

OCTOBER 2024

Digital Assets Quarterly

Chart Pack

Commentary

- The last quarter revealed a clear divergence between traditional financial instruments and digital assets. The S&P500 stood out with a solid gain of 5.43%, comfortably outperforming the Nasdaq, which posted a modest 1.87% return. Meanwhile, Gold surged by an impressive 13.05%, making it one of the top-performing traditional assets, while Bonds 20+ delivered a strong return of 7.58%. On the flip side, Oil experienced a sharp decline of -12.15%, and the US Dollar Index fell by -4.81%.

Index Highlights

- The digital asset sector experienced a challenging quarter, with most indices posting negative returns. The Ethereum Benchmark Rate saw a significant drop of -24.24%, while DeFi led the declines in the sector with a steep loss of -20.34%. Broad digital indices like Digital Assets 5 and Digital Assets 10 fell by -5.39% and -5.75%, respectively, while smaller assets fared worse, as the Digital Assets Small index dropped by -5.58%. However, there were pockets of resilience: Bitcoin managed a modest gain of 2.43%, and MemeCoin surprisingly outperformed with a 4.30% return. Digital Assets Mid also bucked the trend with a slight increase of 1.06%, showing that not all segments of the digital market struggled. Despite the overall downturn, certain areas in the digital space demonstrated potential amid broader challenges.

Market Momentum and Regulatory Shifts

- The crypto market witnessed significant fluctuations this quarter. Bitcoin reached a two-month high, bolstered by China's economic stimulus, while the launch of Bitcoin ETFs attracted \$850 million in inflows. Ethereum's dominance has waned, hitting its lowest point in three years, while Bitcoin continued to show strength, reaching its highest dominance in 3.5 years. Additionally, the U.S. government's interest in regulating crypto intensified, with discussions around policy advancements, including notable support signals from key figures like Kamala Harris.

Key Project Developments and Product Launches

- Several major players in the crypto space launched innovative products and initiatives. Visa's tokenization platform and PayPal's crypto wallet for business accounts highlight how traditional finance continues to embrace digital assets. Revolut and Robinhood are reportedly exploring stablecoin options, and Mastercard introduced a new crypto payment card. Notably, Bhutan's surprising \$800 million Bitcoin mining operation also made headlines, indicating broader institutional interest.

Technological Advancements and Infrastructure

- Infrastructure development continues to accelerate, with significant strides being made in tokenization and blockchain applications. Visa's tokenization platform and Coinbase's wrapped Bitcoin product are notable examples. Ethereum Layer 2 solutions have processed record transaction volumes, and Tron has emerged as a leader in Layer 1 blockchain fees. At the same time, SWIFT's work on real-world asset trading infrastructure and the approval of Solana's first ETF in Brazil signal promising trends for crypto integration in global financial systems.

DeFi and NFT Developments

- Decentralized Finance (DeFi) showed signs of resurgence as Aave hit an all-time high in borrowers, and platforms like Pendle introduced high-yield Bitcoin pools. On the NFT front, DeGods led gains, with major projects like CryptoPunks and XCOPY also seeing significant sales. Story Protocol's \$80 million raise underscores the ongoing innovation in the NFT space, even as broader market sentiment remains volatile.

Highlights

[ETH vs SOL](#)

[Launch of the MVPYTHV and MVSUIV](#)

[Why Bitcoin Isn't Just a Tech Stock on Steroids](#)

[How the Yen Carry Trade Unwind Supercharged Ethereum Staking Rewards](#)

[The STKR Index Advantage](#)

[Quarterly Digital Assets Review Q2 2024](#)

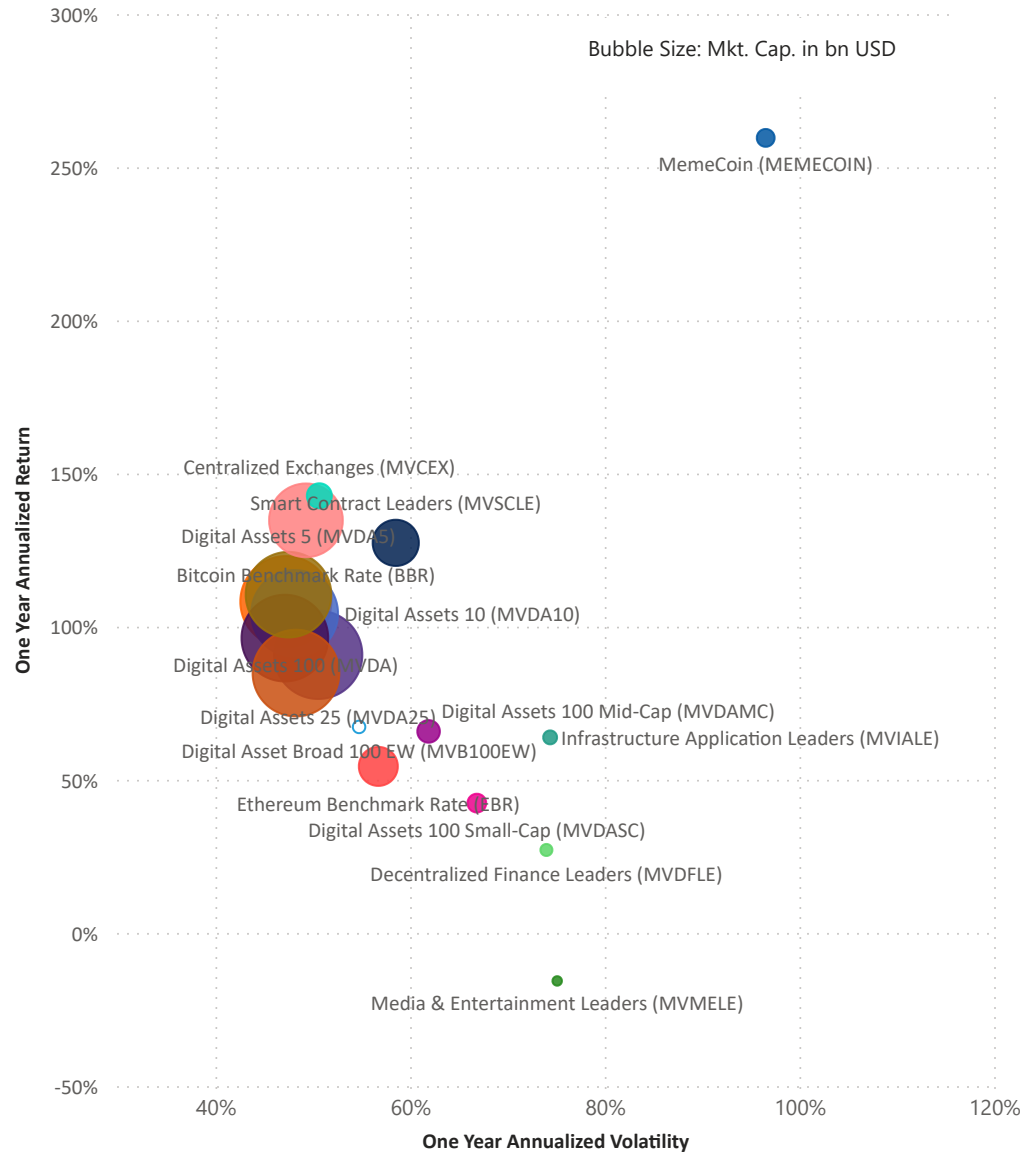
[MarketVector Licenses its flagship Ethereum Benchmark Rate to VanEck for ETHV, the pioneering Spot Ethereum ETF](#)

[Information Drives Market Prices](#)

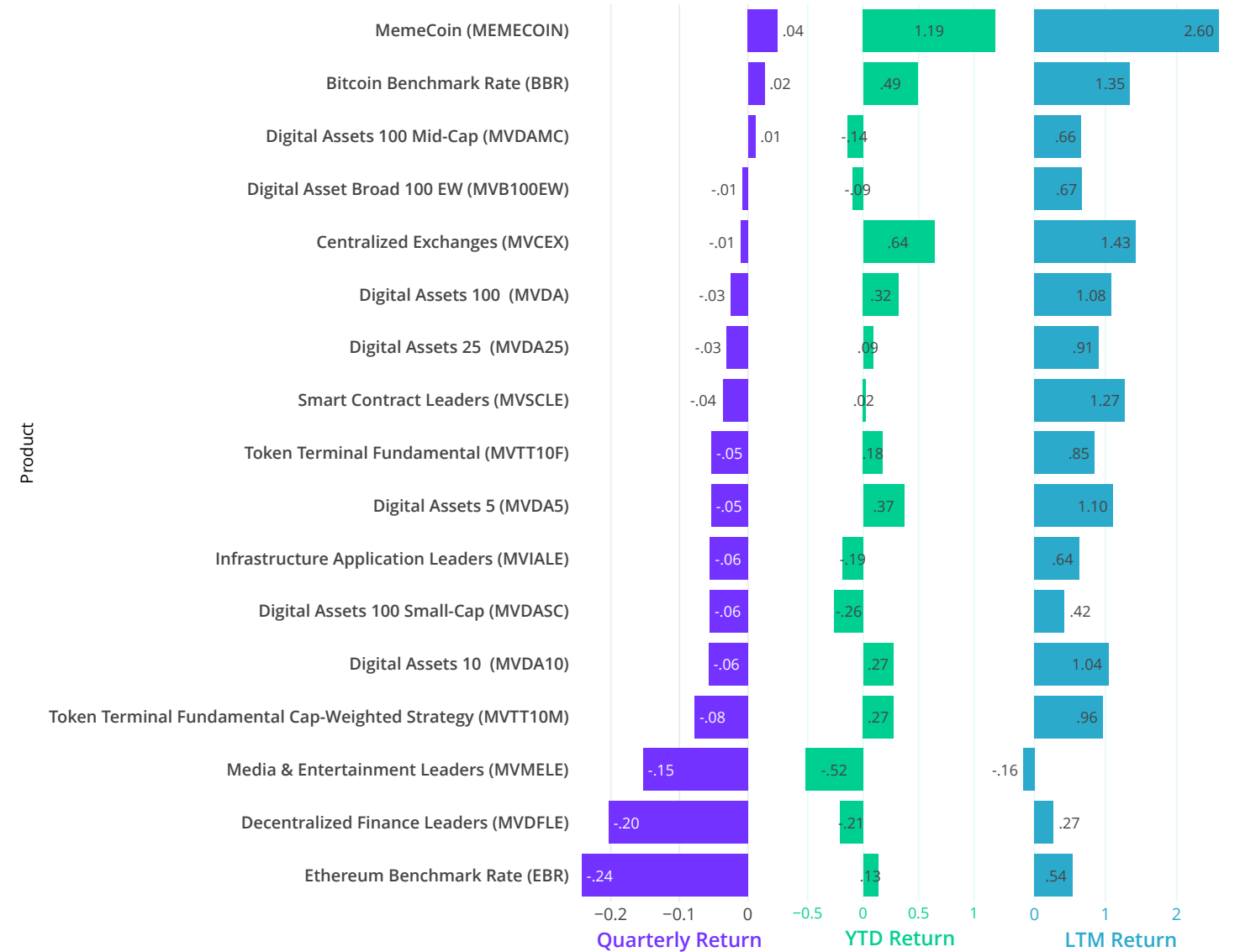
[Mt.Gox and Germany's Bitcoin Offloading](#)

[Launch of CAVAXBR, CLINKBR, CDOTBR, CXLMBR and CSHIBBR](#)

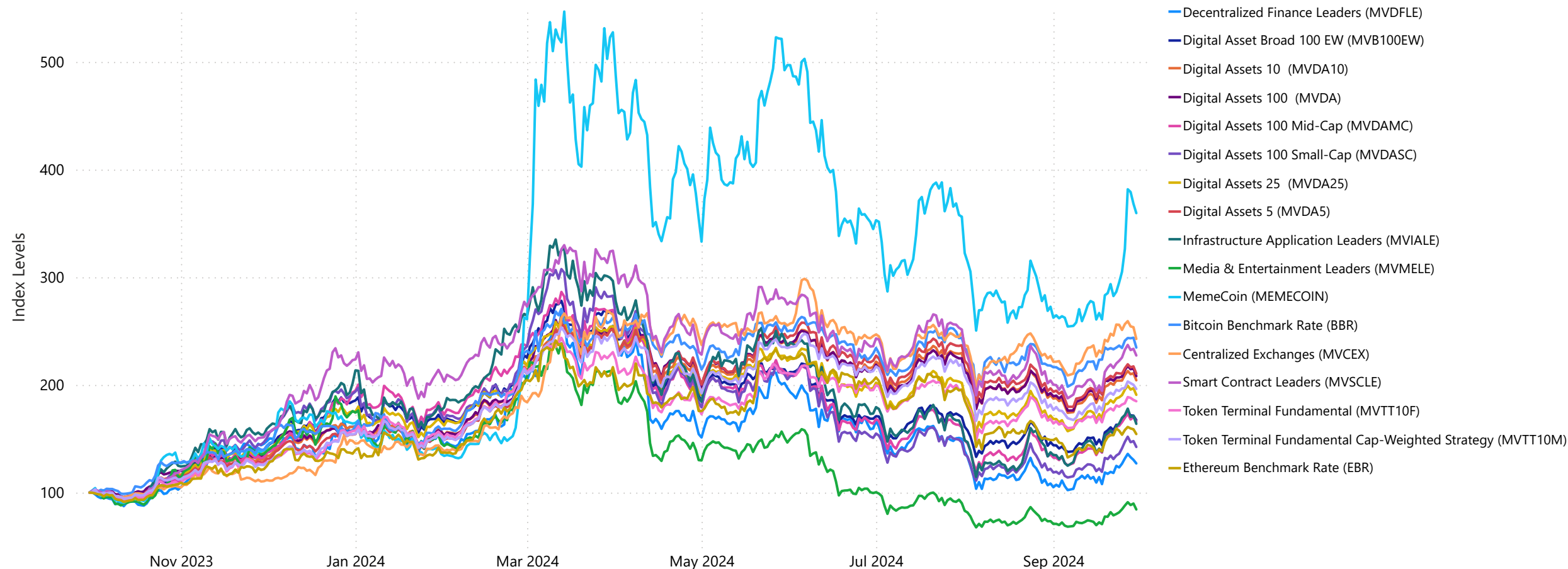
Risk - Return Snapshot [Sep 2023 - Sep 2024]



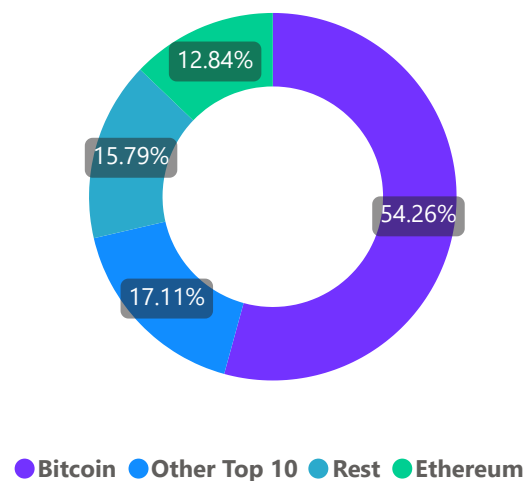
Index Performance



LTM Return [2024]



Mkt Cap Split of Major Digital Assets



Ratio Summary [Dec 2021-Sep 2024]

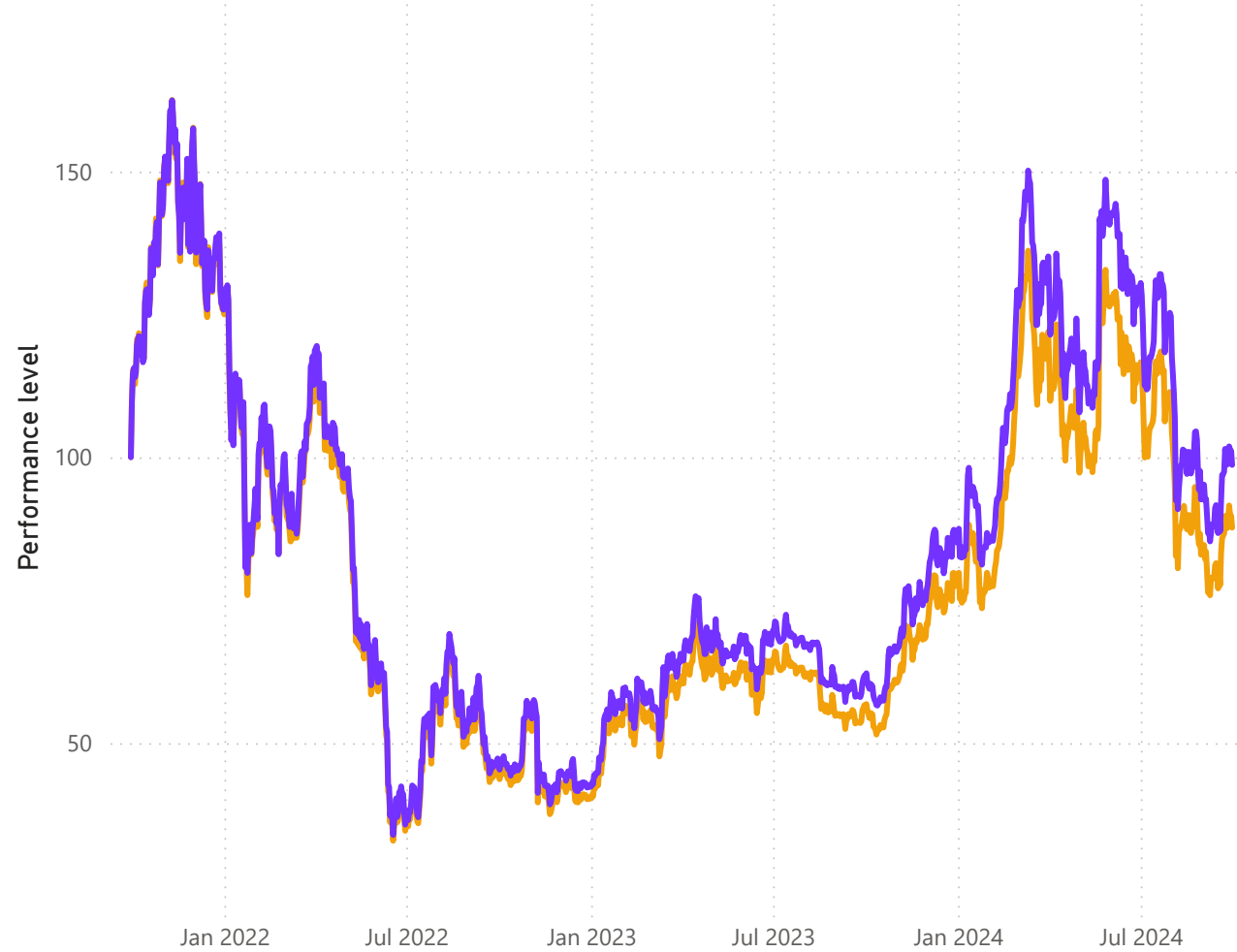
Indexes	Cumulative Return	CAGR %	Sharpe	Sortino	Max Drawdown	Volatility (annualized)
Bitcoin Benchmark Rate (BBR)	37.92%	12.40%	0.39	0.57	-67.12%	53.64%
MemeCoin (MEMECOIN)	32.07%	10.64%	0.54	0.88	-83.92%	102.12%
Digital Assets 100 (MVDA)	-5.34%	-1.97%	0.12	0.16	-66.56%	50.47%
Centralized Exchanges	-10.65%	-4.01%	0.13	0.18	-65.70%	56.77%
Digital Assets 5 (MVDA5)	-17.72%	-6.85%	0.07	0.09	-70.89%	56.04%
Token Terminal Fundamental Cap-Weighted Strategy (MVTT10M)	-18.55%	-7.19%	0.08	0.11	-69.64%	57.87%
Digital Assets 10 (MVDA10)	-18.65%	-7.23%	0.07	0.10	-70.61%	57.12%
Figment Ethereum	-21.59%	-8.46%	0.12	0.16	-73.94%	65.16%
Token Terminal Fundamental (MVTT10F)	-27.49%	-11.03%	0.03	0.04	-71.37%	60.39%
Ethereum Benchmark Rate (EBR)	-29.00%	-11.71%	0.07	0.09	-75.70%	65.93%
Ethereum	-30.20%	-12.25%	0.05	0.07	-74.53%	65.39%
Staking Reward Reference Rate (STKR)	-40.44%	-17.17%	0.80	1.56	-81.57%	218.48%
Digital Assets 25 (MVDA25)	-41.19%	-17.55%	-0.10	-0.13	-75.23%	60.30%
Smart Contract Leaders (MVSCLE)	-54.39%	-24.83%	-0.16	-0.22	-83.28%	66.98%
Digital Asset Broad 100 EW (MVB100EW)	-56.05%	-25.83%	-0.26	-0.35	-76.34%	61.54%
Infrastructure Application Leaders (MVIALE)	-56.07%	-25.85%	-0.03	-0.04	-82.82%	80.12%
Digital Assets 100 Mid-Cap (MVDAMC)	-65.95%	-32.40%	-0.35	-0.47	-82.81%	65.16%
Decentralized Finance Leaders (MVDFLE)	-70.67%	-35.98%	-0.20	-0.28	-82.21%	81.77%
Digital Assets 100 Small-Cap (MVDASC)	-73.33%	-38.15%	-0.43	-0.58	-83.73%	68.14%
Media & Entertainment Leaders (MVMELE)	-95.54%	-67.71%	-1.02	-1.34	-96.51%	81.83%

Quarterly Heatmap Q3 2024

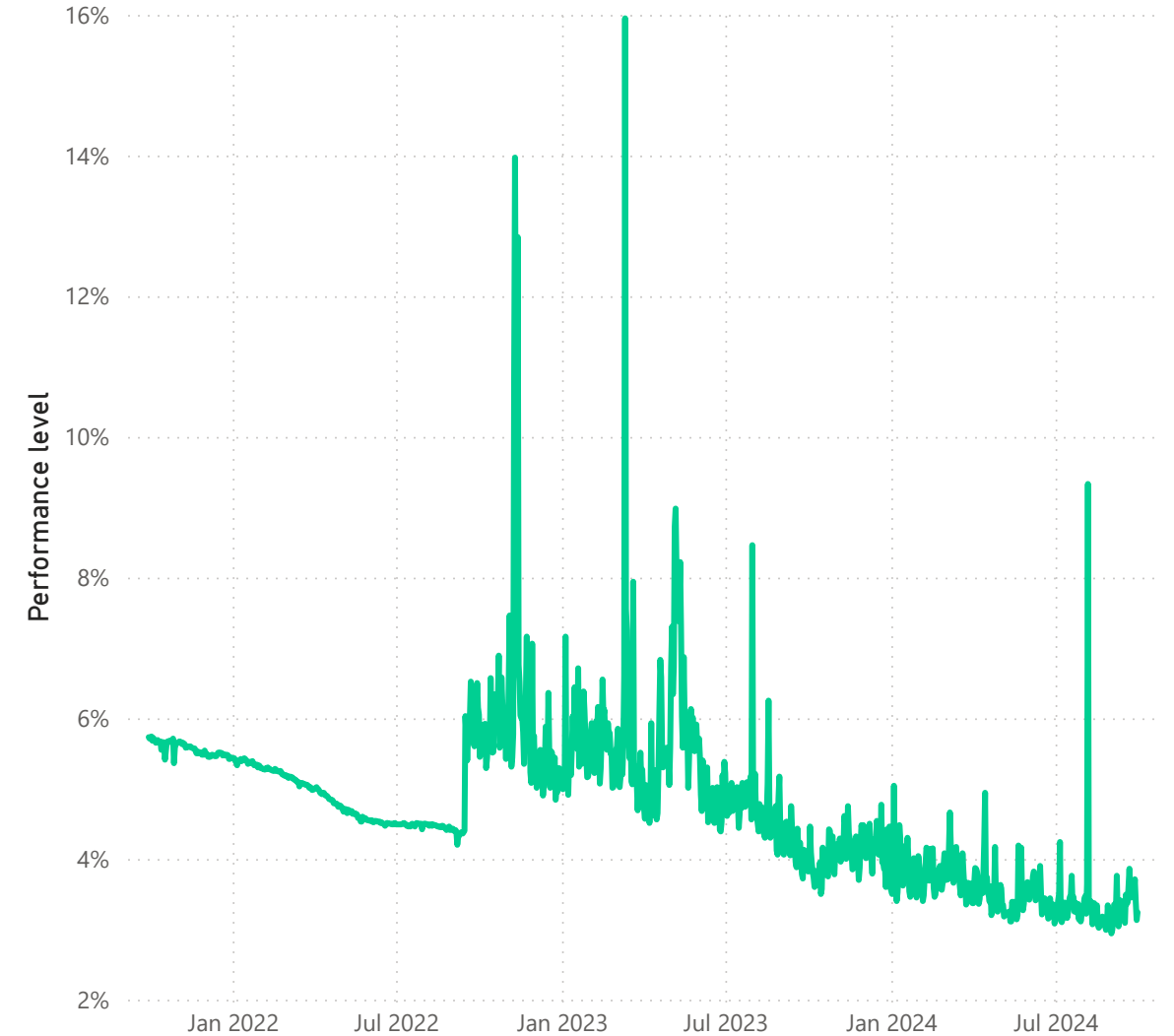
Bitcoin Benchmark Rate (BBR) 2.43%	Digital Assets 10 (MVDA10) -5.75%	Digital Assets 100 Small-Cap (MVDASC) -5.58%	Ethereum Benchmark Rate (EBR) -24.24%	Infrastructure Application Leaders (MVIALE) -5.52%	
Centralized Exchanges (MVCEX) -1.09%	Digital Assets 100 (MVDA) -2.56%	Digital Assets 25 (MVDA25) -3.14%	Media & Entertainment Leaders (MVMELE) -15.30%	Smart Contract Leaders (MVSCLC) -3.65%	Token Terminal Fundamental (MVTT10F) -5.32%
Decentralized Finance Leaders (MVDLE) -20.34%	Digital Assets 100 Mid-Cap (MVDAMC) 1.06%	Digital Assets 5 (MVDA5) -5.39%	MemeCoin (MEMECOIN) 4.30%	Token Terminal Fundamental Cap-Weighted Strategy (MVTT10M) -7.80%	

Ethereum Price Performance (MVETH) Figment Ethereum Total Return Performance (MVETHTR)

● Ethereum ● Figment Ethereum



Ethereum Annualized Staking Rewards Rate (STKR)

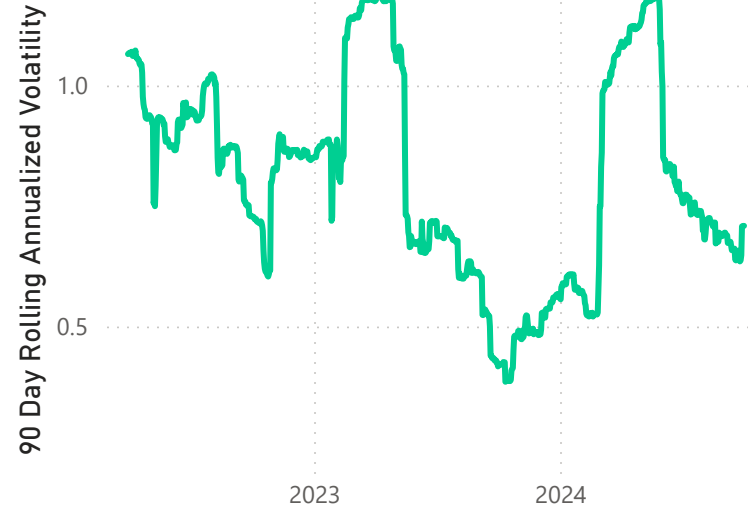


Rolling Volatility in Digital Assets

Bitcoin



Centralized Exchanges



Decentralized Finance



Infrastructure Applications



Media & Entertainment



Smart Contract



Crypto - Nasdaq Correlation

Bitcoin



Centralized Exchanges



Decentralized Finance



Infrastructure Applications



Media & Entertainment

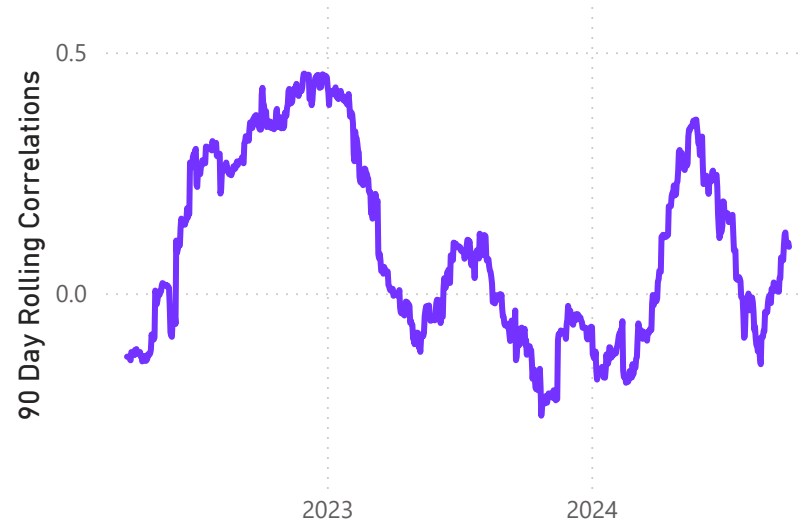


Smart Contract



Bitcoin - Traditional Assets Correlation

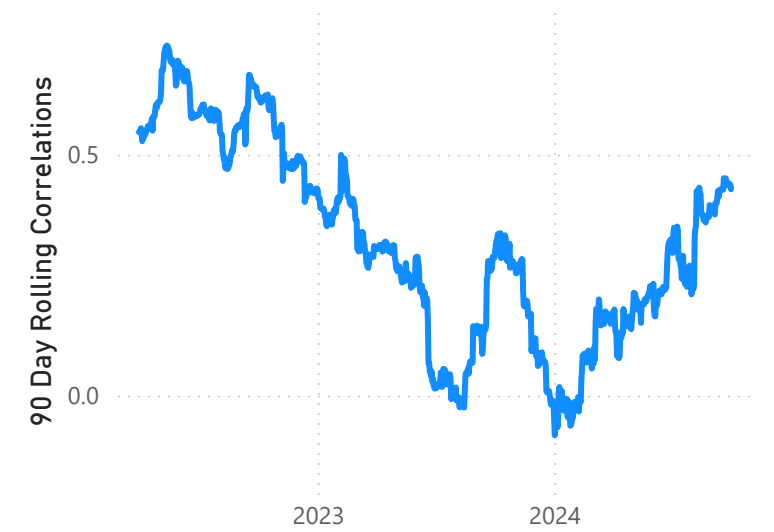
Commodities



Gold



Nasdaq



Oil



US Bonds 20Y

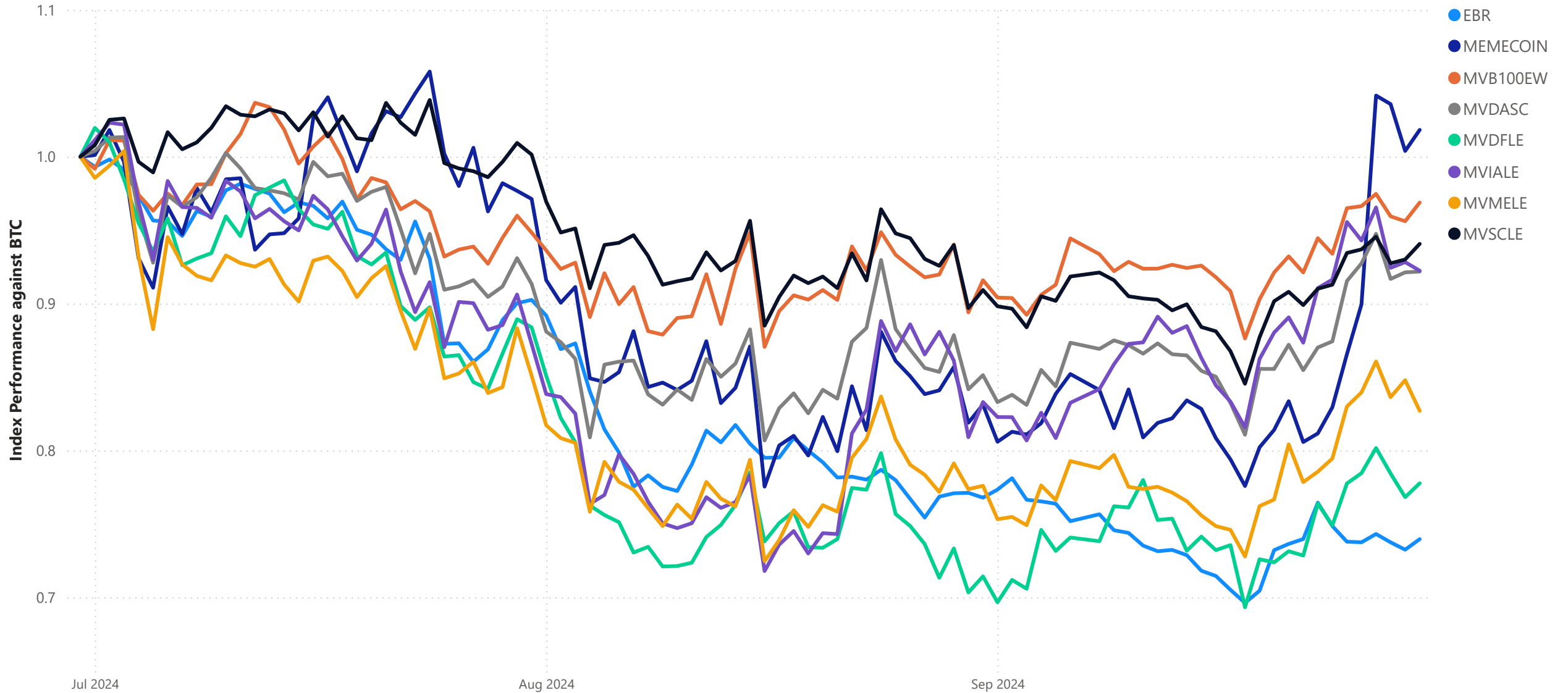


USD

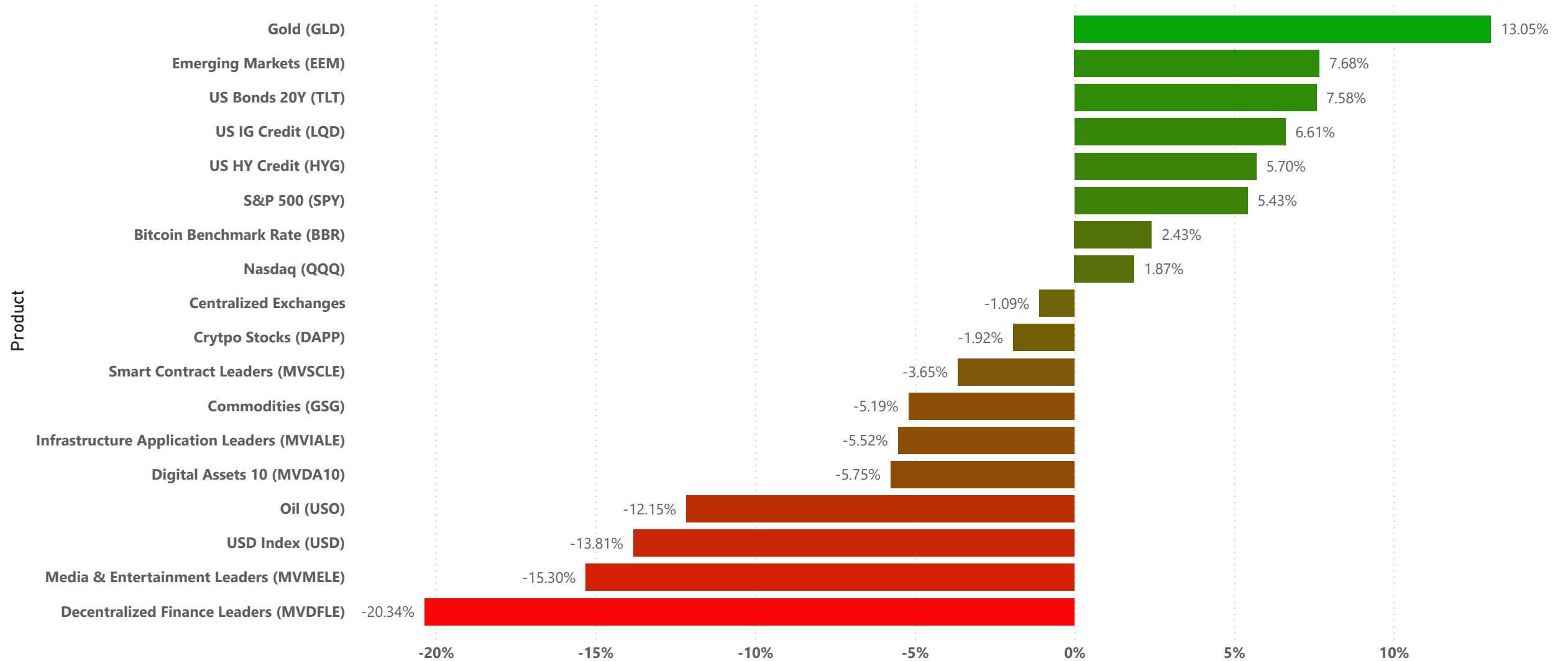


Index Performance against BTC

BTC Ratios



Quarterly Return Comparison



Ticker	Full Name	Short Name
MVBTC	MarketVector™ Bitcoin Index	Bitcoin
BBR	MarketVector™ Bitcoin Benchmark Rate	Bitcoin Benchmark Rate (BBR)
MVCEX	MarketVector™ Centralized Exchanges Index	Centralized Exchanges
GSG	Commodities	Commodities (GSG)
DAPP	Crypto Stocks	Crypto Stocks (DAPP)
MVDF	MarketVector™ Decentralized Finance Index	Decentralized Finance
MVDFLE	MarketVector™ Decentralized Finance Leaders Index	Decentralized Finance Leaders (MVDFLE)
MVB100EW	MarketVector™ Digital Asset Broad 100 Equal Weight Index	Digital Asset Broad 100 EW (MVB100EW)
MVDA10	MarketVector™ Digital Assets 10 Index	Digital Assets 10 (MVDA10)
MVDA	MarketVector™ Digital Assets 100 Index	Digital Assets 100 (MVDA)
MVDALC	MarketVector™ Digital Assets 100 Large-Cap Index	Digital Assets 100 Large-Cap (MVDALC)
MVDAMC	MarketVector™ Digital Assets 100 Mid-Cap Index	Digital Assets 100 Mid-Cap (MVDAMC)
MVDASC	MarketVector™ Digital Assets 100 Small-Cap Index	Digital Assets 100 Small-Cap (MVDASC)
MVDA25	MarketVector™ Digital Assets 25 Index	Digital Assets 25 (MVDA25)
MVDA5	MarketVector™ Digital Assets 5 Index	Digital Assets 5 (MVDA5)
EEM	Emerging Markets	Emerging Markets (EEM)
MVETH	MarketVector™ Ethereum Index	Ethereum
EBR	MarketVector™ Ethereum Benchmark Rate	Ethereum Benchmark Rate (EBR)
SKTR	MarketVector™ Figment Ethereum Staking Reward Reference Rate	Ethereum Staking Reward
MVETHTR	MarketVector™ Figment Ethereum Total Return Index	Figment Ethereum
GLD	Gold	Gold (GLD)
MVIAP	MarketVector™ Infrastructure Application Index	Infrastructure Application
MVIALE	MarketVector™ Infrastructure Application Leaders Index	Infrastructure Application Leaders (MVIALE)
MVME	MarketVector™ Media & Entertainment Index	Media & Entertainment
MVMELE	MarketVector™ Media & Entertainment Leaders Index	Media & Entertainment Leaders (MVMELE)
MEMECOIN	MarketVector™ Meme Coin Index	MemeCoin (MEMECOIN)
QQQ	Nasdaq	Nasdaq (QQQ)
USO	Oil	Oil (USO)
SPY	S&P 500	S&P 500 (SPY)
Ticker	Full Name	Short Name
MVSC	MarketVector™ Smart Contract Index	Smart Contract
MVSCLE	MarketVector™ Smart Contract Leaders Index	Smart Contract Leaders (MVSCLE)
STKR	MarketVector™ Figment Ethereum Staking Reward Reference Rate	Staking Reward Reference Rate (STKR)
MVTT10F	MarketVector™ Token Terminal Fundamental Index	Token Terminal Fundamental (MVTT10F)
MVTT10M	MarketVector™ Token Terminal Fundamental Cap-Weighted Strategy Index	Token Terminal Fundamental Cap-Weighted Strategy (MVTT10M)
TLT	US Bonds 20Y	US Bonds 20Y (TLT)
HYG	US HY Credit	US HY Credit (HYG)
LQD	US IG Credit	US IG Credit (LQD)
USD	USD Index	USD Index (USD)

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