Anticipation of a spot Bitcoin ETF prompts further inflows

- Digital asset investment products saw inflows for the 4th consecutive week totalling US$66m. Total AuM has now risen to US$33bn.

- While the most recent inflows are likely linked to excitement over a spot bitcoin ETF launch in the US, they are relatively low in comparison to June announcements, suggesting more caution from investors this time round.

- Solana saw a further US$15.5m inflows last week, bringing year-to-date inflows to US$74m (47% of AuM) – making it the most popular altcoin this year so far.

Digital asset investment products saw inflows for the 4th consecutive week totalling US$66m, bringing the last 4 week run of inflows to US$179m. Following recent price appreciation, total Assets under Management (AuM) have risen by 15% since their lows in early September, now totalling nearly US$33bn, the highest point since mid-August.

While the most recent inflows are likely linked to excitement over a spot bitcoin ETF launch in the US, they are relatively low in comparison to the initial inflows following Blackrock’s announcement in June, where 4 consecutive weeks of inflows totalled US$807m. It suggests that the lower inflows this time round, despite the positive news from the Grayscale vs SEC court ruling, are indicative of investors adopting a more cautious approach this time.

84% of the inflows were into bitcoin investment products, pushing inflows year-to-date to US$315m. Earlier last week, price rises had pushed inflows into short-bitcoin to US$23m, however, these positions were pared back substantially, with net inflows by the end of the week totalling just US$1.7m, suggesting short sellers are losing confidence.

Continued concerns over Ethereum have led to further outflows of US$7.4m, the only altcoin to see outflows last week. This is in stark contrast to Solana which saw a further US$15.5m inflows last week, bringing year-to-date inflows to US$74m, representing 47% of total AuM.
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