

Weekly Thoughts

Global financial sanctions of Russian entities over the weekend, following the Russian invasion of Ukraine, are continuing to be absorbed and understood within the market. Disconnection from SWIFT, the world's interbank messaging and settlement service, will force alternative methods of exchange for those involved, including the Russian System for Transfer of Financial Messages (SPFS), the Chinese Cross-Border Interbank Payment System (CIPS), and additionally, Bitcoin and other cryptocurrencies.

Based on trading volumes and chain analysis, Ukrainians and Russians are turning to Bitcoin as a financial safe haven and banking escape hatch after turmoil for both the Ukrainian hryvnia and Russian ruble. Thus far, a Ukrainian NGO "Come Back Alive" and the Ukrainian government has received a combined \$22 million in cryptocurrencies, comprised of Bitcoin, Ethereum, and Tether. On an individual level, these transactions and transfers still need to be converted into local currencies by KYC'd customer accounts, allowing exchanges and off-ramps to easily identify sanctioned individuals or entities. Tether transactions can also be halted or seized, such is the nature of a centralized stablecoin.

Please see important disclosure on next page.

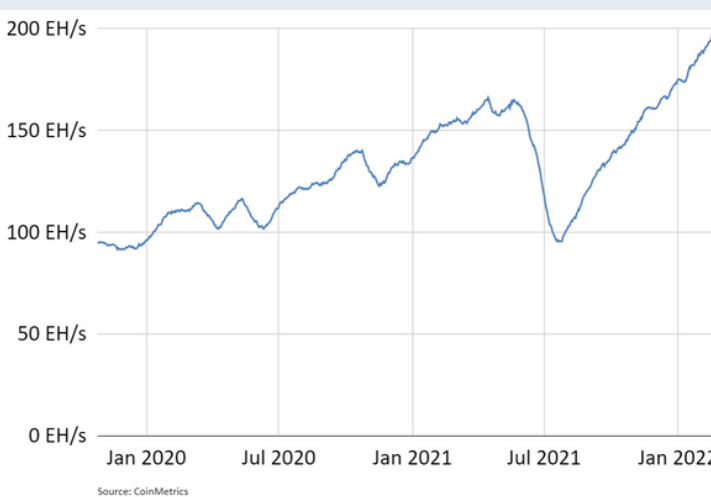
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Crypto	Ticker	Price (\$)	Returns (%)					M Cap (bn)	Consensus	Annualized			
			1 week	1 month	3 month	YTD	1 year			Issuance (%)	Stake Yield (%)	Volatility	Sharpe
Bitcoin	BTC	38757.92	4.27	2.15	-31.01	-14.92	-20.79	745.88	PoW	1.77	N/A	0.73	0.08
Ethereum	ETH	2668.59	3.71	0.89	-41.45	-26.17	72.65	325.02	PoW	4.19*	N/A*	0.99	1.07
Binance Coin	BNB	367.50	3.47	-0.53	-40.22	-27.13	46.06	61.52	PoS	0.00	8.09	1.13	1.01
Solana	SOL	89.38	7.16	-7.80	-55.99	-45.99	512.05	29.38	PoS	5.01	5.96	1.43	2.02
Terra	LUNA	74.48	5.24	46.29	27.77	-10.70	1030.42	28.77	PoS	2.30	8.16	1.76	2.33
Avalanche	AVAX	75.83	3.68	11.26	-35.42	-28.81	182.84	19.15	PoS	6.00	9.25	1.55	1.52
Polkadot	DOT	17.19	-1.55	-11.03	-54.52	-35.22	-51.66	17.04	PoS	8.22	13.99	1.31	0.25
Polygon	MATIC	1.48	3.51	-8.58	-15.89	-40.43	501.96	11.33	PoS	4.72	12.50	1.85	1.93
Cosmos	ATOM	27.67	5.10	0.04	1.99	-13.21	50.38	8.05	PoS	9.49	13.51	1.51	1.04
Tron	TRX	0.06	2.17	0.07	-38.77	-21.19	24.53	6.04	PoS	1.90	6.70	1.18	0.83
Algorand	ALGO	0.82	5.33	-11.72	-53.73	-49.37	-22.97	5.56	PoS	2.24	0.63	1.34	0.61
Fantom	FTM	1.61	3.67	-19.64	-23.30	-27.01	181.61	4.18	PoS	7.18	5.19	1.87	1.43
Dash	DASH	90.18	4.10	-2.51	-48.99	-31.33	-59.19	0.97	PoW/PoS	2.83	5.82	1.24	0.01
Zilliqa	ZIL	0.04	3.30	-10.99	-53.99	-46.37	-65.30	0.50	Other	11.31	13.87	1.43	0.04

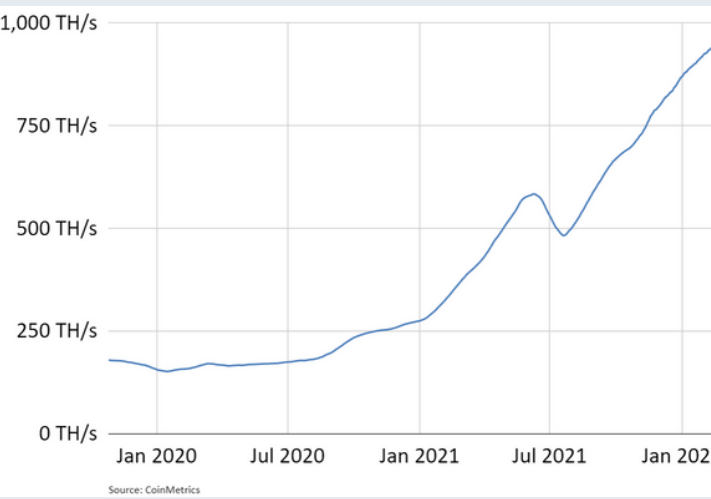
TradFi								
S&P 500	SPX	4348	-1.58	-1.12	-7.43	-8.76	11.32	
Nasdaq 100	NDX	14009	-1.71	-2.97	-15.47	-14.16	3.16	
Russell 2000	RUT	2009	-1.03	1.08	-14.25	-10.51	-11.35	
Dow Jones Ind.	DJI	34079	-1.90	-0.54	-4.28	-6.22	8.21	
Gold	GC00	1904	1.68	3.32	5.54	4.05	5.28	

Stablecoins		DeFi APYs (%)		
Ticker	Supply (bn)	Lend	Borrow	
Tether	USDT	79.58	1.95	3.28
USD Coin	USDC	53.29	1.80	3.15
Binance USD	BUSD	18.14	1.81	3.07
MakerDAO	DAI	9.66	2.37	3.83
Gemini Dollar	GUSD	0.21	1.06	2.42

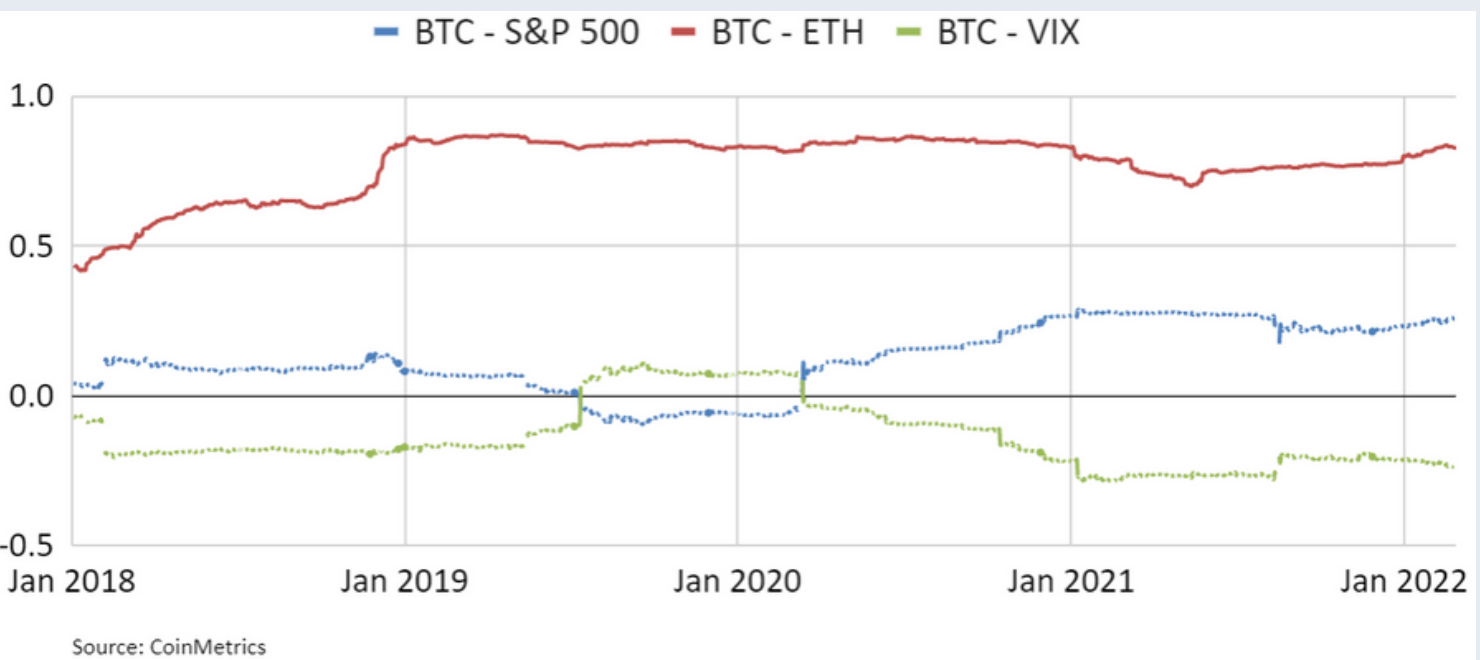
Bitcoin Monthly Average Hashrate



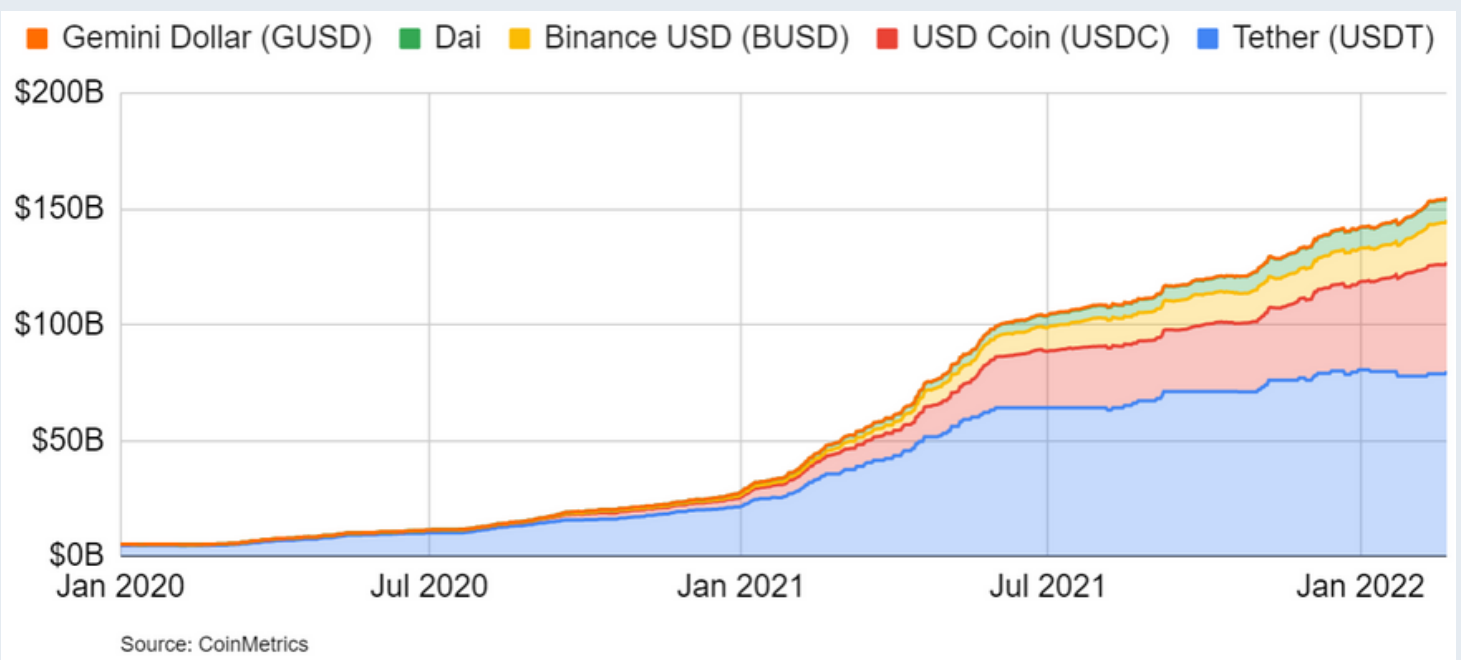
Ethereum Monthly Average Hashrate



Rolling Annualized Correlations



Stablecoin Circulating Supply





Weekly Crypto Market Review - Feb 28th, 2022

Weekly Thoughts: Source: Valkyrie Investments, Inc.

Coin Prices, Market Capitalizations, and Returns: Source: Valkyrie Investments, Inc., TradingView, Messari. All returns represent total return for stated period.

Consensus: Source: Valkyrie Investments, Inc., Messari - Proof of Work (PoW), Proof of Stake (PoS), Other - indicating hybrid PoS or unique PoS consensus.

Annualized Issuance, Staking Yield, Volatility, and Sharpe Ratio: Source: Valkyrie Investments, Inc., Messari, StakingRewards.com. *ETH's EIP-1559 token burn and ETH-2 staking not included.

"TradFi" prices and returns: Source: Valkyrie Investments, Inc., MarketWatch. "S&P 500" provided by Standard & Poor's and is a stock market index tracking the performance of 500 large companies listed on stock exchanges in the United States, "Nasdaq 100" provided by NASDAQ OMX Group and includes 100 of the largest domestic and international non-financial companies listed on the Nasdaq Stock Market based on market capitalization. "Russell 2000" provided by FTSE Russell and is a small-cap stock market index that makes up the smallest 2,000 stocks in the Russell 3000 Index. "Dow Jones Ind." provided by S&P Dow Jones Indices and is a price-weighted measurement stock market index of 30 prominent companies listed on stock exchanges in the United States. "Gold" provided by NYMEX - CME Group and is continuous futures product. All returns represent total return for stated period.

Stablecoin supply provided by CoinMetrics, DeFi APYs provided by DeFiRate.com and represent the 30-day average of rates offered on the Compound and AAVE platforms.

Bitcoin Monthly Average Hashrate, Ethereum Monthly Average Hashrate, Rolling Annualized Correlations, Stablecoin Circulating Supply: Source: Valkyrie Investments, Inc., CoinMetrics

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