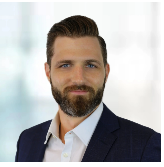
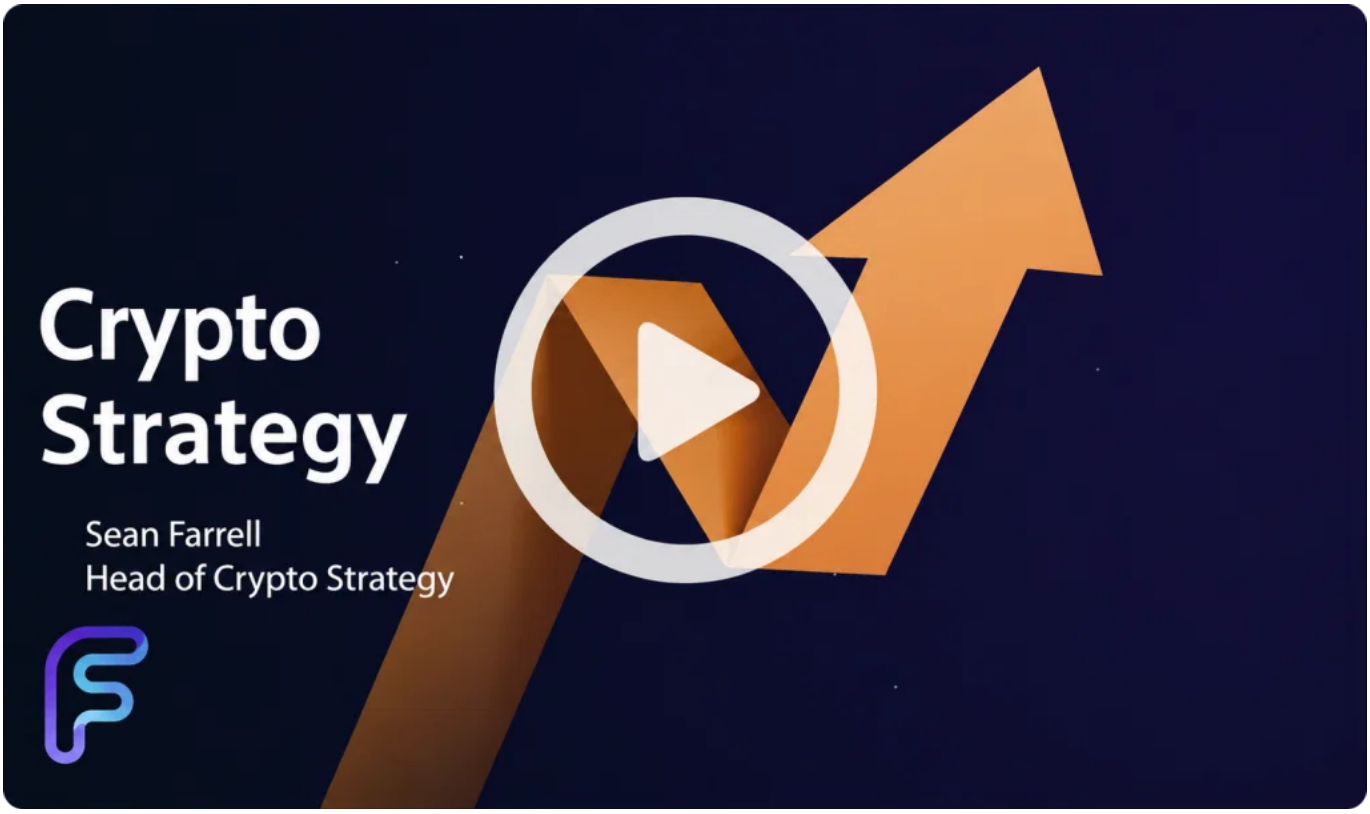
Digital Assets - Comments

August 12, 2026

ADDING TO MINERS AFTER CLEARING CPI HURDLE, FIGR EARNINGS COULD DRIVE A RERATING (PORTFOLIO REBALANCE)



Sean Farrell AC
HEAD OF DIGITAL ASSET STRATEGY



Adding Some Risk Back to Miners

CPI came in roughly on target today, which was enough for me to begin adding some risk back to the mining cohort. Three-month and six-month annualized core CPI momentum continues to trend lower, reflecting a prevailing (albeit volatile) disinflationary trend. We did not get as much relief in yields as I would have liked, and PPI tomorrow remains another important data point, but today's print cleared one of the macro hurdles I was watching before getting more aggressive.

As discussed yesterday, I think a meaningful amount of fear has been priced into the miners following the Texas/ERCOT developments and recent rise in long-term yields. Pair that with strong earnings and price action for neoclouds such as CRWV and NBIS (reflecting strong demand for compute), and I think the risk/reward is becoming increasingly compelling.

Long rates remain an important risk, and we should get additional information on the Texas situation at the August 20th PUCT meeting. But after the recent washout, I think the risk/reward now favors selectively re-adding exposure rather than waiting for the perfect entry.

HYPE Regulatory Path Becoming More Tangible

HYPE was a notable outperformer today, gaining roughly 3% on an absolute basis and ~3.5% relative to BTC despite relatively muted price action across the majors. I suspect the move was at least partially driven by reporting from The Information detailing engagement between Hyperliquid community participants and the SEC and CFTC around creating a regulated avenue for U.S. investors to access perpetual futures.

This fits nicely with something we discussed a couple of weeks ago. Functionality discovered on Hyperliquid's testnet appeared to support permissioned markets, raising the possibility that Hyperliquid could eventually create a KYC'd, regulated venue for U.S. participants while leaving the broader permissionless platform intact.

In my view, that would represent something close to the best-case regulatory outcome. Hyperliquid could potentially open the platform to a significant new pool of U.S. retail and institutional capital without compromising the permissionless product that drove its initial success. There is still plenty we do not know about how such a structure would work, but today's reporting makes the possibility somewhat more tangible.

Is it time for FIGR to Start to Re-Rating Higher?

FIGR reports Q2 earnings tomorrow. This is perhaps the earnings call I am most excited about across the broader crypto complex. I added it to the portfolio a couple of weeks ago, as I felt we were finally (1) through post-IPO share overhang, and (2) it has demonstrated enough repeated performance and execution on its conversion from originator to blockchain-enabled marketplace that the market will start to recognize this transition and re-rate it as such.

I would invite everyone to check out my note from 7/27 for a more in-depth view on FIGR, but to recap the high-level thesis:

- Misclassified company – The market has FIGR priced at ~11x 2027 EBITDA, more in-line with a cyclical HELOC originator than a blockchain-native capital markets marketplace. Figure connect (its marketplace for partner originators and loan buyers) now clears over half of platform volumes, and has durable liquidity support in the form of a Sixth Street-backed guaranteed takeout that functions like a private Fannie/Freddie.
- Strong Growth / Platform Economics – Connect loan marketplace volumes increased 50% from Q1 to Q2 (real time data is already available), revenue is set to double YoY in back-to-back quarters, and the company is consistently posting 45-55% adjusted EBITDA margins. Favorable margin profile is driven by Figure's ~15x cost advantage to incumbents coupled with the company's transition from originator to capital light marketplace.
- Expanding TAM – the company is moving up and out on the credit stack, with first lien debt now accounting for 20% of total volumes in Q1 (up from 14% a year prior), and it has added RTL loans to its platform after acquiring Kiavi for ~5x EBITDA.
- Other Potential Growth Vectors – YLDS/Democratized Prime have just started to show traction. Both are accretive to the marketplace flywheel and another underpriced potential fee source for the company. The Open tokenized equity platform is also young, with limited traction and presents another possible avenue for growth.
- Macro Tailwinds – we can debate the next 50 bps move in the 10Y, but regardless, we are in a higher yield environment for a while. This translates into higher

mortgage rates keeping homeowners locked into ZIRP-era mortgages, leading to increased demand for HELOCs to tap into home equity in lieu of selling.
- Supply-Side Dynamics Shifting in Favorable Direction – the company is 11 months post-IPO, with all shares unlocked. I suspect that supply overhead has weighed on company performance in 2026. This is likely behind us.
- Founder-led – this is a controversial view, but I happen to like that the founders still control >50% of voting shares as this is a high growth company that requires product velocity and potential acquisitions to accelerate growth.
- Room to Re-Rate – I am excited about this earnings call because I think it will be tough for the market to ignore two consecutive quarters of 2x YoY growth and ~50% EBITDA margins. I have the company reaching ~$670 of EBITDA in 2027. Should the market start to treat the company as a tech platform vs credit originator, its margin and growth profile could support a 20-25x forward EBITDA multiple, which translates to roughly $58 per share, or ~2x upside from current price.

Portfolios

As noted above, I added 50 bps weight to each constituent within our mining cohort, funding via spot crypto.

Crypto Equities Portfolio - August 12, 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	8/12/26	1.0%	DAT	BTC	94.83	3%	-49%	-38%	0.00%
PURR	8/12/26	6.0%	DAT	HYPE	6.75	-6%	-5%	90%	0.00%
COIN	8/12/26	1.0%	Financial Services	Super App	149.04	-5%	-30%	-34%	0.00%
HOOD	8/12/26	2.5%	Financial Services	Super App	94.91	-14%	18%	-16%	0.00%
BTGO	8/12/26	1.0%	Financial Services	Infrastructure	4.99	-2%	-49%	-66%	0.00%
GLXY	8/12/26	3.5%	Financial Services	AI Compute	21.08	-10%	-34%	-6%	0.00%
FIGR	8/12/26	2.0%	Crypto-Enabled Services	Tokenization	30.68	1%	1%	1%	0.00%
CLSK	8/12/26	1.5%	BTC Mining	AI Compute	12.18	-1%	-13%	20%	0.50%
WULF	8/12/26	1.5%	BTC Mining	AI Compute	17.19	-18%	-29%	50%	0.50%
IREN	8/12/26	1.5%	BTC Mining	AI Compute	43.67	12%	-25%	16%	0.50%
BTDR	8/12/26	1.5%	BTC Mining	AI Compute	9.02	-26%	-39%	-20%	0.50%
HUT	8/12/26	1.5%	BTC Mining	AI Compute	90.77	-8%	-17%	98%	0.50%
HIVE	8/12/26	1.5%	BTC Mining	AI Compute	2.74	-14%	-8%	6%	0.50%
KEEL	8/12/26	1.5%	BTC Mining	AI Compute	3.54	-19%	-23%	51%	0.50%
CORZ	8/12/26	1.5%	BTC Mining	AI Compute	20.87	-8%	-16%	43%	0.50%
CIFR	8/12/26	1.5%	BTC Mining	AI Compute	17.87	-11%	-20%	21%	0.50%
RIOT	8/12/26	1.5%	BTC Mining	AI Compute	20.32	1%	-17%	60%	0.50%
MARA	8/12/26	1.5%	BTC Mining	AI Compute	9.64	-21%	-27%	7%	0.50%
GSOL	8/12/26	3.5%	Spot Token	SOL	5.73	1%	-18%	-37%	-0.50%
ETHA	8/12/26	7.0%	Spot Token	ETH	14.16	6%	-18%	-37%	-1.00%
BITB	8/12/26	16.0%	Spot Token	BTC	34.38	2%	-22%	-28%	-4.00%
Cash	8/12/26	40.0%	Cash	Cash	1.00	0%	0%	0%	0.00%

Returns	Since Portfolio Inception (6/22/23)	YTD
BTC	112%	-28%
ETH	0%	-37%
S&P 500	77%	13%
Crypto Equities Portfolio	**227%**	**-3%**

Source: Artemis, Bloomberg, Fundstrat

Core Strategy Portfolio - August 12, 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	63,425	2%	-22%	-28%
ETH	8/5/26	8.0%	Alt. Major	SCP	1,878	6%	-18%	-37%
SOL	8/5/26	5.0%	Alt. Major	SCP	76	1%	-18%	-39%
HYPE	8/5/26	7.0%	Altcoin	DeFi	56	-12%	27%	121%
USDC	8/5/26	40.0%	Stablecoin	Cash	1.00	0%	0%	-0%

Returns	ITD (1/16/2023)	YTD
BTC	204%	-28%
ETH	21%	-39%
S&P 500	94%	13%
Core Strategy Portfolio	**183%**	**-9%**

Source: Artemis, Bloomberg, Fundstrat

Tickers in this video: #BTC #HYPE $CRWV $NBIS $FIGR

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