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ETFs | DIGITAL ASSETS

# THE GLOBAL CRYPTO ETP ECOSYSTEM EXPLAINED

Recently, a group of Super Bowl ads spoke volumes about the direction of modern investing. This year for the first time, four commercials promoting cryptocurrencies aired, with one created by Coinbase garnering so much response that it crashed their website. To put things in perspective, according to Statista, 30-second commercials for the Super Bowl usually run \$6.5 million -- an eye-popping figure until you realize that 100 million people around the world watch the championship game. Why is this relevant? Because if you thought crypto would go away and you wouldn't have to learn about it, you would be incorrect.

Despite some of the naysayers out there, this is an incredibly exciting space and whether you like it or not, digital assets are here for the long haul and without question, will be something much bigger in the near-term future. It has a similar vibe as being in the beginning ETF days when many talking heads poo-pooed the idea of an ETF and commented that it would go nowhere. Well look at it now -- a \$10 trillion global industry that is still growing, sees new products and issuer entrants almost weekly with increasingly more creative and niche products. Which brings me to the crypto ETF space.

As of mid-February, the market value of crypto assets such as bitcoin and ether surged from about \$350bn at the start of 2020 to above \$3tn last year. Global crypto ownership rates are estimated to be an average of 3.9%, with over 300 million crypto users worldwide.

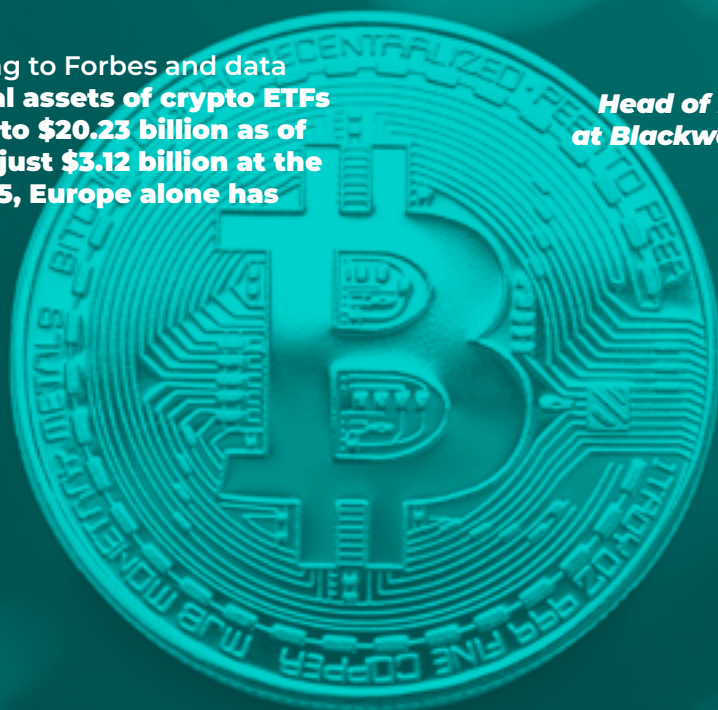
In terms of ETFs, according to Forbes and data consultancy ETFGI, **global assets of crypto ETFs and ETPs climbed 549% to \$20.23 billion as of Nov. 30, compared with just \$3.12 billion at the end of 2020. As of Feb. 15, Europe alone has \$8.36bn of those assets.**

Taking a look globally, Brazil, Canada, Sweden, Germany, Switzerland, Jersey and Liechtenstein all have spot cryptocurrency ETPs, and Australia and India regulatory changes are expected to bring spot products soon. Lagging behind, U.S. regulators have only approved futures-based versions, while the UK, Hong Kong and Singapore have not even permitted these vehicles.

There are 80 crypto-related ETFs/ETPs in Europe, 14 in Canada, seven in Latin America, 14 in the U.S. with Europe holding more than 60% of the global assets. Last year alone cryptocurrency launches hit the headlines and hauled in an impressive \$1.7b of inflows. Even behemoth Blackrock has filed an application with the SEC for a blockchain tech ETF.

The following report is meant to be an overall global guide to the current state of the digital asset ETP ecosystem which extends beyond just physical crypto products. Given the fact that we are only two months into the year, we have already seen an impressive number -- 22 new digital asset ETPs launched globally. Significant entrants to the European space include Fidelity International with their recent European physical bitcoin launch and Invesco, which entered in November 2021. Crypto related ETFs are available in Canada, Latin America, Australia, United Arab Emirates and the U.S. as well.

**Andrea D. Murray,**  
**Head of Business Development**  
**at Blackwater Search & Advisory**



## REGIONAL OVERVIEW

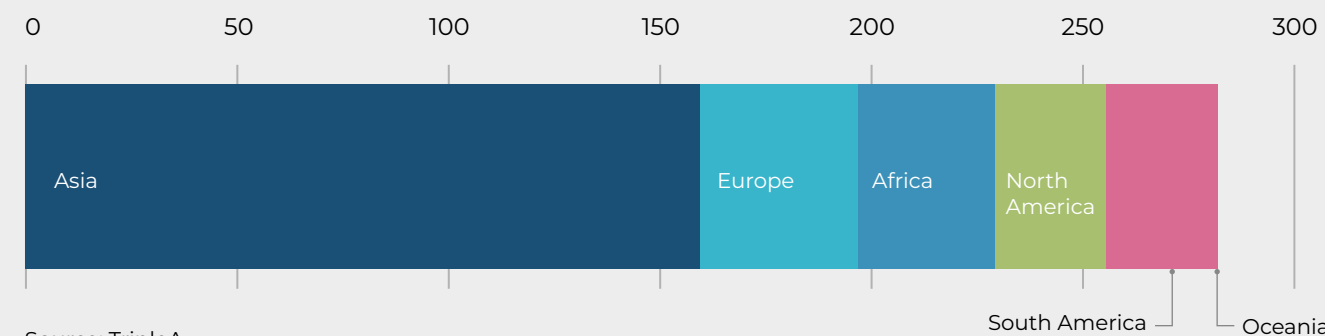
### ASIA

While there are no crypto-related exchange traded products available yet, **India is set to list Asia's first cryptocurrency ETF in the not-so-distant future.** Torus Kling Blockchain IFSC, a joint venture between Mumbai-based Cosmea Financial Holdings and Kling Trading India, has signed a memorandum of understanding with BSE's international arm India INX to launch digital asset-based products -- Bitcoin and Ethereum futures-based ETFs.

In terms of hurdles to note, this year financial regulators in Hong Kong issued new rules restricting crypto asset intermediaries from offering crypto spot exchange-traded funds to retail investors.

#### Asia accounts for half of all cryptocurrency users

Crypto users (m, 2021)



Source: TripleA

Financial Times

### AUSTRALIA

The land Down Under is one of the most significant adopters of cryptocurrencies on a per capita basis. More than 17 percent of Australians currently own cryptocurrency, with a further 13 percent planning to invest in the next 12 months. By comparison, 13 percent of people in the U.S. have bought or traded crypto over the past 12 months. Then there's the UK at 4%.

“ The land Down Under is one of the most significant adopters of cryptocurrencies on a per capita basis. More than 17 percent of Australians currently own cryptocurrency, 13 percent of people in the U.S. Then there's the UK at 4% ”



And while Australia does not yet have a bitcoin futures or physical ETF, the good news is that the Australia Securities and Investments Commission (ASIC) updated its guidelines for ETPs and ETFs, clarifying that they would not need to hold domestic crypto custody, making things easier to launch crypto ETPs. Additionally, in mid-2021, the ASIC lifted the gates for ETPs based on major cryptocurrencies like Bitcoin and Ether as long as they satisfied the following five factors: high level of institutional support, a mature spot market, a regulated futures market, reputable and experienced service providers and transparent pricing mechanisms. Smaller altcoins were excluded from the green list.

And in terms of what is currently available from an extended digital assets category, BetaShares, ETFS Management, and One Managed Investment Funds Ltd are the only issuers so far to list products. BetaShares was first to market with their launch of the BetaShares Crypto Innovators ETF (CRYP) on the ASX, which shattered the previous record of \$8m in net inflows by an ETF for the first day of trading. Within the first 10 minutes, over \$10m of units in CRYP had been purchased, and by the close of the trading day, a new record of \$39.7m of volume traded was set. According to their website, the majority of flows came from retail investors.

Product	Launch	Ticker	Index	AUM as of 2.15	Expense Ratio
The Cosmos Digital Miners Access ETF	10/28/2021	DIGA	Cosmos Global Digital Miners Total Return Index	\$2.33m	0.90%
BetaShares Crypto Innovators ETF	11/2/2021	CRYP	Bitwise Crypto Innovators Index	\$111m	0.67%
E TFS Fintech & Blockchain ETF	10/14/2021	FTEC	The Indxx Developed Markets Fintech & DeFi Index	\$9.38m	0.69%

## What's Next?

We are watching the list of firms which plan to launch physical Bitcoin and Ethereum ETFs on the Chi-X and ASX. As of this writing, ETF Securities is partnering with 21Shares to launch the ETFS 21Shares Bitcoin ETF and ETFS 21Shares Ethereum ETF as well as VanEck which has filed for a crypto product. Canada-based provider Purpose Investments is partnering with a local crypto fund manager, Cosmos Capital, to launch products. Others in the race to launch the first physical bitcoin ETF include BetaShares and Monochrome Asset Management.



*"The next chapter of Internet services will be built on crypto networks — starting with cryptonative financial services (DeFi) and digital media, games, music, and art (NFTs). Of course, there's more to come. Only 2% of the world's internet population have access to this asset class; the world's most used web wallet, Metamask, only has 21 million users. But the pace of innovation and growth is orders of magnitude faster than the late 90s adoption rate of the Internet."*

OPHELIA SYNDER,  
Co-Founder & President at 21Shares

## CANADA

**Many see Canada as a global cryptocurrency hub and home for leading innovation.** They were able to snag the prize of launching the first publicly traded bitcoin ETF in North America and it certainly had an explosive debut. Launched on Feb. 18, 2021, the Purpose Bitcoin ETF, had trading volume approach \$400 million in just two days and gathered \$421.8 million in AUM. In only one month after its launch, the ETF surpassed \$1 billion of AUM making it one of the fastest-growing ETFs of all-time. Similar to the tight race to launch between ProShares and Valkyrie in the U.S., Evolve Fund Group followed on the heels with their Bitcoin ETF launch on Feb. 19, 2021.

Purpose Investments is not the only Canadian based provider to expand outside of their borders. Canadian digital-asset manager 3iQ's bitcoin ETF started trading on Nasdaq Dubai under the ticker symbol "QBTC," in June 2021 and was the first cryptocurrency fund to go public in the Middle East. They have plans to launch additional crypto ETFs in Dubai in 2022.

Products	Launch	Ticker	AUM as of 2.15	Expense Ratio
3iQCoinShares Bitcoin ETF	4/19/2021	BTCQ	\$991.54m	1.00%
3iQCoinShares Ether ETF	4/19/2021	ETHQ	\$ 292.76m	1.00%
Accelerate Carbon-Negative Bitcoin ETF	8/31/2021	ABTC	\$2.32m	0.69%
BetaPro Bitcoin ETF	4/14/2021	HBIT	\$2.08m	1.38%
BetaPro Inverse Bitcoin ETF	4/14/2021	BITI	\$31.85	1.45%
CI Galaxy Bitcoin ETF	3/9/2021	BTCX	\$429.42m	0.40%
CI Galaxy Ethereum ETF	4/20/2021	ETHX	\$817.44m	0.40%
CI Galaxy Multi-Crypto ETF	1/28/2022	CMCX	\$3.14m	0.50%
Evolve Bitcoin ETF	2/19/2021	EBIT	\$126.9m	0.75%
Evolve Cryptocurrencies ETF	9/29/2021	ETC	\$32.18m	0.00%*
Evolve Ether ETF	4/20/2021	ETHR	\$96.076m	0.75%
Ninepoint Bitcoin ETF	1/27/2021	BITC	\$60.95	0.70%
Purpose Bitcoin ETF	2/18/2021	BTCC	\$1.6bn	1.00%
Purpose Bitcoin Yield ETF	12/2/2021	BTCY	\$27m	1.10%
Purpose Crypto Opportunities ETF	11/9/2021	CRYP	\$3.6m	1.25%
Purpose Ether ETF	4/24/2021	ETHH	\$369m	1.00%
Purpose Ether Yield ETF	12/2/2021	ETHY	\$41.9m	1.10%
The Fidelity Advantage Bitcoin ETF	12/2/2021	FBTC	\$30.85	0.40%

\*The underlying investment funds held by the Evolve Cryptocurrencies ETF (ETC) will pay management fees and will incur trading expenses. EBIT and ETHR currently pay a management fee of 0.75% plus applicable taxes.



*"Crypto ETPs were created to give institutional investors access to the new asset class, where for the first-time retail investors have an edge. But bit by bit, renowned companies get exposure to digital assets – be it by owning coins, or by accepting tokens as a mean of payment. We are yet to see significant allocations into the asset class from traditional investment firms, but it's only a matter of time given the lowered volatility, which is now comparable to tech equities."*

ROXANE SANGUINETTI,  
Head of Strategy at GHCO

## LATIN AMERICA\_

Breaking first into the LatAm market with a Bitcoin and Ether ETF was QR Asset Management in June 2016. And as decentralised finance is one of the fastest-growing industries, the aptly named Hashdex DeFi Index ETF was listed in Brazil and according to the Financial Times, was the first in the world to market. Founded in 2018, Rio de Janeiro-based Hashdex (they also have U.S. offices), is a crypto asset manager with over \$1bn in AUM. In addition to the funds, they also co-created the Nasdaq Crypto Index (NCI), putting **Brazil on the map as a serious crypto product provider**. Their Hashdex Crypto ETF is also listed on the Bermuda Stock Exchange (BSX).

Brazil is not the only Latin American country to play in this space. In Chile, the Purpose Bitcoin ETF began trading on the Santiago Stock Exchange on March 8, 2021. The entry of the product was made possible by an agreement that was arranged back in 2014 between the Santiago Exchange and TSX Venture Exchange leading to the creation of a new market segment called the Venture Capital Market. Operating under the name Santiago Exchange, Venture allows issuers listed on the TSXV to dually list on the new market.

Issuers	Products	Exchange Listing	Launch	Ticker	AUM as of 2.15	Expense Ratio
Hashdex	Hashdex Nasdaq Crypto Index ETF	Brazilian Stock Exchange B3	4/1/2021	HASH11	USD\$300m	1.00%
Hashdex	Hashdex Nasdaq Bitcoin ETF	Brazilian Stock Exchange B3	2/23/2021	BITH11	BRL 243.95m	0.70%
Hashdex	Hashdex Nasdaq Ethereum ETF	Brazilian Stock Exchange B3	8/12/2021	ETHE11	BRL 132.98m	0.70%
Hashdex	Hashdex DeFi Index ETF	Brazilian Stock Exchange B3	2/17/2022	DEFI11	USD\$10m	1.30%
Purpose Investments	Purpose Bitcoin ETF	Santiago Stock Exchange	3/8/2021	BTCCL	N.A.	N.A.
QR Asset Management	QR Capital's bitcoin ETF	Brazilian Stock Exchange B3	6/22/2021	QBTC11	BRL 157m	0.75%
QR Asset Management	QR CME CF Ether Reference Rate Index Fund	Brazilian Stock Exchange B3	8/3/2021	QETH11	BRL 122m	0.75%
QR Asset Management	The DeFi ETF	Brazilian Stock Exchange B3	2/7/2022	QDFI11	BRL 34.5m	0.90%

N.B. Please bear in mind that disclosure requirements are different per country and language barriers posed some research challenges and limited data availability.

## SOME FUN FACTS\_

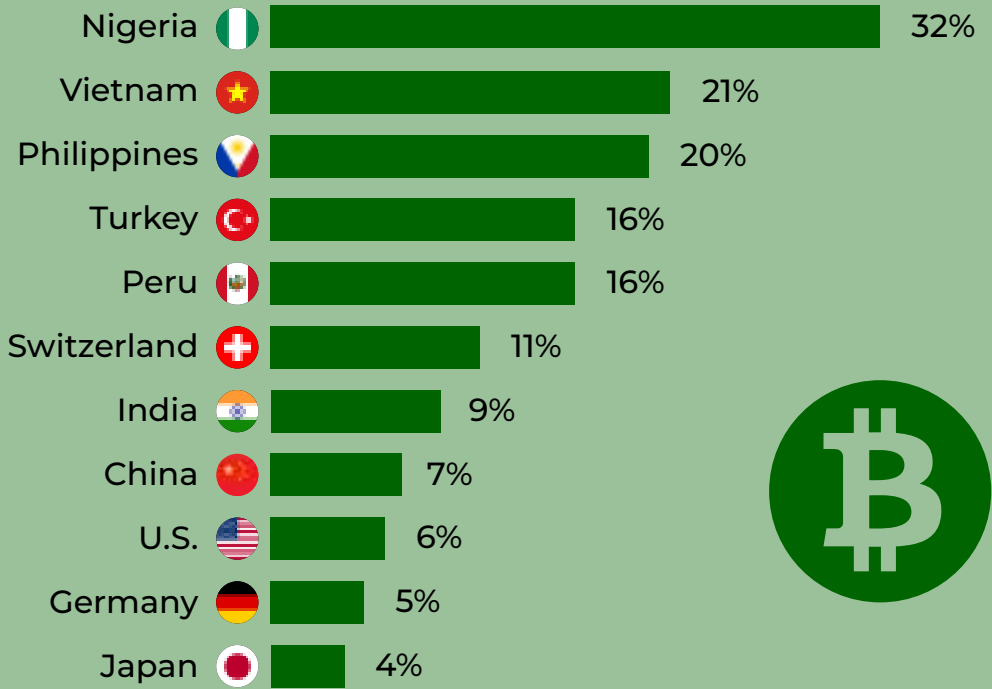
The #1 corporate holder of Bitcoin is Grayscale Bitcoin Trust. They hold 654,885 Bitcoin, or 3.12% of the total supply.

- The #2 corporate holder of Bitcoin is MicroStrategy. They hold 124,391 Bitcoin.
- There are 16,531 cryptocurrencies listed on CoinMarketCap.com.
- 30,380 or 88% of worldwide crypto ATMs are in the United States.
- The #2 and #3 countries in total crypto ATMs are Canada (2,253) and El Salvador (205).

ATM Radar

## How Common Is Crypto?

Share of respondents in selected countries who said tht they used or downed crypto currencies (2020)



1,000-4,000 respondents per country. Representative of online population.  
Source: Statista Global Consumer Survey

statista

## UNITED STATES

**T**he U.S. is certainly hogging the spotlight when it comes to crypto ETP press coverage. The back-and-forth debate about timing on a Securities and Exchange Commission (SEC) approval of a spot crypto ETF seems like it has been going on for ages. Grayscale Investments has even been so bold as to invite investors to write the SEC love letters essentially about why a spot product should be approved – and it worked at least in terms of responses. Over 200 flocked in. Now, will that impact the approval process? Probably not but it certainly gave Grayscale a lot of publicity.

“ The U.S. is certainly hogging the spotlight when it comes to crypto ETP press coverage ”

### Where things stand now

ProShares came out with the first futures-based bitcoin ETF, the ProShares Bitcoin Strategy ETF (BITO), on Oct. 18, 2021 with massive fanfare. It broke records for highest trading volume and most assets gathered within a short period of time. Two days later, Valkyrie came out with competing product, the Valkyrie Bitcoin Strategy ETF (BTF) which did not gather as many assets but has launched two additional strategies in an effort to extend their footprint.

There are currently 13 physical crypto related ETFs filed with the SEC waiting patiently for a green light. Among them are VanEck, NYDIG, WisdomTree, Galaxy Digital, FirstTrust, and AdvisorShares. And the company behind the world's largest cryptocurrency trust intends to flip it into an ETF as soon as U.S. regulators allow. Grayscale Investments is “100% committed” to converting the \$39 billion Grayscale Bitcoin Trust (ticker GBTC) into an ETF. And even firms like Blackrock have filed a crypto-focused ETF which at the time of writing, which has yet to be launched.



*“Digital assets have truly broken into the mainstream and we are excited about the pace of change, which is set to accelerate dramatically in 2022. We expect to see more fund launches, greater NFT adoption, broader public participation in crypto markets, and evolution across the digital asset spectrum from progress in Stablecoins and CBDCs, to the rapid rise of DeFi.”*

**STEPHANIE RAMEZAN,**  
Director of Business Development at Gemini

Outside the realm of physical and derivatives-based crypto products, ETF issuer Defiance launched the world's first ETF targeting non-fungible tokens (NFT), the Defiance Digital Revolution ETF (NFTZ) on the New York Stock Exchange last December, giving U.S. investors access to a

dual-themed wrapper focusing on NFTs and the blockchain industry. Tracking the BITA NFT and Blockchain Select index, NFTZ's basket captures 34 companies identified as deriving at least 50% of their revenue from blockchain, NFT and cryptocurrency-related activities.

Products	Launch	Ticker	AUM as of 2.25	Expense Ratio
Amplify Transformational Data Sharing ETF	1/17/2018	BLOK	\$963.91m	0.71%
Bitwise Crypto Industry Innovators ETF	5/12/2021	BITQ	\$107.22m	0.85%
First Trust Indxx Innovative Transaction & Process ETF	1/24/2018	LEGR	\$152.78m	0.65%
First Trust SkyBridge Crypto Industry and Digital Economy ETF	9/15/2021	CRPT	\$47.19m	0.85%
Global X Blockchain & Bitcoin Strategy ETF	11/15/2021	BITS	\$6.86m	0.65%
Global X Blockchain ETF	7/14/2021	BKCH	\$100.96m	0.50%
Grayscale Future of Finance ETF	2/1/2022	GFOF	\$13.06m	0.70%
Siren Nasdaq NexGen Economy ETF	1/17/2018	BLCN	\$207.49m	0.68%
The Defiance Digital Revolution ETF	12/1/2021	NFTZ	\$11.91m	0.65%
The ProShares Bitcoin Strategy ETF	10/19/2021	BITO	\$1.03bn	0.95%
The Valkyrie Balance Sheet Opportunities ETF	12/13/2021	VBB	\$472.17m	0.75%
The Valkyrie Bitcoin Strategy ETF	10/22/2021	BTF	\$39.95m	0.95%
The Valkyrie Bitcoin Miners ETF	2/7/2022	WGMI	\$6.71m	0.75%
The VanEck Bitcoin Strategy ETF	11/16/2021	XBTF	\$24.98m	0.65%
VanEck Digital Transformation ETF	4/14/2021	DAPP	\$52.35m	0.50%



Bitcoin vs. Other Asset Classes in 2021.

CoinGecko



## EUROPE

**E**urope is leading the way in crypto ETF innovation, acceptance, number of issuers and total AUM. As the global leader in physical, derivatives based and crypto themed products, it is not surprising that the list of products is too long to include in this report. There are 14 issuers, offering 80 ETPs with more than \$7.23 billion in AUM. 21Shares is by far the largest provider in terms of number of issues, with providers XBT and ETC Group offering the largest products by AUM.

### Innovation

Several firms are partnering with other providers to tap into the retail ETF market, which remains small compared with markets like the U.S. Recently, ETC Group and Comdirect partnered to offer crypto savings plans to German retail investors and in December last year, Scalabale Capital joined forces with CoinShares to offer its retail clients in Germany access to crypto exchange-traded products.

### NFTs

According to a recent report, data from nonfungibles.com shows that market transactions for NFTs peaked in early September 2021 at around \$1.5 billion per week, up from less than \$100 million in the first half of the year. Although there is currently only one NFT focused ETF available globally, Europe's largest listed asset manager, Amundi, believes that eventually NFTs will become viewed as a defined asset class available for all types of investors as a portfolio diversifier. While it hasn't been confirmed in what wrapper they will use, they are reportedly considering launching products to allow investors a path into the NFT market.

Last year, research from ETC Group revealed that ETPs are the most popular way for European institutional investors and wealth managers to gain exposure to Bitcoin. Its research surveyed **66 institutional firms across Germany, the U.K., Italy, the Netherlands, Belgium and the Nordics, and revealed that 53% use ETPs to gain exposure to the cryptocurrency.** This is followed by 23% who said they use structured products, 21% who use direct investment channels and 17% who use hedge funds.



*"We remain at the very beginning of crypto integration into the mainstream: less than 10% of the world's population own digital assets in one form or another. The growth potential remains extreme and it is customer demand that's driving wealth platforms and banks across the globe to move quickly to provide quality investment solutions."*

**DREW CORBETT,**  
Managing Director, Strategy &  
Global Distribution at ETC Group

### Restrictions

A few exceptions of note in terms of restrictions. The listing of physical crypto products is prohibited on some major exchanges such as the Borsa Italiana and the London Stock Exchange. Regulators are continuously reviewing these products particularly with a focus on retail investors but in the interim, firms may list physical crypto products on the Aquis Exchange which is designated to Institutional investors.

**Issuers:** 21Shares, Bitpanda, CoinShares, ETC Group, Ficas, Fidelity International, Iconic Funds, Invesco, Melanion Capital, SEBA Bank, Valour, VanEck, WisdomTree, XBT.

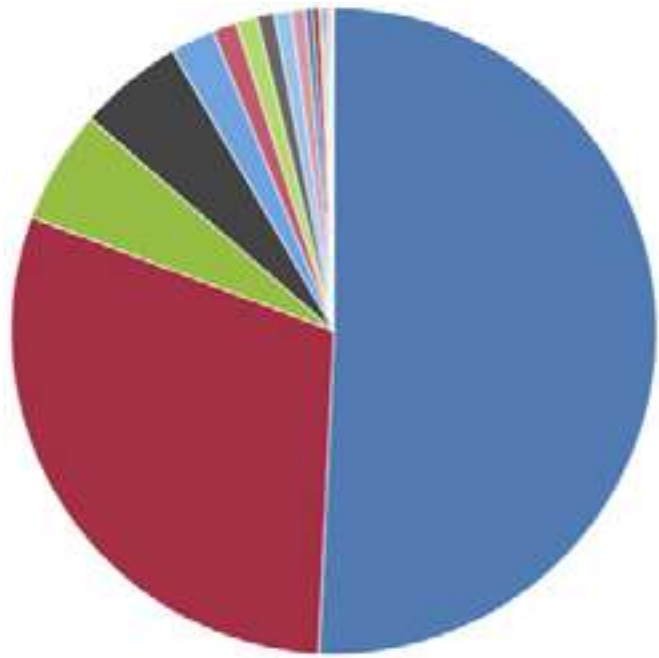
Provider	Name	Inception Date	AUM (USD)	TER
XBT	BITCOIN TRACKER EURO	10/9/2015	917,119,550	2.50%
XBT	ETHER TRACKER EURO	10/9/2017	785,618,225	2.50%
XBT	BITCOIN TRACKER ONE	5/18/2015	693,108,833	2.50%
ETC Group	BTCETC PHYSICAL BITCOIN ETC	6/8/2020	632,879,794	2.00%
XBT	ETHER TRACKER ONE	10/9/2017	468,579,364	2.50%
21Shares	21SHARES BINANCE BNP ETP	10/14/2019	374,262,300	2.50%
21Shares	21SHARES ETHEREUM ETP	3/4/2019	305,223,450	1.49%
CoinShares	COINSHARES PHYSICAL BITCOIN	1/19/2021	279,097,985	0.98%
21Shares	21SHARES BITCOIN ETP	2/26/2019	269,744,300	1.49%
WisdomTree	WISDOMTREE BITCOIN	11/28/2019	238,487,008	0.95%
VanEck Vectors ETFs	VANECK VECTORS BITCOIN ETN	11/19/2020	188,803,769	1.00%
21Shares	21SHARES CRYPTO BASKET INDEX ETP	11/22/2018	155,642,650	2.50%
CoinShares	COINSHARES PHYSICAL ETHEREUM	2/23/2021	149,842,553	1.25%
Invesco	INVESCO PHYSICAL BITCOIN	11/22/2021	107,765,558	0.99%
ETC Group	ETHETC PHYSICAL ETHEREUM ETC	3/4/2021	100,064,889	1.49%
VanEck Vectors ETFs	VANECK VECTORS ETHEREUM ETN	3/23/2021	86,360,781	1.00%
21Shares	21SHARES SOLANA ETP	6/30/2021	85,394,800	2.50%
SEBA Bank	SEBA BITCOIN ETP (USD)	11/2/2020	67,907,712	0.75%
Valour	BITCOIN ZERO SEK	12/3/2020	65,926,562	0.00%
VanEck Vectors ETFs	VANECK VECTORS TRON ETN	9/20/2021	57,800,285	1.50%
Top 20 Total AUM:			6,029,630,366	

ETFbook.com as of 25/2/2022



Our friends at ETFbook.com have created a very helpful dashboard on the current state of the crypto ETP market in Europe including the below breakdown of assets by cryptocurrency.

Assets under Management by underlying Cryptocurrency (\$ mn)



- Bitcoin
- Ethereum
- Binance
- Diversified
- Solana
- Cardano
- Polkadot
- Tron
- Ripple
- Avalanche
- Tezos
- Polygon
- Litecoin
- Inverse Bitcoin
- Luna
- Bitcoin Cash
- Stellar
- Algorand
- Atom Aave
- Decentraland
- Chainlink
- Uniswap
- FTX Token

ETFbook.com

# CRYPTO ETF AND ETP ECOSYSTEM MEMBERS

## INDEX PROVIDERS

In many cases, the product benchmark will be the underlying crypto asset itself. A number of firms such as Wisdomtree, SebaBank, 21Shares, and CoinShares will self-index but not necessarily with all products. Below are some global index providers and example index names.

Provider
Bitwise Crypto Innovators Index
Bloomberg Index Services Ltd
Cboe has collaborated with CoinRoutes to create a crypto index
CF Benchmarks
CMC Markets
CME CF Ether-Dollar Reference Rate
Cosmos Global Digital Miners Total Return Index AUD
FTSE Russell
MV Index Solutions
MVIS CryptoCompare Bitcoin Benchmark Rate Index (BBR)
Nasdaq Crypto Index (NCI)
S&P Dow Jones Indices
SEBAX® Crypto Asset Select Index
The New York Stock Exchange Bitcoin Index
Vinter



CUSTODIANS and FUND ADMINISTRATORS\_

**2021 saw a spike of financial institutions creating digital asset teams, services, and solutions for clients.** For example, BNY Mellon, announced in February 2021 plans to hold, transfer and issue Bitcoin and other cryptocurrencies as an asset manager on behalf of its clients.

Many big names entered the space such as BNY Mellon which services Grayscale as well as 17 active cryptocurrency funds in Canada. Other names include Banco Bilbao Vizcaya Argentaria (BBVA), and U.S. Bank — the fifth-largest retail bank in the United States — which last year announced the launch of its cryptocurrency custody service for institutional investors.

CUSTODIANS and FUND ADMINISTRATORS
Banco Bilbao Vizcaya Argentaria (BBVA)
BBH
Bitgo Trust
CIBC Mellon Global Securities Services
CIBC Mellon Trust Company
Cidel Trust Company
Citigroup Pty Limited
Coinbase Custody Trust Company, LLC
Fidelity Clearing Canada
Fidelity Digital Assets
Gemini Trust Company, LLC
JP Morgan
New York: Digital Investment Group (NYDIG) Trust Company LLC
State Street
The Bank of New York Mellon
The Hongkong Shanghai Banking Corporation Limited, Sydney Branch
Theorem Fund Services
TSX Trust Company
U.S. Bank N.A.
US Bankcorp Fund Services LLC
Zodia

“ 2021 saw a spike of financial institutions creating digital asset teams, services, and solutions for clients ”

EXCHANGES and LIQUIDITY PROVIDERS\_

GLOBAL EXCHANGES		LIQUIDITY PROVIDERS	
ASX		BlueFin	
Boerse Duesseldorf		Citadel	
Boerse Stuttgart		DDH Switzerland AG	
Brazilian Stock Exchange B3		DRW	
BX Swiss		FlowTraders	
Chi-X Australia		GHCO	
Deutsche Börse Xetra		HAP Trading	
Euronext Amsterdam		Hightower	
Euronext Paris		Hudson River Trading	
Frankfurt Stock Exchange		Jane Street	
Gettex		Jump Trading Group	
London Stock Exchange		L&S	
Nasdaq		Mangold Fondkommission AB	
NASDAQ OMX Stockholm		Nyenburgh	
Nordic Growth Market (NGM) Stockholm		Old Mission Capital	
NYSE		Peak6	
SIX Swiss Exchange		Susquehanna International Group	
Stuttgart Stock Exchange		Tower Research	
Toronto Stock Exchange		Virtu Financial	
Vienna Stock Exchange		Wallachbeth	
Wiener Boerse		Walleye Trading	
		Wolverine Trading	

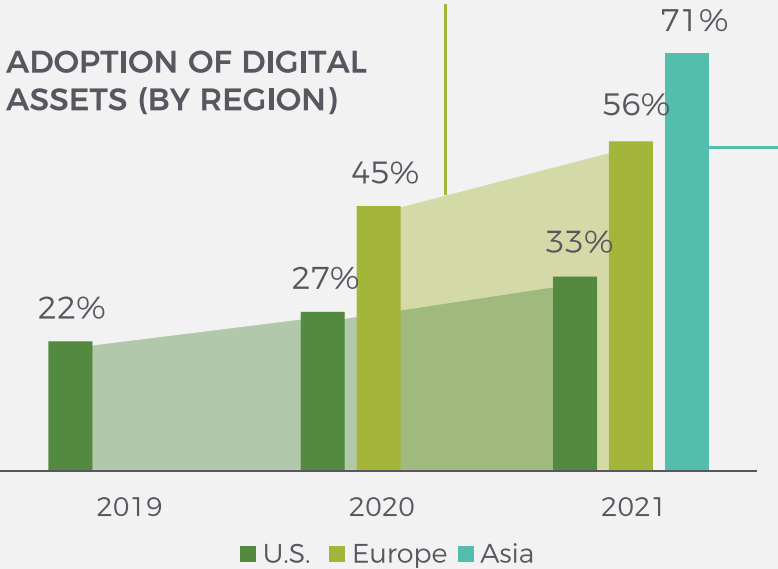
“A Fidelity Digital Assets survey published last year found that roughly 90% of institutional investors interested in digital assets expect to have an allocation to the space within the next five years”

Fidelity Digital Assets



For the second consecutive year, surveyed European investors showed a greater propensity for digital assets than surveyed U.S. investors.

We believe this ongoing trend may be in part due to a greater number of regulated investment products that offer digital asset access in European markets, which offer a familiar structure to retail investors and may help build trust with institutions. Additionally, European investors have historically been more likely to hold alternative assets in their portfolios than U.S. investors, who have seen plenty of upside investing primarily in stocks and bonds over the last decade.



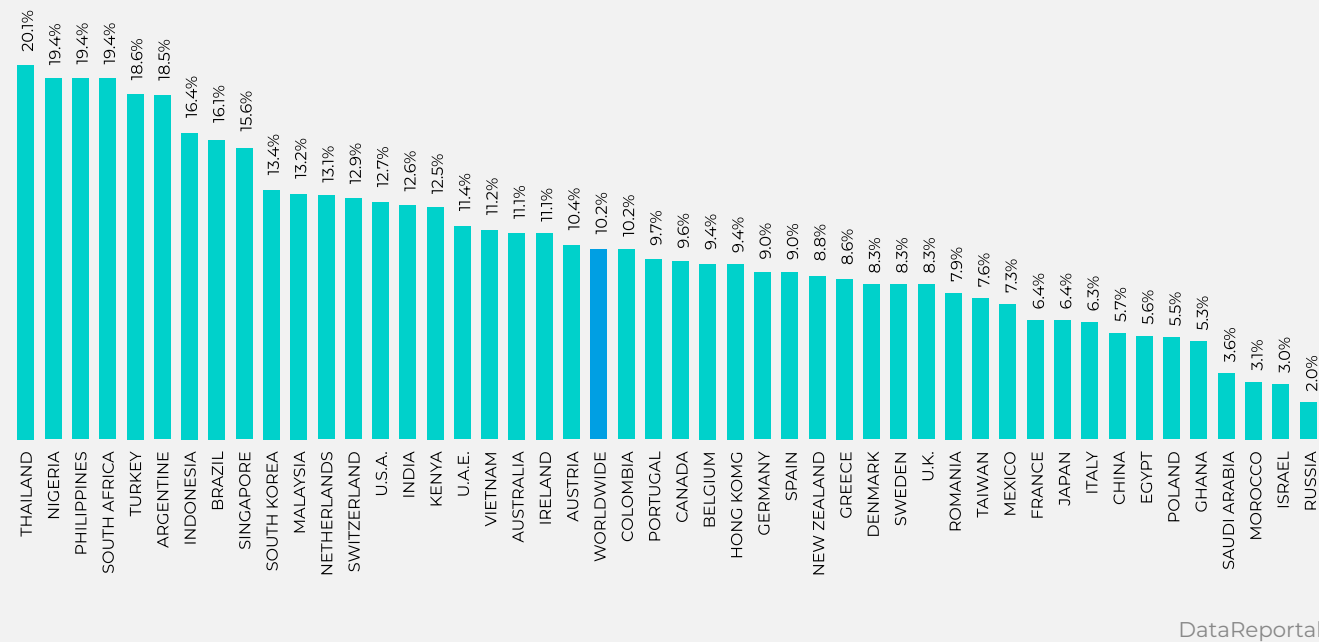
We were not surprised to learn that Asia has the most institutional investors with allocations to digital assets of those surveyed

Historically, Asian investors have had a more positive view of digital assets and were early adopters of more traditional digital payments. For example, in China, a projected 32.7% of point-of-sale payments are made via mobile, double the UK (15.3%) and US (15.0%), according to *OMFIF*<sup>[1]</sup>

**Fidelity**  DIGITAL ASSETS™

## OWNERSHIP OF CRYPTOCURRENCY JAN 2022

PERCENTAGE OF INTERNET USERS AGED 16 TO 64 WHO OWN SOME FORM OF CRYPTOCURRENCY



DataReportal

Disclosure: Information provided in this report was recorded at the time of writing and may have changed at publish date. There is no way any of this information should be interpreted as advice or guidance to the market in any product or region mentioned.



# Blackwater Search & Advisory is a global ETF | Digital Assets consulting and recruitment firm.

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We are highly experienced in building ETF businesses at top firms, as well as providing them with real insights, intelligence and the talent needed to create a winning team.

We operate globally across the ETF and Digital Assets ecosystem.

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For further insights, to discuss advisory, hiring needs or career opportunities please contact:

**Michael O'Riordan, Founding Partner**  
Mike@Blackwatersearch.com

**Andrea D. Murray, Head of Business Development**  
Andrea@blackwatersearch.com

**Nuria Corominas-Rovira, Head of Communications and Marketing**  
Nuria@blackwatersearch.com

[Blackwatersearch.com](https://Blackwatersearch.com)

