

February 2, 2024

Company Name	Ticker Symbol	Price		Enterprise Value (\$M)	Valuation Multiples		Exp. Rev Growth Rate 2022 - 2023E	Price Change					
		Current Price	% Within 52 Week Range		EV / LTM Revenue	EV / 2023E Revenue		1 Week	1 Month	Jan 1, 2024	Since Coinbase Direct Listing	Since Inception	
<b>Architect Crypto Public Company Index (c)</b>													
	Price	<b>\$31.60</b>											
	% Change							<b>2.0%</b>	<b>-13.9%</b>	<b>-16.6%</b>	<b>\$101.60</b>	<b>-68.9%</b>	
<b>Traditional Indices</b>													
	S&P 500	\$4,959						1%	5%	5%			
	NASDAQ	15,629						1%	7%	6%			
	Dow Jones	38,655						1%	3%	2%			
<b>Marquee Crypto Assets</b>													
	Bitcoin	BTC	\$42,938.00	91%	\$843,000	--	--	--	2%	-2%	-1%	-32%	--
	Ethereum	ETH	2,296.00	96%	276,000	--	--	--	-8%	12%	9%	-6%	--
	DeFi Index (a)	DPI	94.25	74%	53	--	--	--	-5%	-4%	-5%	-81%	--
<b>Crypto Investment Platforms</b>													
	Coinbase	COIN	\$129.22	59%	\$28,417	10.2	10.0	3%	3%	-15%	-18%	-61%	-61%
	Galaxy Digital (b)	GLXY	6.97	43%	2,435	9.9	7.3	-3%	-3%	-2%	-8%	-80%	645%
	Bakkt	BKKT	1.37	35%	328	1.0	0.1	--	-2%	-28%	-35%	-90%	-86%
	Coinshares (b)	CNSRF	3.47	56%	250	4.1	2.5	7%	7%	-25%	-5%	-70%	-66%
	Bitcoin Depot	BTM	2.12	56%	131	0.2	0.2	-7%	-7%	-21%	--	--	-43%
<b>Bitcoin Network Operators</b>													
	Marathon	MARA	\$18.20	50%	\$4,437	37.9	11.7	222%	2%	-22%	-21%	-58%	-66%
	Riot	RIOT	11.21	39%	2,057	8.2	6.3	27%	-1%	-25%	-27%	-78%	315%
	Core Scientific	CORZQ	0.89	42%	1,992	0.4	0.7	10%	0%	-41%	-44%	--%	-91%
	Northern Data	NB2	28.28	70%	1,349	--	4.9	-45%	0%	7%	-1%	-76%	52%
	Bitfarms	BITF	2.24	54%	980	18.6	--	-12%	-4%	-20%	-21%	-48%	137%
	Bitdeer	BTDR	7.66	41%	706	2.1	--	--	1%	-16%	-14%	--%	-10%
	Cipher Mining	CIFR	2.68	33%	661	84.7	5.0	1579%	-3%	-32%	-35%	-74%	-73%
	TeraWulf	WULF	1.78	35%	506	11.3	--	--	5%	-17%	-23%	-82%	-82%
	Hut 8	HUT	7.28	7%	445	2.9	2.9	-45%	-14%	-41%	-42%	-78%	178%
	Hive	HIVE	3.12	20%	267	1.9	1.9	-25%	-7%	-28%	-29%	-82%	121%
	Canaan	CAN	1.33	7%	226	--	4.9	-49%	-18%	-35%	-38%	-90%	-85%
	Argo	ARBK	1.93	29%	171	1.8	2.5	29%	-16%	-49%	-42%	--%	22%
<b>Crypto Influenced</b>													
	PayPal	PYPL	\$62.42	32%	\$67,946	2.5	2.3	8%	1%	6%	2%	-77%	
	Block	SQ	67.89	59%	40,779	2.3	2.0	14%	4%	-1%	-6%	-74%	428%
	Microstrategy	MSTR	500.10	58%	8,984	18.0	17.7	2%	1%	-21%	-27%	-32%	379%
	Robinhood	HOOD	10.92	54%	3,732	2.7	2.0	38%	1%	-7%	-12%	--%	-71%

(a) DeFi Pulse Index (includes top 14 DeFi tokens)  
(b) Due to disproportionate cash balances, we are displaying market cap as a substitute for enterprise value  
(c) Architect Crypto Public Company Index is a price weighted average across the three sector subsectors in the crypto public companies snapshot. A discount to Microstrategy's share price of 85% has been added to dilute effect on index. There is a 45% weight to Crypto Investment Platforms, 45% to Bitcoin Network Operators, and 10% to Crypto Influenced groups.

## PERSPECTIVES by Glenn Gottlieb

### News on Macro Economic Data

Headline economic news continues to be positive, yet the underlying detail presents a puzzle. Non-farm payrolls boasted a remarkable surge of 353K. The government also reported wages increased above the inflation rate and labor participation remained stable. These numbers seemingly support a very healthy economy, potentially delaying the discussion of Fed rate cuts.

Contrastingly, this optimism is challenged by conflicting data to the announced jobs report, including the Jolts report, reports of corporate downsizings, the ADP report, and the household survey. There is also a question about the quality of jobs and the number of multiple job holders. Despite the report touting an increase in hourly wages, hours worked declined to a very low 34.1, weekly earnings have declined, and tax revenue fell 2%.

Adding to the uncertainty, Fed watchers noted that Chairman Powell deleted an entire paragraph highlighting the strength of the US banking system. This raises questions about the reasoning. Some have speculated it is due to a potential crisis with regional banks. Howard Lutnick of Cater Fitzgerald has warned that up to \$700B in commercial real estate loans could default, adding a layer to the complexity of the economic narrative, and directly affecting regional banks significantly more than national banks.

### Crypto Public Company Activity

Tether, the entity behind the USDT stablecoin, has unveiled an impressive Q4 2023 report, disclosing a remarkable \$2.85 billion net profit. Notably, Tether allocated \$2.2 billion of this profit to bolster its excess reserves, reaching a substantial \$5.4 billion. The earnings breakdown reveals a \$1 billion contribution from US T-Bill interest, and \$1.85 billion attributed to the appreciation of assets, including gold and BTC holdings.

Presently, approximately 90% of Tether's stablecoin issuance is backed by cash or cash equivalents. The remaining \$640 million, not earmarked for excess reserves, is strategically invested across various projects, encompassing Bitcoin mining, AI infrastructure, and P2P communications.

Importantly, all outstanding secured loans are fully covered, marking the successful fulfillment of Tether's objective to eliminate the risk associated with secured loans from its token reserves.

With Tether's long history, this attestation comes as good news and shows a level of scale and risk management sophistication that Tether has adopted. Most impressive is Tether is estimated to have around 100 employees while generating \$2.85B in Net Profit in Q4, while Goldman Sachs, who has an estimated 50,000 employees, did \$2.01B in Net Profit in Q4.