

MARKET HOUSE VIEW 2026

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Introduction: The Structural Re-Rating

The year 2025 represented a definitive structural inflection point for digital assets. We witnessed a stark **disconnect** between Price Discovery and Value Settlement. While asset valuations faced headwinds and decoupled from underlying fundamentals, the industry infrastructure scaled at an industrial pace. This divergence is not a contradiction. Rather, it signals the final transition from a programmatic retail driven cycle to a complex institutional regime governed by macro liquidity, interest rate sensitivity, and reflexive capital flows.

Under this new structure, **the traditional “four year cycle” framework has been rendered obsolete**. While institutional participation expanded via ETFs, flows proved reflexive as they followed price rather than anticipating it, and late year shifts in interest rate expectations capped risk appetite. Speculative capital was structurally diluted by an unrelenting flood of 100,000 new assets per month. Bitcoin's price consolidation should therefore be read not as an asset level failure, but as a signal of a maturing and liquidity constrained market.

Yet beneath the volatility, the settlement architecture of the digital economy has solidified. Stablecoins have evolved from a trading tool into a definitive Global Settlement Layer processing nearly USD 27 trillion in volume. Concurrently, the proliferation of tokenised Real World Assets and the expansion of the **digital asset ETF universe around the globe** have integrated digital rails into institutional portfolio architecture, creating a flight to pristine collateral.

This structural reality forms the basis of our 2026 House View. The market enters the year with a historic dislocation between **verified economic activity and asset pricing**. If 2025 demonstrated the limits of the legacy cycle narrative, 2026 is positioned as a year of Strategic **Re-Rating** where the compounding utility of the settlement layer forces a convergence between depressed valuations and institutional reality. **The trade for 2026 is no longer about riding a cyclical tide but capturing the arbitrage between this compounding industrial value and a market that has yet to price it in.**



Crypto Regulation: A Global Shift



Dr. Mattia L. Rattaggi
Chairman

In 2025, the global crypto-policy shift has become tangible. The EU's MiCA regime is now fully applicable, making Europe the first major economic area with a comprehensive, single rulebook for issuers, service providers, and crypto-structured products. At the same time, the OECD's Crypto-Asset Reporting Framework (CARF) is moving from paper to practice, bringing exchanges, custodians, and ETP issuers into the automatic-exchange-of-information architecture and aligning crypto with the tax treatment of traditional securities. **The direction of travel is clear: crypto is being brought inside the regulated perimeter.** This supports market integrity and investor protection, but it also raises expectations around governance, transparency, disclosure, and risk management.

The Regulatory Race in Crypto-Structured Products

Three blocs have emerged.

United States. The Trump administration pivoted decisively in 2025. The GENIUS Act established a federal regime for payment stablecoins, while the SEC consolidated a large spot Bitcoin ETF market and approved spot Ether products.

Crucially, it also authorized in-kind creations and redemptions for crypto ETPs, aligning mechanics more closely with mainstream ETF standards. Combined with evolving listing practices and CFTC work on spot contracts, the United States is now the leading jurisdiction, and it represents the deepest pool of regulated on-exchange liquidity for crypto instruments.

United Kingdom and Asia. The UK has reopened its cETN market to retail investors, including in tax-advantaged wrappers. In Asia, hubs such as Singapore, Hong Kong, and Dubai have continued refining exchange, VASP, and stablecoin frameworks designed explicitly to attract institutional participation. Taken together, these centers now clearly lead the regulatory race in crypto-structured products, with the EU providing the most complete framework, and the U.S. and Switzerland the most developed product pipelines.

Switzerland has reinforced its early mover status. In October 2025, the Federal Council opened a consultation to amend the Financial Institutions Act, creating two new licence categories: **payment-instrument institutions**, with exclusive competence to issue tightly regulated value-stable payment

tokens, and **crypto-institutions**, dedicated to custody, trading, staking and related services in crypto-based assets. Coupled with CARF implementation and an already mature ETP ecosystem on SIX, where crypto ETPs provide fully collateralised, exchange-traded access to the asset class, this keeps Switzerland at the forefront of regulated crypto-finance in Europe.

For a Swiss-based crypto-asset manager and ETP issuer such as FiCAS, this evolution is constructive. It rewards firms that established institutional-grade processes early and reduces uncertainty around cross-border distribution, product innovation, and custody.

2025 Global Crypto Regulations: Key Jurisdictions



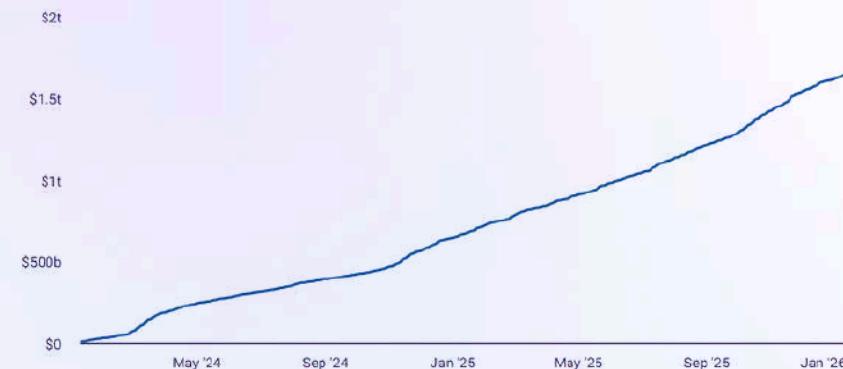
The momentum around digital assets, including tokenised real-world assets (RWAs), strengthened meaningfully in 2025 and is unlikely to fade in 2026. Regulators increasingly treat tokenisation as an innovation in issuance, settlement and collateral management, rather than as a new asset class, provided that the underlying legal claims and investor protections remain intact. Global standard-setters now project tokenised financial assets to grow from a niche today to a material share of bond, fund and collateral markets over the coming decade.

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That is precisely the environment we at FiCAS have argued for: one in which professionally managed, transparent, liquid ETPs become the natural bridge between digital innovation and the discipline of regulated capital markets.”

In parallel, institutional participation in digital assets is normalising: **More than half of traditional hedge funds now have some crypto exposure**, large banks are opening their wealth channels to crypto ETPs, and real-money investors are cautiously exploring stablecoin-based strategies and tokenised instruments. This trend aligns closely with FiCAS's core focus: professionally managed, rules-based access to diversified crypto exposure through exchange-listed products.

Cumulative U.S. spot Bitcoin ETF volumes



Source: Yahoo Finance. Updated: January 15, 2026.

Cumulative Net Flows by Asset Class (USD mn)



Cumulative Net Flows by Crypto ETPs (USD mn). Source: ETFBook. Updated: January 12, 2026.

2026 Market Outlook



Marcel Niederberger
Chief Executive Officer

The “cycle narrative” claimed that 6 October 2025 would mark the peak of the crypto market. The date circulated for years, became a meme, then a hardened into conviction. The more Surprising point is not whether the market topped near that window, but how many participants behaved as if cycle theory were a law of nature.

When enough market participants believe in a pattern, they operationalise it: they hedge, de-risk, and sell. In that sense, the self-fulfilling dynamic can matter more than the theory itself. Whether the cycle narrative is “true” is less important than the behaviour it triggers.

This also illustrates a persistent feature of crypto market structure: **sentiment and crowd positioning often dominate fundamentals in the short term.** When narratives become sufficiently entrenched, price follows. That remains relevant into 2026.

A second structural point is how traditional market participants still treat Bitcoin: primarily as a risk asset. When macro conditions deteriorate, investors often reduce exposure to anything labelled “risk”, and Bitcoin tends to sell off alongside high-beta equities e.g., tech stocks.

Over time, this dynamic will evolve. As institutional adoption grows and both custody and regulation mature, Bitcoin

should gradually move away from a purely speculative, tech-adjacent identity and develop characteristics closer to a macro hedge, closer to gold and other real assets. The transition will not be linear. At times, Bitcoin will trade like a commodity with defensive qualities; at other times, it will revert to conventional risk asset behaviour. 2026 remains part of this transition phase rather than the endpoint. The claim that Bitcoin will de-correlate from equities and correlate more with real assets is directionally plausible, but timing is uncertain.

On a longer horizon, Bitcoin remains supported by structural factors: a predictable supply schedule, improving Network infrastructure, and broadening adoption. **A potential bottom in Q4 2026 fits the pattern of previous U.S. post-cycle resets, but no date should be treated as destiny.** If a bottom forms there, it will reflect improved liquidity conditions, a reset in positioning, and a return to accumulation.

Bitcoin is steadily moving toward its strongest phase yet. Each cycle lifts its floor, expands its user base, and strengthens its global narrative. The long-term trajectory is not just upward; it is accelerating. The structural forces behind it point to a future where Bitcoin is not a speculative asset but a dominant global store of value.

Year	Annualized Volatility (Approx.)	Market Phase Context
2011	> 175%	Early Discovery
2012	~60% - 90%	Halving 1
2013	> 140%	Retail Mania 1
2014	~70% - 90%	Bear Market
2015	~50% - 60%	Bottoming
2016	~40% - 55%	Halving 2
2017	~80% - 100%	Retail Mania 2
2018	~70% - 85%	Crash
2019	~50% - 70%	Recovery
2020	~60% - 80%	COVID/Macro
2021	~65% - 75%	Institutional Bull
2022	~50% - 65%	Deleveraging
2023	~35% - 45%	Maturation
2024	~40% - 50%	ETF Era
2025	~35% - 45%	Large Cap Convergence

Volatility & market-phase profile:

- **Mania:** highest vol, upside skew
- **Bear/Crash:** high vol, downside skew
- **Bottoming:** vol compresses, base forms
- **Recovery/Bull:** vol normalises, trend strengthens

Global Macro Risk and the Role of Crypto



Sanjeev Karkhanis
Board of Directors

Entering 2026, we are operating in a macro environment where risk appears to transmit faster and with greater non-linearity than at any point since 2008. Global debt is now above USD 315 trillion (approximately 330% of world GDP), and more than USD 80 trillion rolls over the next three years. This rollover profile alone suggests that interest-rate volatility will remain elevated. We saw this clearly in 2023–2024: rate-volatility swings reached the largest levels in more than a decade, even as equity markets printed new highs. That divergence is often a signal of a more fragile system.

TradFi liquidity has also become far more concentrated. In the U.S., roughly one-third of equity trading volume now runs through ETFs. In fixed income, the top five bond ETFs account for more than USD 150 billion of AUM, and when flows reverse, they effectively dictate price discovery in the underlying. This structural feature helps explain why dislocations in 2020 and again in 2023 were so abrupt. **Liquidity appears abundant until it suddenly is not. This structure matters for crypto because risk-off events in TradFi spill over into Bitcoin and Ethereum much faster than before.**

Bitcoin itself continues to evolve. In 2024–2025, U.S. spot Bitcoin ETFs recorded over USD 60 billion of net inflows. BlackRock and Fidelity together now hold more than 1 million BTC (roughly 5% of total supply). This is a form of liquidity concentration that crypto has not previously experienced. **It increases legitimacy and accessibility, but it also strengthens the link between ETF flow regimes and short-term price dynamics.** At the same time, Bitcoin's supply mechanics remain fixed. Post-halving issuance is now approximately 0.8% annually, well below gold's estimated 1.5%–2.0% annual supply growth.

The debate about whether Bitcoin is a risk asset or a hard asset will continue. The data is mixed: when global liquidity expands, Bitcoin's beta is high (correlations with Nasdaq were 0.6–0.7 at peaks). Yet during periods of monetary uncertainty, for example, the U.S. regional banking stress in 2023, Bitcoin outperformed gold by a wide margin. Gold was up 7% that quarter, Bitcoin was up over 70%. This tells us the narrative is shifting: it is still a risk-on asset in flows-driven markets, but in true confidence shocks it behaves more like a hedge "outside the system".



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Overall, the world ahead looks more uncertain, not less. In that world, both gold and Bitcoin have a role, but Bitcoin is the one still gaining relevance, partly because it is native to the digital economy and partly because it offers something increasingly rare in markets: a fixed and transparent supply path.”

Sector Frontiers to Watch in 2026



Hadi Nemati
Head of Research

Sector 1: Stablecoins

The Infrastructure of Global Settlement

2025 marked a structural inflection for stablecoins as digital settlement rails continued to scale. Stablecoin on-chain transfer volume reached an estimated USD 27 trillion, exceeding the reported transaction volume processed by Visa over the same period.

Regulatory and distribution catalysts further accelerated adoption. The signing of the GENIUS Act on 18 July provided additional policy clarity for payment stablecoins in the United States, encouraging institutions to integrate digital dollars into treasury and settlement workflows. Stablecoin supply **expanded 54% year-on-year to approximately USD 307.4 billion**.

Crucially, stablecoins moved further beyond the "Crypto-native" silo. Stripe's acquisition of Bridge and Shopify's native USDC integration are examples of stablecoins becoming embedded in back-end payment and commerce flows. On-chain data indicate stablecoins account for approximately 78% of settlement value and 64% of transaction count. It also evidences that they function as the primary liquidity and settlement layer of the on-chain economy.

This hegemonic utility has triggered a "Gold Rush" for issuance, motivated by Tether's staggering USD 10 billion annual net profit and Circle's record-breaking June 2025 IPO, which showcased net interest margins that dwarf those of regional banks.

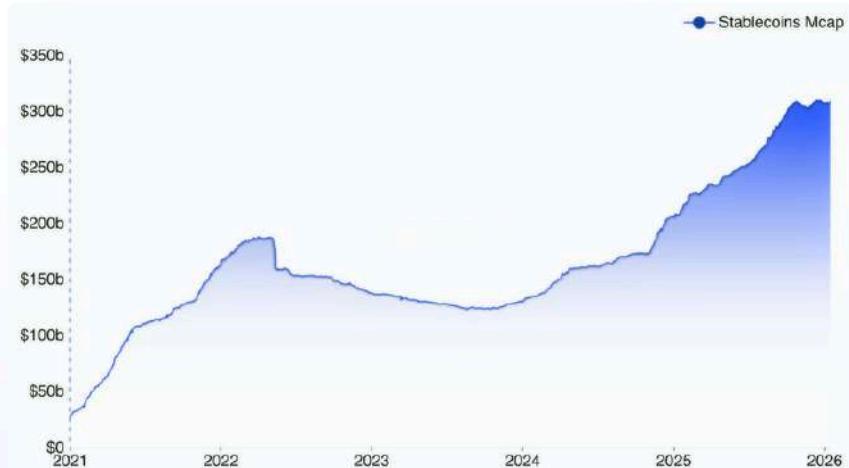
This profitability has forced legacy incumbents like Société Générale and PayPal (expanding PYUSD) to aggressively enter the arena, realizing that the 24/7, T+0 finality of blockchain rails is an existential threat to their T+2 SWIFT models. Beyond payments, the sector has verticalized into sophisticated niches: **Yield-Bearing Stablecoins** like Ethena (USDe) now offer 5-12% native yield to users, while the USD 860 billion remittance market is being disrupted by sub-cent transaction fees in Southeast Asia.

Projects	Latest
Tether	\$189.4 B
Circle	\$76.4 B
Sky	\$10.1 B
Ethena	\$7.3 B
PayPal	\$3.7 B
World Liberty Financial	\$3.3 B
Paxos	\$1.9 B
Global Dollar Network	\$1.2 B
Ripple	\$1.1 B

Outstanding supply of stablecoin issuers with > USD 1B in circulating supply.

Source: TokenTerminal. Updated: January 1, 2026.

All Chains



Total market cap of stablecoins. Source: DeFiLlama. Updated: January 1, 2026.

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Driven by a 55% CAGR, we project the stablecoin market cap will surpass USD 500 billion by year-end 2026. This expansion is catalyzed by massive adoption across banks and brokerages utilizing stablecoins for real-time collateralisation and settlement, deeper integration into consumer payment systems, and a structural diversification into alternative non-USD fiat denominations.”

Sector 2: RWA and Tokenization

The On-Chain Migration of Global Capital

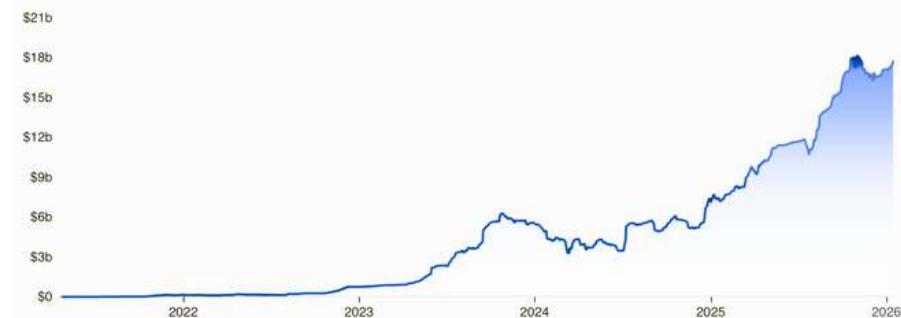
The year 2025 will be remembered as the moment Real-World Assets (RWAs) broadened from institutional pilots toward wider adoption. The sector expanding to a definitive USD 19.26 billion valuation (excluding stablecoins). While the headline growth from USD 5.5 billion to nearly USD 20 billion is impressive, the true "alpha" lies in the distribution: the number of active asset holders skyrocketed tenfold, surging from 56,000 to nearly 600,000 users.

This expansion was driven by a renewed preference for "pristine collateral," as tokenised U.S. Treasury debt (around USD 8.7 billion) became a core building block for on-chain capital deployment. Vehicles such as Franklin Templeton's BENJI (USD 825.6 million) and Ondo's OUSG (USD 825.4 million) have contributed to normalising the "Treasuries on-chain" trade. Tokenised commodities also gained traction, with gold and silver reaching roughly USD 3.6 billion, highlighting the appeal of always-on liquidity, efficient settlement, and reduced operational friction relative to traditional market hours.

The investment thesis is evolving from "access" to "collateral utility." BlackRock CEO Larry Fink has publicly framed tokenisation as a next-generation market infrastructure theme, focused on improving settlement efficiency and liquidity. In late 2025, BlackRock's BUIDL fund reportedly reached a peak near USD 2.9 billion and expanded its utility footprint as **tokenised Treasury products began to appear in collateral and margin frameworks across parts of the derivatives ecosystem.** On the retail-facing side, Robinhood has positioned tokenisation as a strategic priority, including pilots related to tokenised equity access in Europe.

Looking into 2026, the opportunity set is increasingly about **origination rather than packaging.** Tokenisation has already improved distribution of existing assets; the larger structural shift would be origination of credit and structured claims natively on-chain, potentially turning public blockchains into a more efficient, programmable layer for issuance, collateral management, and settlement.

Market forecasts remain ambitious. Boston Consulting Group has projected **tokenisation could reach USD 16 trillion by 2030**, while Standard Chartered has cited scenarios as high as USD 30.1 trillion.



Total TVL of the RWA sector. Source: DeFiLlama. Updated: January 1, 2026.

BlackRock USD Institutional Digital Liquidity Fund	\$1,739,909,814
Circle USYC	\$1,369,667,526
Franklin OnChain U.S. Government Money Fund	\$810,389,017
Ondo Short-Term US Government Bond Fund	\$825,135,243
Ondo U.S. Dollar Yield	\$679,675,122
WisdomTree Government Money Market Digital Fund	\$733,278,660
Superstate Short Duration US Government Securities Fund	\$552,508,181
ChinaAMC USD Digital Money Market Fund Class I USD	\$510,915,738
Janus Henderson Anemoy Treasury Fund	\$263,466,556
Fidelity Digital Interest Token	\$251,014,013

Total AUM of the top 10 tokenized Treasury products. Source: RWA.xyz. Updated: January 1, 2026.

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We project the on-chain RWA market (excluding stablecoins) to grow from ~USD 30 billion today to above USD 100 billion by year-end 2026. Growth should be driven by a "flight to utility," as tokenised T-bills and private credit increasingly serve as active collateral for repo and margin settlement. The key risk is liquidity: fragmented venues can create "paper liquidity," where issuance outpaces reliable exit depth."

Sector 3: ISO 20022

The Strategy to Integrate Into Legacy Payment Infrastructure

The year 2025 was a turning point for the "OG" interoperability trade. On 22 November 2025, SWIFT's CBPR+ end of coexistence took effect, completing the migration from MT to ISO 20022 for cross border messaging. ISO 20022 is not a settlement network, but it is the global language of payment instructions, compliance data, and interoperability. That shift matters because it upgrades the plumbing institutions actually use.

For XRP, XLM, and HBAR, the play is not disruption. It is insertion. Instead of trying to replace legacy rails, these ecosystems have focused on becoming compatible with them, then expanding distribution through regulation, licensing, and market infrastructure. Ripple's USD 1.25 billion acquisition of Hidden Road is the clearest signal, moving the story from payments into institutional execution, financing, and clearing. In parallel, trade finance digitisation has resurfaced as a real wedge. XDC's acquisition of Contour points to the same strategy, embedding into bank workflows where standards, documentation, and settlement efficiency drive adoption.

The institutional moat for these protocols is being reinforced by the shift from retail speculation to regulated access. In late 2025, the SEC's adoption of Generic Listing Standards accelerated a wave of utility focused ETFs, with spot XRP ETFs surpassing USD 1.4 billion in AUM within weeks of their November launch. Part of this demand reflects a market read through on Ripple's strategy, **as investors increasingly view its licensing and market infrastructure build out as a credible route into institutional payment and settlement workflows.**

As we enter 2026, the strategy is clear: these protocols are no longer "side-loading" into finance; they are becoming the primary providers of liquidity and messaging for a TradFi system that has finally run out of legacy road.



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For 2026, this is no longer a disruption trade. It is an integration trade. With ISO 20022 now the default messaging standard, XRP, XLM, and HBAR are positioning to embed into institutional workflows. We expect these ecosystems pursue further acquisitions and partnerships, evolving into hybrid extensions of TradFi plumbing.”

Sector 4: Interoperability

The Connective Tissue of the Global Ledger

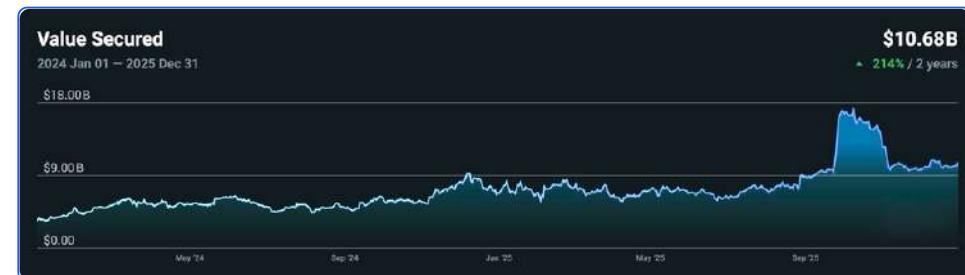
In 2025, the market decisively moved beyond single chain assumptions. Liquidity is now spread across more than 100 active Layer 1 and Layer 2 networks, yet a meaningful share remains operationally constrained despite the growth of stablecoins and tokenised assets. Assets issued on Ethereum still cannot move seamlessly into traditional financial infrastructure or other Layer 1 environments such as Solana without robust messaging, routing, and settlement coordination, which in turn rely on the integrity of cross chain validation and oracle frameworks. Interoperability is therefore a primary constraint on capital velocity across digital assets and tokenised instruments.

Interoperability is increasingly being defined by protocols such as Chainlink CCIP, which has surpassed USD 100 billion in total value secured (TVS), and LayerZero, which has processed nearly 160 million cross-chain messages. The progression of SWIFT aligned initiatives involving CCIP in late 2025 highlighted the institutional push toward cross-system connectivity, supporting future integration of tokenised assets into regulated workflows.

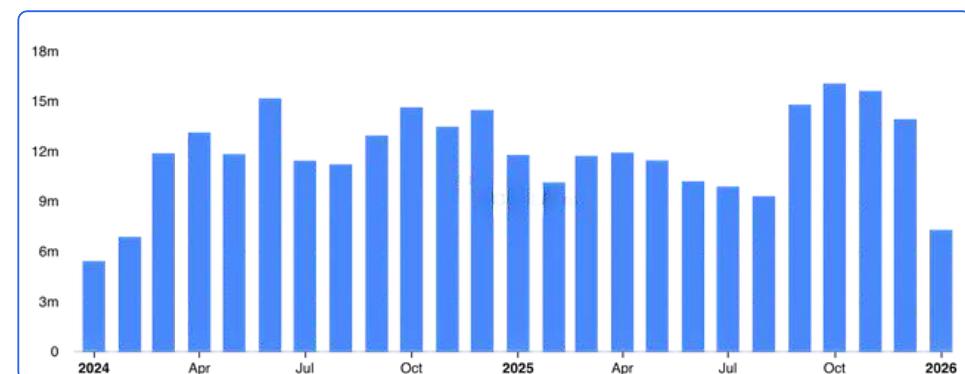
From a macro-economic perspective, the transition to seamless cross-chain messaging is a direct driver of capital velocity, acting as a historical multiplier on asset valuations.

When capital can move instantly between chains, as evidenced by crypto bridges and interchain messaging systems, the liquidity premium of assets increases, reducing slippage and enabling more complex atomic settlements.

The sector's frontier is now shifting from connectivity to economic optimisation. **Value capture is increasingly driven by execution quality, route efficiency, and reducing leakage across settlement paths.** API3's OEV framework is one example of this direction, aiming to recapture value previously lost through oracle related arbitrage and MEV dynamics. As these systems mature, the likely end state is "**chain abstraction**," where the underlying network becomes less visible to the user and interoperability is embedded at the infrastructure layer.



Total value secured by EVM bridges (2024–2026). Source: L2BEAT. Updated: January 1, 2026.



Monthly total transaction volume of bridges (2024–2026). Source: DeFiLlama. Updated: January 1, 2026.

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We project the cross-chain sector will expand at a 35% CAGR, with Bitcoin-to-Ethereum remaining the dominant route and stablecoins remaining the primary bridging asset. As infrastructure matures, it should evolve from simple bridges into intelligent, profit optimising execution layers.”

Sector 5: Privacy Coins & Zero-Knowledge Infrastructure

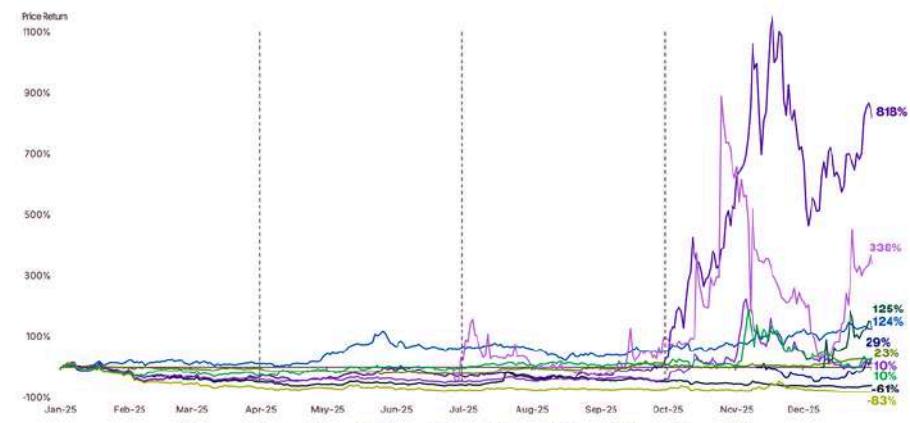
The Return of Financial Secrecy

The year 2025 shattered the consensus that "privacy is dead," with the sector delivering a staggering ~300% year-to-date return as capital sought refuge from the "panopticon" of transparent ledgers.

Zcash led the resurgence. ZEC rallied more than 700% in late 2025 to revisit its prior highs near USD 700, supported by the Crosslink upgrade, the shift toward Proof of Stake, and the November 2025 halving. Unlike Monero, which continues to face sustained regulatory headwinds, Zcash has positioned optional privacy as a compliance compatible design choice. The signal is not only price action. Grayscale's Zcash Trust saw record inflows from accredited investors, reflecting a growing view that shielded pools can serve institutional confidentiality needs without being defined by evasion narratives. With roughly 30% of ZEC supply now locked in shielded pools, the market is assigning a clear privacy premium to protocols that can preserve discretion while remaining usable in regulated environments. This aligns with the direction Vitalik Buterin has outlined through "Privacy Pools," where users can demonstrate compliance without disclosing their full transaction history.

Beyond currency, zero knowledge technology has moved from scaling narrative to institutional infrastructure. zkSync Era has emerged as a category leader, with its Elastic Chain architecture securing more than USD 4 billion in TVL and processing roughly 700 million transactions, while linking public and private execution into a unified cryptographic framework. The institutional use case is direct. Deutsche Bank and UBS have begun piloting ZK based compliance layers to tokenise assets without exposing sensitive client data. As this adoption path expands, the broader ZK proof market is converging toward a projected USD 7.5 billion valuation.

Into 2026, the trade is increasingly about privacy that can scale with institutions. The winners are likely to be networks that treat confidentiality as a feature of compliant financial infrastructure, not as a parallel system outside of it.



Return profile of top privacy-chain assets in 2025. Source: CoinGecko. Updated: January 1, 2026.

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As we enter 2026, our thesis is that privacy is no longer a "niche" for cypherpunks, but a commercial necessity; we expect the sector to bifurcate, with compliant privacy protocols (like Zcash and Zksync) capturing billions in institutional liquidity while non-compliant chains face existential regulatory squeeze.”

Sector 6: Prediction Markets

The World's New "Truth Engine"

The investable value of prediction markets is increasingly clear: **they provide a continuous probability curve that can be used as an input for risk management, macro positioning, and event hedging.** In 2025, prediction markets successfully shed their "gambling" stigma to become the world's most efficient "Truth Engine," solving the crisis of information verification by forcing participants to back their opinions with capital.

This fundamental utility shift, from speculation to critical "Information Infrastructure", drove the sector to hyper-scale, with total transaction volume exploding to ~USD 44 billion, **a nearly 400% increase from the previous year's baseline.**

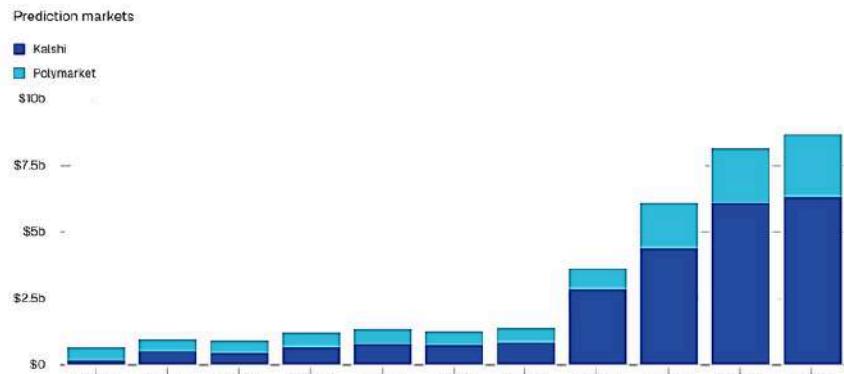
Polymarket cemented its dominance as the global standard, processing over USD 20 billion in volume and handling 95 million transactions. Meanwhile, the U.S. regulated powerhouse Kalshi capitalized on its landmark legal victory against the CFTC to capture the domestic institutional market, seeing its market share surge to 66% in late 2025 as it hit USD 1.98 billion in weekly volume.

Crucially, the sector "crossed the chasm" when Robinhood integrated Kalshi's event contracts, instantly exposing this new asset class to 27.4 million funded accounts and effectively normalizing probability trading for the retail masses.

The landscape has now consolidated into a clear "Duopoly of Truth," with Polymarket (crypto-native) and Kalshi (regulated) controlling 90% of the market, but the real alpha lies in the sector's "institutional knighthood".

The next phase is institutionalisation. ICE, the owner of the NYSE, committed up to USD 2 billion of strategic investment into Polymarket at an implied valuation near USD 8 billion, **signalling that traditional market infrastructure is now treating event driven data as a product.**

Trading volume grouped by project



Trading volume of Kalshi and Polymarket. Source: Token Terminal. Updated: January 1, 2026.

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A Polymarket token launch in Q1 2026 could accelerate liquidity provision and push volumes materially higher. The longer-term upside is corporate adoption, where event contracts become niche hedging tools for discrete supply chain and geopolitical risks.”

Sector 7: Decentralized AI The Convergence of Compute and Cognition

The "AI x Crypto" thesis for 2026 is not about a loose collection of tokens, but a unified, three-layer stack built to solve the single greatest threat of the AI age: the "Black Box" problem.

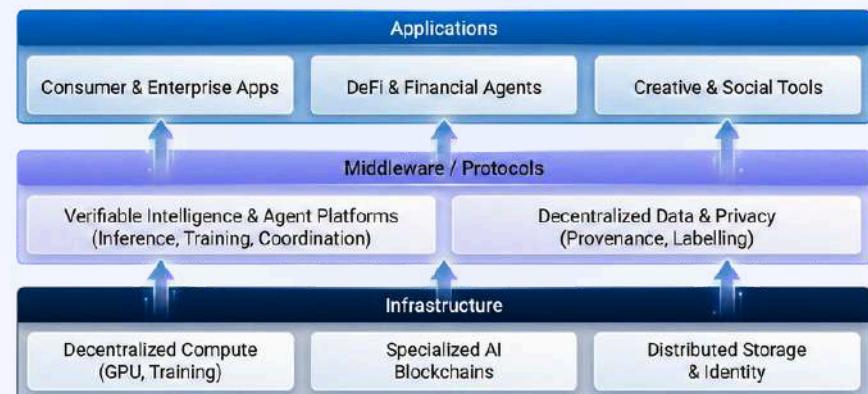
At the foundational Infrastructure Layer, the market has moved beyond simple GPU rentals to **Enterprise-Grade Sovereignty.** Aethir has conquered the compute vertical, generating USD 147 million in ARR by providing the raw power for high-performance training, while OG Labs and Filecoin have secured the Data Availability (DA) layer, ensuring the massive datasets feeding these models are immutable and censorship-resistant.

But the true "moat" of this industry lies in the **Middleware Layer** (Verifiable Intelligence). Here, EigenLayer's Actively Validated Services (AVSs) and Bittensor's incentive subnets provide the cryptographic "root of trust," allowing developers to mathematically prove that a model's inference is correct and unbiased without relying on a centralized overseer. This stack creates a "Glass Box" architecture where compute is decentralized, data is transparent, and intelligence is verifiable, offering the only viable alternative to the closed oligopoly of Big Tech.

Resting atop this verifiable infrastructure is the **Application Layer**, which has given rise to the "Agentic Economy." Internet Computer (ICP) has distinguished itself as the hosting environment for "Sovereign Software," allowing full neural networks to run entirely on-chain within "canisters," immune to de-platforming. Meanwhile, NEAR Protocol has emerged as the universal interface, utilizing "Chain Abstraction" to allow AI agents to hold wallets and execute transactions across any blockchain seamlessly. As these capabilities mature, they enable a new primitive, the Initial Agent Offering, where autonomous agents can raise capital, acquire users, and operate with wallets and revenue models. Virtuals Protocol, now valued above USD 1.8 billion, is one of the clearest expressions of this direction.

Looking into 2026, the key upside is the expansion of machine mediated activity. If agents become persistent economic actors, the volume of on-chain transactions could rise meaningfully as **agents pay for data, compute, and execution.** In that scenario, crypto rails evolve from being merely a financial layer to becoming the settlement substrate for machine to machine commerce. We expect the agent to agent economy to expand the opportunity set within DeFi by increasing the number of economically active participants and the frequency of transactions.

Decentralized AI Stack



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By Q4 2026, we project that 20% of all on-chain transactions will be machine-negotiated settlement flows where agents paying agents for data, compute, and execution, Cementing the blockchain as the native financial rail for the world's artificial intelligence.

How Investors Positioned in 2025: A Flow- Driven View



Christian Ulrich
Head of Product and
Operations

The background of the slide features a dynamic, abstract design of blue and white curved lines on a dark, almost black, background. These lines create a sense of depth and motion, resembling light trails or energy flow. They intersect and curve across the frame, with some lines being more prominent than others.

The global crypto ETP market attracted significant capital in 2025, with distinct regional characteristics. U.S. spot Bitcoin and Ethereum ETFs gathered **USD 28.8 billion** in net inflows through early December, dominated by BlackRock's iShares Bitcoin Trust at USD 70 billion of AUM. The U.S. market expanded beyond BTC and ETH, with additional approvals for Solana, XRP, and other alternative assets later in the year.

Europe's market reached **USD 18.0 billion** across **292** products with **USD 2.87 billion** in net inflows. Single-asset ETPs dominated at 78% of assets, while staked products recorded the strongest growth. New European launches were highly concentrated: one Bitcoin ETP captured over half of new flows while nearly one-third of the 91 launches remained below USD 100,000 in assets.

The practical conclusion is that 2025 **flows functioned primarily as sentiment and regime indicators rather than predictive signals**. Flows were most useful for identifying market regimes: accumulation, distribution, or capitulation, rather than timing short-term direction.

America's Crypto ETF Engine: Scale, Concentration, and Rotation

From 1 January to 11 December 2025, U.S. spot Bitcoin and Ethereum ETFs quietly turned into a core channel for crypto exposure, pulling in a combined ~USD 28.8 billion of net new capital. Bitcoin products clearly set the tone: BTC ETFs absorbed ~USD 19.3 billion in net inflows (USD 41.9 bn in vs. USD 22.6 bn out), lifting total BTC ETF AUM to ~USD 118.4 billion. The market has effectively crowned a single flagship: the iShares Bitcoin Trust (BlackRock) now holds USD 70.02 billion AUM, illustrating how liquidity, brand, and fee pressure have created a "winner-takes-most" structure where one product has become the default institutional gateway to Bitcoin.

Ethereum ETFs tell the story of the "second leg" of the trade. They gathered ~USD 9.5 billion in net inflows (USD 18.4 bn in vs. USD 8.9 bn out), reaching total AUM of roughly USD 18.3 billion. Again, leadership is highly concentrated: the iShares Ethereum Trust ETF accounts for USD 12.2 billion AUM, dominating its peer group. Unlike BTC, where flows were more evenly distributed over the year with a strong start, ETH saw a pronounced mid-year surge, especially in July and August, once investors had established their core BTC allocations. **The pattern suggests Bitcoin as the strategic anchor, and Ether as the**

incremental "risk-on rotation" vehicle within the U.S. ETF complex.

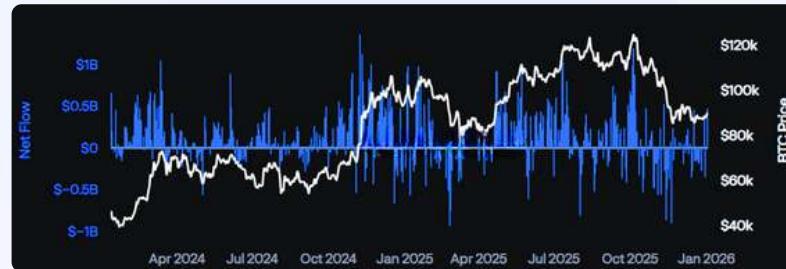
Flow Behavior in 2025: Reading Sentiment, Not Predicting Direction

Throughout 2025, U.S. spot Bitcoin ETF flows functioned less as a leading "smart money" indicator and more as a clear reflection of how investors were reacting to price movements. Flow dynamics predominantly followed price action rather than predicted it.

Strength attracted capital inflows, while weakness triggered outflows or sharply reduced demand. This made flows highly useful for understanding current sentiment, but less reliable for forecasting near-term price direction.

The year's most revealing episodes occurred during distinct market shifts. February's Bitcoin selloff coincided with a sustained risk-off period where ETF flows turned persistently negative across multiple sessions, reinforcing downside pressure rather than providing support. The May-through-July period showed the opposite pattern: inflows remained steady across extended periods even as Bitcoin merely ground higher or paused temporarily, consistent with institutional allocation programs accumulating positions rather than traders timing short-term entries. The October-November period introduced a third dynamic: large inflows arrived

but failed to stabilize prices, before ultimately reversing into heavy outflows during the deeper correction that followed.



Net AUM flows into spot Bitcoin ETFs. Source: Delphi Digital. Updated: January 1, 2026.

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The key takeaway from 2025 flow behavior is that it proved both reflexive and asymmetric. Inflows often appeared late in rallies and were typically followed by cooling momentum, while outflow shocks more frequently coincided with continued price weakness. The practical application is straightforward: use flows to identify the prevailing market regime (whether the market is in accumulation, distribution, or capitulation mode) rather than treating them as a simple buy or sell signal. Investors who tried to use flow data as a mechanical timing tool consistently found themselves late to moves, whereas those who used flows to gauge market positioning and sentiment extracted considerably more value from the data.”

Two Continents, Two Playbooks: U.S. Expansion vs. European Diversification

U.S. Listings: The Expansion Phase of 2025

In 2025, the United States shifted from a Bitcoin and Ethereum centric ETF market to a broader multi asset landscape. After spot BTC and ETH ETFs had established deep liquidity and large AUM, the SEC began approving additional spot products, starting with Solana and XRP in the fourth quarter. The first Solana launches in November and the initial XRP products, which recorded very strong first day trading volumes, confirmed that institutional investors are willing to extend regulated exposure beyond the original two assets when the structure and custody framework are familiar.

Over the course of the year, spot ETFs for Litecoin, Dogecoin and Hedera also came to market, pushing the listed universe beyond large caps into both established alternatives and the first memecoin exposure at ETF level. Litecoin and Hedera listings underline the preference for assets with a clear track record and sufficient liquidity, while the Dogecoin ETF illustrates how far the market has moved in testing the boundaries of what is acceptable inside a regulated wrapper. With further filings active for other major

tokens, 2025 effectively laid the foundation for a U.S. ETF market that is likely to broaden materially beyond BTC and ETH in 2026, both in terms of asset coverage and product variety.

Crowded Shelves, Concentrated Demand: New European Crypto ETP Launches in 2025

Europe saw 91 newly launched crypto ETPs in 2025, which together reached around USD 1.2 billion in AuM and USD 1.4 billion in net inflows as of 9 December. The cohort is extremely top heavy. A single new Bitcoin ETP accounts for roughly USD 723 million AuM and USD 804 million of flows, so well over half of all net inflows into the 2025 launches. At the other end of the spectrum, 41 of the 91 products have less than USD 200,000 in AuM, and 28 products have less than USD 100,000, meaning that almost one third of all new listings are still essentially micro scale.

Thematically, the launches track the main narratives of the year. Alongside the dominant new Bitcoin product, there were meaningful inflows into ETPs on Stellar, a large cap index, Cronos, Lido staked Ether, NEAR staking, Hyperliquid, XDC Network, Celestia and a new Dogecoin ETP, plus a long tail of staking, Layer 1 and Layer 2, DeFi, AI and memecoin exposures such as BONK, PEPE and SHIB. The result is a very broad shelf

where a few flagship products grow quickly while many newer or more specialised names are still in an early asset gathering phase. This naturally raises practical questions for investors about which products will develop sufficient liquidity and attention over time, but it does not mean that small single name tickers are irrelevant. A wider range of listed assets clearly strengthens accessibility. **It allows investors to implement very specific views and to build more granular portfolios without having to navigate offshore exchanges or direct token custody.** Looking ahead, the most interesting opportunity for Europe is probably an evolution rather than a replacement of the current model: core single asset ETPs remain the building blocks, **while additional growth could come from smarter wrappers on top. Examples include listed gateways into DeFi strategies, synthetic structures that package yield or liquid staking, or curated access to onchain income streams.**

“

For now, exchange rulebooks and regulation are still behind for many of these concepts, but if that gap narrows, Europe could move from simply offering more tickers to offering more sophisticated ways of using them.”

An On-Chain Perspective: Late-Cycle Dynamics with Near-Term Asymmetries



Vicky Yang

Co-founder and Head of Strategy,
Fountainhead Digital

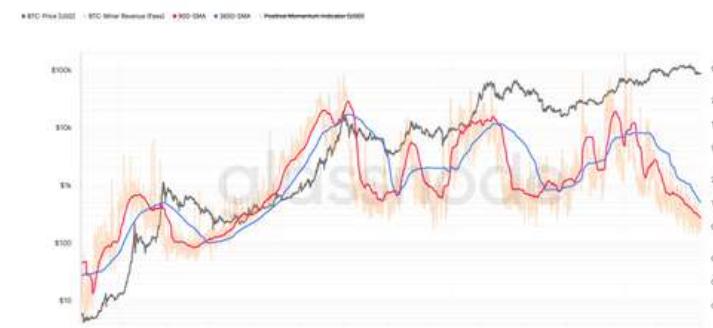
On-chain data provides a transparent, immutable, and real-time record of activity across crypto networks, enabling direct observation of capital flows, investor behavior, and network utilization in a way not possible in traditional financial markets. As crypto market matures and institutional participation deepens, these datasets increasingly function as a capital flow ledger, offering a structural view of liquidity conditions and positioning beneath price movements.

Viewed through this lens, current on-chain indicators suggest that Bitcoin is exhibiting several characteristics consistent with a late-cycle environment, even as prices reached new highs in 2025. At the same time, a subset of shorter-horizon measures points to improving near-term conditions, indicating that downside pressure may have largely cleared and that the market could be positioned for a more constructive first quarter, despite a more constrained longer-term backdrop.

Network Activity and Capital Inflows Lagging Price

Miner fee revenue as a share of total miner income provides a useful proxy for genuine network usage. Unlike block subsidies, transaction fees reflect users' willingness to pay for settlement. Historically, this fee share rises during bull markets but tends to plateau late in the cycle, when adoption struggles to keep pace with price appreciation.

In the current cycle, fee-derived revenue has been in persistent decline since January 2025, despite continued price strength. This divergence suggests **recent gains have not been supported by a corresponding increase in on-chain usage.** Consistent signals appear elsewhere: active user counts remain subdued, while balances held by accumulation addresses have declined throughout 2025, now falling below levels observed at the 2019 cycle low. Together, these metrics indicate that price discovery has increasingly outpaced underlying network usage.



Bitcoin: miner fee revenue momentum. Source: Glassnode. Updated: January 1, 2026.

Capital flow data reinforces this view. By measuring net capital entering or leaving the Bitcoin ecosystem over rolling 30-day windows, flows can be compared consistently across cycles. What stands out in the current phase is not simply diminishing marginal returns to capital, but the fact that price advances in 2025 have occurred alongside already weakening inflows.

Bitcoin's 2020–2021 breakout from roughly USD 10,000 to over USD 40,000 was accompanied by an increase in realized capitalization of approximately USD 80 billion. In contrast, the advance from roughly USD 76,000 to USD 125,000 between April and October 2025 required more than USD 200 billion in additional realized capitalization, yet occurred alongside weakening net capital inflows that were also declining relative to the size of the network. **This divergence indicates that the latest rally was not supported by a comparable expansion in fresh capital, but instead unfolded as underlying liquidity conditions were already deteriorating.**



BTC: On-chain capital flows. Source: Glassnode. Updated: January 1, 2026.

These adoption and liquidity trends do not suggest that the bull market is complete, nor do they preclude further near-term upside. However, they do imply that any sustained continuation of the advance would require a renewed acceleration in either underlying network usage or capital inflows. Absent such an improvement, expectations for materially higher price levels, including a durable break to new all-time highs, remain structurally constrained.

Near-Term Seller Exhaustion

While long-term signals argue for caution, shorter-horizon indicators present a more constructive near-term setup. U.S. spot Bitcoin ETFs provide a clear window into institutional positioning through the aggregated

cost basis of ETF deposits, which currently sits near USD 84,000.

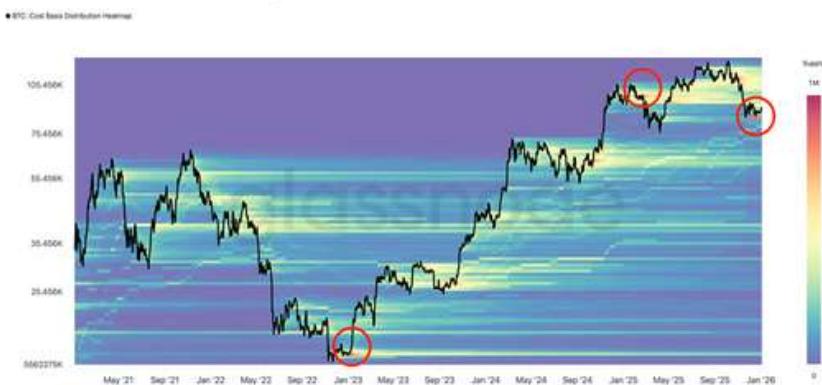
Independently, on-chain data shows that **more than 900,000 BTC are held within a narrow price range around the USD 84,000 level, forming one of the most concentrated supply clusters observed over the past five years.** Historically, cost-basis concentrations of this magnitude have marked key inflection points. In early 2023, a similarly dense cluster near USD 16,500 formed the foundation of the subsequent bull market. By contrast, in February 2025, a large supply band around USD 97,000–USD 99,000 acted as resistance; failure to absorb that supply preceded a sharp retracement. The current configuration suggests the USD 84,000 region represents a critical near-term battleground, with the

potential to function as support if ongoing demand continues to absorb supply.



BTC: U.S. spot ETF position change and average cost basis of deposits. Source: Glassnode. Updated: January 1, 2026.

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Seller behavior further supports this view. During the November 22 correction, the Bitcoin network recorded more than USD 5.5 billion in realized losses, the largest loss event in five years. Losses were split roughly evenly between short-term and long-term holders. While short-term holder capitulation is common during pullbacks, long-term holder selling is far less frequent and typically signals a more meaningful reduction in remaining sell-side pressure. Once these stronger hands have sold, incremental selling pressure often diminishes, allowing markets to stabilize.”



BTC: cost basis distribution heatmap. Source: Glassnode. Updated: January 1, 2026.



BTC: realized loss by LTH/STH. Source: Glassnode. Updated: January 1, 2026.

Cross-Asset Capital Flows

Looking beyond Bitcoin, relative on-chain capital flows across major assets highlight an important shift. Size-adjusted comparisons of capital flows into Bitcoin, Ethereum, and Solana reveal clear regime changes over time. Late 2021 was characterized by strong relative inflows into Solana and Ethereum compared with Bitcoin, while late 2023 through early 2024 again saw Solana-led rotation. In the third quarter of 2025, Ethereum exhibited the strongest relative capital inflows, coinciding with a period of ETH-led market performance.

Into the second half of 2025, capital flows into Bitcoin and Solana weakened, while Ethereum recorded its strongest sustained inflows since 2022. Measures capturing faster-moving, short-horizon capital, reflecting investors that respond quickly to changes in price and volatility, also began to tilt toward Ethereum. While still early, this pattern suggests the potential emergence of a relative ETH outperformance regime, even as broader market conditions remain late-cycle.



On-chain capital flows: BTC, ETH, SOL. Source: Glassnode. Updated: January 1, 2026.

Implications for 2026

Taken together, on-chain indicators suggest that **Bitcoin is exhibiting several characteristics consistent with a late-cycle environment, even as prices reached new highs in 2025**. Measures of adoption and capital inflows indicate that the market has become increasingly reliant on financial flows rather than accelerating underlying network usage, implying a more constrained backdrop for sustained upside absent a renewed improvement in fundamentals.

At the same time, shorter-horizon indicators present a more constructive near-term picture. Evidence of seller exhaustion and concentrated cost-basis support suggest that downside pressure may have largely cleared, increasing the likelihood that a local stabilization, or bottoming process, is already underway. **In this context, further upside into early 2026, including a more constructive first quarter, remains plausible even within a maturing cycle.**

“

Beyond Bitcoin, cross-asset capital flow dynamics point to a more selective opportunity set. While capital inflows into Bitcoin have moderated into the second half of 2025, relative liquidity conditions have diverged across assets: Ethereum has continued to register higher highs in size-adjusted capital flows, even as Bitcoin's relative inflows have made lower highs. Should this pattern continue, capital rotation, rather than broad market expansion, may play a more prominent role in shaping returns in 2026. In such an environment, periods of relative outperformance among alternative crypto assets become more likely, as these assets typically require substantially less incremental capital to generate outsized price responses compared to Bitcoin.

Revisiting Our 2025 Predictions



Hadi Nemati
Head of Research

Total Crypto Market Capitalization Reaching USD 6 Trillion

Assessment: Partially Met (Cycle Peak at USD 4.3T)

While the market achieved a historic ~USD 4.3 trillion peak on October 6, 2025, the USD 6 trillion milestone remained elusive due to a fundamental shift in capital distribution.

Unlike previous cycles, where "Altseason" acted as a rising tide for all assets, 2025 was defined by extreme mega-cap concentration; at the peak, Bitcoin, Ethereum, and Solana alone commanded over 75% of the total market value. This "institutional narrowing" was driven by the fact that regulated on-ramps, specifically the new spot ETFs and DATs, acted as walled gardens, locking liquidity into a handful of liquid assets rather than allowing it to rotate down the risk curve. Our data shows that while the top 10 assets surged, the mid-cap segment (assets 21–100) actually saw an aggregate liquidity drain, as retail participation remained stagnant compared to the 2021 mania.

The failure to reach USD 6T was further exacerbated by an "oversupply crisis."

In 2025, the market was flooded with nearly 100,000 new assets per month, diluting the available speculative capital across a sea of fragmented projects.

This "dilution effect" is evidenced by the top 100's turnover rate: only 12% of the Top 100 by year-end were new 2025 entrants, a sharp decline from the 38% replacement rate seen in the 2021 cycle.

This suggests a "Mega-Cap Moat" has formed; institutional flows prioritize the security and depth of the "Big Three," leaving the broader long-tail market in a permanent liquidity vacuum.

Consequently, while the "floor" of the market has been raised to USD 2.9T as we enter 2026, the path to USD 6T now depends on Real-World Asset (RWA) integration rather than the broad-based speculative fervor of the past.

Total Crypto Market Cap Chart



Source: Coingecko. Updated: January 1, 2026.

Altcoins Market Cap Chart



Source: Coingecko. Updated: January 1, 2026.

Bitcoin Price Peaking Between USD 162K–USD 178K

Assessment: Partially Met (Trend Correct, Magnitude Divergent)

While our bullish thesis on Bitcoin's direction was validated by a series of historic milestones, the asset fell short of our upper-bound projections, reaching a cycle high of approximately USD 126,080 on October 6, 2025.

This peak was propelled by a confluence of legislative "super-catalysts", most notably the March 2025 Executive Order establishing a Strategic Bitcoin Reserve and the July signing of the GENIUS Act, which unlocked a tidal wave of institutional liquidity. The market responded with a record-breaking USD 47.2 billion in net ETF inflows and a historic surge in Digital Asset Treasuries (DATs), as public corporate holdings swelled to control over 1 million BTC (approx. USD 112 billion) for the first time in history.

However, the anticipated surge toward USD 160K+ was truncated by a complex macro environment characterized by escalating tariff disputes and a "policy flip-flop" regarding Federal Reserve rate cuts in late Q4.

Despite the year ending with a price correction to the USD 87,000 range, Bitcoin demonstrated its growing

maturity as an institutional asset by recording its lowest daily volatility to date (2.24%).

The divergence between our forecast and the actual peak underscores a fundamental shift in Bitcoin holder distribution demographics, which will catalyze a permanent alteration of the asset's volatility profile.

Bitcoin Holdings by Company



Source: CoinMarketCap. Updated: January 15, 2026.

Solana and XRP Receiving U.S Spot ETF Approval

Assessment: Completely Met

The 2025 regulatory landscape for digital assets underwent a structural "regime shift," fulfilling our prediction with surgical precision.

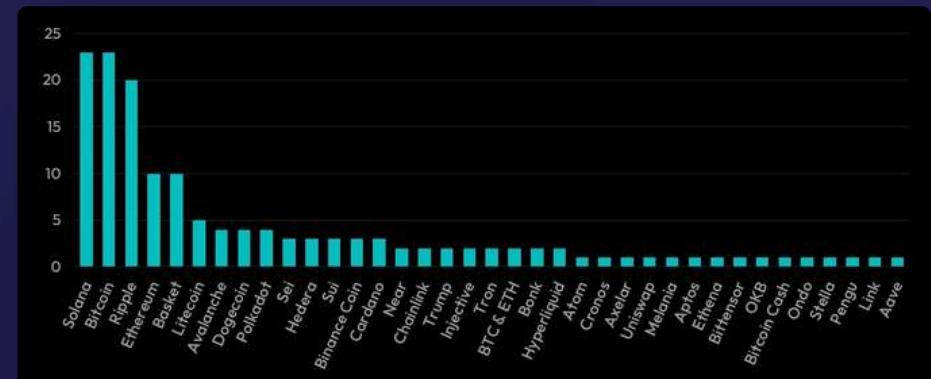
The turning point arrived on September 18, 2025, with the launch of the REX-Osprey XRP ETF (XRPR) on the Cboe BZX, followed by the Bitwise Solana Staking ETF (BSOL) on October 28. These weren't isolated wins; the momentum catalyzed the subsequent listing of spot ETFs for Dogecoin (DOJE), Litecoin, and Chainlink, effectively ending the era of Bitcoin and Ethereum-only dominances in U.S. markets.

This acceleration was driven by the SEC's adoption of Generic Listing Standards on September 17, which dismantled the cumbersome case-by-case 19b-4 review process in favor of a streamlined, rules-based pathway.

Furthermore, a strategic "silent approval" window during the October 2025 government shutdown allowed several firms (Including Bitwise and Canary) to bypass typical SEC delays by removing "delaying amendments," causing filings to become effective automatically under Section 8(a) of the Securities Act.

As of early 2026, the floodgates remain open: over 125 cryptocurrency ETF applications are currently pending, signaling a shift from a "niche" asset class to a fully institutionalized multi-asset ETP ecosystem.

Crypto Projects with Pending filings for U.S Spot ETF.



Source: Bloomberg. Updated: Nov 01, 2025.

Spot Solana ETF AUM



Source: TheBlock/TrackInsight. Updated: Jan 12, 2026.

DEX Volume Reaching One-Third of CEX Volume

Assessment: Validated (Spot) / Missed (Perps)

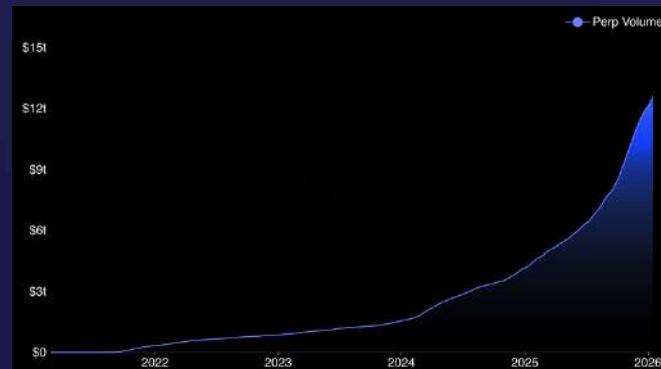
In the spot arena, we successfully surpassed our "one-third" milestone in June 2025, when the DEX-to-CEX spot ratio reached an all-time high of 37.4%. However, the catalyst was not institutional routing, but a full-blown Retail Rebellion driven by the "Meme Supercycle." The infrastructure of this shift was defined by Solana and its "Fair Launch" engine, pump.fun, which democratized asset creation and generated over USD 14 million in daily revenue at its peak. This frenzy fueled a Solana ecosystem that processed a record USD 451.2 billion in annual DEX volume, as retail traders realized that by the time a token hit a CEX, the "alpha" was already gone. This effectively inverted market structure: decentralized exchanges became the venue of first resort for price discovery, while CEXs were relegated to the role of exit liquidity for established assets.

In the perpetuals market, growth was explosive in absolute terms but met resistance relative to centralized giants. Monthly Perp DEX volume reached a historic milestone at the end of 2025, **making a tenfold increase from 2024**. This "Perp Meta" was dominated by Hyperliquid, which pro-

cessed USD 2.95 trillion in annual volume, matching the scale of top-tier CEXs like Coinbase.

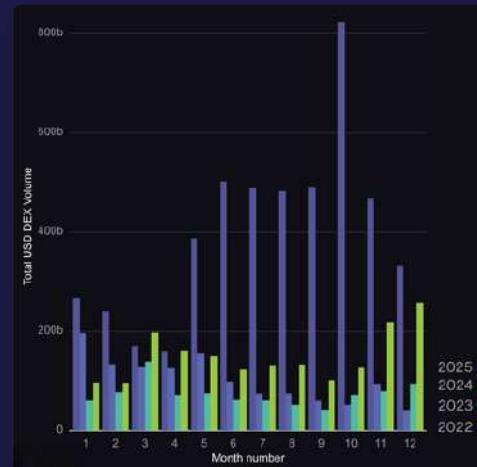
Despite this, the DEX-to-CEX perps ratio peaked at 11.7% in November, falling short of our 33% target. The reasoning is rooted in "liquidity stickiness": while high-performance AppChains have solved the latency issue, CEXs still benefit from **superior cross-collateralization and deeper institutional order books**. For the target to be met in the derivatives space, the market requires a shift from "mercenary liquidity" toward the organic, sustained trading patterns seen on Hyperliquid, where the real metric of success in 2026 will be the percentage of "CEX-originated" volume settled on-chain.

All Chains - Perp Volume



Aggregated perp DEX volumes across all chains. Source: DeFiLlama. Updated: January 1, 2026.

Monthly DEX Volume



Monthly DEX volume, grouped by year. Source: Dune Analytics. Updated: January 1, 2026.

Ethereum Reaching USD 7,000

Assessment: Not Achieved (Cycle High at USD 4,922)

Our USD 7,000 target for Ethereum was predicated on a "supply squeeze" following the Pectra upgrade, which we expected would coincide with aggressive spot ETF inflows. While ETH did secure a new all-time high of USD 4,953 in August 2025, it failed to sustain the momentum required to breach price discovery.

This deviation was caused by a fundamental alteration of Ethereum's economic engine: the "L2 Parasitism" effect. The full maturity of the Dencun upgrade (blobs) effectively capped mainnet revenue, significantly reducing the amount of ETH burned via EIP-1559. Consequently, Ethereum transitioned **from a deflationary asset to a slightly inflationary one (0.4% annualized) in 2025**, removing the "scarcity premium" that was central to our bullish thesis.

Furthermore, as liquidity fragmented across hyper-efficient L2s like Base, Arbitrum, and Unichain, the "monetary premium" of ETH was diluted by high-performance L1 competitors capturing retail mindshare.

Despite falling short of our price target, Ethereum's role as the definitive "Global Settlement Layer" was cemented through massive institution-

-al milestones. The October 2025 launch of ETH Staking ETFs, led by Grayscale's ETHE conversion, transformed the asset's investment profile by allowing institutions to capture native network yield (~3.2%) within a regulated wrapper. This institutional pivot was mirrored in the RWA sector, where BlackRock's BUIDL fund surpassed USD 2.9 billion in on-chain AUM, validating Ethereum as the undisputed host for tokenized collateral. This transition was technically solidified by the Fusaka upgrade (Fulu + Osaka) on December 3, 2025, which introduced PeerDAS (EIP-7594) to exponentially boost rollup capacity and officially raised the block gas limit to 60 million via EIP-7935. By the end of 2025, Ethereum had successfully evolved from a volatile crypto-asset into the foundational, yield-bearing bond of the digital economy.

12-month transactions on the Ethereum network (daily, 7DMA)



Source: The Block. Updated: January 1, 2026.

12-month average transaction fee on Ethereum (7DMA)



Source: The Block. Updated: January 1, 2026.

Stablecoin Market Capitalization Reaching USD 500 Billion

Assessment: Partially Met (Year-End Peak at USD 307 Billion)

While the sector fell short of the USD 500 billion target, 2025 was the year stablecoins transitioned from "crypto dry powder" to a global pragmatic utility layer. The total market cap surged over 50% to USD 307.4 billion, anchored by the July 18 signing of the GENIUS Act, which provided the federal framework necessary for stablecoins to be treated as cash equivalents. This regulatory win catalyzed a massive global demand for "digital dollars" in emerging markets, **where stablecoins officially won the utility war against traditional banking rails for cross-border remittances and B2B settlement.** Tether emerged as the ultimate corporate juggernaut, reporting a staggering **USD 10 billion in net profit for Q1-Q3 2025** and managing a USD 135 billion U.S. Treasury portfolio, making it the 17th largest holder of U.S. debt globally. This profitability underscores a fundamental truth: the business of digital dollars is now more lucrative than that of many legacy "Too Big to Fail" banks.

The USD 193 billion shortfall in market cap was offset by a massive leap in transaction velocity, as stablecoins processed over USD 27 trillion in volume in 2025, rivaling the combined throughput of Visa and Mastercard.

We also witnessed the birth of the "Multi-Fiat Era," as alternative stablecoins pegged to the Euro (MiCA-compliant) and AED (Dirham) gained traction in regional trade corridors to bypass USD dependency.

The sector also diversified into sophisticated sub-sectors, including Yield-Bearing Stablecoins and Liquid Staking derivatives, which integrated directly into DeFi and corporate treasury operations. Although the nominal cap hit a ceiling due to higher-for-longer interest rates dampening new supply, the "stickiness" of the asset class has never been higher. As we enter 2026, the shift from speculative trading to a primary global settlement rail ensures that the USD 500 billion milestone is a looming certainty.

Stablecoin Issuer	Supply (Jan '24)	Supply (Dec '25)	YoY Growth	Market Share (Jan '26)	Share Drift (vs '24)
Tether USDT	USD 140.80B	USD 189.34B	+34.5%	63.48%	▼ -5.68%
Circle USDC	USD 44.09B	USD 73.04B	+65.7%	24.63%	▲ +2.97%
USDS	USD 4.84B	USD 11.04B	+128.2%	3.60%	▲ +1.22%
Ethena USDe	USD 5.87B	USD 6.36B	+8.5%	2.13%	▼ -0.75%
Paypal USD	USD 517M	USD 3.67B	+610.4%	1.21%	▲ +0.96%
USD1	N/A	USD 3.36B	New	1.11%	New
Falcon USD	N/A	USD 2.17B	New	0.72%	New
Ripple USD	USD 77.3M	USD 1.35B	+1,640%	0.46%	▲ +0.42%
Global Dollar	USD 29.9M	USD 1.22B	+3,974%	0.41%	▲ +0.40%

Closing Section: 2026 Predictions



Dr. Mattia L. Rattaggi
Chairman

Looking into 2026, I see four regulatory focal points that will matter most for crypto-asset management and the issuance of ETPs.

First, cross-border interoperability: How MiCA, the GENIUS Act and the revised Swiss framework will recognise each other in the distribution of ETPs and DATs, and how equivalence or "substituted compliance" will emerge in practice.

Second, prudential and conduct calibration for products that combine volatile tokens, stablecoins and tokenised traditional assets in a single structure; this is a core question for multi-asset crypto ETPs.

Third, operational resilience and governance of the on- and off-chain infrastructures that support regulated crypto products, from custodians and staking providers to oracle and smart-contract arrangements.

Fourth, data, reporting and tax transparency, as CARF, MiCA disclosure rules and ESG-driven expectations converge.

If these issues are addressed pragmatically, the integration of crypto assets with traditional finance will accelerate without undermining systemic stability.



Sanjeev Karkhanis
Board of Directors

ETF dominance grows: for better and worse. Bitcoin ETFs could reach USD 150–200 billion AUM by the end of 2026 if flows continue. That will deepen institutional adoption but also tighten the link between TradFi liquidity cycles and crypto performance.

Looking ahead, I expect three things to shape 2026:

- Macro volatility stays high.

With fiscal pressure and elections across major economies, policy stability is not coming back soon. Markets will continue to swing because monetary and fiscal signals are inconsistent.

- ETF dominance grows, for better and worse.

Bitcoin ETFs could reach USD 150–200 billion AUM by the end of 2026 if flows continue. That will deepen institutional adoption but also tighten the link between TradFi liquidity cycles and crypto performance.

- Bitcoin's identity continues to mature and will increasingly sit between gold and tech:
 - not as stable as gold,
 - not as growth-dependent as tech,
 - but a macro asset with a hard cap and a global user base.

For a younger cohort of investors, Bitcoin is becoming what gold was to previous generations, a long-duration hedge against policy error and currency debasement.



Marcel Niederberger
Chief Executive Officer

Bitcoin is bottoming in Q4 2026.

Institutional liquidity will dominate crypto price action for the first time, and by the end of 2026, more than half of all net inflows into Bitcoin and Ether will come from regulated products such as ETFs, ETPs, and tokenised cash instruments



Vicky Yang
Co-founder and Head of Strategy,
Fountainhead Digital

Entering 2026, on-chain indicators suggest Bitcoin is operating in a late-cycle phase, with price increasingly decoupled from accelerating adoption and capital inflows. How challenging this phase becomes is likely to be macro-dependent. While U.S. liquidity conditions appear to have bottomed, recent support measures are modest in scale and primarily aimed at resolving banking system constraints rather than driving broad-based risk asset expansion. At the same time, weak leading U.S. economic indicators point to elevated recession risk. In the absence of a traditional business-cycle recession, Bitcoin is more likely to experience extended consolidation and episodic volatility rather than a renewed, liquidity-driven advance.

By contrast, a cyclical recession would introduce materially higher downside risk: historical episodes such as 2000 and 2008 demonstrate that monetary easing does not reliably offset business-cycle drawdowns, and crypto markets have yet to be tested through such an environment. Even so, late-cycle conditions do not eliminate opportunity. Short-horizon on-chain signals indicate that near-term rallies remain possible, and as the cycle matures, selectivity and capital rotation, particularly toward assets exhibiting stronger inflows, raise the likelihood of relative outperformance among alternative crypto assets in early 2026.

Our Board of Directors



Dr. Ali Mizani Oskui
Founder and CIO

Advisory in crypto and Blockchain with experience of managing one of the most lucrative cryptocurrency asset portfolios worldwide.



Dr. Mattia L. Rattaggi
Chairman

Combines 20 years of experience gained at top financial institutions, including UBS AG, in senior risk, compliance, audit, treasury.



Dr. Daniel Diemers
Investment Committee

2x entrepreneur with startup on artificial intelligence (early warning system based on intelligent software agents) and print-on-demand.



Sanjeev Karkhanis
Risk Committee

Over 27 years of experience in senior C-level positions in the financial sector. A board member, chair of audit and risk committees at AMINA Bank.

The diverse backgrounds of our Board from their career-shaping companies



Our Team



Marcel Niederberger
CEO

Marcel brings over 9 years of crypto experience from various pioneering roles. He was also Managing Partner at DECOM and CEO at CryptoGuard.



Rebecca Loh
CFO

Has extensive experience in financial management, controlling, and tutoring. Skilled in leadership and regulatory finance.



Christian Ulrich
Head of Product and Operations

9 years in crypto, in both finance and technology positions him uniquely to drive innovative solutions in the crypto investment space.



Hadi Nemati
Head of Research

Over 8 years of expertise in crypto research and portfolio management. Known for his expertise in blockchain and portfolio management.



Alexander G Strachwitz
Head of Sales

Alexander has over 15 years in senior Swiss Asset Management roles. He also owns his own advisory firm where he advises family offices.



Naafi Harwanti
Marketing Manager

Experienced in digital creatives, marketing operations, and performance optimization in crypto marketing globally.



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