

APRIL 2025

# The BLOK-Chain Monthly

Staying Up-to-date with the Rapidly  
Evolving Blockchain Technology

By Dan Weiskopf and Mike Venuto, Co-Portfolio Managers  
of the Amplify Transformational Data Sharing ETF (BLOK)

The Fund declined 11.64% in March and 14.24% in Q1 (NAV return, see [standardized performance](#)). The extreme reversal of negative sentiment came suddenly due to tariff fears and the risk of a recession. However, those selling out of short-term fear may be missing the point, and ultimately President Trump may prove more pragmatic than people think. Most everyone would agree that America's problems are real, and kicking the can down the road must stop at some point. This is clearly going to be a volatile period, but we believe cooler heads will prevail. With proper checks and balances across the globe, we remain optimistic that negotiations and compromises are in everyone's long-term best interest.

### GENERATIONAL WEALTH: OPPORTUNITY TO ALIGN WITH THE INDUSTRIAL REVOLUTION

The Amplify Transformational Data Sharing ETF (BLOK) mandate is to provide a picks and axes strategy that seeks to capitalize on the innovation and disruption across the infrastructure buildout associated with Blockchain technology. Despite the recent price action in the quarter, investors should feel confident that the adoption of this technology is accelerating, led by new policies that are aligned with multiple important long-term themes. Evidence of this can be seen in legislative actions, executive orders, and the tone around regulatory shifts

#### Executive Actions and Strategic Initiatives



##### Executive Order 14178

January 23, 2025, President Trump signed Executive Order 14178, titled "Strengthening American Leadership in Digital Financial Technology". This order revoked prior directives from the previous administration and established a working group tasked with proposing a comprehensive federal regulatory framework for digital assets within 180 days (July 22, 2025).



##### Establishment of the Strategic Bitcoin Reserve

Following up on the earlier executive order, President Trump signed another directive on March 6, 2025, to create the Strategic Bitcoin Reserve and the U.S. Digital Asset Stockpile. This initiative aimed to manage and capitalize on digital assets seized by the government, positioning Bitcoin as a strategic reserve asset. The move underscored the administration's commitment to integrating cryptocurrencies into the national economic strategy. The Bitcoin Policy Institute quickly and boldly followed suit with a proposal on how issuing \$2 trillion of Bit bonds as 10-year treasury bonds with a 10% allocation to Bitcoin could help address the challenge of rolling the \$9.3 trillion of treasuries that are maturing in 2025. The institute writes that such a proposal "over a ten-year period, could represent nominal savings of \$700 billion and a present value of \$554.4 billion. After accounting for the initial bitcoin purchase of \$200 billion, the program delivers net taxpayer savings of \$354.4 billion even if bitcoin prices remain static".<sup>1</sup>

#### Legislative Developments



##### Advancement of the GENIUS Act in the Senate and active discussions that are bipartisan in the House

In February 2025, the Senate Banking Committee approved the "*Guiding and Establishing National Innovation for U.S. Stablecoins Act of 2025*" (GENIUS) Act. Concurrently, the House Financial Services Committee deliberated on the "Stablecoin Transparency and Accountability for a Better Ledger Economy" (STABLE) Act. This bill proposed stringent standards for stablecoin issuers, akin to those applied to federally regulated financial institutions. The committee's open discussions reflected bipartisan efforts to address the regulatory challenges posed by the rapid proliferation of stablecoins. These two bills advance the discussion around a framework for policy that has been absent for too long.

*The performance data quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. For most recent month-end performance, visit [BLOKETF.com](#).*

## Regulatory Agency Actions



### Securities and Exchange Commission (SEC) Policy Reversals

Under the new administration, the SEC reversed previous guidance that had hindered banks from holding digital assets. This policy shift allowed financial institutions to expand their cryptocurrency services, marking a significant departure from the prior administration's more restrictive stance. The reversal aimed to foster innovation and integration of digital assets within traditional banking frameworks.



### Formation of the SEC Crypto Task Force

In alignment with the executive orders, the SEC established a Crypto Task Force led by Commissioner Hester Peirce. The task force was charged with developing a regulatory pathway that balances legal compliance with the promotion of innovation in the cryptocurrency sector. This initiative signified a move towards more structured and supportive regulatory oversight.



We think the 180-day clock can be accelerated as Paul Atkins' confirmation makes progress. As nominated Chairman of the SEC, his confirmation made progress with a 13-11 vote by the Senate Banking Committee on April 3rd along both parties. His approval is expected in early May.



## KEY THEMES



## DIGITAL ASSETS, AUTOMATION, PAYMENTS AND DABT

There is a great deal that is unknown today due to the proposed tariffs, but policy tailwinds around cryptocurrency and alignment of interests around these four themes will provide the Fund with the opportunity to capitalize on these themes.

- 1) Bitcoin as the largest Blockchain by market value continued to show adoption.** This does not mean that it will always go up and/or not be volatile. This narrative only speaks of the fact that Bitcoin's value proposition is digital in nature and that its value properties align with the factors that have made gold work as an investment historically. However, a key difference is that as a hard asset and blockchain, its limited supply and usefulness can be securely transferred almost instantly and stored cheaper. Those who question the value of Bitcoin but appreciate the value of gold are just relying on past trends while ignoring the risk that in a modern world, younger investors may simply choose the modern technology solution. After all, a gold bar weighs more than an iPhone! As of March 31, 2025, indirect exposure to Bitcoin was about 16-17%.
- 2) Automation through Blockchain, whether it is decentralized or centralized, is becoming ubiquitous.** In last month's report, titled [Big Firms Getting Louder](#), we highlighted Mastercard's use of tracking 30% of its \$28 billion transaction volume on chain. We believe the adoption of Blockchain that transfers trillions of dollars of value across private or public networks will become as normal as email in the future because of the benefits of permanent record keeping, reduced frictional costs, and speed. As of March 31, this theme can be isolated in the categories we reference as Transactional (27.42%, i.e. Platform), Application (12.49%), and Venture Capital (9.87%), or in aggregate roughly 49%.



## KEY THEMES

**3) Real World Assets, as digital asset technology, will follow the path around the stablecoin payment technology,** which proves that the transfer value can be tokenized. We see the urgency and positive steps around the President's 180-day agenda as a positive that may drive stablecoin assets to increase from the \$225 billion as of February 2025.<sup>2</sup> Stablecoins are big buyers of U.S. treasuries. For example, Tether (USDT/\$91 billion) and Circle Internet Group (USDC/\$29 billion) alone currently hold about \$120 billion in Treasuries.<sup>3</sup>

- Comments as clarity made by Hester Pierce, Crypto, provide confidence that the technology can work to facilitate the transfer of payments without regulation by the SEC and therefore simplify future adoption. This also creates a path to further test the feasibility around the tokenization of real world assets. Afterall, if capital and information can be easily and securely transferred with frictionless costs and security, that would suggest that other types of assets could be put on-chain.<sup>4</sup>
- Larry Fink's comments in his 2025 shareholders letter ([blackrock.com/corporate/investor-relations/larry-fink-annual-chairmans-letter](https://www.blackrock.com/corporate/investor-relations/larry-fink-annual-chairmans-letter)) also offer an important vision of the future for stable coins and tokenization. He writes "If SWIFT is the postal service, tokenization is email itself - assets move directly and instantly, sidestepping intermediaries. What exactly is tokenization? It's turning real-world assets—stocks, bonds, real estate—into digital tokens tradable online. Each token certifies your ownership of a specific asset, much like a digital deed. Unlike traditional paper certificates, these tokens live securely on a blockchain, enabling instant buying, selling, and transferring without cumbersome paperwork or waiting periods. Every stock, every bond, every fund—every asset—can be tokenized. If they are, it will revolutionize investing. Markets wouldn't need to close. Transactions that currently take days would clear in seconds. And billions of dollars currently immobilized by settlement delays could be reinvested immediately back into the economy, generating more growth."

**4) The industrialization of America will come through Data Centers, Artificial Intelligence (AI) and Bitcoin Mining Technology (aka DABT).** Computer power and energy usage is the common alignment of how the technology is powered for the future transformation of data sharing. This exposure is not coincidental, but all part of the vision of the technology. While they originated with different purposes - AI for mimicking human intelligence and blockchain for ensuring decentralized trust - they are increasingly converging. This convergence presents a powerful synergy that has the potential to transform industries, democratize data, enhance security, and reshape our digital future.

**Key overlaps between Blockchain and AI bring the strengths together of each of these technologies.**

- **Data integrity and trust in AI models are fast, but not always truly trusted.** Blockchain can provide a transparent and immutable trail of data collection, access, and modification. This transparency improves **trust in AI training data** and ensures the accountability and auditability of model outputs.
- AI research and deployment are dominated by large tech corporations due to their access to vast computational and data resources. Blockchain can disrupt this dynamic through **decentralized AI platforms** where models, data, and computer resources are shared in peer-to-peer networks which leads to the reconciliation and confirmation of shared data.
- **Secure Data Sharing for Machine Learning.** Machine learning often requires large datasets which may contain sensitive or proprietary information. Blockchain, through **smart contracts** and **permissioned access controls**, allows for **secure data sharing** without exposing raw data.
- **Blockchain's native token economies** provide a way to **incentivize data sharing**, computation, and model development that aligns incentives for scale and automation. Participants can be rewarded for contributing high-quality datasets, training algorithms, or verifying model performance—creating a self-sustaining ecosystem for collaborative AI development.

BLOK was not designed to be a broad thematic strategy but because Blockchain is setting up to disrupt so many industries and technologies, it crosses a lot of disruptive or important themes. Regardless of one's belief around Bitcoin, we see Blockchain converging across so many industries and technologies in 2025 due to these trends.

## TRANSACTIONS AND REPOSITING

Our position to indirect Bitcoin exposure increased as we trimmed back on Strategy (MSTR) when it exceeded the 5.5% threshold, but we decided to remain exposed to the Bitcoin Treasury theme by buying GameStop (GME). GameStop is a new name for BLOK. With a market value of about \$10 billion and a newly minted \$1.5 billion debt issuance as a Convertible Bond, the company has the capacity to be a significant owner of Bitcoin. GameStop's appetite could include about \$4.75 billion in cash on top of the recent debt issued since the company was also operating profitably in 2024. We would also note that the CEO bought \$10 million additional shares recently. Stay tuned!

We have long talked about the IPO (Initial Public Offering) market opening to provide new companies for BLOK to invest in.

In March, despite the turmoil in the markets, we also bought into the IPO of Coreweave (CRWV) at the new issue price. Most people do not think about ETFs when they are thinking about companies coming public, but we believe that the IPO market will prove to be an important strategic tool for BLOK. We would highlight that Coreweave is the single largest customer for Core Scientific (CORZ) and Galaxy Digital (GLXY CN/BRPHF) with contracts that represent \$10.2 billion/12yrs and \$4.5 billion/15 yrs, respectively. Microsoft represents a majority of its committed backlog, which is in the range of \$15 billion, and then there is an additional contract from OpenAI for about \$12 billion. We would like to note that Circle Internet Group (CRCL) recently filed its S1<sup>5</sup> and offered plans to go public via an IPO.

## ATTRIBUTION

The Fund declined 11.64% in March and 14.24% in Q1 (NAV returns). The largest negative contributors in the month of March were Core Scientific and Cipher Mining (CIFR) at 1.37% and 1.25%, respectively. Both names also contributed significantly to the decline in the quarter, but we would point out that both companies are not financially stressed. Typically, when you see a stock down 30-50%, it is because of missed earnings or a stressed balance sheet. Similarly, most of the miners in our portfolio were down 27-60% during the quarter, but when a firm like Softbank - which is leading the industrialization of AI - wants to own \$50 million in your stock at \$5, what are you supposed to do except say "we appreciate your capital." The point being, we really need to think about why stocks are down and who will be the driver to bring them back up. **Liquidity is the only metric that matters today.** Trading action makes a market real and should never be discounted. The value proposition that companies bring to their clients ultimately drives the value of the equity over the long term. We believe there is disconnect today between the value that certain stocks are trading at versus the long-term value that they will provide their clients. Of course, we also recognize that when the road map to profitability is "rug pulled", managements don't know how to operate and grow their businesses.

Regardless of our beliefs around the upside of our holdings, we now provide the following attributions to how the returns were down during the quarter and the month of March. We would also note that only a few holdings were up during the period and very few in a meaningful way. Leading the pack was International Business Machines (IBM) and Metaplanet (3350 JP), but while we appreciate the strength of their stock returns relative to the markets, neither could be enough to offset the broad market correction.

## PERFORMANCE NEGATIVE CONTRIBUTIONS IN FIRST QUARTER AND MARCH 2025

### Amplify Transformational Data Sharing ETF

		1st Quarter Attribution			March Attribution		
NAME	TICKER	AVG. WEIGHT	CONTRIBUTION TO RETURN	TOTAL RETURN	AVG. WEIGHT	CONTRIBUTION TO RETURN	TOTAL RETURN
BLOCK INC	SQ	3.51%	-1.40%	-36.07%	3.19%	-0.55%	-16.80%
GALAXY DIGITAL HOLDINGS	GLXY CN	4.37%	-1.54%	-39.34%	3.54%	-1.16%	-29.47%
CORE SCIENTIFIC INC	CORZ	4.05%	-2.20%	-48.47%	3.38%	-1.37%	-35.13%
HUT 8 CORP	HUT	1.93%	-0.78%	-43.25%	1.51%	-0.34%	-21.54%
MARA HOLDINGS INC	MARA	1.96%	-0.58%	-31.43%	2.93%	-1.18%	-28.61%
TERAWULF INC	WULF	1.20%	-0.81%	-51.77%	1.17%	-0.48%	-34.84%
COINBASE GLOBAL INC	COIN	4.38%	-1.38%	-30.64%	4.32%	-0.92%	-20.12%
CLEANSARK INC	CLSK	3.19%	-0.96%	-27.04%	3.56%	-0.57%	-15.89%
CIPHER MINING INC	CIFR	2.40%	-1.53%	-50.43%	2.39%	-1.25%	-43.63%
TOTAL AGGREGATE ATTRIBUTION			-11.18%			-7.84%	
PERCENTAGE OF LOSS FROM NAMES			0.74%			0.67%	

*Holdings and allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Data for 1st Quarter Attribution is 12/31/2024 – 3/31/2025.*



## BLOK PERFORMANCE

## CUMULATIVE (%)

## ANNUALIZED (%)

MONTH END  
AS OF 3/31/2025

1 MO.

3 MO.

6 MO.

YTD

SINCE  
INCEPTION

1 YR.

3 YR.

5 YR.

SINCE  
INCEPTION

Fund NAV	-11.64%	-14.24%	4.36%	-14.24%	138.39%	7.63%	5.09%	24.29%	12.82%
Closing Price	-11.37%	-14.61%	4.19%	-14.61%	137.94%	7.28%	4.97%	24.54%	12.79%

Fund Inception Date: 1/17/2018. BLOK's total expense ratio is 0.73%. **The performance data quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. For most recent month-end performance, visit [AmplifyETFs.com/BLOK](https://amplifyetfs.com/BLOK). Brokerage commissions will reduce returns. NAV is the sum of all its assets less any liabilities, divided by the number of shares outstanding. The closing price is the last price at which the fund traded.**

## SUMMARY

The Fund declined 11.64% in March and 14.24% in the first quarter (NAV return), and the Trump reciprocal tariffs continue to weigh heavily across markets. The fact is that President Trump is polarizing, but we remain steadfast in our belief that ego will not replace rational thinking. Moreover, we believe that a key part of his plan is to unleash the savings that could come from the tokenization of assets tracked on the Blockchain. We see four major real-world themes that BLOK will invest in which over the next decade could potentially result in powerful returns. Lastly, regardless of your views around President Trump's agenda, it is clear that he and his family are committed to driving change led by policy and regulation around the investment in digital assets. These tailwinds on a long-term basis should prove very constructive to our portfolio holdings once we get through this chaotic period of crisis.

Thank you for your confidence in us and our vision for digital asset infrastructure.

## EDUCATION

For those who just want to get educated about the blockchain, here are some links:

- **Podcast:** Anthony Pompliano: Has Tether Become Too Big to Fail (2) Anthony Pompliano on X: "Has Tether become too big to fail? <https://t.co/PEQkDxJ7SI>" / X.<sup>6</sup>

*Side note, profits on Tether include a mark to market gain on the price of their Bitcoin holdings.*

- **CFA Institution Whitepaper:** An Investment Perspective on Tokenization, Part I: A Primer on the Use of Distributed Ledger Technology (DLT) to Tokenize Real-World and Financial Assets. [rpc.cfainstitute.org/research/reports/2025/investment-perspective-tokenization](https://rpc.cfainstitute.org/research/reports/2025/investment-perspective-tokenization)
- **Satoshi Nakamoto Original Bitcoin White paper: Bitcoin:** A Peer-to-Peer Electronic Cash System [bitcoin.org/bitcoin.pdf](https://bitcoin.org/bitcoin.pdf)

BLOK

Amplify Transformational Data Sharing ETF

**First & Largest Actively Managed  
Blockchain Technology ETF**

Learn more: [BLOKETF.com](https://BLOKETF.com)



Global equity portfolio of professionally-selected companies involved in blockchain technology.



Active management approach that we believe enables the Fund to remain flexible, make timely decisions and identify companies that are best positioned to profit from the developing blockchain technology space.



Convenience and Transparency: access the blockchain and crypto ecosystem without K-1 tax reporting.\*\*

\*BPs: A basis point (BP) is a unit that is equal to 1/100th of 1%.

\*\*Schedule K-1 is a federal tax document used to report the income, losses, and dividends of a business' or financial entity's partners or an S corporation's shareholders. This information does not constitute, and should not be considered a substitute for, legal or tax advice.

<sup>1</sup> [https://cdn.prod.website-files.com/627aa615676bdd562bec97cd/67eb2820db7319595e75947c\\_Bitbonds.pdf](https://cdn.prod.website-files.com/627aa615676bdd562bec97cd/67eb2820db7319595e75947c_Bitbonds.pdf)

<sup>2</sup> <https://finance.yahoo.com/news/figure-gains-sec-approval-first-150000059.html>

<sup>3</sup> <https://finance.yahoo.com/news/stablecoin-issuers-now-18th-largest-114644572.html>

<sup>4</sup> <https://www.coindesk.com/policy/2025/04/04/u-s-sec-staff-clarifies-that-most-crypto-stablecoins-aren-t-securities>

<sup>5</sup> SEC Form S-1 is the initial registration form for new securities required by the SEC for public companies that are based in the U.S. Companies usually file this in anticipation of their initial public offering (IPO).

<sup>6</sup> <https://x.com/apompliano/status/1902780175240269839?s=46&t=RMpk1tvHDF0ejrikVjKXcA>

**Carefully consider the Fund's investment objectives, risks, charges and expenses before investing. This and other information can be found in the Fund's statutory and summary prospectus, which may be obtained at [AmplifyETFs.com](https://amplifyetfs.com). Read the prospectus carefully before investing.**

Click [HERE](#) for BLOK's top 10 holdings.

Click [HERE](#) for BLOK's prospectus.

Investing involves risk, including the possible loss of principal. Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the Fund. The Fund's return may not match or achieve a high degree of correlation with the return of the underlying Index.

The Fund is subject to management risk because it is actively managed. Narrowly focused investments typically exhibit higher volatility. A portfolio concentrated in a single industry, such as companies actively engaged in blockchain technology, makes it

vulnerable to factors affecting the companies. The Fund may face more risks than if it were diversified broadly over numerous industries or sectors. Blockchain technology may never develop optimized transactional processes that lead to realized economic returns for any company in which the Fund invests.

The Fund invests at least 80% of the Fund's net assets in equity securities of companies actively involved in the development and utilization of blockchain technologies. Such investments may be subject to the following risks: the technology is new and many of its uses may be untested; theft, loss or destruction; competing platforms and technologies; cybersecurity incidents; developmental risk; lack of liquid markets; possible manipulation of blockchain-based assets; lack of regulation; third party product defects or vulnerabilities; reliance on the Internet; and line of business risk. The investable universe may include companies that partner with or invest in other companies that are engaged in transformational data sharing or companies that participate in blockchain industry consortiums. The Fund will invest in the securities of foreign companies. Securities issued by foreign companies present risks

beyond those of securities of U.S. issuers.

The Fund may have exposure to cryptocurrencies, such as bitcoin, indirectly through investment funds. Investing in cryptocurrency is highly speculative and is only appropriate for investors who understand the associated risks and likelihood of extreme volatility. Investors in cryptocurrency should be prepared to lose their entire investment. The fund does not invest directly in bitcoin. Holding a privately offered investment vehicle in its portfolio may cause the Fund to trade at a premium or discount to NAV. Many significant aspects of the U.S. federal income tax treatment of investments in cryptocurrencies are uncertain and such investments, even indirectly, may produce non-qualifying income for purposes of the favorable U.S. federal income tax treatment generally accorded to regulated investment companies.

Amplify Investments LLC is the Investment Adviser to the Fund and Tidal Investments, LLC, serves as the Investment Sub-Adviser.

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