BITFINEX Alpha

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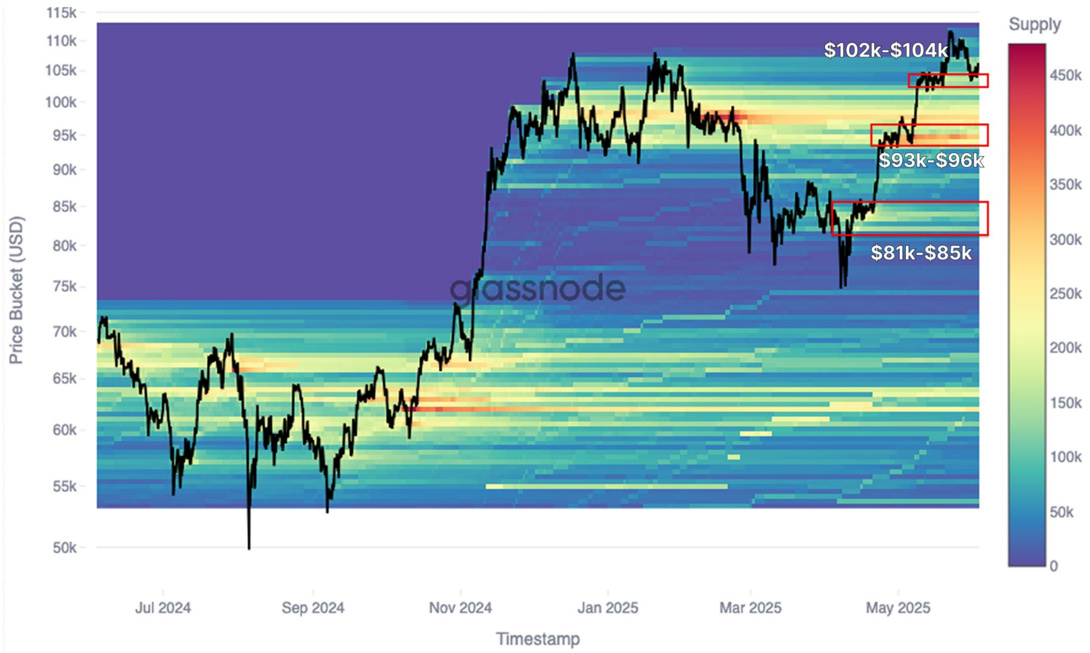
EXECUTIVE SUMMARY

BTC at a Crossroads

A textbook run-up in Bitcoin fuelled by strong spot demand, profit-taking by long-term holders and a resurgence in macro risk have combined to pull the asset back over 10 percent from its all-time high. The final leg of the decline on June 5th saw over $875 million in long liquidations in a single day—highlighting the extent of deleveraging. With over $1.9 billion in total liquidations across the past week, leverage has now been forcefully reset. Technical structure shows that BTC's ascent was underpinned by genuine demand, as shown by a spot-led stair-step rally, with key accumulation clusters forming at $93,000–96,000, and $102,000–104,000.

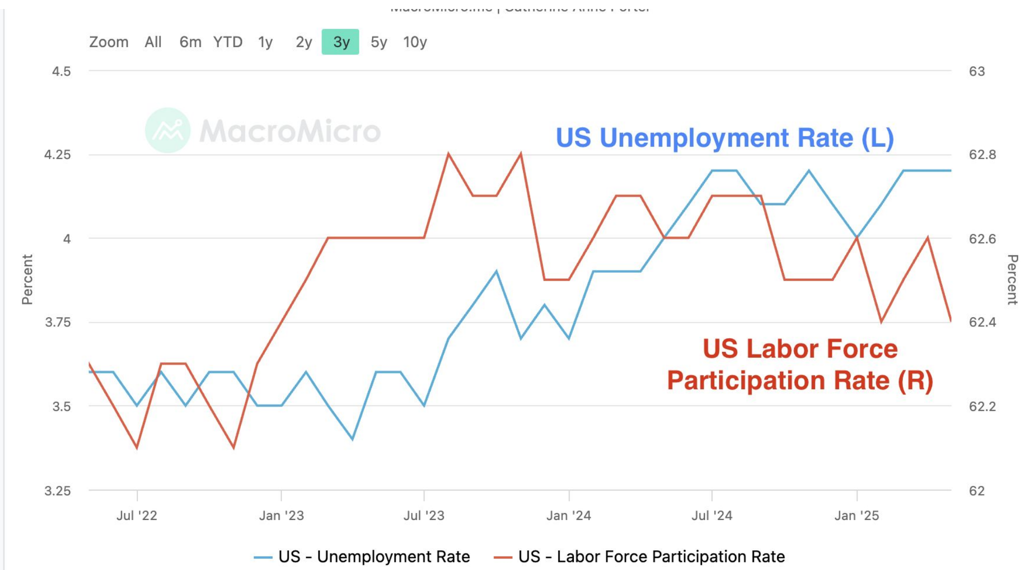


On-chain indicators now point to rising sell pressure as older holders begin to distribute. The Spent Supply Distribution (SSD) quantiles and Short-Term Holder (STH) Cost Basis bands offer a clear roadmap. The SSD 0.95 quantile at $103,700 marks the first support zone, followed by $97,100 (STH Cost Basis) and $95,600 (SSD 0.85), with $83,200 as the key risk-off level. These levels are crucial as they reflect cost basis zones for large holders and recent buyers, serving as potential demand re-entry points or liquidation triggers.

In a nutshell, Bitcoin is now at a crossroads—balanced between structural support and waning bullish momentum, waiting for its next macro cue.

The US macroeconomic landscape continues to show signs of strain as job growth slowed in May, reflecting early pressure from ongoing trade tensions and tariff uncertainty.

While wage gains remained solid, a shrinking labour force and downward revisions to past employment data suggest the labour market's resilience is beginning to erode. At the same time, both the manufacturing and services sectors contracted, driven by rising input costs and declining demand, underscoring the widespread impact of tariffs across the economy. Construction spending has also declined for three straight months, and inflationary pressures are mounting as businesses struggle to absorb higher costs.



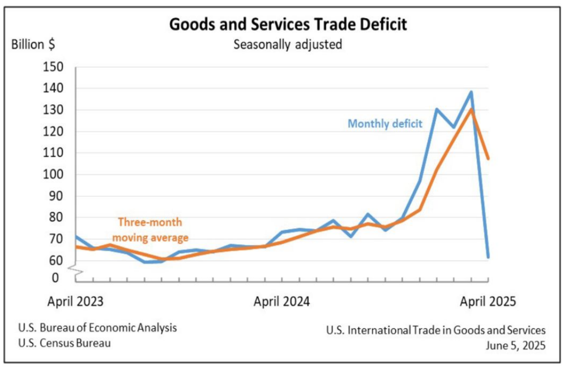
On the trade front, the US deficit narrowed due to falling imports—particularly from China—but this decline signals weakening demand rather than strength, raising concerns about future inventory shortages and inflation. Meanwhile, investor appetite for long-term US debt is faltering, with auction data and futures markets pointing to skepticism about fiscal stability.

U.S. INTERNATIONAL TRADE IN GOODS AND SERVICES DEFICIT

Deficit:	$61.6 Billion	-55.5%°
Exports:	$289.4 Billion	+3.0%°
Imports:	$351.0 Billion	-16.3%°

Next release: Thursday, July 3, 2025

(°) Statistical significance is not applicable or not measurable.
Data adjusted for seasonality but not price changes.
Source: U.S. Census Bureau, U.S. Bureau of Economic Analysis; U.S. International Trade in Goods and Services, June 5, 2025.



Crypto adoption is accelerating on multiple fronts, with IG Group becoming the first UK-listed company to offer spot crypto trading to retail investors. Partnering with Uphold, IG now enables direct purchases of bitcoin and other tokens, marking a shift from speculative derivatives to true asset ownership. This move coincides with the UK Financial Conduct Authority's proposal to lift its ban on crypto exchange-traded notes (cETNs) for retail investors, signalling broader regulatory support for digital assets. Meanwhile, Japan's Metaplanet announced a ¥850 billion ($5.4 billion) equity raise to aggressively expand its bitcoin holdings, aiming for 210,000 BTC by 2027—underscoring Asia's growing role in institutional crypto adoption.

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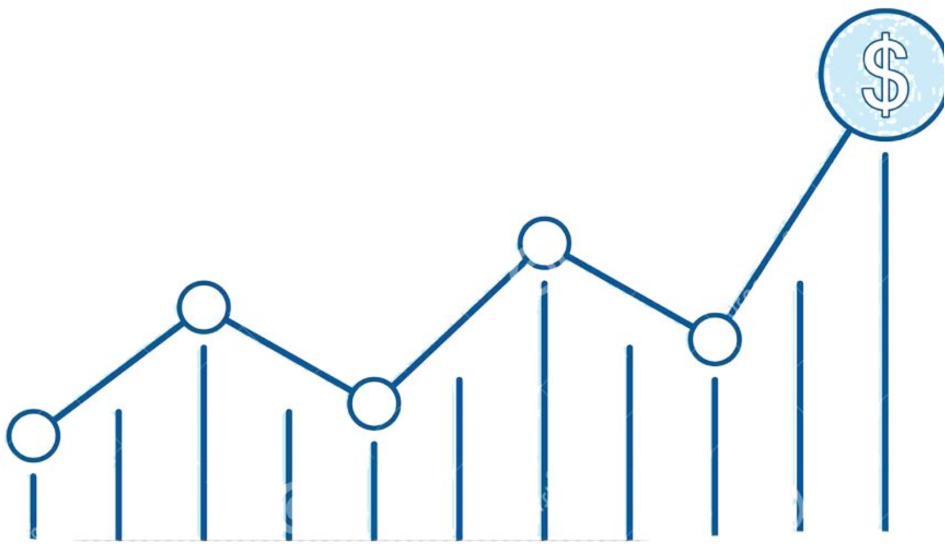


MARKET SIGNALS

Longer-Term Holders Are Taking Profit

The anticipated pullback and profit-taking dynamics outlined in the May 26th edition of *[Bitfinex Alpha](#)* have now materialised. Bitcoin's breakout above its prior all-time high of $109,590 proved to be a false move, and after hitting the new ATH of $111,880, we have seen a peak-to-trough decline of 10.15 percent.

The correction was intensified by the high-profile, and very public dispute between President Trump and one of his most influential supporters, Elon Musk. This unexpected political rift introduced an element of headline-driven volatility that amplified market uncertainty.

The final leg of the pullback unfolded on June 5th, when Bitcoin printed a local low of $100,520, alongside a wave of aggressive deleveraging. On that day alone, over $875 million in long positions were liquidated across the crypto market, making it one of the largest single-day liquidation events since April. This sharp flush likely helped clear excessive leverage from the system, and has potentially set the stage for more stable price action going forward.

Figure 1. BTC/USD Daily Chart. (Source: Bitfinex)

Over the past two weeks, we have highlighted the risks posed by overheated open interest across both Bitcoin and altcoin markets. This, coupled with profit-taking by larger spot holders, has laid the groundwork for a well-anticipated pullback. Historical context further reinforces this behaviour: Bitcoin has a tendency to exhibit false breakouts when surpassing prior all-time highs following deep corrections—particularly during the slower summer months. The 32 percent drawdown seen in April marked the largest correction of this cycle, and such moves often precede the breaking of new highs followed by a shakeout phase, and a subsequent consolidation period before any sustained move upwards.

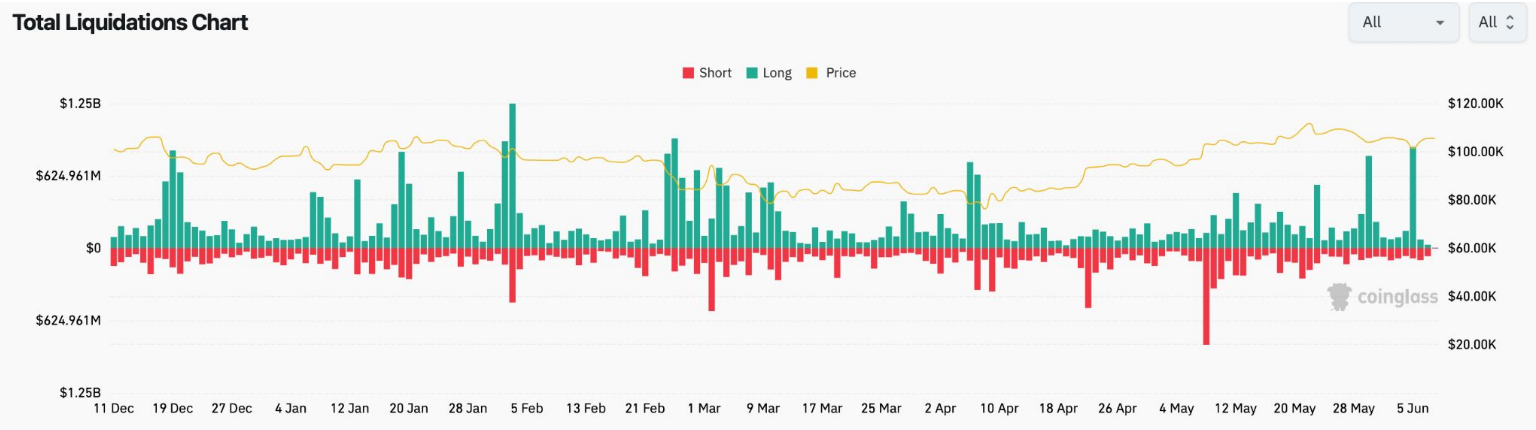


Figure 2: Total Liquidations for All Trading Pairs Across Major Centralised Exchanges (Source: Coinglass)

In keeping with this structure, each minor intra-day correction has rapidly triggered significant long position flushes, leading to cascading stop-outs and liquidations in the futures market (see Figure 2 above). The selloff on June 5th was a clear culmination of this process, with over $875 million in long liquidations occurring in a single day - the first time daily long liquidations have breached the $800 million threshold in more than four months. Over a period of eight days, total long liquidations have reached over $1.9 billion. This aggressive shakeout has helped to flush excessive leverage from the system and reset positioning, potentially paving the way for a more stable base in the weeks ahead.

To understand the anatomy of Bitcoin's recent rally, we examine the Cumulative Volume Delta (CVD) Heatmap—a tool that visualises the net difference between aggressive buying and selling across specific price levels. Unlike raw volume charts, this heatmap helps us locate the precise zones where large market participants absorbed liquidity and drove prices higher. In effect, it maps out *where* demand was concentrated—not just *when*.

From the latest heatmap data (see Figure 3 below), it's clear that the rally was spot-led, with a classic stair-step structure reflecting real-time accumulation. Key clusters of spot-driven buying activity emerged at three critical levels:

- $81,000–85,000: This zone marked the initial breakout after the April lows, with substantial spot demand absorbing early sellers post-Liberation Day panic.
- $93,000–96,000: This range served as a structural midpoint where BTC flipped the Short-Term Holder Cost Basis and former range lows into support.
- $102,000–104,000: The most recent impulse before the new ATH was formed, with buyers stepping in aggressively ahead of the $105,000 level.

These accumulation pockets are likely to become short-term support zones, depending on broader macro sentiment and risk appetite. They represent areas where large volumes were transacted, meaning many participants have 'break evens' there. As a result, these zones often act as key psychological levels—either as a floor during pullbacks or as resistance if breached from above.

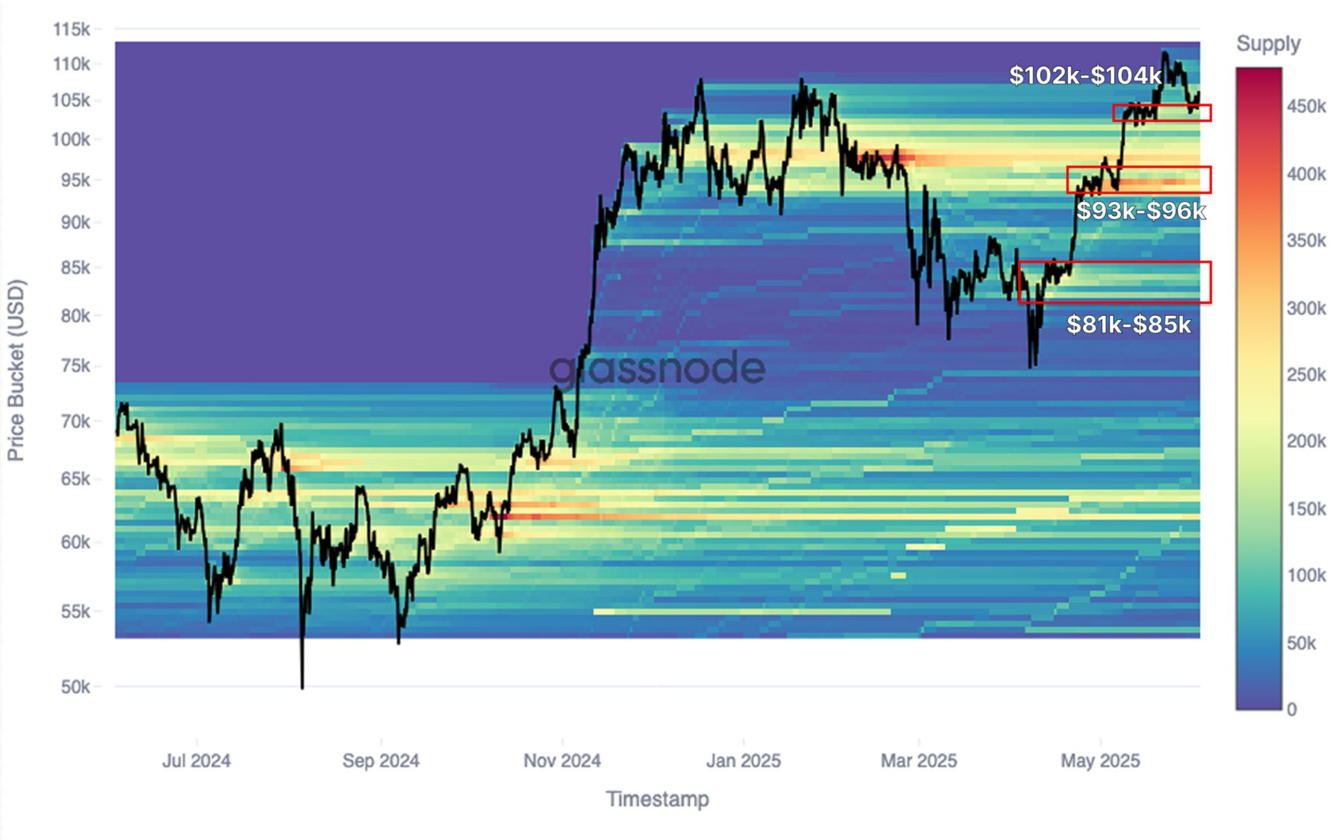


Figure 3: Bitcoin Cumulative Volume Delta Heatmap. (Source: Glassnode)

Importantly, market participants still holding coins from Q1 2025, and who held through the sharp drawdown below $80,000, are now being tested as the price churns sideways near ATH levels. Their reaction—whether to hold, add, or exit—will help define the next leg of the market structure. If those cohorts continue to hold firm, it reinforces the base-building narrative. If they start to exit aggressively, it may introduce additional overhead supply and prolong consolidation.

In summary, the CVD heatmap confirms this rally has been genuinely spot-driven, rather than purely derivatives-fuelled, and gives us a technical roadmap for potential demand re-entry zones should volatility pick up in the short term.

As long-term holders begin to steadily distribute, the risk of a short-term correction continues to build—especially in the absence of a strong catalyst to push Bitcoin decisively above the current all-time high of $111,880. In environments where bullish momentum begins to stall, high-resolution on-chain pricing models become valuable tools for anticipating potential areas of support during drawdowns.

Spent Supply Distribution (SSD) Quantiles: Identifying Key Zones of Turnover

One of the more effective frameworks for understanding this is the *Spent Supply Distribution* (SSD) quantile model. It dissects the cost basis of coins being spent into 100 percentiles, allowing us to locate where the most volume of BTC was originally acquired and is now being realised—either in profit or loss.

We focus on three critical quantiles:

- 0.95 (top 5 percent of spent supply)
- 0.85 (top 15 percent)
- 0.75 (top 25 percent)

Over the past five years:

- Price trading *above the 0.95 quantile* has typically aligned with euphoric market conditions.
- Trading *between 0.85–0.95* suggests bullish but range-bound phases, typically marked by increased distribution.
- Sustained breakdowns *below the 0.75 quantile* have historically signalled the start of broader bearish trends or risk-off resets.

Currently (see Figure 4 below):

- The 0.95 quantile sits at $103,700 and serves as the first major support.
- The 0.85 quantile lies at $95,600, offering structural support in case downside pressure builds.
- A clean break below $95,600 would raise the probability of testing lower support bands, potentially shifting the narrative toward a market-wide reset.

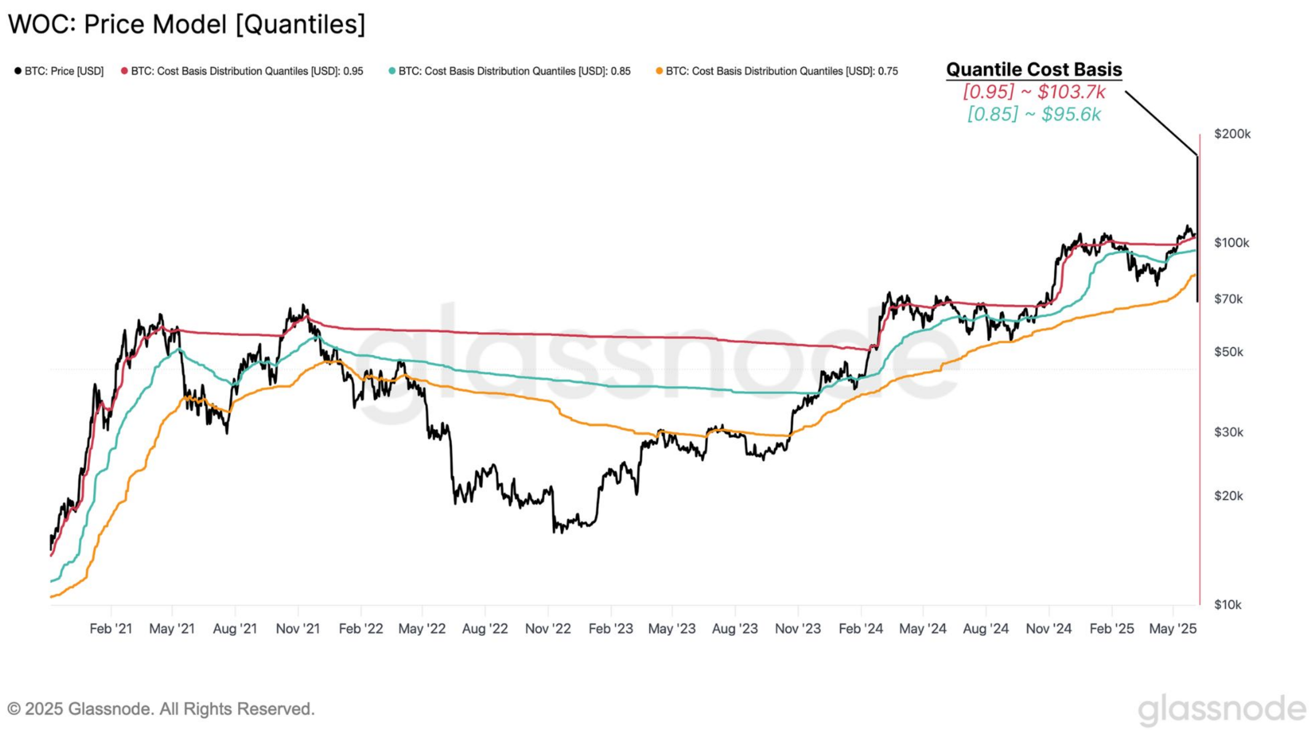


Figure 4. Bitcoin Cost Basis Distribution. (Source: Glassnode)

Short-Term Holder (STH) Cost Basis and Standard Deviation Bands

Another essential model to track short-term investor behaviour is the *Short-Term Holder Cost Basis* (STH CB). This captures the average acquisition price of BTC held for less than 155 days—an important window, as it includes the most reactive market participants.

To add context, we apply standard deviation bands around the STH CB to define statistically significant thresholds:

- The STH cost basis is currently $97,100—this is the effective break-even price for recent buyers.
- The +1 standard deviation band lies at $114,800, generally associated with overheated conditions or breakout territory.
- The -1 standard deviation band is at $83,200, marking a zone of high risk where downside volatility often accelerates.

These three levels—$114,800 (upper bound), $97,100 (mean), and $83,200 (lower bound)—now define the range of short-term sentiment. Sustained price action within this range suggests consolidation, while breaks outside of it are likely to define the direction of the next major move:

- A break above $114,800 would imply a renewed momentum-driven leg higher, supported by spot demand.
- A breakdown below $97,100, and especially below $95,600, would point to cooling sentiment and potential for a retest of broader market structure around $83,000.

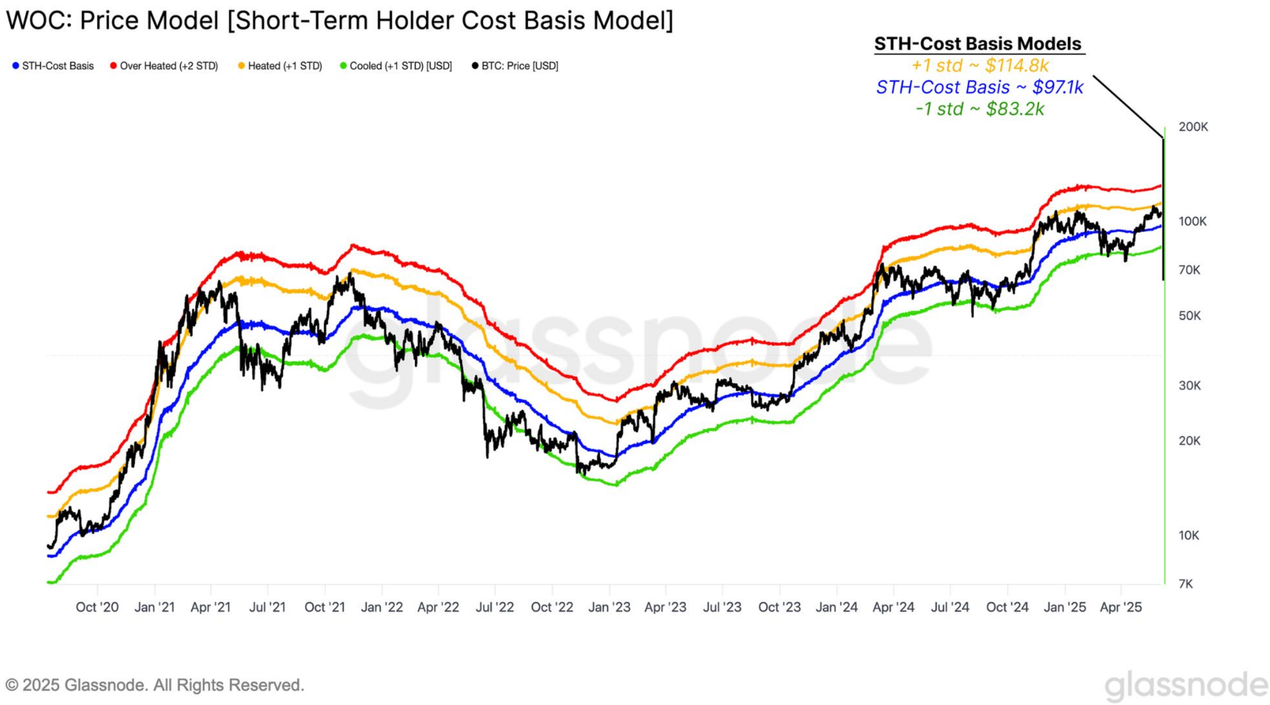


Figure 5. Short-Term Holder Dynamic Realised Price And Standard Deviations (Source: Glassnode)

Summary:

- Without a strong macro or structural upside catalyst, Bitcoin is vulnerable to short-term corrections, particularly as long-term holders distribute into strength.
- The SSD quantiles and STH cost basis bands provide a roadmap for pullback depth:
  - First support: $103,700 (SSD 0.95)
  - Structural risk zone: $95,600 (SSD 0.85) and $97,000 (STH CB)
  - Risk-off confirmation: $83,000 (STH -1σ)

How the price interacts with these thresholds in coming days will offer a high-signal view on whether the rally resumes—or if we're entering a broader consolidation phase.

GENERAL MACRO UPDATE

US Job Growth Slows as Trade Uncertainty Weighs on Labour Market

US job growth cooled in May, signalling the first signs of strain from ongoing trade tensions and tariff uncertainty. Despite strong wage gains helping to support consumer spending, deeper indicators suggest the labour market is starting to show cracks beneath the surface.

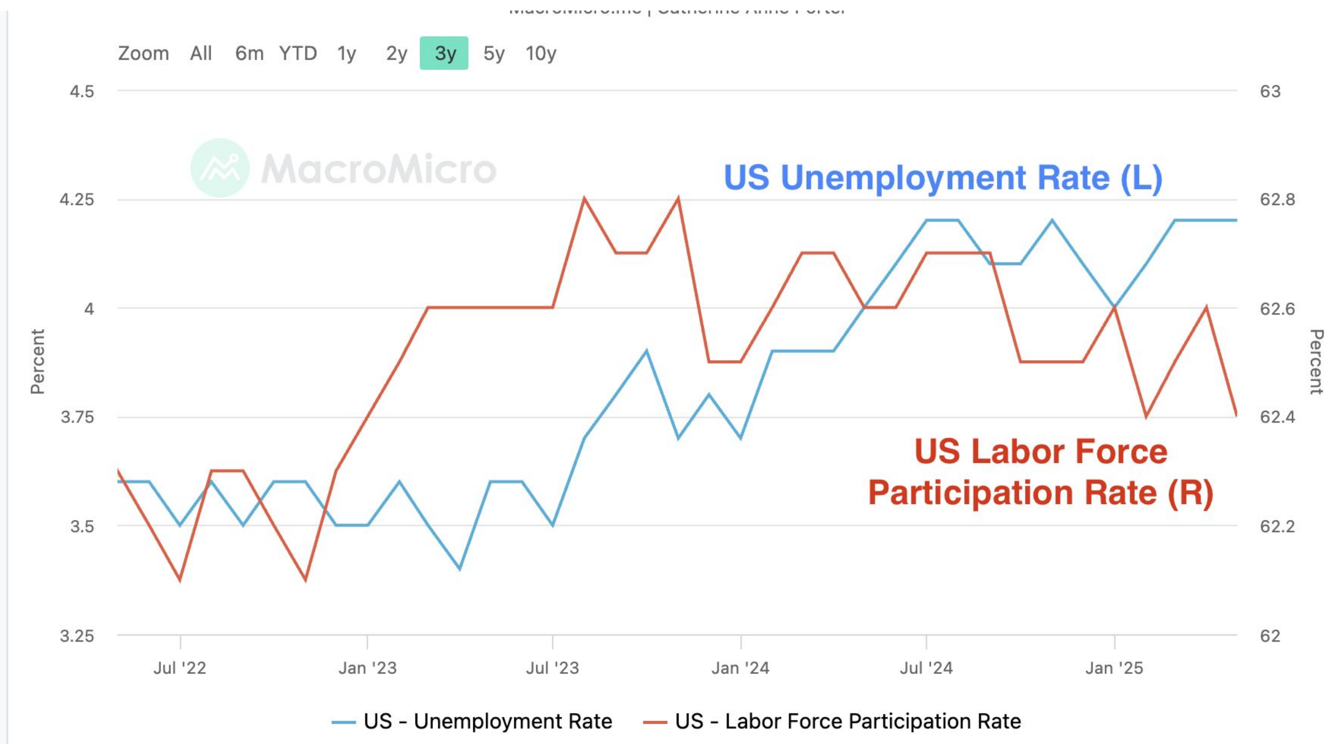


Figure 6. US Unemployment Rate

In May, the US economy added 139,000 jobs, according to the [Bureau of Labor Statistics' Employment Situation Summary] report issued last Friday June 6th. The figure is modestly above expectations but far from the robust gains seen in recent reports. The unemployment rate held steady at 4.2 percent, although rounding concealed a slight increase to 4.244 percent. This subtle uptick in unemployment, paired with flat total hours worked and a shrinking labour force, raises concerns that the job market may be beginning to stagnate.

While average hourly wages rose by 0.4 percent for the month—amounting to a 3.9 percent increase from the previous year—sectors sensitive to trade policy showed clear signs of weakness. Manufacturing employment declined by 8,000 jobs, and transportation and warehousing lost 8,600 positions. These losses align with near-real-time data from the shipping and logistics industries, which have also slowed. A drop in the monthly container count in the Port of Los Angeles also reflects weaker trade flow (see Figure 7 below).

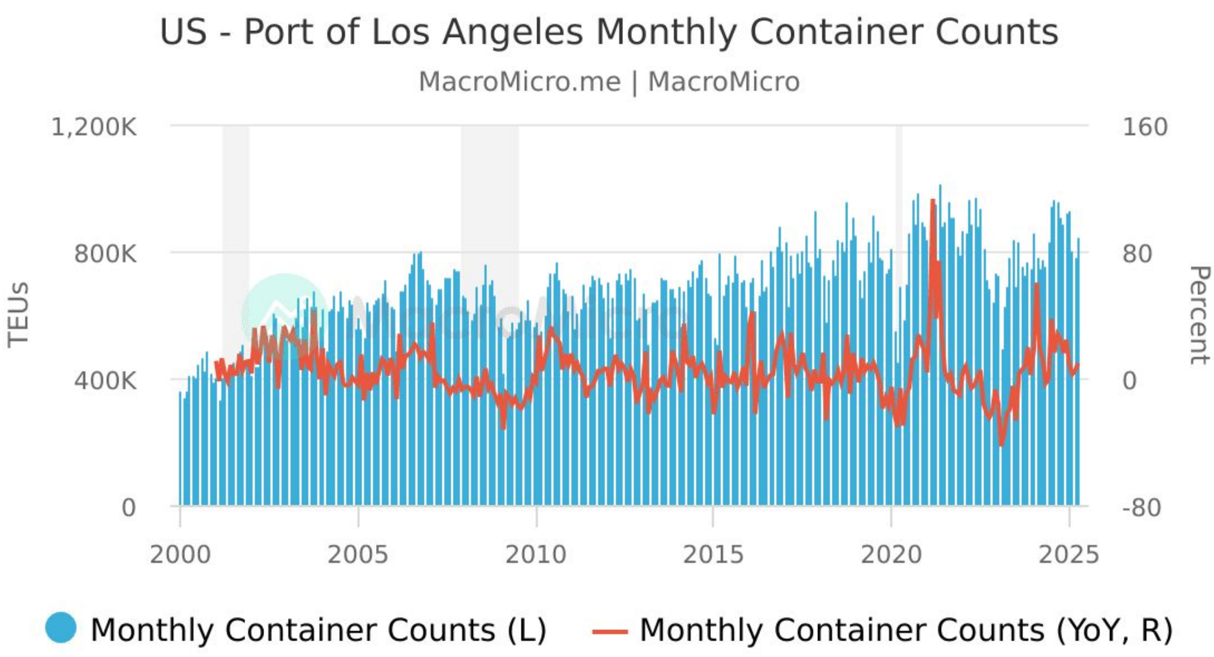


Figure 7. Port of Los Angeles Monthly Container Counts (Source: Macromicro)

Beyond the headline numbers, there were other more sobering signals about the state of the labour market. Firstly, the labour force shrank by 696,000 people, pulling down the participation rate from 62.6 percent to 62.4 percent. The employment-to-population ratio also dipped from 60 percent to 59.7 percent. Without this drop in participation, the unemployment rate would have climbed to 4.3 percent. These shifts suggest that fewer people are actively seeking employment, masking a mild deterioration in employment conditions.

Another troubling sign is the downward revision of previous job figures. March and April employment data were revised down by a combined 95,000 jobs, resulting in a net gain of just 44,000 positions over those two months. If these revisions become a pattern, it may signal a more pronounced economic slowdown than initially perceived.

The Federal Reserve is likely to interpret this report as justification to hold interest rates steady, in line with recent observations from the latest issue of the Beige Book. Policymakers are watching for clearer signs of how tariffs are impacting corporate profits and hiring decisions. With companies hesitant to commit to long-term plans due to concerns over the impact of trade disruption on prices and demand, the broader economy may remain in a holding pattern.

Although employers have not yet begun significant layoffs, the combination of slowed hiring, stagnant hours worked, and weakening participation suggests that the resilience of the US labour market is being tested. If trade uncertainties and federal budget constraints persist, the outlook for job growth could darken in the months ahead.

Tariff Pressures Trigger Contraction in Both US Manufacturing and Services Sectors

Tariffs are beginning to weigh heavily on both the manufacturing and service sectors of the US economy. As businesses face rising input costs and declining demand, fresh data reveals that activity across both sectors contracted in May, fueling concerns of a broader economic slowdown.

Manufacturing at a Glance

INDEX	May Index	Apr Index	% Point Change	Direction	Rate of Change	Trend* (months)
Manufacturing PMI®	48.5	48.7	-0.2	Contracting	Faster	3
New Orders	47.6	47.2	+0.4	Contracting	Slower	4
Production	45.4	44.0	+1.4	Contracting	Slower	3
Employment	46.8	46.5	+0.3	Contracting	Slower	4
Supplier Deliveries	56.1	55.2	+0.9	Slowing	Faster	6
Inventories	46.7	50.8	-4.1	Contracting	From Growing	1
Customers' Inventories	44.5	46.2	-1.7	Too Low	Faster	8
Prices	69.4	69.8	-0.4	Increasing	Slower	8
Backlog of Orders	47.1	43.7	+3.4	Contracting	Slower	32
New Export Orders	40.1	43.1	-3.0	Contracting	Faster	3
Imports	39.9	47.1	-7.2	Contracting	Faster	2
Overall Economy				**Growing**	**Slower**	**61**
Manufacturing Sector				**Contracting**	**Faster**	**3**

*Number of months moving in current direction. Manufacturing ISM® *Report On Business*® data has been seasonally adjusted for the New Orders, Production, Employment and Inventories indexes.

Figure 8. Manufacturing PMI and Index Components (Source: Institute for Supply Management)

Manufacturing activity fell deeper into contraction territory last month, with the Institute for Supply Management's (ISM) Purchasing Managers' Index (PMI) dropping to 48.5 in May from 48.7 in April. Any reading below 50 signifies a decline in activity. Executives surveyed pointed to a sharp combination of slowing demand and surging prices as evidence that tariffs are straining operations. For the fourth straight month, manufacturing employment also declined, indicating that firms are holding off on hiring amid economic uncertainty.

CONSTRUCTION SPENDING

APRIL 2025	**$2,152.4 billion**
MARCH 2025 (revised)	**$2,162.0 billion**

Next release: July 1, 2025

Seasonally Adjusted Annual Rate (SAAR)
Source: U.S. Census Bureau, June 2, 2025

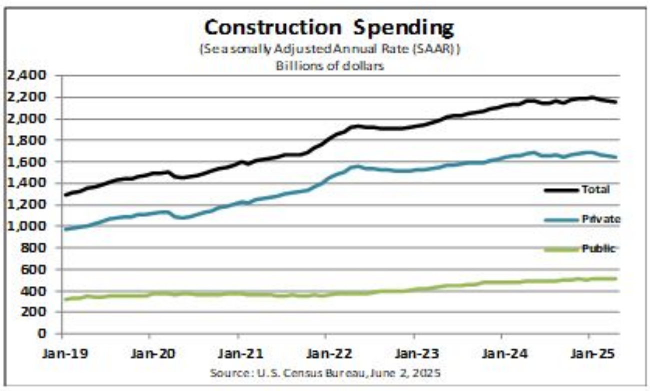


Figure 9. Construction Spending (Source: US Census Bureau)

The effect of tariffs has been particularly damaging to construction activity (see Figure 9 above). April marked the third consecutive monthly decline in construction spending according to the Census Bureau's Monthly Construction Spending report, issued last Monday, June 2nd. Spending declined as companies scaled back or abandoned expansion projects, including factories and warehouses. This pullback reflects growing concerns over future costs and economic policy unpredictability, particularly in relation to trade.

In the short term, prices for durable goods—typically resistant to quick change—are now rising more rapidly as businesses can no longer absorb the burden of tariffs through existing inventory or tighter profit margins. This shift points to mounting inflationary pressure, which could soon be felt more broadly by consumers.

Services at a Glance

INDEX	May Index	Apr Index	% Point Change	Direction	Rate of Change	Trend* (months)
Services PMI®	49.9	51.6	- 1.7	Contracting	From Growing	1
Business Activity	50.0	53.7	- 3.7	Unchanged	From Growing	1
New Orders	46.4	52.3	- 5.9	Contracting	From Growing	1
Employment	50.7	49.0	+ 1.7	Growing	From Contracting	1
Supplier Deliveries	52.5	51.3	+ 1.2	Slowing	Faster	6
Inventories	49.7	53.4	- 3.7	Contracting	From Growing	1
Prices	68.7	65.1	+ 3.6	Increasing	Faster	96
Backlog of Orders	43.4	48.0	- 4.6	Contracting	Faster	3
New Export Orders	48.5	48.6	- 0.1	Contracting	Faster	3
Imports	48.2	44.3	+ 3.9	Contracting	Slower	2
Inventory Sentiment	62.9	56.1	+ 6.8	Too High	Faster	25
Overall Economy				**Growing**	**Slower**	**60**
Services Sector				**Contracting**	**From Growing**	**1**

*Number of months moving in current direction. Services ISM® *Report On Business®* data has been seasonally adjusted for the Business Activity, New Orders, Employment and Prices indexes.

Figure 10. Services PMI and Index Components (Source: Institute for Supply Management)

Meanwhile, the service sector—long thought to be insulated from international trade volatility—is also beginning to show signs of strain. The ISM Services Index dipped to 49.9 in May from 51.6 in April, marking the first contraction in this sector since June 2024. Businesses cited escalating costs and greater uncertainty, with the index for prices paid reaching its highest level since 2022. This suggests that inflation is not only a manufacturing concern but is now embedded more deeply across the broader economy.

The dual contraction in both manufacturing and services illustrates the wide-reaching impact of tariffs and trade policy instability. The recent data support the view that economic momentum is slowing as the second quarter unfolds. Unless there is greater clarity and stability in trade policy, further weakening in hiring, investment, and overall growth may be on the horizon.

Tariffs, Trade Deficits, and Treasury Troubles

A sharp decline in US imports, driven by shifting trade policies, helped narrow the country's trade deficit to its lowest level since 2023. But this improvement comes with a twist: as global trade flows are disrupted, investors are retreating from long-term US debt, raising fresh concerns about inflation, inventory shortages, and the rising cost of government borrowing.

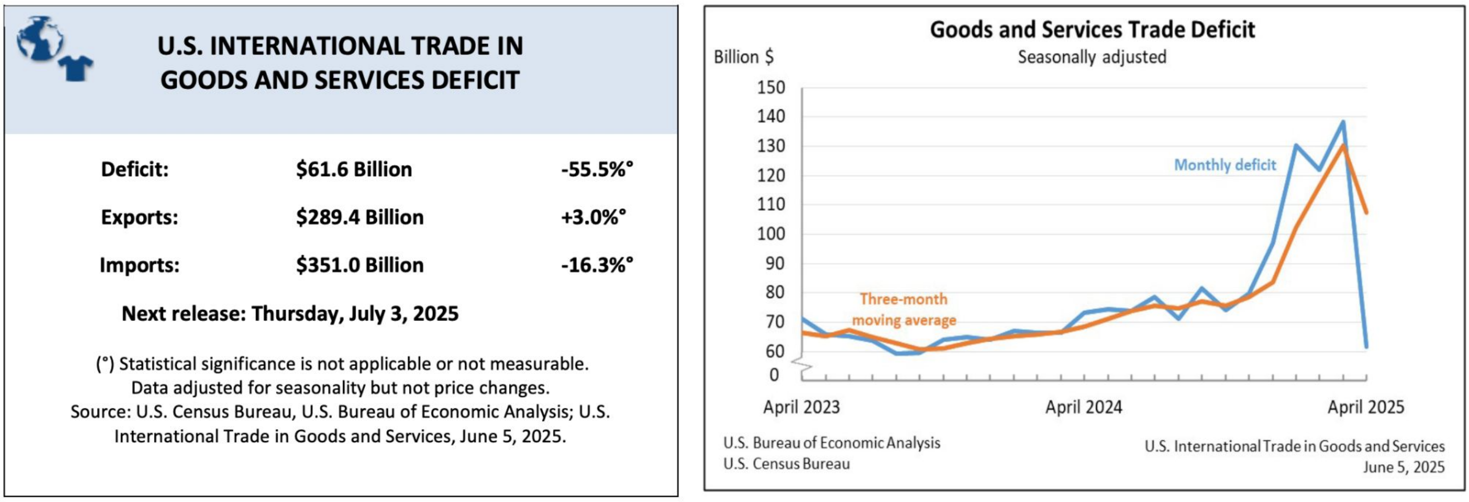


Figure 11. US International Trade in Goods and Services Deficit (Source: US Census Bureau)

The US trade deficit narrowed significantly in April, largely due to a steep drop in imports—particularly from China and the European Union, according to the US Census Bureau's US International Trade report, issued last Thursday, June 5th. Imports from China, which has been the focal point of escalating tariffs, fell to levels not seen since 2010, outside the pandemic. Although the reduced trade gap could boost second-quarter GDP, the underlying reason—trade policy uncertainty and falling demand—suggests deeper issues beneath the surface.

Fewer imports may sound positive at first glance, but they raise concerns about supply shortfalls later in the year. With inventory levels at risk, the upcoming back-to-school and holiday shopping seasons may see fewer options on store shelves. This limited supply, paired with steady or rising consumer demand, could push prices upward, aggravating inflation just as consumers and businesses hoped for relief.

Meanwhile, investor sentiment toward long-term US Treasury bonds has soured. Amid concerns about slower economic growth, higher inflation, and erratic trade policies, investors are showing a clear preference for short-term debt. This shift is visible in curve-steepening trades—strategies that bet long-term interest rates will rise more than short-term rates, often reflecting inflation fears or skepticism about fiscal policy.

The market is also reacting to broader signals of economic repositioning. The US dollar has declined more than 10 percent this year against major currencies like the euro and yen, signalling waning global confidence in American financial leadership. If the US dollar's role as primary reserve currency weakens, it could lead to higher borrowing costs across the board—both for government and private sector debt.

Figure 12. Bid to Cover Ration, 10 Year Treasury (Source: Macromicro)

Recent Treasury auction data reflects this unease. The 10-year bond auction showed a bid-to-cover ratio of 2.6, with a yield of 4.34 percent (see Figure 12 above), while the 30-year bonds fetched 4.819 percent with a weaker bid-to-cover ratio of 2.31. More tellingly, futures markets show that net short positions on 10-year Treasury contracts have risen to 15 percent of open interest—a clear sign of traders betting against long-term US debt.

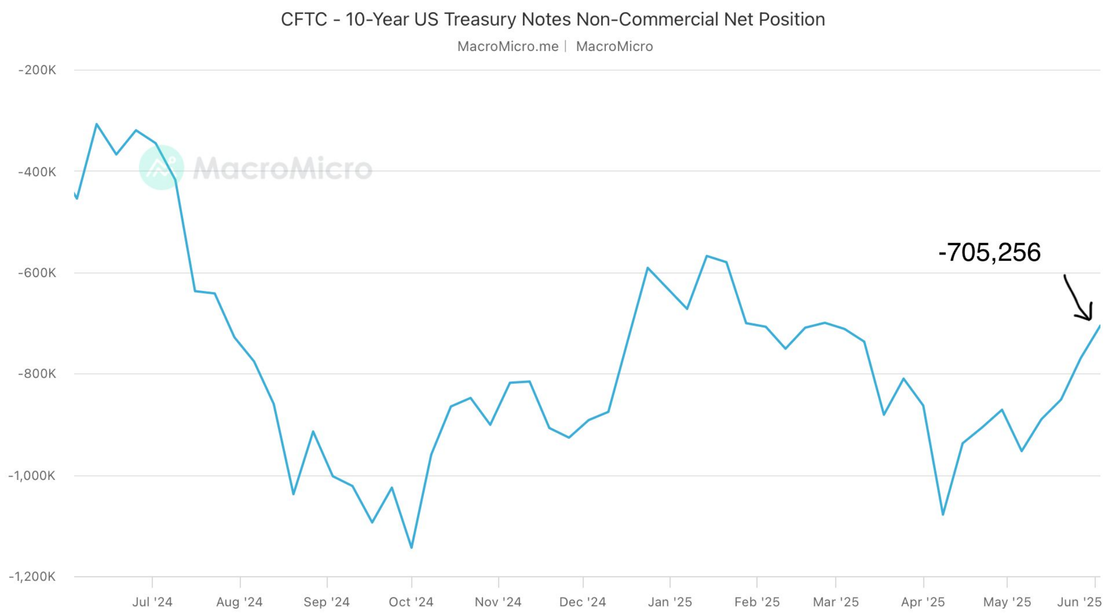


Figure 13. 10-Year US Treasury Notes Net Position

All these indicators point to a converging storm: weakened trade flows, rising input costs, and hesitancy in the bond market, signalling a fragile balance in the US economy. The short-term gain of a reduced trade deficit could end up being overshadowed by long-term challenges if trade volatility persists and investors lose confidence in US fiscal management. The upcoming Treasury auctions in June will offer the clearest test yet of whether this trend is temporary—or the beginning of a more significant shift.

NEWS FROM THE CRYPTO-SPHERE

IG Group's Foray into Spot Crypto Trading

Figure 14. IG Group's Foray into Spot Crypto Trading

- **IG Group becomes the first UK-listed firm to offer spot crypto trading to retail investors, thanks to a new partnership with crypto platform, Uphold**
- **The move positions IG at the center of traditional and digital finance, just as UK regulation evolves, and will both put pressure on rivals and potentially accelerate UK mainstream adoption and regulatory clarity**

London-listed IG Group has become the first publicly traded company in the United Kingdom to let ordinary investors buy and sell cryptocurrencies directly, rolling out spot trading for bitcoin, ether and 36 other tokens, and adding to its existing share- and FX-dealing products. The group, a FTSE-250 constituent with roots in spread-betting and CFDs, built the service in partnership with US digital-asset firm Uphold, which will execute transactions and provide pricing data. Crypto assets will also be custodied by Uphold, but as a US company will sit outside the Financial Services Compensation Scheme's deposit-protection umbrella. Until now, IG's crypto offering was limited to leveraged CFDs, so the shift to spot marks a structural pivot from speculative derivatives toward true asset ownership.

Strategically, IG is inserting itself at the crossroads of traditional finance and digital assets just as UK rule-making catches up. The Treasury and the FCA published twin consultation papers in April outlining a full statutory regime for trading venues and stablecoin issuance; IG's timing allows it to shape, rather than merely follow, the coming framework.

At the same time, new FCA "financial-promotion" rules force retail platforms to introduce risk-appropriateness questionnaires and 24-hour cooling-off periods—standards that IG and Uphold have already embedded—potentially raising the compliance bar for smaller rivals. For context, the proportion of UK adults holding crypto leapt from 4.4 percent in 2021 to roughly 12 percent in 2024, signalling strong latent demand that a mainstream, LSE-listed broker is now equipped to capture

Over the next few months this launch is likely to ripple far beyond IG itself. First, it pressures legacy retail brokers and UK high-street banks—many of which still block direct crypto transfers—to follow suit or risk client outflows. Second, by funnelling fresh sterling liquidity into spot markets through a regulated channel, IG's move converts crypto from a niche sideline into a core retail asset class within one of the world's deepest capital markets, setting the stage for faster institutionalisation and policy clarity as the 2025-26 market cycle unfolds.

UK Regulator Proposes Lifting Ban on Crypto ETNs for Retail Investors

Figure 15.UK Regulator Proposes Lifting Ban on Crypto ETNs for Retail Investors

- **The UK's financial regulator is proposing to lift the ban on crypto exchange-traded notes (cETNs) for retail investors, expanding access beyond professionals and aligning with global markets**
- **This move is part of a broader regulatory push to support digital asset growth, though crypto derivatives will remain restricted, and a clear timeline has not yet been set**

The UK's Financial Conduct Authority (FCA) is considering allowing everyday investors to access crypto exchange-traded notes (cETNs), marking a major shift in policy and aligning the UK with global counterparts such as the US, EU, Canada, and Hong Kong.

The proposal, released last Friday, June 6th, was outlined in the FCA's latest consultation paper, and would reverse a ban in place since 2021 and open up crypto-linked investment products to the broader public—provided they are listed on an FCA-recognised investment exchange. Unlike spot bitcoin ETFs, cETNs are debt instruments that track crypto prices but don't hold the assets directly.

The initiative is part of the UK's broader effort to build a comprehensive regulatory framework for digital assets, including rules on stablecoins, staking, and custody—expected to roll out by 2026. While the FCA emphasised the high risks involved, it aims to give consumers informed choice under strict financial promotion standards.

However, retail trading of crypto derivatives still remains off-limits, and even for the opening of crypto ETNs to UK retail investors, no timeline has been provided, for when any rule changes will take effect.

Japan’s Metaplanet Unveils $5.4 Billion Equity Plan to Scale Up Bitcoin Holdings

Figure 16. Japan’s Metaplanet Unveils $5.4 Billion Equity Plan to Scale Up Bitcoin Holdings

- **Metaplanet announced a ¥850 billion ($5.4 billion) equity raise through the issuance of 555 million new shares to aggressively expand its bitcoin holdings, aiming for 210,000 BTC by 2027**
- **With a 225.4 percent BTC Yield, year-to-date, the company’s strategy highlights Japan’s rising influence in institutional bitcoin adoption across Asia**

Metaplanet, a Japanese investment company that has pivoted into a bitcoin-centric treasury strategy, announced last Friday, June 6th, a massive ¥850 billion ($5.4 billion) equity offering aimed at substantially increasing its bitcoin reserves.

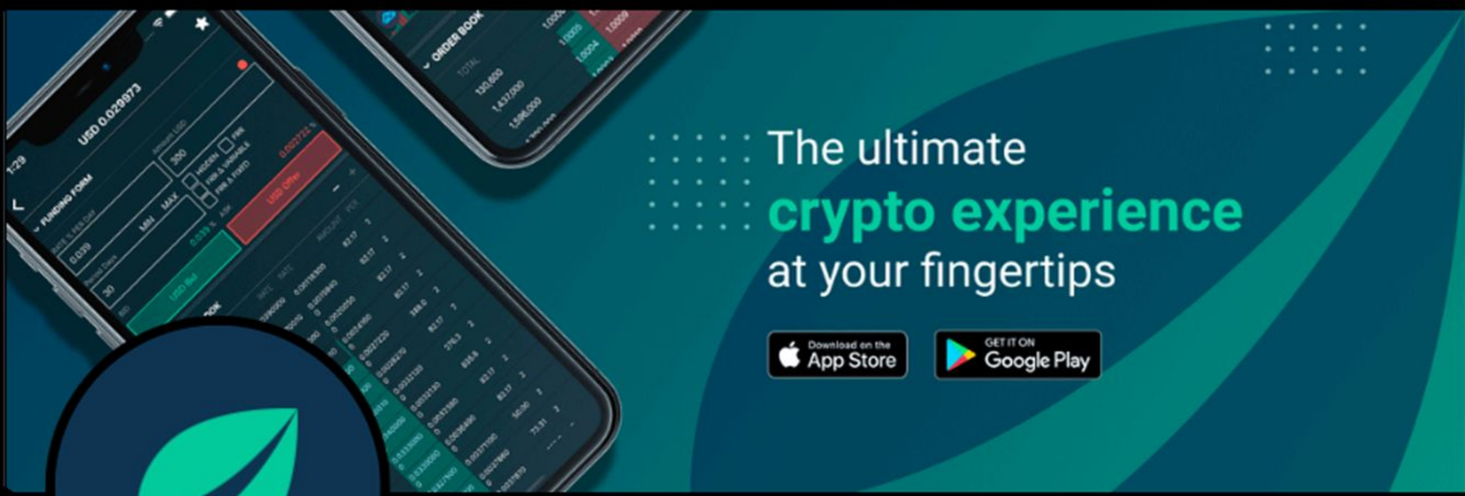
The funds will be raised through the issuance of 555 million new shares—equivalent to 92.4 percent of the firm’s current outstanding shares—via moving strike warrants. This Japanese mechanism, comparable to an at-the-market equity facility, allows for incremental equity sales over a two-year period to help mitigate any disruptive market effects. EVO FUND is set to purchase the shares, with Evolution Japan Securities acting as the arranger.

Metaplanet CEO Simon Gerovich posted the details of the investment on X.

Nicknamed the “555 Million Plan,” the initiative follows Metaplanet’s earlier “210 Million Plan” and represents a significant rise in its targets, with an aim to now hold 30,000 BTC by the end of 2025—up from a prior goal of 10,000 BTC. Metaplanet said it intends to accumulate 100,000 BTC by 2026 and reach 210,000 BTC by the end of 2027, aspiring to own at least 1 percent of bitcoin’s total fixed supply of 21 million coins.

To meet these targets, Metaplanet plans to utilize various financing instruments beyond moving strike warrants, including convertible bonds, preferred shares, and traditional bonds.

Like many Bitcoin-focused firms, Metaplanet evaluates its performance using a proprietary metric called BTC Yield. This key performance indicator measures the percentage change over time in the ratio of the company’s bitcoin holdings to its fully diluted share count. So far this year, Metaplanet reports a BTC Yield of 225.4 percent, with its Bitcoin reserves increasing from 1,762 BTC to 8,888 BTC—a sign that its strategy is generating substantial shareholder value. This bold move signals Japan’s growing role in institutional Bitcoin adoption and could set a precedent for other Asian firms eyeing crypto as a strategic treasury asset.



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