RIVEMONT

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Rivemont is the portfolio manager responsible for the investment decisions of the Rivemont Crypto Fund.

Bitcoin closed out the month of July at a record level of $115,644, despite a temporary 2% dip. This result marks the highest monthly close ever recorded in the cryptocurrency's history, underscoring its resilience and growing momentum in global financial markets. According to analyst Rachael Lucas at BTC Markets, this historic performance demonstrates the increasing maturity of the market. In fact, even after significant movements by large investors (whales)—notably a major transaction of 80,000 BTC transferred to Galaxy Digital and subsequently sold, which temporarily caused a 4% drop—the price quickly stabilized and then recovered. This ability to bounce back demonstrates renewed confidence from both institutional and retail buyers in Bitcoin.

However, some analysts urge caution in the short term. Nick Ruck, director at LVRG Research, points out that the recent slight decline could temporarily worsen due to macroeconomic factors such as U.S. Federal Reserve policies, upcoming tariff measures announced by Donald Trump, and the recent slowdown in inflows to Bitcoin ETFs. Indeed, these exchange-traded funds dedicated to Bitcoin have recently seen a significant decrease in net inflows after a very active period at the beginning of last month. Despite these immediate uncertainties, analysts remain broadly optimistic about Bitcoin's long-term prospects. Its intrinsic scarcity, independence from traditional systems, and growing adoption in the global financial sector strongly position it as a key asset, according to Lucas. The current downturn is thus seen more as a temporary pause than as a profound shift in trend.

Coinbase's stock dropped by more than 6% after markets closed last Wednesday, following disappointing second-quarter financial results. The American company, a leader in crypto trading, reported revenues of $1.5 billion, about 6% below analysts' expectations, which were pegged at $1.59 billion. This result represents a sharp 25% decline compared to the previous quarter, notably impacted by reduced trading volumes and the negative fallout from a data breach that occurred last May. Despite this revenue drop, Coinbase recorded a significant net profit of $1.4 billion, far above the $66 million from the previous quarter. This exceptional increase mainly stems from the appreciation of its crypto assets and its investment in Circle, the stablecoin issuer that recently went public. However, adjusted operating profit (EBITDA) of $512 million remains 13% lower than that of the previous year, reflecting some pressure on operational profitability. Moreover, Coinbase is actively pursuing its expansion strategy. The company has made several major acquisitions this year, including that of Deribit, the leading crypto derivatives platform, for nearly $3 billion. Additionally, Coinbase plans to soon launch a new platform called "everything exchange," aimed at offering tokenized assets such as equities, derivatives, and early-stage token sales. This project will start in the U.S. before expanding internationally, taking advantage of a crypto-friendly political environment under the Trump administration.

Coinbase has also announced plans to raise $2 billion through a private offering of convertible bonds, intended for qualified institutional investors. This operation includes two equal tranches of $1 billion each, maturing respectively in 2029 and 2032. These bonds can be converted into cash, Coinbase Class A shares, or a combination of both. The platform intends to use the funds raised for general corporate purposes, potentially including the financing of new acquisitions, technological investments, and strengthening its working capital. This acquisition-driven expansion strategy is not new for Coinbase, which had already raised $1 billion similarly last year, before recently completing the major acquisition of the crypto options platform Deribit for approximately $2.9 billion.

James Howells, a man from Wales, has officially abandoned his relentless efforts to recover 8,000 bitcoins lost in a landfill, amounting to about $923 million. This fortune was stored on a hard drive accidentally thrown away by his ex-partner in 2013. After twelve years of unsuccessfully trying to get permission to search the landfill—including legal proceedings and substantial financial offers—Howells is now turning to a new strategy. Unable to physically recover his bitcoins, he has decided to launch a Bitcoin layer-2 blockchain called Ceiniog. This new project, named after an old Welsh currency, will symbolically rely on the 8,000 lost BTC, which he considers a theoretical guarantee. Howells plans to organize a fundraising (ICO) later this year, claiming that the total value of the project could naturally reach that of his buried bitcoins, nearly a billion dollars.

However, this symbolic approach raises some questions, since unlike a currency truly backed by real or retrievable assets, Ceiniog users will never have access to the lost bitcoins. In fact, Howells himself no longer has access, making any direct conversion between the token and these bitcoins impossible. According to him, the mere ability for anyone to verify on the blockchain that these bitcoins haven't moved is enough to justify the token's value. This venture has also become a personal matter for Howells. Frustrated by repeated refusals from the Newport city council, he now aims to use Ceiniog as a means of revenge. His stated goal is to invest massively in crypto-related services in this region of Wales, in hopes of symbolically proving to local authorities that they were wrong to prevent him from recovering his lost treasure.

Michael Saylor, co-founder of the American company Strategy (formerly MicroStrategy), recently stated that his company could eventually hold up to 7% of all circulating bitcoins. Currently, Strategy already owns just over 3% of the total available bitcoins, about 628,791 BTC, representing an estimated value of nearly $72 billion at current rates. Since its first Bitcoin investment in 2020, Strategy has become a pioneer in the approach of heavily integrating Bitcoin into corporate treasuries. Initially motivated by the COVID-19 crisis and the threat of inflation, this decision has proven particularly lucrative. In fact, despite a recent drop in Strategy's stock price below $380, the share has soared (+2488%) since the company's first exposure to Bitcoin. Saylor, a strong proponent of this strategy, nevertheless insists he has no intention of monopolizing the market. He aims to maintain a reasonable target of holding 3% to 7% of the total supply, allowing other players to also invest in this cryptocurrency, which he sees as a strategic way to preserve capital against inflation. Finally, despite the potentially risky nature of this massive investment strategy in Bitcoin, analysts remain optimistic about Strategy. Some, like Mark Palmer at Benchmark, even anticipate a sharp rise in the company's stock price, underscoring continued confidence in its business model centered on long-term Bitcoin holdings, regardless of major fluctuations in the crypto market.

Over the past four months, major investors ("whales") holding between 10 and 10,000 bitcoins have bought nearly 1% of all bitcoins in circulation, amounting to about 0.9% according to data from the analytics platform Santiment. In just the past 48 hours, these major market players acquired an additional 30,000 BTC, a clear sign of an accumulation strategy despite an uncertain environment. This bullish trend among large holders contrasts with significant profit-taking by some actors. A striking example was recently seen when one of the largest historical holders sold about $9 billion worth of bitcoins through the Galaxy Digital platform. Despite this massive event, analysts report that the market remains broadly positive, with 97% of bitcoins in circulation currently held with unrealized gains, representing a potential overall gain of more than $1.4 trillion.

Furthermore, institutional investors and large portfolios are not limiting themselves to Bitcoin: there is notable diversification into other cryptocurrencies such as Ethereum, Solana, and some popular memecoins. SharpLink Gaming, for instance, invested massively in Ethereum, totaling $780 million in July alone. This diversification shows that investors are now actively seeking high-yield (“high-alpha”) opportunities while maintaining a primary interest in strong Layer-1 networks. Lastly, although the global crypto market capitalization briefly reached the $4 trillion mark at the end of July, it has since retreated to about $3.44 trillion, a level stable for the past week. However, experts expect a gradual recovery toward this symbolic threshold over the coming months.

Bitcoin recently dropped by nearly 7.5% from its historical high around $123,250. However, according to several analysts, this dip could mark a temporary consolidation phase before another surge towards $150,000. Currently, Bitcoin is once again testing its key technical support, represented by its 50-day exponential moving average (EMA 50), an important level that previously triggered a sharp 25% rebound last June.

This bullish technical scenario is confirmed by a classic “inverse head and shoulders” chart pattern. Having broken through and then validated the neckline of this pattern, Bitcoin could now enter the second phase of its rise toward a target of about $148,250, close to the symbolic $150,000 mark expected by many for fall 2025.

Moreover, on-chain data analysis reveals that the recent massive sale by an old "whale," who liquidated 80,000 BTC (about $9.6 billion), could paradoxically be a bullish signal in the medium term. Historically, such significant profit-taking events often precede a period of stabilization or slight correction, which is itself followed by accumulation and then a rebound to new highs. Thus, despite the current price downturn, several technical and historical signals suggest that Bitcoin is establishing a "perfect bottom." This cyclical consolidation phase could pave the way for a substantial upward move, potentially pushing Bitcoin's price to new record highs around $150,000.

Please note that this communication will pause for the next two weeks for summer holidays. Looking forward to connecting again at the end of this month!

The presented information is as of August 5th, 2025, unless otherwise indicated and is provided for information purposes only. The information comes from sources that we believe are reliable, but not guaranteed. This statement does not provide financial, legal or tax advice. Rivemont

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