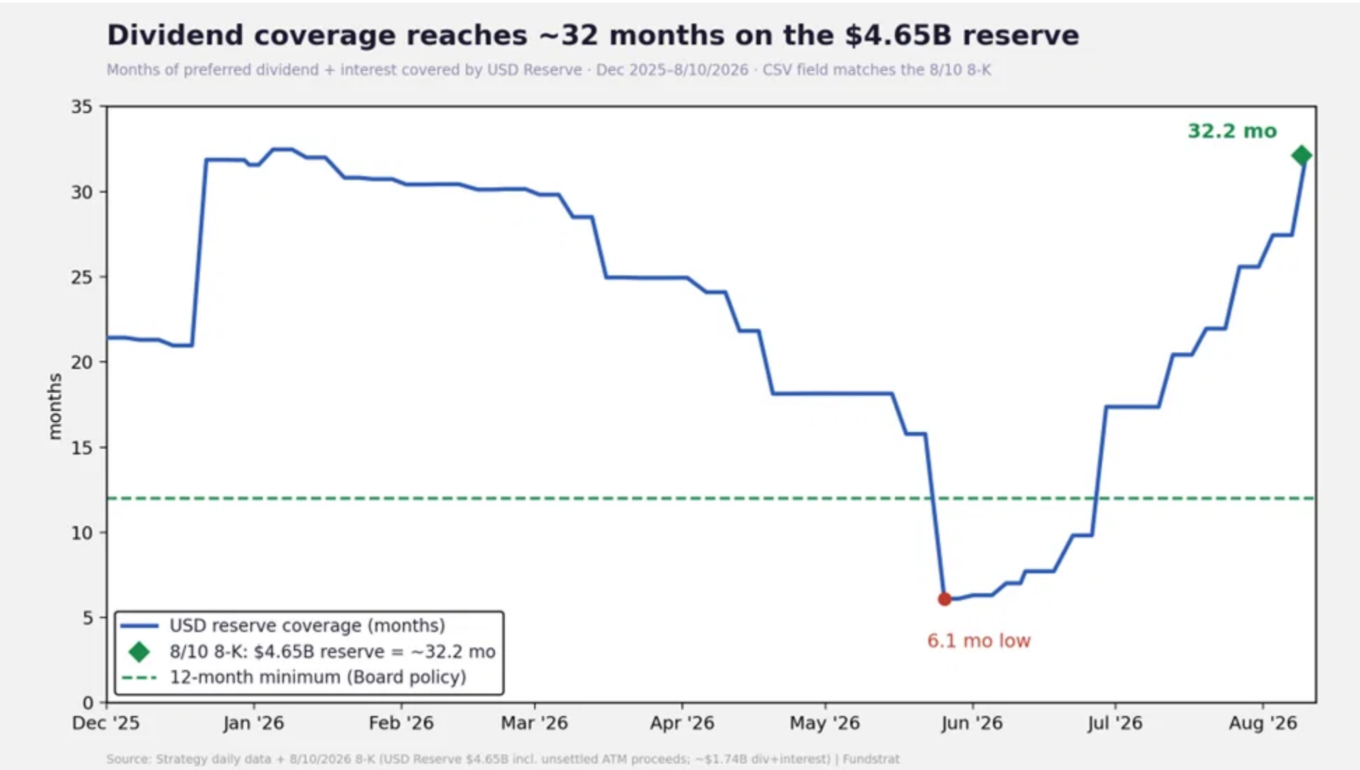
SOLANA GOVERNANCE PROPOSALS PASS FIRST HURDLE AND COULD BECOME A MEANINGFUL CATALYST, MSTR DIVIDEND COVERAGE UP TO 32 MONTHS, CPI NEXT BIG TEST FOR CRYPTO COMPLEX

Sean Farrell AC

HEAD OF DIGITAL ASSET STRATEGY

Strategy Continues Doing the Right Things

Strategy's latest 8-K looked very similar to the prior week, which at this point is probably a good thing. The company repurchased ~ $100M of STRC, funded by BTC sales, while also issuing more than $650M of common stock. Most importantly, the proceeds from those common sales were directed toward the USD Reserve, which now covers more than 32 months of preferred dividends and is back near the reserve's coverage ratio from the start of the year.



The fact that Strategy was able to issue that much common stock with MSTR volumes continuing to decline is also encouraging. It suggests there is still meaningful demand for the equity, which gives management another funding source as it continues repairing the preferred complex.

The next chart to watch remains STRC itself. The preferred is now trading around $94, well above the lows from late June, and the 8/14 ex-dividend date provides another near-term test of demand. A move back toward par would further reduce the need for BTC monetization and would be another sign that confidence in the capital structure is being restored.

Solana Governance Could Become an Underappreciated Catalyst

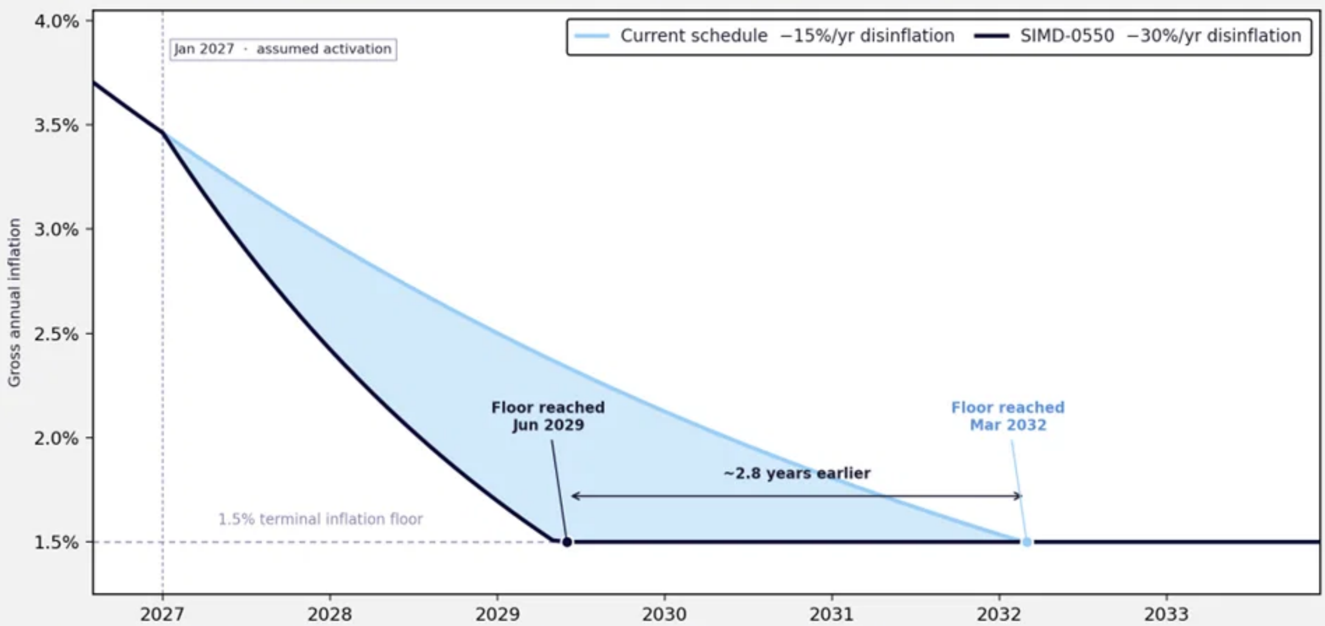
The more interesting development over the past few days, in my view, involves two Solana governance proposals that have now advanced beyond the initial support phase.

The first, SIMD-0553, would restructure Solana's transaction fee model by separating the current flat base fee into an inclusion fee and a variable resource fee. The inclusion fee would continue going to validators, while the resource fee would scale with the resources a transaction requests (compute, storage locks, and data) and be burned entirely. In simple terms, the network would move from charging a bicycle and a truck the same toll to charging based on the capacity each one reserves. That should improve blockspace efficiency and increase SOL burned, though we should expect the initial increase to erode as developers tighten their requests.

I think SIMD-0550 is the more important proposal for tokenholders. Solana's current inflation rate is roughly 3.7% and declines by 15% annually toward a permanent 1.5% floor. SIMD-0550 would double that annual disinflation rate to 30%, pulling the network toward its 1.5% terminal rate around 2029 rather than 2032. Nothing changes about the ultimate destination, but the path becomes considerably faster.

Solana Inflation Schedule: With and Without SIMD-0550

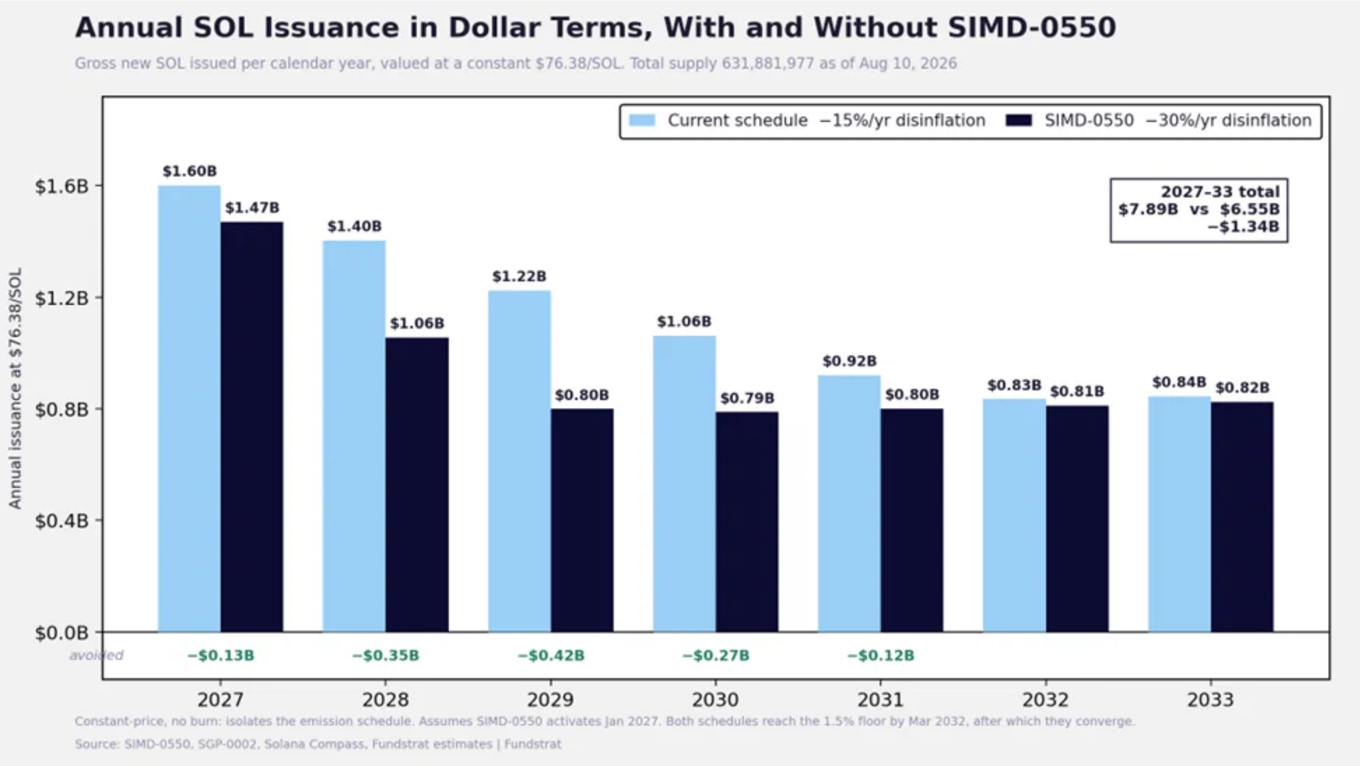
Gross annual SOL inflation rate, Aug 2026 – Dec 2033. Doubling the disinflation rate pulls the 1.5% terminal floor forward by ~2.8 years



Shaded area ≈ 17.1M SOL (~$1.3B at $76) that is never issued. Assumes SIMD-0550 activates Jan 2027; the schedule is deterministic thereafter.

Source: SIMD-0550, SGP-0002, Solana Compass, Fundstrat estimates | Fundstrat

That matters because issuance has been a meaningful source of structural sell pressure for SOL. Based on a static model holding SOL at $76, accelerating the disinflation schedule would reduce cumulative inflationary issuance by roughly $1.34B over the seven-year period we modeled. If SOL trades higher over time, the dollar value of that avoided issuance would obviously be larger.

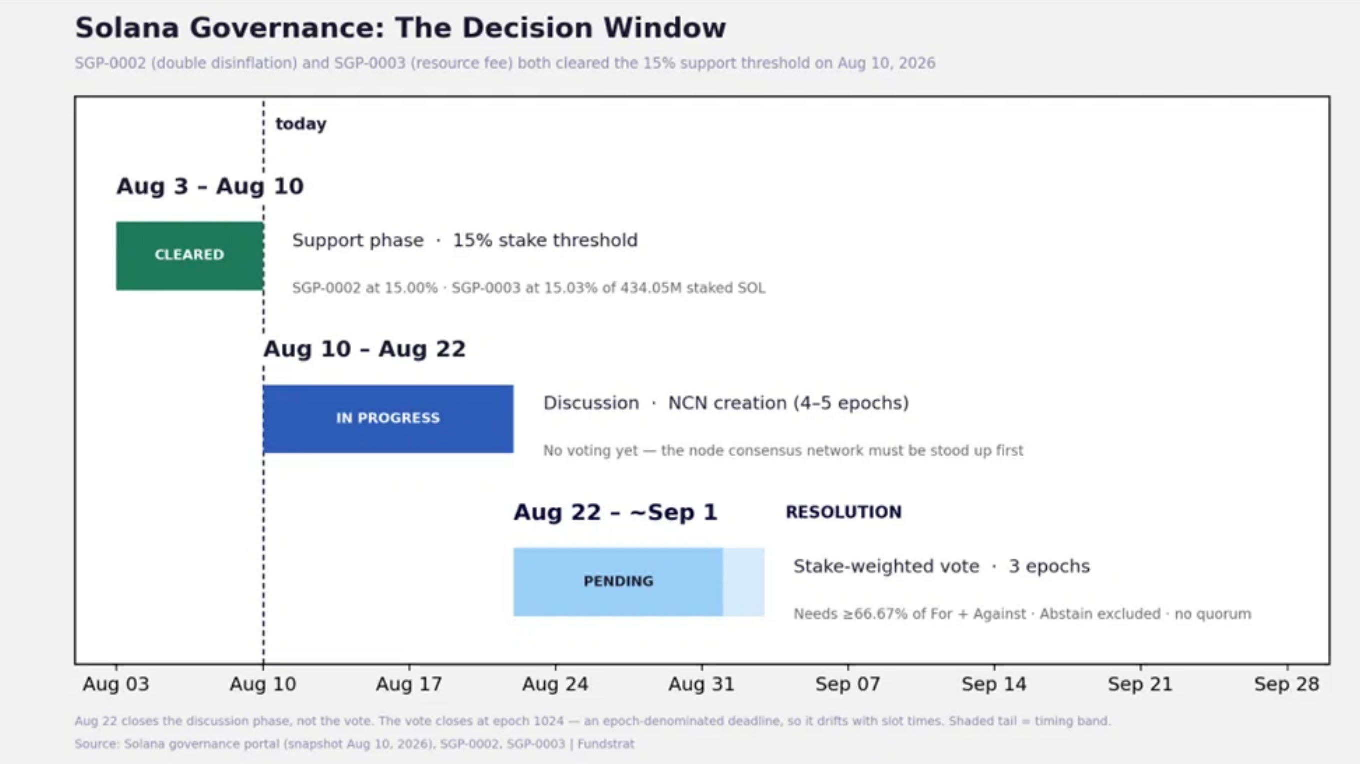


The proposal does not create demand on its own, but it meaningfully reduces the amount of new supply that needs to be absorbed by the market. I think the market would view this favorably, and we could see some relative outperformance if it looks like the proposal will pass.

Passage Is Not Guaranteed

The proposal is far from a guarantee. In fact, there have been prior attempts at passing similar proposals, which were voted down. The core reason for skepticism pertains to validator economics.

Both proposals passed the initial support phase and are now in the discussion period. Based on current epoch timing, that phase should run until roughly 8/22, followed by a voting period that could conclude around 9/1 based on current epoch lengths. Passage requires at least two-thirds of voting stake to support the proposal.



SIMD-0550 may face resistance from some validators because the network is currently operating in a relatively weak on-chain environment. Priority-fee revenue is subdued, and issuance still represents an important source of validator revenue. Accelerating disinflation therefore improves the token's supply profile at the expense of some near-term staking income (albeit inflationary income).

Still, I think the longer-term argument is compelling. The network is ultimately heading toward the same 1.5% inflation rate either way. The proposal simply gets there faster and reduces several years of additional supply overhang in the process. If consensus begins building around passage as we approach the voting period, I think this could become a meaningful catalyst for SOL.

Macro Has Become a Bit Less Comfortable Again

Outside of the crypto-specific developments, the macro backdrop became somewhat less supportive today. Crude prices began to turn higher as U.S.-Iran negotiations appeared to deteriorate, while long-end Treasury yields also moved higher, with the 10-year back above 4.7%.

That makes CPI the obvious next test. A benign inflation print could quickly reverse some of today's pressure in yields, while an upside surprise would reinforce the real-yield headwind that has weighed on crypto repeatedly this year. I still lean net-constructive from a tactical perspective on the broader crypto complex.

Portfolios

Crypto Equities Portfolio - August 10, 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	8/5/26	1.0%	DAT	BTC	97.33	3%	-47%	-36%
PURR	8/5/26	6.0%	DAT	HYPE	6.60	-13%	6%	51%
COIN	8/5/26	1.0%	Financial Services	Super App	148.68	-7%	-28%	-34%
HOOD	8/5/26	2.5%	Financial Services	Super App	94.52	-16%	21%	-16%
BTGO	8/5/26	1.0%	Financial Services	Infrastructure	5.03	-2%	-58%	-65%
GLXY	8/5/26	3.5%	Financial Services	AI Compute	19.52	-22%	-38%	-13%
FIGR	8/5/26	2.0%	Crypto-Enabled Services	Tokenization	28.82	-5%	-5%	-5%
CLSK	8/5/26	1.0%	BTC Mining	AI Compute	11.59	-10%	-14%	15%
WULF	8/5/26	1.0%	BTC Mining	AI Compute	16.20	-26%	-29%	41%
IREN	8/5/26	1.0%	BTC Mining	AI Compute	38.74	-6%	-32%	3%
BTDR	8/5/26	1.0%	BTC Mining	AI Compute	8.70	-35%	-32%	-22%
HUT	8/5/26	1.0%	BTC Mining	AI Compute	85.66	-16%	-20%	86%
HIVE	8/5/26	1.0%	BTC Mining	AI Compute	2.60	-22%	-8%	1%
KEEL	8/5/26	1.0%	BTC Mining	AI Compute	3.40	-27%	-16%	45%
CORZ	8/5/26	1.0%	BTC Mining	AI Compute	19.44	-17%	-15%	34%
CIFR	8/5/26	1.0%	BTC Mining	AI Compute	16.33	-26%	-19%	11%
RIOT	8/5/26	1.0%	BTC Mining	AI Compute	19.40	-7%	-21%	53%
MARA	8/5/26	1.0%	BTC Mining	AI Compute	9.56	-24%	-25%	6%
GSOL	8/5/26	4.0%	Spot Token	SOL	5.76	-2%	-19%	-37%
ETHA	8/5/26	8.0%	Spot Token	ETH	14.14	5%	-18%	-37%
BITB	8/5/26	20.0%	Spot Token	BTC	34.71	0%	-21%	-27%
Cash	8/5/26	40.0%	Cash	Cash	1.00	0%	0%	0%

Returns

	Since Portfolio Inception (6/22/23)	YTD
BTC	118%	-27%
ETH	1%	-36%
S&P 500	77%	13%
Crypto Equities Portfolio	**224%**	**-4%**

Source: Artemis, Bloomberg, Fundstrat

Core Strategy Portfolio - August 10, 2026								
Ticker	**Latest Rebalance**	**Last Rebalance Weight**	**Token Class**	**Sector**	**Current Price**	**30-Day Return**	**90-Day Return**	**YTD Return**
BTC	8/5/26	*40.0%*	*BTC*	*Currency*	63,907	*0%*	*-21%*	*-27%*
ETH	8/5/26	*8.0%*	*Alt. Major*	*SCP*	1,871	*5%*	*-18%*	*-37%*
SOL	8/5/26	*5.0%*	*Alt. Major*	*SCP*	76	*-1%*	*-19%*	*-39%*
HYPE	8/5/26	*7.0%*	*Altcoin*	*DeFi*	55	*-18%*	*37%*	*116%*
USDC	8/5/26	*40.0%*	*Stablecoin*	*Cash*	1.00	*0%*	*0%*	*-0%*

Returns	ITD (1/16/2023)	YTD
BTC	*206%*	*-27%*
ETH	*21%*	*-39%*
S&P 500	*94%*	*13%*
Core Strategy Portfolio	***183%***	***-8%***

Source: Artemis, Bloomberg, Fundstrat

Tickers in this video: #SOL #BTC $STRC $MSTR

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