

RIVEMONT

Rivemont - Week 417

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

The latest U.S. employment data confirm a gradual cooling of the labor market as the year draws to a close. In November, the U.S. economy added 64,000 jobs, a figure slightly above expectations, but the unemployment rate climbed to 4.6%, its highest level in four years. This combination points to a broader weakening that is not fully reflected by job creation alone.

Revised October figures reinforce this cautious interpretation. After a solid September, employment declined by 105,000 positions in October, a drop partly attributed to the federal government shutdown, which delayed the release of the data. Taken together, these two late reports nonetheless paint a picture of a labor market that is less dynamic than anticipated.

Financial markets reacted in a measured way. Bitcoin gave back part of its overnight gains immediately after the data release, briefly slipping toward \$87,000, while U.S. equity index futures shifted from modest gains to slight losses. Bond yields, meanwhile, remained relatively stable.

Despite these signs of slowing, monetary policy expectations barely moved. Investors continue to assign roughly a 75% probability that the Federal Reserve will keep interest rates unchanged at its January meeting, suggesting that the weaker data alone are not enough to alter short-term expectations.

Liquidity in the cryptocurrency market is tightening noticeably ahead of the holiday season, as evidenced by a sharp slowdown in capital inflows via stablecoins. Growth in USDT's market capitalization—the main gauge of liquidity flows within the crypto ecosystem—has decelerated significantly since November, signaling a quieter trading environment that is less conducive to strong upside moves.

This stagnation does not mean that capital has left the market altogether. Analysts instead point to large stablecoin balances still sitting on exchanges, often described as “dry powder.” These funds remain largely undeployed, as investors favor caution, short-term rotations, or waiting for more attractive price levels before committing more decisively.

In this cautious backdrop, Bitcoin's upside potential appears temporarily constrained. The leading cryptocurrency may retain a degree of resilience but lacks a clear directional trend in the absence of renewed demand—particularly through ETFs or a fresh expansion in stablecoin supply. Altcoins, which rely more heavily on risk appetite and capital rotation, are even more affected by this liquidity shortage, reducing the likelihood of a true “altseason” in the near term.

From a technical standpoint, Bitcoin could continue to move within a broad consolidation range, roughly between \$81,000 and \$102,000. A breakout could occur in either direction: an upside break would open the door to new highs,

while a loss of support would reinforce a more bearish scenario. In the absence of major new catalysts, markets are likely to remain volatile but trendless, even as overall investor sentiment toward Bitcoin's long-term potential stays broadly positive.

Gemini has reached a major regulatory milestone in the United States after securing a designated contract market license from the CFTC, allowing it to officially launch prediction markets for U.S. customers. This approval concludes a lengthy authorization process spanning several years and clears the way for regulated event-based contracts, a rapidly growing segment of the crypto-financial ecosystem.

With this green light, Gemini joins established players such as Kalshi and Polymarket, illustrating a gradual shift in the stance of U.S. regulators toward these products. Gemini's leadership views the decision as evidence of a more favorable political and regulatory environment for digital asset innovation, in contrast with the restrictions seen in recent years.

In practical terms, users will soon be able to trade event-based contracts—covering economic, political, or crypto-related outcomes—directly through Gemini's web platform using their existing U.S. dollar balances. Mobile functionality is also planned. Over the longer term, the company aims to broaden its offering to include crypto derivatives such as futures, options, and perpetual contracts, which remain largely inaccessible to U.S. investors.

This positioning reflects growing recognition of the potential scale of prediction markets, which some industry leaders believe could rival traditional financial markets in both influence and volume. The trend is supported by a more innovation-friendly CFTC that is increasing dialogue with major industry participants. Despite a short-term rebound in Gemini's stock following the announcement, the company remains well below its IPO levels, underscoring that long-term market confidence has yet to be fully restored.

Brazil's largest private bank, Itaú Unibanco, is now encouraging clients to include Bitcoin in their portfolios as a tool for diversification and currency

protection. According to a senior asset management executive at the group, a modest exposure to cryptocurrencies can serve a dual purpose: reducing reliance on domestic economic cycles while offering partial protection against currency depreciation. In a recent research note, Itaú Asset Management recommended a cautious allocation of between 1% and 3% of a portfolio, emphasizing a long-term approach. The goal is not to make Bitcoin a core holding, but rather a complementary component capable of delivering returns that are less correlated with traditional assets and offering long-term growth potential. This strategy is partly rooted in Brazil's experience with currency volatility. The Brazilian real has weakened significantly in recent months, reinforcing the appeal of globally priced assets such as Bitcoin. Itaú also highlights its own exchange-traded product that provides Bitcoin exposure, designed to facilitate access to this asset class within a regulated framework.

The UK Supreme Court has definitively put an end to a large-scale lawsuit brought by Bitcoin Satoshi Vision (BSV) investors, refusing to hear an appeal seeking more than \$13 billion in damages. The plaintiffs argued that the removal of the token from major exchanges caused a lasting collapse in its value and undermined its long-term growth potential. According to the judges, the case raised no sufficiently arguable legal issue or matter of general public importance to justify further proceedings. The investors nevertheless claimed to have suffered a double harm: an immediate price drop following delistings and lost growth that never materialized.

Lower courts had already rejected these arguments, deeming unrealistic the assumption that BSV could ever have reached a valuation comparable to Bitcoin. The courts also emphasized that, in a functioning market, investors have a duty to mitigate their losses once risks become apparent—something that was not done in this case. The ruling comes amid a prolonged decline for BSV, whose price has fallen by more than 96% since its 2021 peak. Between technical issues, repeated exchange delistings, and controversies surrounding its founder, the project has steadily lost credibility, while Bitcoin itself has continued to reach new highs over the years.

BitMine Immersion Technologies is further strengthening its Ethereum-focused

strategy by significantly increasing its ether reserves. The New York-listed company recently acquired more than 100,000 additional ETH, bringing its total holdings to nearly 4 million tokens. This accumulation places BitMine at the top of the global ranking for corporate Ethereum treasuries and reflects a strong conviction in Ethereum's central role in the evolution of financial markets. With these purchases, the value of the company's digital asset treasury now reaches into the tens of billions of dollars, representing more than 3% of Ethereum's total circulating supply. This dominant position is part of a long-term strategy aimed at eventually controlling around 5% of total supply. At the same time, BitMine also holds Bitcoin, substantial cash reserves, and strategic equity stakes, further diversifying its balance sheet.

According to its chairman, Tom Lee, several structural factors support this approach, including a shifting U.S. regulatory landscape and growing institutional involvement. Despite recent volatility that slowed the pace of purchases earlier in the fall, the company believes market conditions are stabilizing, reinforcing its confidence in a sustained recovery across the crypto sector. Beyond accumulating ETH, BitMine is also investing in infrastructure, with plans to launch its MAVAN validation and staking network in 2026. This comes as Ethereum's role in tokenization gains visibility, highlighted by major institutional initiatives. For Tom Lee, these developments confirm that Ethereum is poised to become a cornerstone of the financial system of the future.

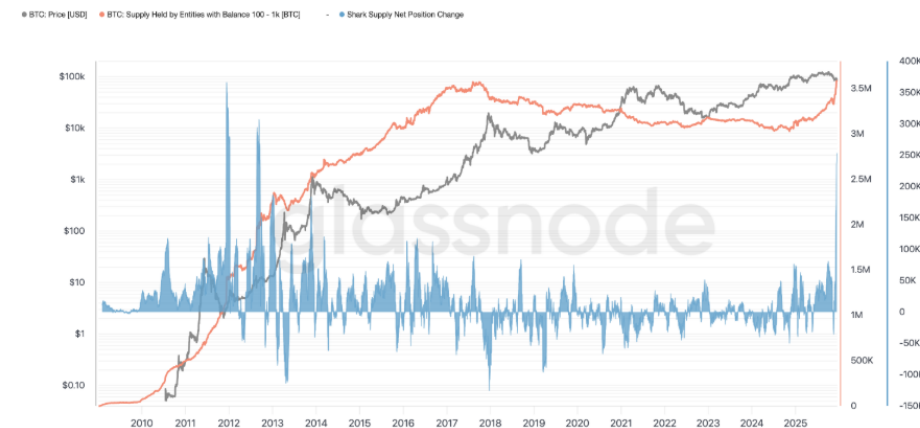
Strategy, formerly known as MicroStrategy, has resumed aggressive Bitcoin accumulation, completing a second consecutive weekly purchase close to \$1 billion. The company added more than 10,600 BTC in a single week, marking a clear return to an assertive accumulation strategy after several months of more subdued activity. As a result, Strategy now holds over 670,000 bitcoins, acquired at an average cost well below current market prices. The value of this digital reserve is now estimated at around \$60 billion, making the company the largest corporate holder of Bitcoin in the world. These recent purchases were primarily funded through equity and preferred stock issuances, underscoring the firm's determination to expand its BTC exposure despite less favorable market conditions. This strategy is unfolding against a challenging backdrop for

the company's stock, which has fallen sharply in recent months—far more than Bitcoin over the same period. Aware of this volatility, management recently built up a cash buffer to meet financial obligations and reduce the risk of having to sell Bitcoin during downturns.

Bitcoin is currently undergoing a pronounced correction, trading roughly 30% below its recent peak and fueling concerns of a deeper pullback toward lower levels. Despite this fragile environment, on-chain data reveal a mixed investor landscape: while price pressure persists, some well-capitalized participants are clearly using the dip to increase their holdings.

Mid-sized holders—often referred to as “sharks” and holding between 100 and 1,000 BTC—have accumulated coins at the fastest pace seen in more than a decade. Within a single week, they absorbed tens of thousands of bitcoins, a pattern historically associated with periods that preceded strong bullish phases. In the past, similar accumulation waves were followed by dramatic price advances.

BTC: Shark Net Position Change [Entities 100 to 1k BTC]



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This positive signal, however, is offset by persistent selling pressure from the largest long-term holders. Major whales and early investors continue to

distribute their holdings at elevated rates, limiting the market's ability to sustain a meaningful rebound. This dynamic creates an imbalance in which institutional buying and purchases by wealthy investors are absorbed by large-scale selling from older wallets.

In the near term, this situation keeps downside risks elevated. Some technical analysts even warn that a break below key support levels could open the door to deeper corrections if historical patterns repeat. Conversely, if selling pressure from long-term holders begins to ease, the sustained accumulation observed among mid-sized investors could once again form the foundation for a significant market recovery.

It should be noted that the Rivemont crypto fund has increased its cash position, helping to reduce exposure to cryptocurrency price movements over the past few days.

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