

Monthly Market Recap

February 2024

Market Performance

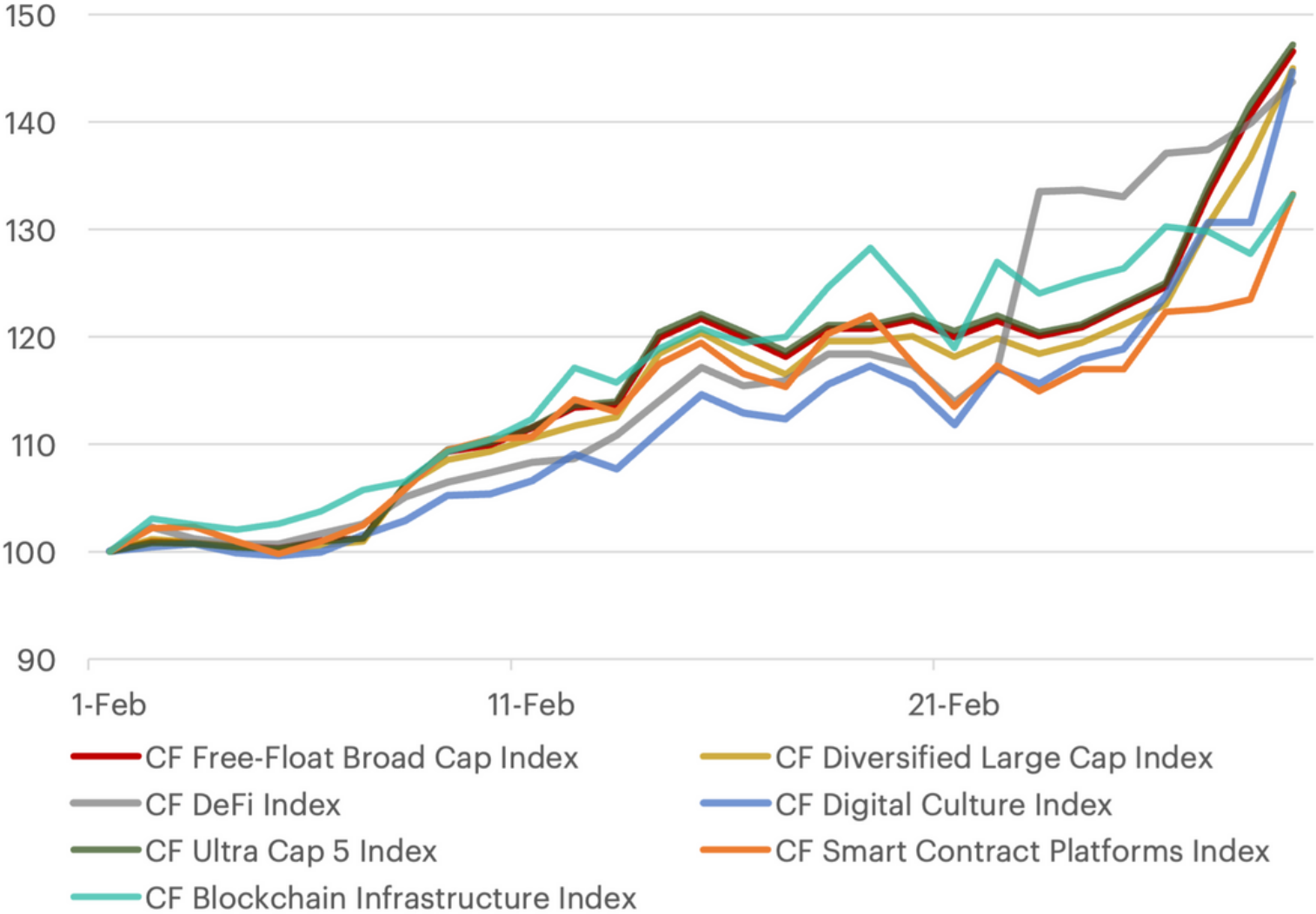


Monthly Index Performance



ETF Demand Surge Broadens Market Rally

Multi-token indexes



- In the final week of February, the cryptocurrency market witnessed a remarkable uptick in activity, notably with Bitcoin's market cap surpassing \$1.2 trillion as prices hit multi-year highs. Our CME CF Bitcoin Real-time Index (BRTA Index) rose as high as \$63,651 before consolidating in the \$61-62K range. This surge was fueled by substantial investments into U.S. spot Bitcoin ETFs, marking Bitcoin's most sizable nominal increase in its history. Meanwhile, Ether prices also seem to be caught up in this positive momentum, rising over 47% and edging out its relatively larger peer.
- Index performance showcased broadly-positive price momentum, with the CF Free-Float Broad Cap Index and CF Diversified Large Cap Index rallying 46.5% and 44.9%, respectively. Our mega-cap barometer, the Ultra Cap 5 Index, outpaced the rest of our flagship indices, rising over 47% for the month.
- Relative laggards included the CF Blockchain Infrastructure (+33.3%) and the CF Smart Contract Platforms Indices (+33.2%).

All index performance is rebased to 100. Source: CF Benchmarks, Bloomberg, as of February 29, 2024

Major Crypto-Pairs (USD)

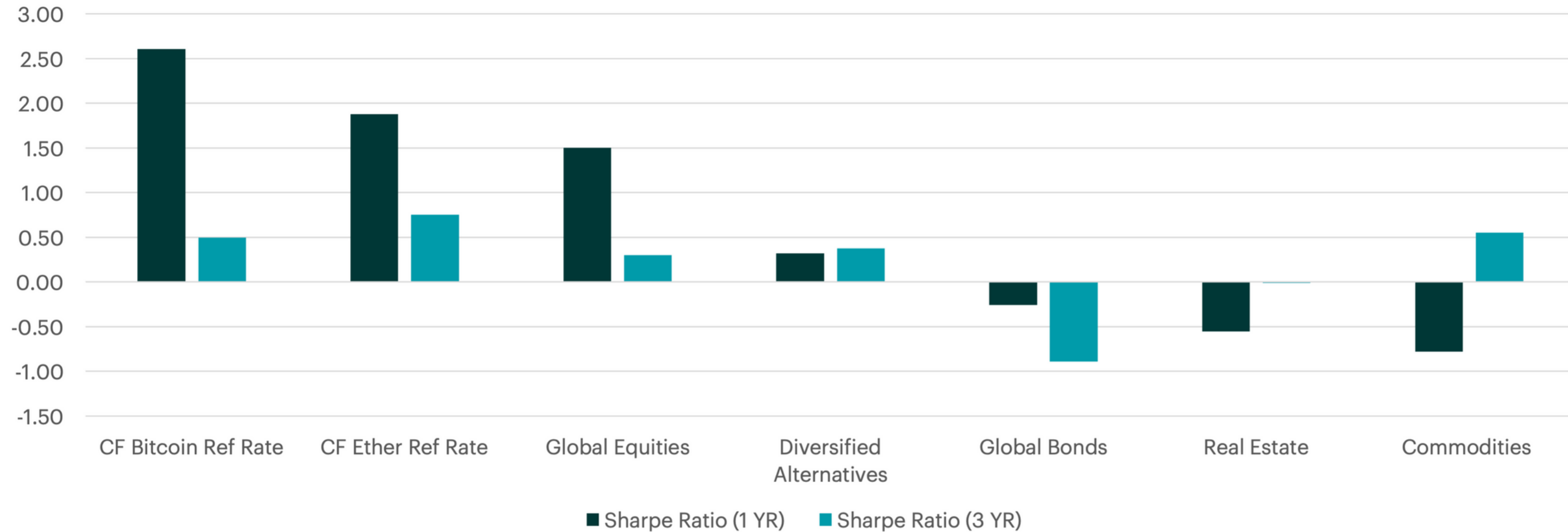


Name	DACS Level 1	DACS Level 2	DACS Level 3	1 Day	1 Week	1 Month	3 Month	1 Year	30 D Volatility
Stacks	Services	Infrastructure	Computing	-6.2%	12.3%	89.9%	318.4%	93.0%	85.11
Uniswap	Sectors	Finance	Trading	4.6%	53.0%	89.9%	92.3%	53.5%	131.39
Hedera	Settlement	Programmable	General Purpose Smart Contract Platforms	1.1%	-1.4%	64.9%	90.0%	33.3%	88.68
Filecoin	Services	Utility	Information & Data Management	5.3%	0.9%	64.8%	85.7%	17.5%	72.12
Dogecoin	Settlement	Non-Programmable	Store Of Value And Payment	5.9%	41.8%	52.9%	44.8%	34.2%	63.04
Decentraland	Sectors	Culture	Vr And Ar	14.4%	34.1%	51.2%	51.5%	25.6%	55.28
Ether	Settlement	Programmable	General Purpose Smart Contract Platforms	0.8%	12.3%	47.1%	63.8%	46.8%	30.86
Chiliz	Sectors	Culture	Social	2.1%	13.3%	46.5%	98.6%	61.1%	61.97
Bitcoin	Settlement	Non-Programmable	Store Of Value And Payment	1.5%	18.9%	44.7%	62.7%	44.5%	33.75
Apecoin	Sectors	Culture	Social	6.4%	13.4%	39.4%	24.5%	19.6%	59.83
Synthetix	Sectors	Finance	Derivatives	3.3%	12.5%	37.0%	14.5%	-4.5%	58.24
Curve DAO Token	Sectors	Finance	Trading	1.6%	10.5%	35.9%	9.4%	-1.9%	40.81
Algorand	Settlement	Programmable	General Purpose Smart Contract Platforms	0.4%	12.2%	33.8%	58.3%	-7.8%	45.82
Fantom	Settlement	Programmable	General Purpose Smart Contract Platforms	-1.4%	15.3%	33.4%	55.2%	-0.9%	47.86
Cardano	Settlement	Programmable	General Purpose Smart Contract Platforms	5.9%	11.6%	33.0%	76.3%	10.2%	46.33
Cosmos	Settlement	Programmable	General Purpose Smart Contract Platforms	3.4%	19.7%	30.0%	27.5%	5.2%	55.93
Solana	Settlement	Programmable	General Purpose Smart Contract Platforms	5.6%	23.5%	29.6%	112.0%	23.5%	56.22
Polygon	Services	Infrastructure	Scaling	1.0%	1.0%	28.7%	32.7%	2.5%	59.74
Bitcoin Cash	Settlement	Non-Programmable	Store Of Value And Payment	1.4%	14.7%	28.0%	36.1%	15.2%	50.80
Chainlink	Services	Utility	Oracles	1.3%	5.9%	27.7%	35.1%	27.9%	44.71
EOS	Settlement	Programmable	General Purpose Smart Contract Platforms	4.6%	11.3%	25.8%	27.0%	0.2%	32.78
Polkadot	Settlement	Programmable	General Purpose Smart Contract Platforms	1.4%	9.7%	25.3%	51.5%	0.3%	32.76
Tezos	Settlement	Programmable	General Purpose Smart Contract Platforms	0.8%	8.0%	24.7%	45.8%	21.0%	37.10
Avalanche	Settlement	Programmable	General Purpose Smart Contract Platforms	1.4%	11.3%	23.5%	91.4%	6.2%	53.51
Aave	Sectors	Finance	Borrowing & Lending	1.1%	14.3%	23.2%	7.6%	-2.6%	34.15
Litecoin	Settlement	Non-Programmable	Store Of Value And Payment	9.1%	16.4%	21.0%	16.2%	9.3%	40.53
Ethereum Classic	Settlement	Programmable	General Purpose Smart Contract Platforms	0.5%	12.1%	19.3%	56.5%	31.7%	33.82
Ripple	Settlement	Non-Programmable	Store of Value and Payment	3.9%	8.9%	18.1%	-2.0%	-3.9%	32.53
Stellar	Settlement	Non-Programmable	Store Of Value And Payment	0.9%	5.9%	11.2%	3.3%	-5.3%	25.74
Internet Computer	Settlement	Programmable	General Purpose Smart Contract Platforms	1.8%	-1.0%	9.9%	176.3%	-5.2%	61.92
Maker	Sectors	Finance	Stablecoin Issuance & Management	-2.3%	3.2%	6.7%	37.1%	23.3%	29.37

- Leading performing protocols included Stacks and Uniswap, which saw nearly identical performance after sentiment was bolstered by the strong demand for spot Bitcoin ETFs and a substantial rise in DeFi activity.
- Despite still posting gains for February, underperformers such as Maker, Internet Computer, and Stellar showed relatively muted gains.

Source: CF Benchmarks, Bloomberg, as of February 29, 2024

Trailing Risk-Adjusted Returns



- When compared to traditional asset classes, both Ether and Bitcoin have delivered above average risk-adjusted performance over both shorter and longer time horizons.

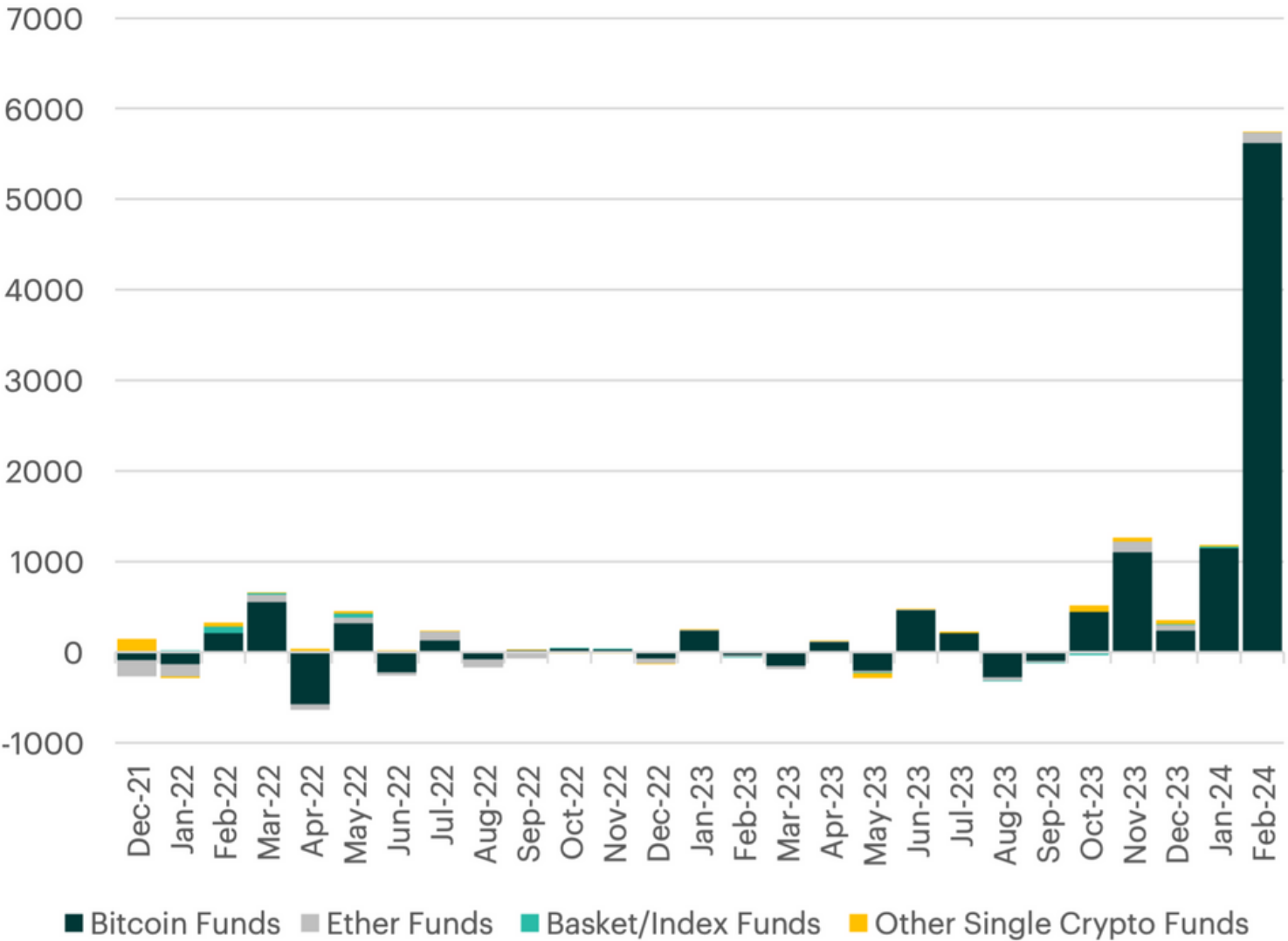
Source: CF Benchmarks, Bloomberg, total return indices are referenced in USD, as of February 29, 2024

Investor Activity & Sentiment Positioning

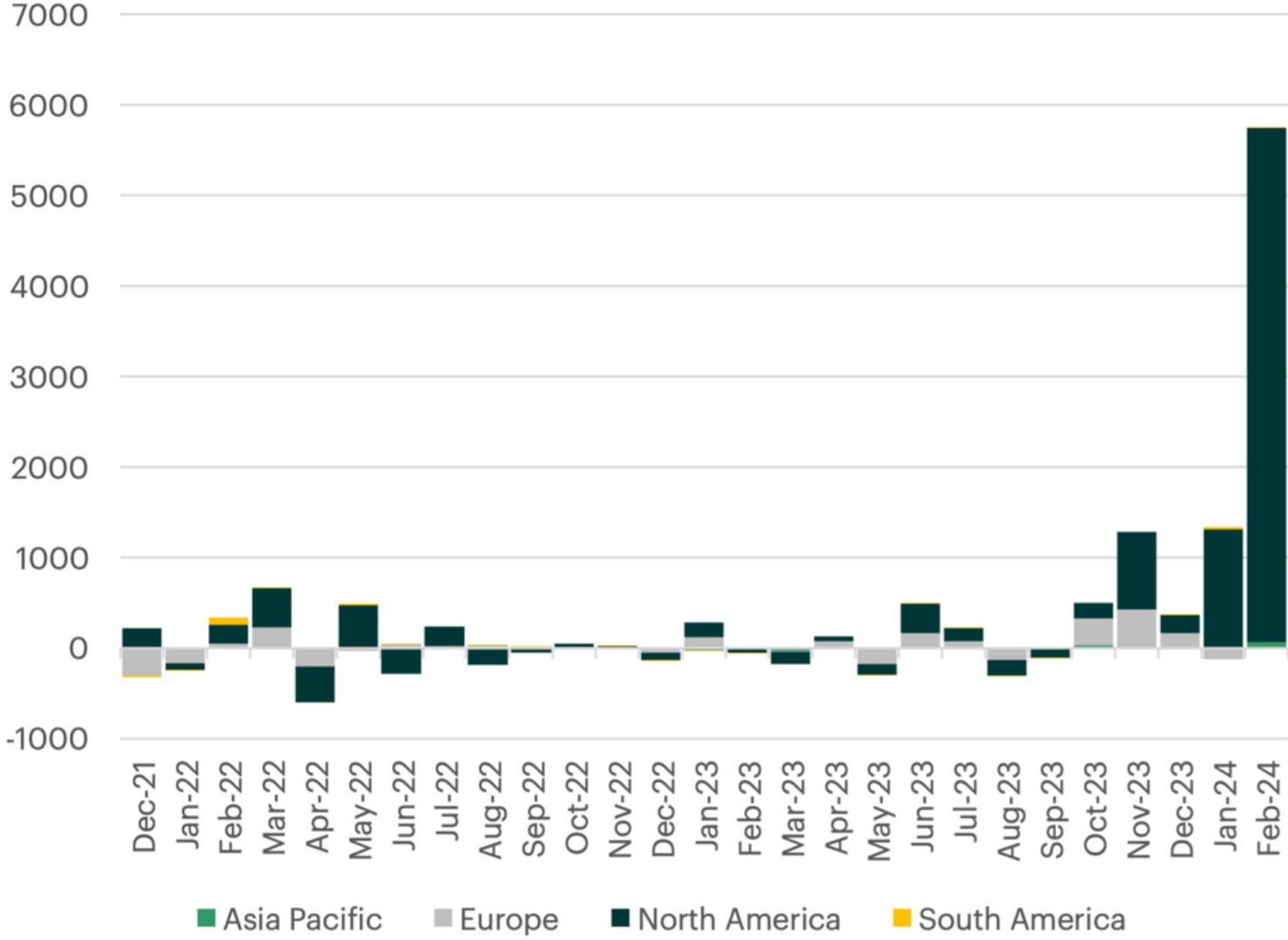
Currency of Flows



Fund Flows by Asset (\$m)



Regional Fund Flows (\$m)

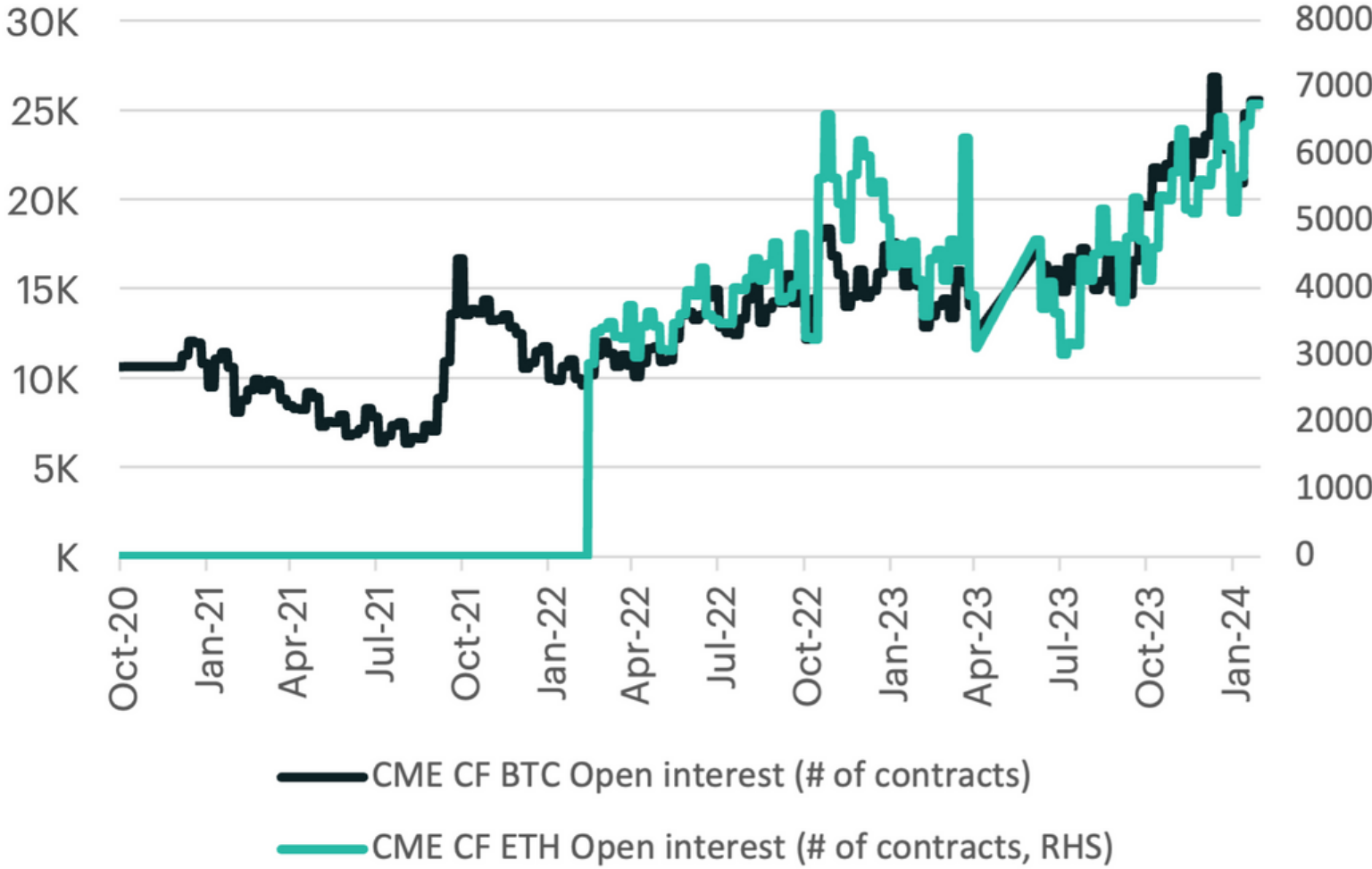
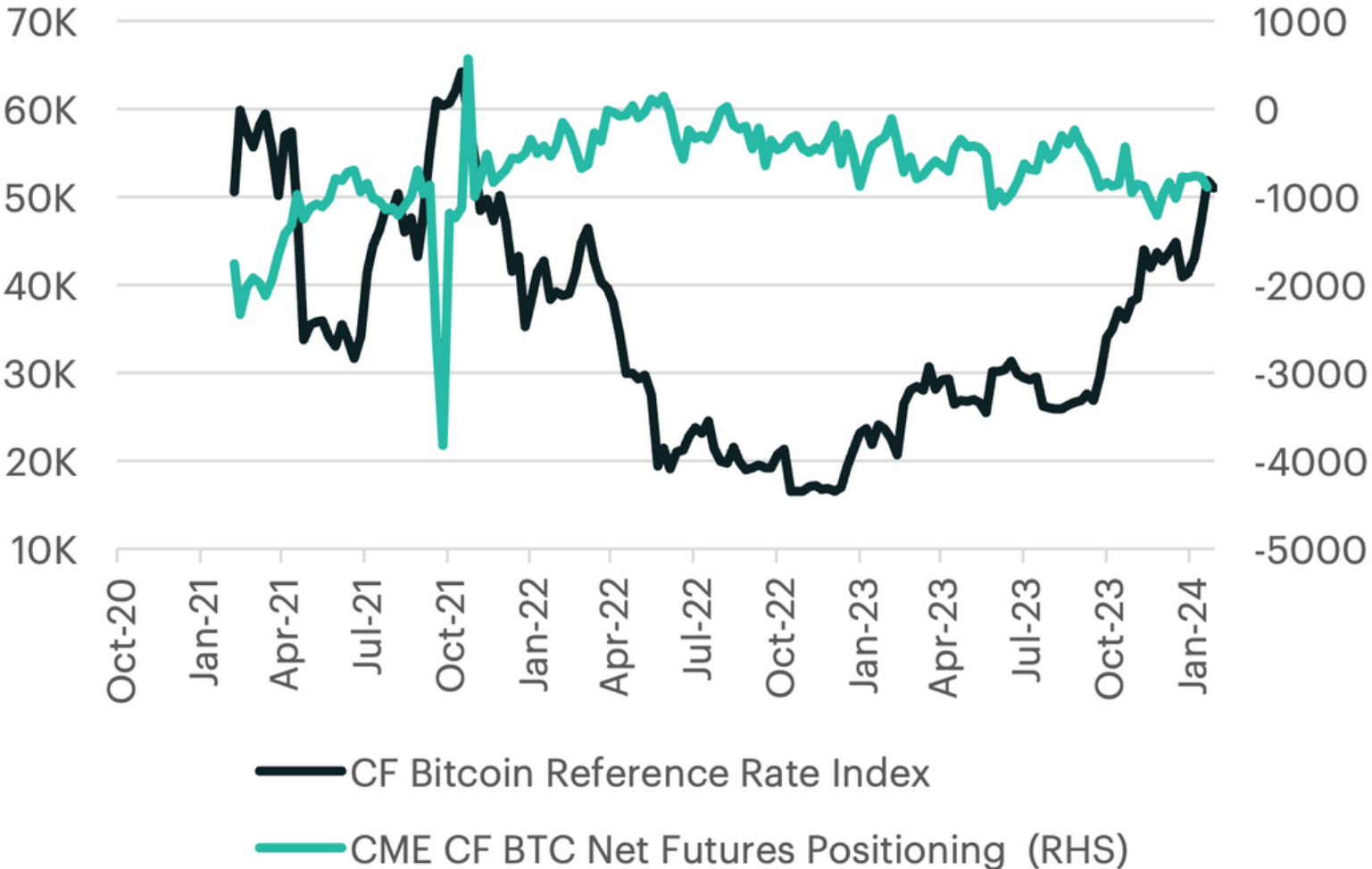


- Net monthly inflows set record levels in February, rising over \$5.7 billion from \$1.1 billion as investor appetite for spot Bitcoin ETFs ramped up.

- From a regional perspective, the majority of fund inflows continued to be concentrated in North America (+\$5.6 billion).

Source: CF Benchmarks, Bloomberg, as of February 29, 2024

Futures Positioning and Open Interest

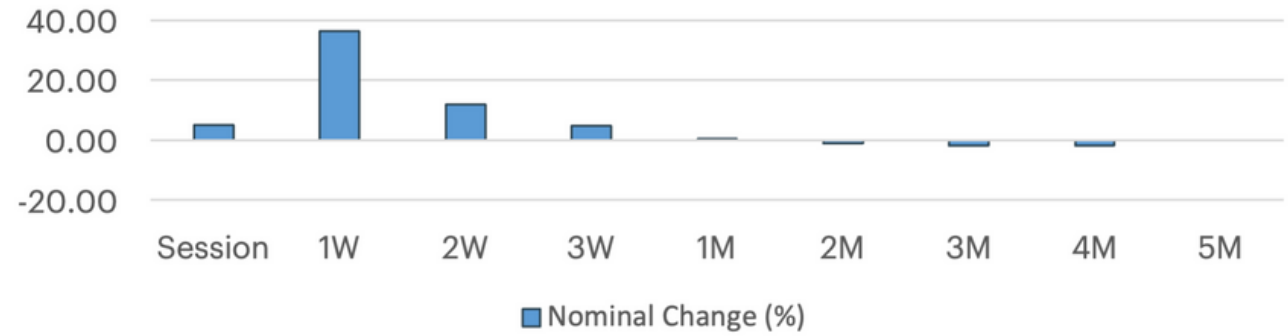
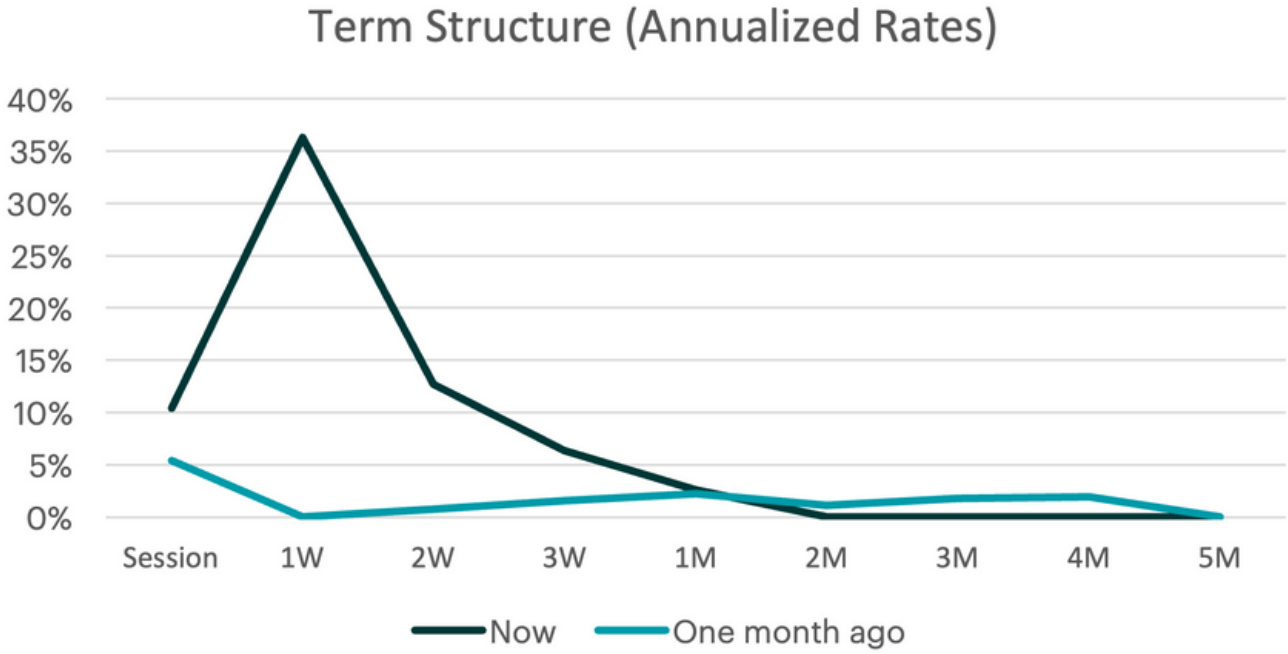


- Net sentiment positioning in Bitcoin futures edged lower in February, with short positions outpacing longs, which resulted in net positioning on the CME falling to -896 from -781 contracts.

- Total open interest for both Bitcoin and Ether futures continued to climb, rising 11.9% and 10.0% (respectively) from a month prior, with CME Ether open interest reaching a new all-time high level of 6,749 contracts.

Source: CF Benchmarks, CFTC, Bloomberg, as of February 27, 2024

CF Bitcoin Interest Rate Curve



Bitcoin rally steepens BIRC

- The Bitcoin Interest Rate Curve (or BIRC) represents the profit of a static cash and carry strategy (sell the futures and buy the spot or vice-versa) from the perspective of an economic agent who owns Bitcoins and is trying to generate yield.
- Changes, or shifts, of the CF BIRC have historically been indicative of bullish or bearish sentiment.
- In February, Bitcoin prices surged by 44%, nearing all-time highs. This sparked euphoria among investors, reflecting a buoyant market sentiment. As a result, the Bitcoin Interest Rate Curve (BIRC) notably steepened, with the most significant increases in shorter-term tenors, from one to three weeks.

Source: CF Benchmarks, as of February 29, 2024

Network & On-chain Updates

Bitcoin's Hash Rate & Mining Revenue



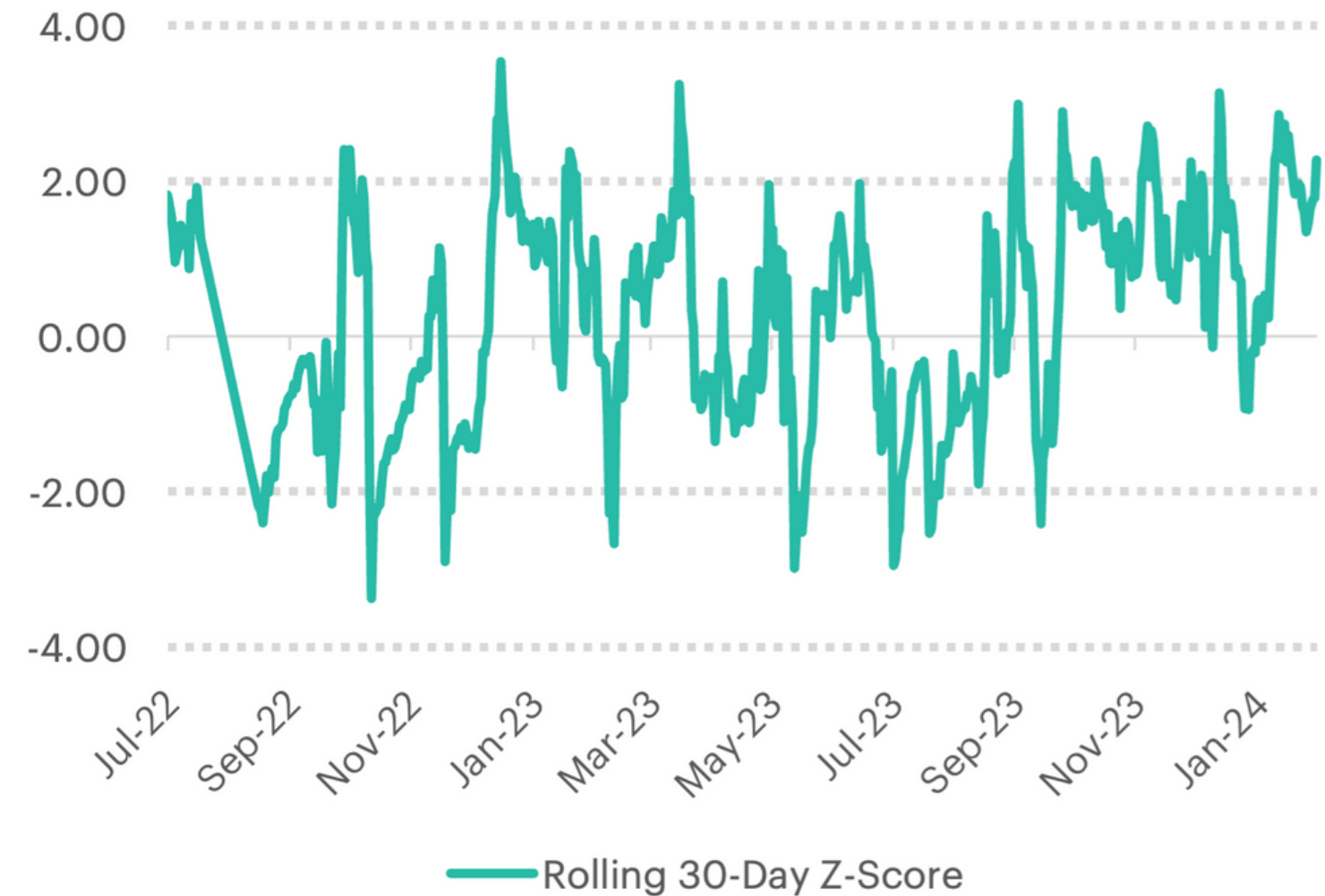
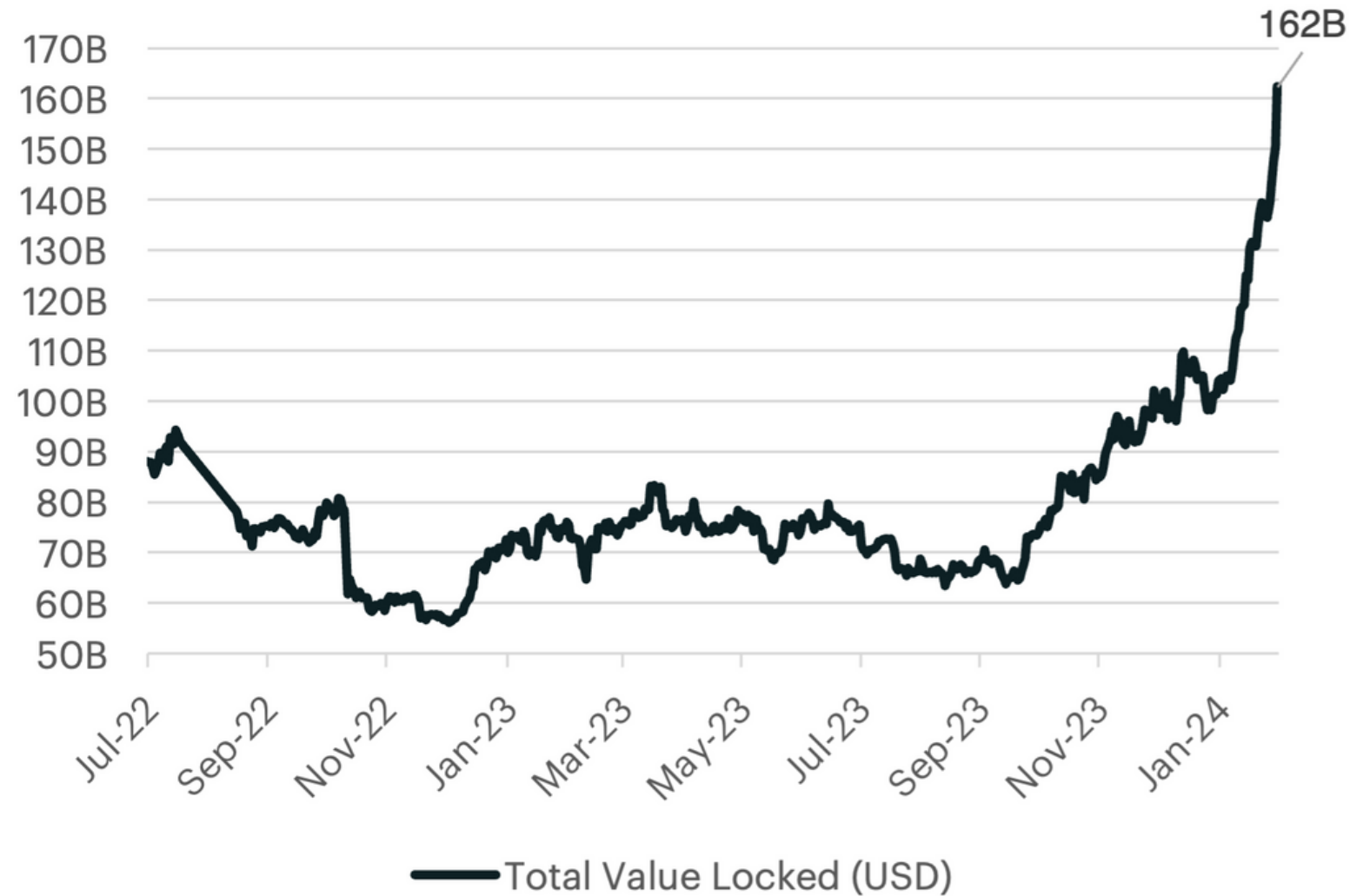
- Bitcoin's network hash rate increased in the past month, rising by 9% to reach 584 million terahashes per second. This growth in hash rate indicates rising computing power dedicated to mining Bitcoin and enhanced security of the network.



- Daily mining revenues increased by over 5% to reach \$56.2 million. This rise in daily revenue earned by miners was driven by higher Bitcoin prices, which translated into higher rewards for each block mined.

Source: CF Benchmarks, blockchain.com, as of February 29, 2024

Total Value Locked (TVL) in DeFi Protocols



- The total value locked (TVL) in decentralized finance (DeFi) protocols has seen a notable two-sigma increase over the past month, surging from \$102 billion to over \$162 billion. This rise is largely attributed to a rise in liquid staking and lending activities.

Blockchains by NFT Sales Volume (USD)



Rank	Blockchain	Sales (USD)	Total (USD)	Transactions (#)	Buyers	Sellers
1	Ethereum	\$575,975,300	\$865,740,412	871,093	137,758	119,015
	30-Day % Change	38.05%	4.74%	50.13%	237.02%	246.68%
2	Bitcoin	\$320,633,576	\$321,748,679	213,245	78,204	67,056
	30-Day % Change	14.92%	14.67%	16.69%		
3	Solana	\$224,803,868	\$272,752,694	3,935,558	263,339	200,094
	30-Day % Change	4.19%	5.68%	16.97%		
4	Polygon	\$36,734,949	\$52,687,961	2,027,607	216,699	153,612
	30-Day % Change	72.69%	70.44%	49.25%		
5	Mythos	\$28,757,671	\$28,936,154	1,392,482	56,642	45,573
	30-Day % Change	36.89%	36.31%	24.82%		
6	ImmutableX	\$24,387,392	\$24,387,392	373,998	15,899	15,650
	30-Day % Change	14.51%	14.51%	2.81%	1.94%	0.88%
7	BNB	\$23,542,212	\$23,629,456	403,715	94,892	31,212
	30-Day % Change	20.70%	23.84%	34.71%		
8	Avalanche	\$21,092,735	\$32,025,402	87,363	36,530	27,255
	30-Day % Change	54.55%	52.88%	67.59%		
9	Arbitrum	\$11,804,480	\$11,835,358	210,385	73,135	23,076
	30-Day % Change	41.58%	41.84%	27.44%		
10	Flow	\$7,908,468	\$7,908,468	369,176	13,726	11,877
	30-Day % Change	13.54%	13.54%	6.03%		

- Ethereum retained its top position on the NFT Sales Volume leaderboard, boasting a 50% increase in transaction counts. Transaction flow volumes on the Bitcoin blockchain showed resilience, with total sales volumes exceeding \$320 million

Source: CF Benchmarks, cryptoslam.com.io, as of February 29, 2024

Appendix

CF Digital Asset Classification Structure



CF Digital Asset Classification Structure

The CF Digital Asset Classification Structure (CF DACS) classifies coins and tokens based on the services that the associated software protocol delivers to end users, grouping assets by the role they play in delivering services to end users. The CF DACS powers CF Benchmarks' sector composite and category portfolio indices and allows users to perform attribution analysis to better understand the fundamental drivers of returns within their digital asset portfolios.

CF Digital Asset Classification Structure



Additional Resources

For more information about our CF Benchmark indices and our methodologies, please visit the respective web links below:

- [CF Diversified Large Cap Index](#)
- [CF DeFi Composite Index](#)
- [CF Web 3.0 Smart Contract Platforms Index](#)
- [CF Digital Culture Composite Index](#)
- [CF Blockchain Infrastructure Index](#)
- [CF Cryptocurrency Ultra Cap 5 Index](#)
- [CF Broad Cap Index Market Cap Weight](#)
- [CF Broad Cap Index Diversified Weight](#)

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