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ETHEREUM EXCHANGE TRADED FUNDS 2024

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LTP Research

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ETF - From Bitcoin to Ethereum

Crypto spot ETFs are funds that can be traded on regulated exchanges like NYSE or NASDAQ. They enable investors to track the price of target cryptocurrency and benefit from it without the need to directly purchase or hold it. Unlike traditional crypto investments, which require using crypto exchanges, crypto ETFs simplify the investment process and eliminate the need for secure storage of coins. Currently, the U.S. market only has two cryptocurrency spot ETFs: Bitcoin and Ethereum.

Bitcoin ETF's Milestones

The first official Bitcoin ETF application to the SEC was submitted in June 2013¹ by the Winklevoss brothers, under the name Winklevoss Bitcoin Shares. At that time, Bitcoin's market capitalization had just surpassed \$1 billion, with a price of \$87 per coin².

Unfortunately, the application was rejected in March 2017. The SEC cited concerns about the risk of fraud in the Bitcoin market and a lack of regulatory compliance as the reasons for the rejection.

In September 2013, Grayscale launched the Grayscale Bitcoin Trust (GBTC), but it was initially available only to select qualified institutional clients. In 2015, GBTC received approval from FINRA to trade publicly on the OTCQX market. Similar to Winklevoss, Grayscale began seeking regulatory approval in 2017 to operate GBTC as an ETF that would be more accessible to retail investors. However, the SEC repeatedly denied these ETF applications.

The first Bitcoin fund officially approved by the SEC was the ProShares-issued BITO, a Bitcoin futures fund. On October 19, 2021, BITO debuted with a trading volume of \$550 million on its first day.

On January 10, 2024, the SEC finally approved Bitcoin spot ETFs, including 11 Bitcoin spot ETFs, with GBTC among them, officially listing on regulated exchanges in the U.S. The world's largest asset manager, BlackRock, was also among those approved. This approval was significantly influenced by Grayscale's victory in a lawsuit against the SEC in August 2023.

Bitcoin ETF Market Landscape

As of July 10, 2024, there are more than 35 Bitcoin spot ETFs available for trading in the U.S. market, with a total assets under management (AUM) of \$50.29 billion. The average expense ratio is 1.08%.

The largest Bitcoin ETF is the iShares Bitcoin Trust (IBIT), with an asset size of \$18.28 billion. Over the past year, the best-performing Bitcoin ETF has been GBTC, with a return of 164.42%.

Top Bitcoin Spot ETF List (US)

Ticker	Name	AUM
IBIT	ISHARES BITCOIN TRUST	\$18.28B
GBTC	GRAYSCALE BITCOIN TRUST BTC	\$12.73B
FBTC	FIDELITY WISE ORIGIN BITCOIN	\$9.40B
ARKB	ARK 21SHARES BITCOIN ETF	\$2.44B
BITB	BITWISE BITCOIN ETF	\$2.02B
BITO	PROSHARES BITCOIN STRAT ETF	\$1.58B
WGMI	VALKYRIE BITCOIN MINERS ETF	\$106M

Source: Farside Investor, as of 2024/08/11

Top Bitcoin Spot ETF List (US)

Ticker	Name	AUM
HODL	VANECK BITCOIN TRUST	\$577M
BRRR	VALKYRIE BITCOIN FUND	\$472M
BTCO	INVSCO GLXY BTCN ETF	\$426M
EZBC	FRANKLIN BITCOIN ETF	\$364M
BITU	PROSHARE ULTRA BITCOIN ETF	\$259M

Source: Farside Investor, as of 2024/08/11

Since the approval of Bitcoin ETFs, Grayscale’s GBTC product has seen a continuous decline in AUM due to high fees and various factors, such as many early participants having already taken profits. As of August 2024, GBTC has experienced a cumulative net outflow of \$19.045 billion, while all other spot ETFs have seen steady inflows during the same period.

We have previously discussed the potential impact of Bitcoin ETFs on centralized exchanges,

and we have also emphasized that Bitcoin ETFs are currently one of the few compliant channels for traditional financial institutions to allocate digital assets. For more insights on Bitcoin ETFs, please refer to our *'Unraveling BTC ETF: A Detailed Guide'*

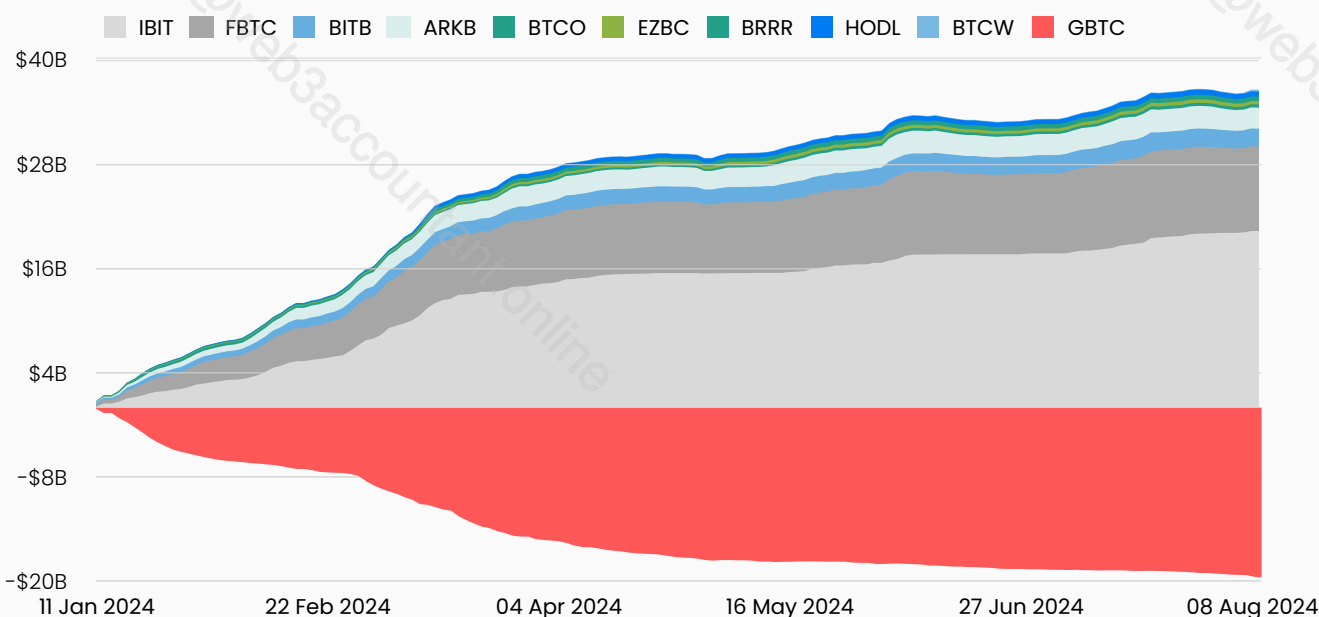
As the second-largest digital asset by market capitalization, Ethereum also received approval from the SEC for an ETF issuance in May and was officially listed on the New York Stock Exchange and other trading platforms in July.

In the following sections, we will discuss the development and current state of Ethereum ETFs, which are very similar to Bitcoin, and compare their similarities and differences.

Differences between Bitcoin and Ethereum

Similar to the Bitcoin network, Ethereum is also a decentralized blockchain network. In addition to performing basic functions like Bitcoin’s transaction capabilities, Ethereum leverages

Top Bitcoin Spot ETFs Inflow & Outflow (\$m)



Source: Farside Investor, as of 2024/08/11

1. <https://ethereum.org/en/what-is-ethereum/>

smart contracts to run code, enabling people to build applications and organizations.

Bitcoin uses a Proof of Work (PoW) consensus mechanism, which requires miners to consume significant amounts of electricity to maintain network security. In contrast, the current Ethereum network has adopted a more energy-efficient Proof of Stake (PoS) consensus mechanism, which ensures the network's decentralization and security through staking.

As a blockchain, the Bitcoin network has its own cryptocurrency, BTC, which is used to reward miners for participating in maintaining the network's operation and security. Similarly, Ethereum has its own cryptocurrency, ETH, which serves not only as the currency used to pay for network transaction gas fees but also as the sole recognized asset for staking in the PoS system.

Before the Ethereum network's 'Merge' upgrade, it operated under the same PoW consensus mechanism as the Bitcoin network, with miners maintaining the network and receiving ETH as block rewards, leading to a linear increase in ETH circulation.

In July 2021, after the implementation of the EIP-1559 proposal, a portion of Ethereum network transaction fees (paid in ETH) began to be burned to counteract continuous inflation, which subsequently slowed the growth of ETH circulation.

In September 2022, after the 'Merge' upgrade, Ethereum fully transitioned to the Proof of Stake consensus, reducing ETH issuance rates by 90% while maintaining the burn mechanism, officially making ETH a deflationary asset.

In March 2024, Ethereum completed the Dencun upgrade, significantly reducing gas fees for several Layer 2 solutions by over 90%. This led to a decrease in the amount of ETH being burned, resulting in ETH issuance once again outpacing

burns, bringing ETH back to an inflationary phase.

According to data from Ultrasound.money, ETH supply indeed started to show a slow decline following the completion of the Dencun upgrade but began to increase again from April 13, with the current total supply remaining around 120 million.



Source: <https://ultrasound.money/>, as of 2024/08/11

From this, we can see that while Bitcoin and Ethereum are both mainstream blockchain networks, they have many differences. The Bitcoin network is a peer-to-peer electronic cash system, whereas the Ethereum network is more like a multifunctional decentralized network. Both allow you to use cryptocurrency without needing a payment provider or bank. However, Ethereum is programmable, enabling you to build and deploy decentralized applications on its network.

The table below summarizes the key on-chain data differences between Bitcoin and Ethereum, aiming to help investors interested in Ethereum ETFs gain a deeper understanding of the underlying asset.

Bitcoin vs Ethereum on-chain Comparison

	Ethereum	Bitcoin
Consensus	PoS	PoW
Accounts	Smart contract	UTXO
Max Supply	∞	21,000,000
Circulating	120,267,845	19,738,475
MCap (b)	\$314.204	\$1,188.677
3m active users	35,027,249	36,696,642
TVL (b)	\$47.86	\$1.8
3m Fees	\$370,446,908	\$165,697,358

Source: coingecko, ycharts.com, artimes, as of 2024/08/11

Currently, the total market capitalization of Ethereum (ETH) is only one-third of that of Bitcoin (BTC). However, the total value locked (TVL) on the Ethereum network is 26 times that of the Bitcoin network. The quarterly transaction fees generated by Ethereum are 2.24 times those of Bitcoin, and the number of active addresses is 95% of Bitcoin's, nearly on par.

The Potential of Ethereum

According to VanEck's forecast, future blockchain applications on Ethereum are expected to penetrate four accessible industries: Finance, Banking, and Payments (FBP); Marketing, Advertising, Social Media, and Gaming (MASG); Infrastructure (I); and Artificial Intelligence (AI). The market penetration rates are projected to reach 7.5% for FBP, 20% for MASG, 10% for Infrastructure, and 5% for AI.

Assuming that 70% of the market share for all blockchain application scenarios occurs on

Ethereum and its layer2s, and that Ethereum charges users a fee of 5% to 10% for applications, VanEck predicts that, when factoring in Ethereum's MEV profits, staking yields, and network transaction fees, the future annual profit for Ethereum could reach \$78.5 million.

Ethereum 2030 revenue prediction (\$M)

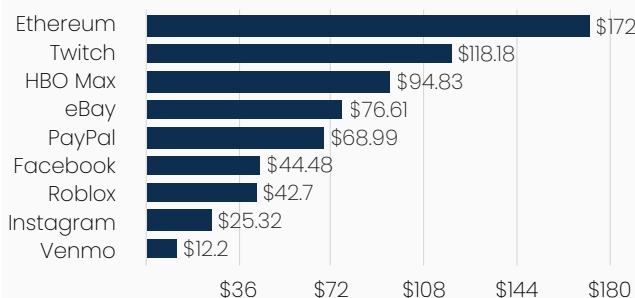
	Normal case	Bull case
Transaction	1,242	5,140
Layer2	59,330	257,278
MEV revenue	14,265	56,108
Staking	3,628	42,852
Total	78,465	361,378

Source: VanEck Research, as of 5/28/2024

Overall, Ethereum has already evolved into a mature digital economy, boasting over 30m quarterly active addresses, \$47b in TVL nearly \$80b in stablecoins. In addition to its rapid user growth, Ethereum's user base has also diversified.

Around 2014, the user group was likely dominated by speculators, developers, and a few radical trading teams. By 2024, Ethereum's user base has expanded to include professional financial institutions from Wall Street, artists, musicians, gamers, refugees, and more. Although it currently cannot challenge the authority of the traditional financial system, the trend of diverse adoption is a key reason why we believe Ethereum's future potential is remarkable.

Ethereum's average user revenue out perform than web2 giant



Source: VanEck Research, as of 5/28/2024

History of Ethereum ETF

“The SEC, which initially scuttled some 20 spot bitcoin ETF proposals between 2018 and 2023, had shown itself to be more hesitant in approving similar funds for ether, the cryptocurrency native to the Ethereum blockchain system. However, in a surprise move in May 2024, the SEC permitted Nasdaq, the Chicago Board Options Exchange, and the NYSE to list ETFs holding ether. Nine spot ether ETFs began trading on those exchanges in July 2024.”

— Investopedia

Ethereum Futures ETF

The first significant progress for Ethereum with the SEC occurred in October 2023, when asset management company Valkyrie Funds included Ethereum (ETH) assets in its already issued Bitcoin futures ETF, renaming it the Valkyrie Bitcoin and Ether Strategy ETF (BTF)¹. This marked the first time that Ethereum assets were included in the ETF market.

In the same month, the SEC simultaneously approved nine ETFs containing Ethereum futures². Valkyrie Investments, VanEck Funds, ProShares, and Bitwise Asset Management all launched funds that included Ethereum futures, with ProShares and Bitwise offering multiple versions of such funds. Additionally, Volatility Shares and Kelly Strategic Management also received approval to launch their first Ethereum futures ETFs.



Listed Ethereum Futures ETFs List (US)

Ticker	Name	Total Assets (\$)	MGMT FEE	Daily Vol (\$)
EETH	ProShares Ether Strategy ETF	67.50m	0.95%	141.66m
BTF	Valkyrie Bitcoin & Ether Strategy ETF	37.09m	1.24%	42.84m
EFUT	VanEck Ethereum Strategy ETF	21.26m	0.66%	31.06m
ARKZ	ARK 21Shares Active Ethereum Futures Strategy ETF	8.75m	0.70%	5.99m
AETH	Bitwise Ethereum Strategy ETF	8.41m	0.90%	10.60m
BTOP	Bitwise Bitcoin and Ether Equal Weight Strategy ETF	7.42m	0.90%	1.48m
BETH	ProShares Bitcoin & Ether Market Cap Weight Strategy ETF	7.23m	1.33%	2.17m
BETE	ProShares Bitcoin & Ether Equal Weight Strategy ETF	5.83m	1.33%	2.54m

Source: etf.com, LTP Research, as of 2024/08/11.

- <https://blockworks.co/news/valkyrie-etf-ether-futures-unwind>
- <https://www.etf.com/sections/news/sec-approves-9-ether-futures-etfs>

Grayscale's Efforts

Many investors may have heard of the crypto asset management company Grayscale and its cryptocurrency trust funds, such as the GBTC and the ETHE. These are trust products issued by Grayscale, allowing investors to gain passive exposure to the price fluctuations of Bitcoin and Ethereum.

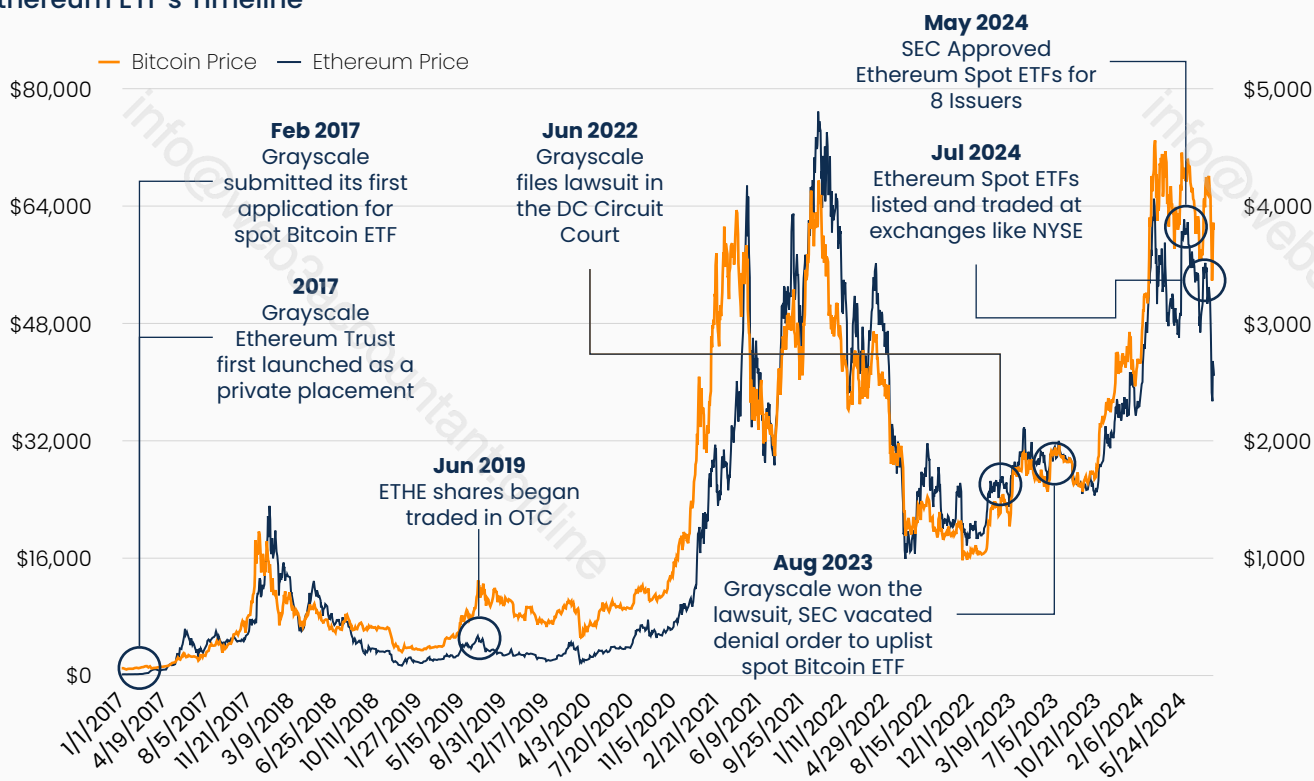
Grayscale's Bitcoin trust was launched in January 2013 as a private placement product. It wasn't until mid-2015 that it began trading publicly on the OTC market under the ticker GBTC. Similarly, the Grayscale Ethereum trust was launched in 2017 as a private placement, and it wasn't until mid-2019 that it began trading publicly on the OTC market under the ticker ETHE.

At that time, these were the largest crypto asset trust products in the U.S. market. However, until 2024, both were traded solely on the OTC

market. Throughout this period, Grayscale persistently applied to the SEC for spot-traded fund products (ETPs):

- In February 2017, Grayscale submitted its first GBTC spot ETF application.
- In 2017, Grayscale's Ethereum trust product was issued as a private placement.
- In 2019, Grayscale's Ethereum trust was officially listed on the OTC market under the ticker ETHE.
- In October 2021, after Bitcoin futures ETFs were launched, Grayscale resubmitted its application for a GBTC spot ETF.
- In June 2022, Grayscale appealed to a federal court regarding the SEC's rejection of GBTC's conversion to a spot ETF.
- In August 2023, a federal court overturned the SEC's initial decision to reject GBTC's upgrade to a spot ETF.

Ethereum ETF's Timeline



1. <https://etfs.grayscale.com/gbtc>
2. <https://etfs.grayscale.com/ethe>
3. <https://cointelegraph.com/news/grayscale-wins-sec->
4. <https://www.sec.gov/Archives/edgar/data/1860788/000093041324001811/0000930413-24-001811-index.htm>
5. <https://www.coindesk.com/business/2024/07/22/sec-approves-spot-ethereum-etfs/>

- In January 2024, GBTC was listed on the New York Stock Exchange (NYSE), finally becoming the first Bitcoin spot ETF.
- In May 2024, the SEC approved the 19B-4 applications for ETHE and seven other Ethereum spot ETFs, officially granting approval for Ethereum spot ETFs.
- On July 23, 2024, the S-1 filings from various issuers passed the review, and Ethereum spot ETFs officially began trading.

Market Landscape of Ethereum Spot ETF

As of August 12, 2024, there are a total of nine Ethereum spot ETFs in the U.S. market, with detailed information provided in the table below.

The largest of these funds is Grayscale's ETHE, which was introduced earlier and has a market value exceeding \$4.9 billion, accounting for 68% of the entire market. ETHE was originally a trust fund that could only be traded on the OTC market.

Listed Ethereum Spot ETFs (US)

Ticker Name	Total Assets (\$)	Post Waiver Fee*	PREMIUM	Total Vol (\$)
ETH Grayscale Ethereum Mini Trust	937.46M	0.15%	0.14%	19.54M
ETHA iShares Ethereum Trust	761.96M	0.25%	0.16%	34.19M
FETH Fidelity Ethereum Fund	282.58M	0.25%	0.06%	12.48M
ETHW Bitwise Ethereum ETF	232.84M	0.20%	0.04%	7.58M
ETHV VanEck Ethereum ETF	65.48M	0.20%	-0.11%	4.08M
EZET Franklin Ethereum ETF	29.55M	0.19%	0.10%	1.22M
QETH Invesco Galaxy Ethereum ETF	12.13M	0.25%	0.05%	2.74M
CETH 21Shares Core Ethereum ETF	9.85M	0.21%	-0.16%	2.00M
ETHE Grayscale Ethereum Trust*	4.95B	2.50%	-0.13%	97.38M
Sum -	7.28B	-	-	181.21M

Source: etf.com, sosoalue.xyz, coinglass, LTP Research, as of 2024/8/11

*ETHE is a conversion.. Spot Ethereum ETF fee waivers last for a certain period of time, such as 6-12 months, or until a certain asset level, such as \$0.5 to \$1 billion, is reached.

Since ETHE began official trading, the fund has experienced daily outflows. According to data from Coinglass, the total outflows for ETHE have amounted to \$1.81 billion. Similar to Grayscale's GBTC, there are two main reasons for the large outflows from ETHE.

Firstly, many ETHE investors have already made profits but were unable to realize or liquidate them. Like GBTC, ETHE previously only allowed ETH to be deposited and converted into ETHE shares,

which were then traded on the OTC market without the option to redeem ETHE. At one point, this led to ETHE trading at a discount of nearly 60%. After ETHE officially transitioned into an ETF, many investors began liquidating their ETHE holdings.

Secondly, ETHE's management fees are excessively high. Most ETFs have management fees ranging from 0.15% to 0.25%, while ETHE's management fee is as high as 2.5%. Therefore,

even if investors still want to hold Ethereum, selling ETHE and purchasing ETFs issued by other institutions is a more sensible choice.

In terms of trading activity, ETHE has the highest trading volume, accounting for about half of the

total trading volume of all Ethereum ETFs. The second most active is iShares' ETHA, with a cumulative trading volume of approximately \$34.19 million. Considering all Ethereum spot ETFs, the total trading volume has reached nearly \$200 million since trading began on July 23.

Grayscale Ethereum Trust (ETHE) Premium & Discount



Source: https://ycharts.com/companies/ETHE/discount_or_premium_to_nav, as of 2024/8/11

ETHE – Grayscale

As mentioned earlier, ETHE is a trust fund issued by Grayscale in 2017, which was listed on the OTC market in 2019 and became the first Ethereum ETP product to be listed on the NYSE in 2024.

In addition to ETHE, Grayscale, as a professional crypto asset management company, has issued several other crypto asset trust funds. These funds cover six mainstream payment-focused blockchains: BTC, BCH, LTC, XLM, XRP, and ZEC, as well as seven smart contract blockchains: ETH, TAO, ADA, AVAX, ETC, NEAR, DOT, SOL, and STX.

However, Grayscale's trust products have been widely criticized for their high fees. Both ETHE and GBTC have fees as high as 2.50%, which is not competitive compared to other products. The table below summarizes the fee structures of the nine Ethereum ETFs.

As we can see, six of these funds will initially charge no fees. However, these fee waivers are limited, both in terms of total assets and, more importantly, the duration. In most cases, fees will 'normalize' after 6 to 12 months.

Only the QETH and ETHE funds do not offer any fee waivers. ETHE will actually maintain its fee level at 2.50%, making it the most expensive ETH ETF.

1. <https://www.grayscale.com/blog/general-updates/assets-under-consideration-current-products>

Ethereum Spot ETF Fee Details

Ticker	Name	Starting Fee	Waiver Duration	Post Waiver Fee*
ETH	Grayscale Ethereum Mini Trust	0.00%	6 months or first \$2 billion of assets.	0.15%
ETHA	iShares Ethereum Trust	0.12%	12 months or first \$2.5 billion of assets.	0.25%
FETH	Fidelity Ethereum Fund	0.00%	Until 12/31/2024 with no limit on assets.	0.25%
ETHW	Bitwise Ethereum ETF	0.00%	6 months or the first \$0.5 billion of assets.	0.20%
ETHV	VanEck Ethereum ETF	0.00%	1 year or after the first \$1.5 billion of assets.	0.20%
EZET	Franklin Ethereum ETF	0.00%	Until 1/31/2025 or the first \$10 billion of assets.	0.19%
QETH	Invesco Galaxy Ethereum ETF	0.25%	12 months or first \$2.5 billion of assets.	0.25%
CETH	21Shares Core Ethereum ETF	0.00%	6 months or the first \$0.5 billion of assets.	0.21%
ETHE	Grayscale Ethereum Trust*	2.5%	N/A	2.5%

Source: TH ETFs fees and waivers (ccn.com).

ETH – Grayscale’s Low-Fee ETF

Grayscale quickly recognized that high fees could lead to capital outflows under competitive pressure. To address this, they launched the Grayscale Ethereum Mini Trust (ETH) product, which features lower fees.

This is a smaller fund spun off from ETHE, and Grayscale conducted a similar operation with its Grayscale Bitcoin Trust ETF (GBTC). The specific method is as follows: if you hold 1,000 shares of ETHE, you will be eligible to receive 1,000 shares of the mini ETH. Although the number of shares is the same, their value differs. An investor holding \$1,000 worth of ETHE or GBTC will retain \$900 in the original fund after the split, with \$100 allocated to the newly created mini ETF.

In other words, after the launch of the mini fund, 1/10th of the original fund will be converted into the mini fund, with each mini fund share being worth 1/10th of the original fund's share¹.

The Mini Trust will waive fees for the first \$2 billion in assets, making it more attractive than the iShares Ethereum Trust (ETHA), which charges a 0.12% fee on the first \$2.5 billion in assets. After this initial period, the ETH mini fund will become the lowest-cost fund, with a total fee of just 0.15%, followed by the Franklin Ethereum ETF (EZET) with a fee of 0.19%.

ETHE & ETH Key Fund Info

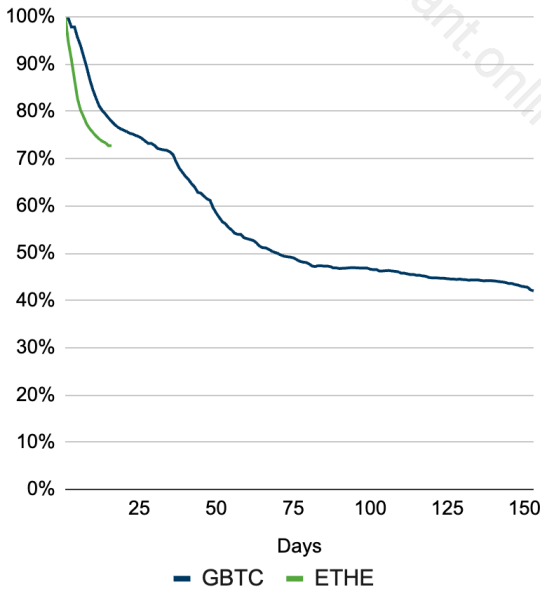
	ETH	ETHE
AUM (\$)	962M	5.080B
Shares Outstanding	383,968,500	225,658,500
Fee	0.15%	0.025
Total ETH in Trust	361,814.3032	1,910,332.4059
ETH per share	0.00094230	0.00846559
Base currency	USD	USD

Source: grayscale, as of 2024/08/11.

1. <https://tokenpost.com/Grayscale-Addresses-Key-Concerns-on-Ethereum-Mini-Trust-Launch-12414>

As a result, following the launch of Grayscale’s two mini funds, assets have continued to flow out of GBTC and ETHE. GBTC now holds only 40% of its previous assets. The chart below shows the asset outflows after the launch of the two mini funds.

GBTC vs ETHE - Asset Loss Since Conversion



Source: Farside Investor, as of 2024/08/11.

Grayscale is a subsidiary of Digital Currency Group (DCG), a venture capital firm in the cryptocurrency space founded by Barry Silbert in 2013. According to DCG’s official website, it has invested in nearly 200 projects, covering almost every aspect of cryptocurrency, including exchanges, wallets, stablecoins, and more.

ETHA - BlackRock

As the world’s largest asset management company, BlackRock submitted its 19b-1 and S-1 applications¹ for the iShares Ethereum Trust, an Ethereum spot ETF, to the SEC in November 2023. The applications were submitted alongside those from Bitwise, Fidelity, Franklin Templeton, 21Shares, and VanEck.

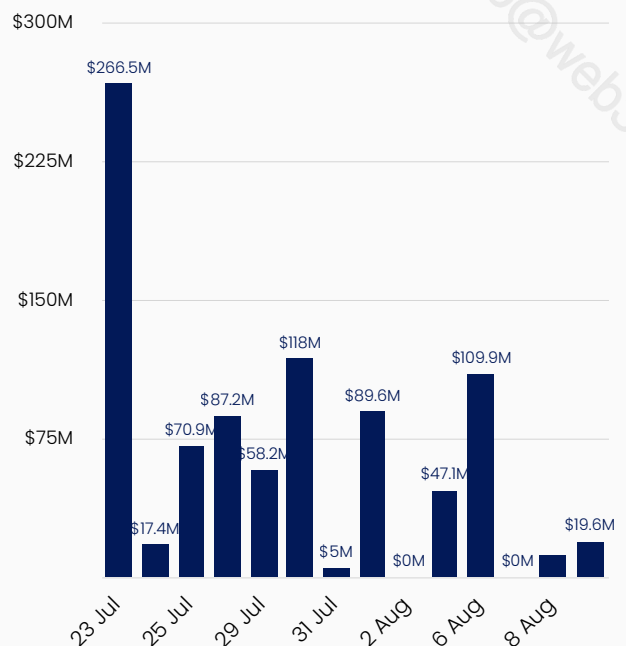
1. <https://blockworks.co/news/blackrock-registers-ethereum-etf>
 2. <https://www.bloomberg.com/news/articles/2024-05-29/blackrock-s-ibit-now-world-s-largest-bitcoin-btc-etf-as-gbtc-shrinks>

At that time, Ethereum’s price fluctuated between \$2,186 and \$1,980, before surging to \$2,400 by early December, and it has not dropped back to the \$2,000 level since.

The market’s trust in BlackRock is evidently higher than in Grayscale. In the early stages of IBIT’s launch, its assets under management (AUM) quickly followed GBTC, ranking second. Due to continuous outflows from GBTC, as of May 2024, IBIT surpassed GBTC with a \$20 billion AUM, becoming the world’s largest crypto asset ETF².

Currently, the net inflow into BlackRock's ETHA has surged significantly. In just 13 trading days, ETHA's cumulative inflows have reached \$901 million, making it the most popular among all nine ETFs. Its assets under management (AUM) are now second only to Grayscale’s Mini ETH Trust. Although ETHA currently has a fee disadvantage compared to Mini ETH, given the current trend and BlackRock’s influence, ETHA has a strong chance of surpassing Mini ETH to become the largest ETH ETF fund in the future.

ETHA’s Daily Inflow (\$M)



Source: Farside Investors, as of 2024/08/11.

FETH – Fidelity

FETH is an Ethereum ETF fund issued by Fidelity. Fidelity Investments is the third-largest mutual fund company globally and one of the earliest traditional institutions to adopt a positive stance toward crypto assets. As early as 2014, Fidelity began to explore blockchain and crypto assets, and by 2015, Fidelity Charitable was already accepting BTC as a donation asset¹. In 2018, Fidelity became the first institution to accept and custody Bitcoin as a service provider, and in the same year, Fidelity officially established its Digital Asset subsidiary.

According to data disclosed by Fidelity, as of March 2024, its total assets under management (AUM) have reached \$5.3 trillion.

Fidelity Total discretionary assets

Total	\$5.303 b
Equity assets	\$3.149 b
High income assets	\$84.20 b
Hybird assets	\$161.0 b
Investment grade bond assets	\$672.3 b
Money market assets	\$1,236.4 b

Source: Fidelity, as of 2024/03/31

ETHW – Bitwise

Bitwise Investment, established in 2017, specializes in managing cryptocurrency index funds and has become a significant player in the crypto asset management space. The company is particularly known for its ETHW fund, which not only provides exposure to Ethereum but also actively contributes to the development of the Ethereum ecosystem.

Bitwise has committed to donating 10% of all profits from the ETHW fund to support Ethereum's core development. These donations are directed to two key organizations: Protocol Guild and the PBS Foundation². Protocol Guild supports over 170 core contributors working on Ethereum's Layer 1 protocol, while the PBS Foundation funds open-source Ethereum block relays and related research efforts. This initiative reflects Bitwise's dedication to both the financial growth of its investors and the technological advancement of the Ethereum network.

In addition to ETHW, Bitwise manages seven other cryptocurrency-related ETFs, further solidifying its position as a leading crypto asset manager.

Bitwise ETF & Publicly Traded Funds

Ticker	AUM (\$M)
ETHW	241.31
BITB	2,215.26
BITQ	116.40
BTOP	8.14
AETH	9.50
BITC	10.96
BWEB	2.69

Source: <https://bitwiseinvestments.com/>, as of 2024/08/11

1. <https://institutional.fidelity.com/advisors/investment-solutions/asset-classes/alternatives/fidelity-ethereum-fund>

2. <https://ethwtf.com/funding-ethereum>

ETHV – VanEck

VanEck is an asset management company founded in 1955, managing over \$76 billion in assets. Similar to Fidelity, VanEck was an early traditional financial firm to explore Bitcoin and blockchain. In 2017, VanEck applied to the SEC for a Bitcoin futures ETF.

VanEck's ETHV fund uses the MarketVector Ethereum Benchmark Rate (EBR) spot price, with its net asset value (NAV) calculated based on the current market value of the Ethereum it holds, minus any applicable fees and expenses. The ETH assets in the ETHV trust are held by dedicated crypto asset custodians, currently Gemini Trust and Coinbase Custody, who are responsible for storing all ETH assets related to the trust's ETH accounts and settlement accounts.

On June 27 of 2024, VanEck announced that it had submitted an application to the SEC for the VanEck Solana Trust¹. If approved, it will be listed on the Cboe BZX Exchange. VanEck Digital Assets will be the sponsor of the trust, with Delaware Trust Company serving as the trustee. Following the announcement, SOL briefly surged past 150 USDT, rising nearly 7% in 30 minutes.

EZET – Franklin Templeton

Franklin Templeton is a well-established asset management company with a 77-year history. As of May 31, 2024, Franklin Templeton's assets under management (AUM) total \$1.64 trillion².

Franklin Templeton AUM

(\$ billion)	May 2024	Dec 2023
Equity	583.9	467.5
Fixed Income	563.6	511.7
Alternative	256.9	256.2
Multi-asset	166.9	154.6
Cash	64.0	65.5
Total	1635.3	1455.5

Source: franklinresource.com, as of Jun 2024

QETH – Invesco & Galaxy

Invesco is a U.S.-based asset management company founded in 1978. As of the third quarter of 2024, Invesco manages total assets exceeding \$1.73 trillion, ranking among the top global asset management firms.

Another company collaborating with QETH's issuer is Galaxy, a financial company focused on crypto assets, founded in 2018. Galaxy offers a range of services, including asset management, advisory, and trading services. The asset management division of Galaxy manages \$5.3 billion in assets.

Invesco AUM (Jul 31 2024)

(\$ billion)	Jul 2024	Apr 2024
ETFs	431.5	386.2
Fixed Income	278.8	269.2
Equities	272.1	261.8
Private market	129.5	125.9
APAC managed	114.1	109.6
Multi-asset	61.5	58.7
Cash	159.5	165.4
QQQ	285.0	248.4
Total	1,732.0	1,625.2

Source: Invesco, as of July 2024

1. <https://www.coindesk.com/business/2024/06/27/vaneck-files-for-solana-etf-sol-rises-6/>
 2. [https://investors.franklinresources.com/news-center/press-releases/press-release-details/2024/Franklin-Resources-Inc.-Announces-Month-End-Assets-Under-Management-71a4b17b1/default.aspx#:~:text=\(Franklin%20Templeton\)%20\(NYSE%3A,trillion%20at%20April%2030%2C%202024.](https://investors.franklinresources.com/news-center/press-releases/press-release-details/2024/Franklin-Resources-Inc.-Announces-Month-End-Assets-Under-Management-71a4b17b1/default.aspx#:~:text=(Franklin%20Templeton)%20(NYSE%3A,trillion%20at%20April%2030%2C%202024.)

CETH – 21Shares

Similar to Bitwise, 21Shares is a company focused on digital asset index products. Its parent company, 21.co, is the largest digital asset unicorn company in Switzerland. Due to its Swiss headquarters, 21Shares operates not only in the U.S. market but also in Europe and Asia. In 2018, 21Shares successfully launched the world's first physically backed ETP (ticker: ABTC) on Nasdaq Dubai, bringing compliant crypto asset products to the Middle Eastern market.

Since 2018, 21Shares has pioneered innovation in crypto asset ETPs globally and has listed on some of the largest and most liquid stock exchanges, including the London Stock Exchange, Nasdaq OMX, Euronext Paris and Amsterdam, Deutsche Börse Xetra, and the Swiss Stock Exchange.

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About LTP

LTP (LiquidityTech Protocol) is the No.1 prime broker for digital assets in APAC, providing a vital and unique connection between centralized exchanges (CEXes) and decentralized exchanges (DEXes). LTP has served global institutional clients, facilitating an annual trading volume of more than \$400 billion. Our comprehensive suite of professional trading services is underpinned by cutting-edge technology, designed to be safe, fast, low-cost, and efficient. Our global reach, along with top-tier security measures, ensures that our clients receive the best possible service. Our expertise is trusted by exchanges, market makers, hedge funds and family offices worldwide.

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