
Eterna's Insights - July 2024

1 message

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Reply-To: Eterna Capital Newsletter <contact@eternacapital.com>
To: Troy <troyhowell333@gmail.com>

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Key Takeaways

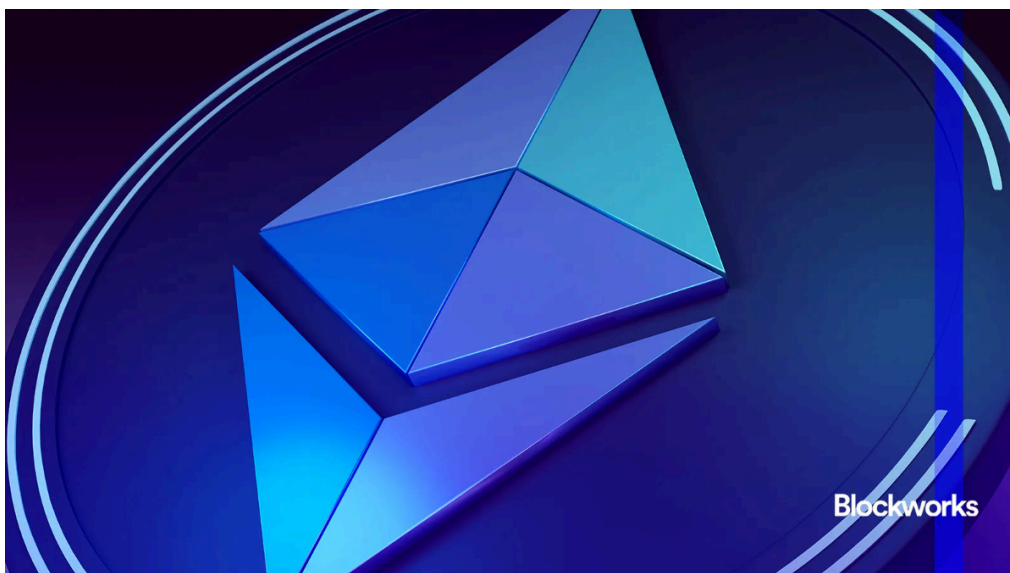
- Ethereum ETFs Kick Off
- Trump calls for US to be 'crypto capital of the planet'
- Another Record-Breaking Quarter for Tether

Portfolio Spotlight

Movement Labs joins Polygon's AggLayer and launches its testnet

New Eterna Blog Post

The Case For Investing in Blockchain Ventures - link [here](#)



Ethereum ETFs Kick Off

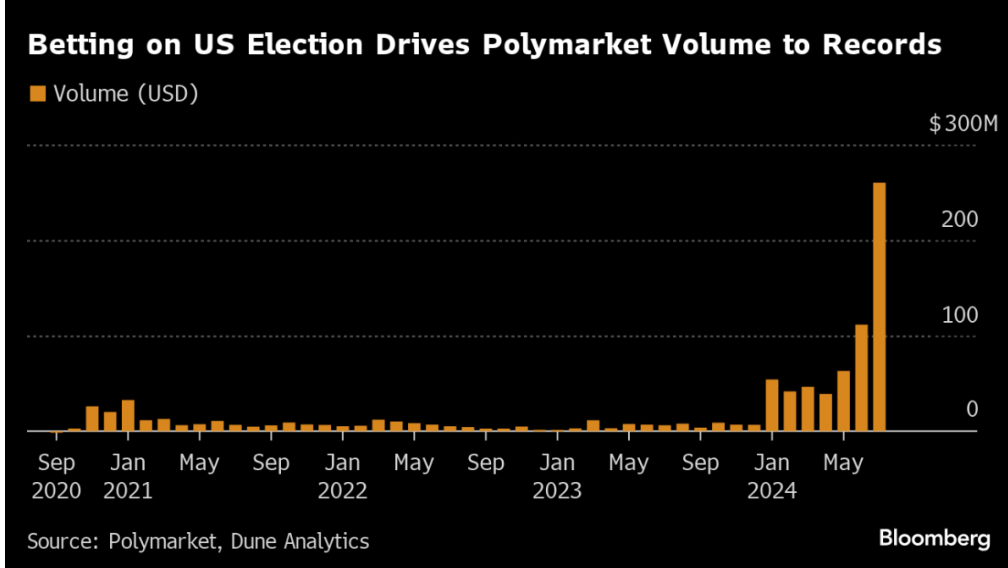
Ethereum ETFs debuted in US markets on 23rd July 2024. In its first week, spot Ethereum ETFs in the US experienced contrasting results with initial inflows of \$1.2 billion but outflows of \$1.5 billion from Grayscale's ETHE Trust. On July 30, net inflows flipped positive with \$33.6 million, the first net positive day since launch. BlackRock's iShares Ethereum ETF led with \$117.9 million in inflows. Despite early outflows, the launch of these ETFs marks a significant step for Ethereum investment products.



Trump calls for US to be 'crypto capital of the planet'

During his speech at the Bitcoin 2024 conference in Nashville, Donald Trump highlighted his commitment to a pro-Bitcoin presidency if re-elected. He compared Bitcoin's transformative potential to the steel industry of the past, emphasizing its revolutionary impact on the financial landscape. Trump proposed creating a Strategic National Bitcoin Stockpile, pledging that the government would retain and expand its Bitcoin holdings, treating them as a national asset. He also voiced strong opposition to central bank digital currencies (CBDCs), advocating for the right to self-custody of digital assets, aligning with the community's values of decentralization and personal control.

Trump criticized the Biden-Harris administration's stance on cryptocurrency, labeling it repressive and harmful to the industry's growth. He outlined plans to establish a Bitcoin and crypto presidential advisory council to provide clear regulatory guidance, aiming to eliminate uncertainties and make the U.S. a more attractive hub for crypto businesses and innovation. Additionally, Trump reiterated his "America First" stance, extending it to technological leadership, including AI, space exploration, and particularly cryptocurrency, to ensure the U.S. remains at the forefront of global technological advancement.



Polymarket, an On-Chain Prediction Market, Sees Record-Breaking Volume

Polymarket, a leading crypto betting platform, has surpassed \$1 billion in cumulative trading volume, driven primarily by bets on the upcoming U.S. presidential election. More than \$429 million has been wagered on the election, with Donald Trump leading with 60% odds and Kamala Harris's odds increasing to 38% following President Biden's withdrawal from the race. This surge in activity saw Polymarket's monthly volume reach \$343 million in July, up from \$111 million in June and \$63 million in May.

Polymarket offers a variety of prediction markets beyond politics, including cryptocurrency, sports, business, and the 2024 Olympic Games. The platform's growth has been bolstered by a \$70 million Series B funding round led by Peter Thiel's Founder Fund, with contributions from Ethereum co-founder Vitalik Buterin. Additionally, Polymarket partnered with MoonPay to enable debit and credit card payments, making it more accessible to non-crypto users.



Another Record-Breaking Quarter for Tether

Tether's Q2 financials revealed a record-high ownership of US Treasury holdings, reaching \$97.5 billion. This amount would rank Tether as the 18th largest holder of US debt,

surpassing countries like Germany, UAE, and Australia. In the first half of 2024, Tether was the 3rd largest purchaser of 3-month US Treasuries and aims to become the top purchaser by next year due to increasing USDT adoption.

In Q2, Tether reported a net operating profit of \$1.3 billion, down from \$4.5 billion in the previous quarter. The company's US Treasury holdings, which now make up 68.3% of its reserves, reached a record \$97.5 billion. Tether issued over \$8.3 billion in USDT, increasing the total circulating supply to \$112.7 billion. Despite a 12% decline in bitcoin value in Q2, Tether maintained its bitcoin holdings at 75.3k BTC, totaling \$4.7 billion. CEO Paolo Ardoino confirmed ongoing quarterly bitcoin purchases.



Jito Foundation Unveils "One-Stop Solution" For Restaking on Solana

On July 25, the Jito Foundation open-sourced code to facilitate the integration of staking, restaking, and liquid restaking into Solana applications. The Jito Foundation, which oversees the Jito Network—a liquid staking service on Solana that distributes maximal extractable value (MEV) to its token holders—also launched the network's governance token, JTO, last December. The newly released Jito Restaking module includes the Vault Program and the Restaking Program, providing a comprehensive solution for managing staking and restaking products on Solana. This code is currently undergoing formal verification and audits. The Jito Foundation seeks partners to test the module and help establish the "Jito Restaking Network" an ecosystem of validated services, node operators, and liquid restaking token providers.

MoveVM Chains Coming to the AggLayer



Eterna Portfolio Company Spotlight:

Movement Labs joins Polygon's AggLayer and launches its testnet

Movement Labs has joined Polygon's AggLayer, a critical part of the Polygon 2.0 ecosystem, to enhance blockchain interoperability and liquidity. This integration allows unified liquidity across Move Virtual Machine-based Layer-2 chains, all AggLayer-connected chains, and the Ethereum network. The announcement coincided with Movement Labs' public testnet launch, which has already attracted \$160 million in committed Total Value Locked (TVL) before its mainnet launch. With the launch of their public testnet, developers and users have a live environment to use Movement's next-generation L2. Movement offers far greater security through Move and uses the parallelized MoveVM, the first Move virtual machine L2 for Ethereum.

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