

# Monthly Digital Assets Market Report

June 2023

ETC Group Physical Bitcoin

ETC Group Physical Ethereum

ETC Group Physical Litecoin

ETC Group Physical XRP

**BTCE**

**ZETH**

**ELTC**

**GXRP**

ETC Group Physical Solana

ETC Group Physical Cardano

ETC Group Physical Polygon

ETC Group Physical Polkadot

**ESOL**

**RDAN**

**MTCE**

**PLKA**

ETC Group Digital Assets and Blockchain

Equity UCITS ETF

**KOIN**

ETC Group Global Metaverse UCITS ETF

**METR**

**For Professional Clients Only. Capital at risk.**

All data as of 31/05/2023

This report was written by, and is the opinion of, ETC Group.

## Key Takeaways

- Europe, UK capitalise on crypto with SEC under fire
- Apple takes over the Metaverse

## Macro Outlook

### Europe, UK capitalise on crypto with SEC under fire

A clear split has emerged between the United States and the rest of the world as regards digital assets. The SEC has set out its stall, aiming to sidestep the admittedly lengthy process of setting out clear regulations for crypto companies to follow.

The regulator has come under heavy fire in Congress for its attempts to beat crypto markets into submission by charging the two largest crypto-native exchanges, Binance and Coinbase with selling unregistered securities. Bitcoin and Ethereum were not named as securities in the suit.

Not everyone in the SEC agrees with the aggressive ramp-up of hostilities. Hester Peirce, one of the five SEC Commissioners, said: "the least we can do is offer early stage entrepreneurs a regulatory structure that gives them a fighting chance...the landscape suffers under the regulatory misconception that it is a bastion of fraud."

Europe, the UK, and Asia are notably heading in the opposite direction.

Europe has passed the bloc-wide Markets in Crypto Assets legislation to allow crypto companies to register; Hong Kong now allows retail investors to trade digital assets on licenced exchanges, and the UK is ramping up efforts to attract crypto businesses to its shores.

In the last month, the world's oldest crypto exchange, Bitstamp, and the legacy brokerage Interactive Brokers (NASDAQ:IKBR), have both joined the FCA's crypto register.

The Financial Services and Markets Bill is also working its way through Parliament. If passed, the legislation will treat crypto as a regulated activity and give the FCA more oversight and customer protection powers.

For more crypto insights visit <https://www.etc-group.com/blog/>

Sources available upon request. **All performance figures are showing net data.** Please remember that digital assets can be highly volatile, and your capital is at risk. Past performance is not indicative of future performance.

## Apple takes over the Metaverse

2023 will forever be remembered as the year the world's most valuable company Apple (NASDAQ:AAPL) took over the metaverse.

The highly-anticipated launch of its VR/AR Vision Pro headset sent Apple's share price soaring to all time highs. The device is Apple's first major hardware launch in almost 10 years.

Apple CEO Tim Cook said the headset will allow users "to see, hear and interact with digital content just like it's in your physical space". Players control the Vision Pro using a combination of their voice, hand gestures and eye movements.

An initial price tag of \$3,499 for the Vision Pro put some commentators on the back foot, but what is clear is that Apple's augmented reality is likely to be the crossover device that brings the first billion users into the metaverse.

Analysts expect that 10% of Apple's revenue will come from Vision Pro by 2030. Insiders project<sup>1</sup> that the company's sales will exceed \$1 trillion by 2030, making the Vision Pro a potential \$100bn a year metaverse money-spinner.

The launch integrates Unity (NYSE:U) software, while the tech includes 4K lenses in each eye and debuts Apple's first ever spatial operating system, visionOS. It stands as a direct competitor to the current market leader, the Quest by Meta (NASDAQ:META).

Apple, Unity, Meta and Nvidia (NASDAQ:NVDA) make up four of the six largest equities in ETC Group's METR ETF.

Nvidia stock is up 162% in 2023 as the chipmaker has cornered the market in AI processors. METR has surged to a 12-month high as investors seek to capitalise on the metaverse and AI megatrend.

Sources available upon request. Please remember that digital assets can be highly volatile, and your capital is at risk.

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<sup>1</sup> <https://appleinsider.com/articles/22/02/19/apple-has-a-clear-path-to-1t-in-revenue-by-2030>

## Featured Products Performance

As of 31.05.2023

	1M	3M	6M	YTD	12M	SI
ETC Group Physical Bitcoin	-7.22%	14.04%	56.62%	61.79%	-16.38%	162.01%
<i>Bitcoin</i>	-7.95%	16.53%	58.44%	62.85%	-14.55%	175.30%
ETC Group Physical Ethereum	-1.27%	12.78%	42.83%	54.79%	-5.40%	17.38%
<i>Ether (Ethereum)</i>	-1.57%	15.11%	44.26%	55.46%	-3.73%	19.52%
ETC Group Digital Assets and Blockchain Equity UCITS ETF	7.70%	16.93%	23.71%	48.46%	-18.19%	-76.91%
<i>Solactive ETC Group Digital Assets and Blockchain Equity Index NTR</i>	7.79%	17.20%	24.43%	49.07%	-17.48%	-76.69%
ETC Group Global Metaverse UCITS ETF	8.61%	13.06%	18.72%	29.25%	13.21%	2.27%
<i>Solactive ETC Group Global Metaverse Index</i>	8.69%	13.29%	19.16%	29.68%	13.83%	2.86%

Please note that all performance figures are showing net data. Source: Bloomberg / HANetf. Data as of 31/05/2023. Performance before inception is based on back tested data. Back testing is the process of evaluating an investment strategy by applying it to historical data to simulate what the performance of such strategy would have been. Back tested data does not represent actual performance and should not be interpreted as an indication of actual or future performance. Past performance for the index is in USD. Past performance is not an indicator for future results and should not be the sole factor of consideration when selecting a product. Investors should read the prospectus of the Issuer ("Prospectus") before investing and should refer to the section of the Prospectus entitled 'Risk Factors' for further details of risks associated with an investment in this product. When you invest in ETFs and ETCs, your capital is at risk.

## Featured Product Details

Visit the [BTCE Fund Page](#) for more information

Exchange	BBG Code	RIC	ISIN	Valoren	SEDOL	Currency	TER
Deutsche Boerse Xetra	BTCE GY	BTCE.DE	DE000A27Z304	-	BMWSLR9	USD	2.00%
SIX Swiss Exchange	BTCE SW	BTCEUSD.S	DE000A27Z304	55503260	BLB3S55	USD	2.00%
SIX Swiss Exchange	BTCEGBP SW	BTCEGBP.S	DE000A27Z304	55503260	BLB3S66	GBP	2.00%
SIX Swiss Exchange	BTCECHF SW	BTCECHF.S	DE000A27Z304	55503260	BLB3S77	CHF	2.00%
Euronext Paris	BTCEEUR:FP	BTCE.PA	DE000A27Z304	-	BN0ZB02	EUR	2.00%
Euronext Amsterdam	BTCEUSD:NA	BTCE.AS	DE000A27Z304	-	BN0ZB13	EUR	2.00%
CBOE	BTCEd I2	BTCEd.DXE	DE000A27Z304	-	BNM7CN6	EUR	2.00%

Visit the [ZETH Fund Page](#) for more information

Exchange	BBG Code	RIC	ISIN	Valoren	SEDOL	Currency	TER
Deutsche Boerse Xetra	ZETH GY	ZETH.DE	DE000A3GMKD7	-	BMV2RQ3	EUR	1.49%
SIX	ZETH SE	ZETHUSD.S	DE000A3GMKD7	110488627	BN0WR83	USD	1.49%
SIX	ZETHCHF SW	ZETHCHF.S	DE000A3GMKD7	110488627	BN0WRB6	CHF	1.49%
SIX	ZETHGBP SW	ZETHGBP.S	DE000A3GMKD7	110488627	BN0WR94	GBP	1.49%
Euronext Paris	ZETH FP	ZETH.PA	DE000A3GMKD7	-	BN0Z9Y2	EUR	1.49%
Euronext Amsterdam	ZETH NA	ZETH.AS	DE000A3GMKD7	-	BN0Z9Z3	USD	1.49%

Visit the [KOIN Fund Page](#) for more information

Exchange	BBG Code	RIC	ISIN	Valoren	SEDOL	Currency	TER
London Stock Exchange	KOIN LN	KOIN.L	IE00BMQ8YK98	-	BMBTJ46	USD	0.60%
London Stock Exchange	KOIP LN	KOIP.L	IE00BMQ8YK98	-	BN4MYX3	GBP	0.60%
Borsa Italiana	KOIN IM	KOIN.MI	IE00BMQ8YK98	-	BMXR829	EUR	0.60%
Deutsche Boerse Xetra	KO1N GY	KO1N.DE	IE00BMQ8YK98	-	BMXR807	EUR	0.60%
SIX	KOIN SW	KOIN.S	IE00BMQ8YK98	112518685	BMX8DD8	CHF	0.60%
Euronext Paris	KOIN FP	KOIN.PA	IE00BMQ8YK98	-	BMD2GJ7	EUR	0.60%

Visit the [METR Fund Page](#) for more information

Exchange	BBG Code	RIC	ISIN	SEDOL	Currency	TER
London Stock Exchange	METR LN	METR.L	IE000KDY1003	BMV7W41	BMV7W41	0.65%
London Stock Exchange	METP LN	METP.L	IE000KDY1003	BMV7ZZ3	BMV7ZZ3	0.65%
Deutsche Boerse Xetra	M37R GY	M37R.DE	IE000KDY1003	BMCDV18	BMCDV18	0.65%
Borsa Italiana	METR IM	METR.MI	IE000KDY1003	BMCDTZ8	EUR	0.65%



ETC Group has been created to provide investors with the tools to access the investment opportunities of the digital assets and blockchain ecosystem. United within ETC Group is one of the world's largest electronic market makers and an exceptional team of financial services professionals and entrepreneurs, with experience spanning both the worlds of digital assets and regulated markets. While product quality and safety stand at the core of our product creation approach, we aim at continuously launching best-in-class institutional-grade exchange traded products.

As a company, we have launched the world's first centrally cleared Bitcoin exchange traded product on Deutsche Börse XETRA, the largest ETF trading venue in Europe, and have also launched Europe's first Metaverse ETF together with HANetf. Further information as well as regular digital assets research publications can be found on [www.etc-group.com](http://www.etc-group.com).



## Important Information

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1. HANetf ICAV, an open-ended Irish collective asset management vehicle issuing under the terms in the Prospectus and relevant Supplement for the ETF approved by the Central Bank of Ireland ("CBI") ("ETF Prospectus") is the issuer of the ETFs. Investors should read the current version of the ETF Prospectus before investing and should refer to the section of the ETF Prospectus entitled 'Risk Factors' for further details of risks associated with an investment in the ETFs. Any decision to invest should be based on the information contained in the ETF Prospectus.
2. HANetf ETC Securities plc, a public limited company incorporated in Ireland, issuing:

- i. the precious metals ETCs under the terms in the base prospectus approved by both the Central Bank of Ireland (“CBI”), the UK Financial Conduct Authority (“FCA”) and the final terms of the precious metals (together, “Metals ETC Prospectuses”);
- ii. the carbon securities ETCs under the terms in the base prospectus approved by the UK Financial Conduct Authority (“FCA”) and the relevant final terms of the carbon securities (together, “FCA Carbon ETC Prospectus”); and
- iii. the carbon securities ETCs under the terms in the base prospectus approved by the Central Bank of Ireland (“CBI”) and the final terms of the carbon securities (together, “CBI Carbon ETC Prospectus”).

Investors should read the latest versions of the relevant ETC prospectus before investing and should refer to the section of the relevant ETC prospectus entitled ‘Risk Factors’ for further details of risks associated with an investment in the ETCs. Any decision to invest should be based on the information contained in the relevant ETC prospectus.

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The ETF Prospectus, Metals ETC Prospectus, FCA Carbon ETC Prospectus, CBI Carbon ETC Prospectus and Cryptocurrency Prospectus can all be downloaded from [www.hanetf.com](http://www.hanetf.com).

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