

MAY 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 rebounded with a positive month of 8.76% in April, but YTD performance remains down 6.73% at the end of the month (NAV return, see [standardized performance](#)). While the beta¹ may be higher, the performance was in line with market outcomes.

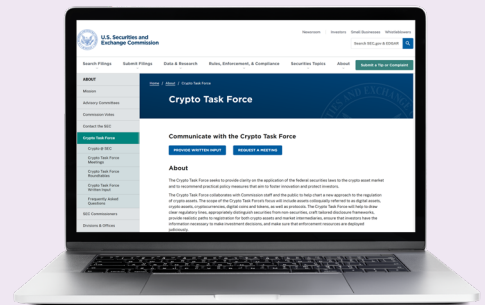
Liberation Day on April 2nd hit markets like a bad April Fool's Day joke, but no one laughed, and markets were pushed into a frenzy. Fortunately, most markets did rebound, as we wrote in the April BLOK-Chain Monthly Report, "[Cooler Heads Will Prevail](#)." Month-to-month performance was extraordinarily volatile, but we believe it is clear that digital asset efficiencies will add significant value across industries over the next three to five years. Any CEO or portfolio manager not looking closely at the benefits this technology could bring as an asset class is running a serious risk of being disrupted.

April Regulatory Progress

Crypto policy seems to be moving forward with transparency and active public engagement. This administration seems to be making "fast friends" among the government regulatory agencies with a real effort towards coordination as evidenced by these examples:

April 4th, 2025

The SEC's Division of Corporation Finance (the Staff) published a statement on Stablecoins clarifying that in the Staff's view on the offer and sale of certain dollar-backed stablecoins does not involve an offer and sale of securities requiring registration under U.S. federal securities laws (the Stablecoin Statement).² For further reference about what a Stablecoin is readers should review a16z Crypto editorial: A guide to stablecoins: What, why and how.³



April 16th, 2025

Senate Banking Chairman Tim Scott (R-SC) released two fact sheets on the GENIUS Act's consumer protection and national security implications for stablecoins.⁴ Federal Reserve Chair Jerome Powell publicly endorsed the push for congressional stablecoin legislation, and Acting Comptroller of the Currency Rodney Hood reaffirmed support for responsible digital asset innovation as part of the OCC's (Office of the Comptroller of the Currency) broader modernization agenda. This kind of coordination among agencies has never been seen before in the history of the technology and asset class.

April 21st, 2025

Paul S. Atkins was sworn in as the new SEC Chairman. On his fourth day "back" after publicly stating that the industry has been "stifled for several years," he noted at the Crypto Task Force Roundtable that he looks forward to engaging with market participants and working with colleagues in President Trump's Administration and Congress to establish a rational, fit-for-purpose regulatory framework for crypto assets.⁵ We would highlight that the Crypto Task Force meets twice a month to address the program of regulatory framework and is transparent about what is discussed as provided on their website: sec.gov/about/crypto-task-force.

April 30th, 2025

North Carolina made further progress in establishing a state Bitcoin reserve with the passage of HB 92⁶, the Digital Assets Investment Act in the house. The bill allows the state to invest in a Strategic Bitcoin Reserve, allows state employees to invest in digital assets through retirement plans, and would establish a state-managed digital asset reserve for confiscated cryptocurrencies. The Bill, which passed with a vote of 71 to 44, will now move to the State Senate. Of note, Arizona was the first state to deliver a bill to a governor, and this bill was vetoed. We believe that the action by certain states to embrace Bitcoin and/or "Digital Assets" is a step forward to demonstrate the progressive nature of how they might attract industries in technology.

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.

We expect that such activity and transparency will be viewed by the markets as more than just positive for the price of Bitcoin. It is encouraging for Blockchain venture capital, the IPO (Initial Public Offering) market, and further adoption of the technology. Historically, according to data from the May 2nd Galaxy Research Crypto Blockchain Q1 2025 report⁷, Bitcoin price action has historically been followed by greater market engagement and venture capital activity, so arguably investment activity in the asset class has bottomed out. We would be surprised if venture capital investments in 2025 don't eclipse the peak in 2021.



Venture capital investment in crypto startups was \$4.9bn (+40% QoQ) across 446 deals (+7% QoQ) in Q1 2025.



Later-stage deals captured the most capital investment (65%), while early-stage deals accounted for 35% of capital invested. Q1 2025 was the first quarter since Q3 2020 in which later-stage companies captured a bigger share of capital investment than early-stage companies.

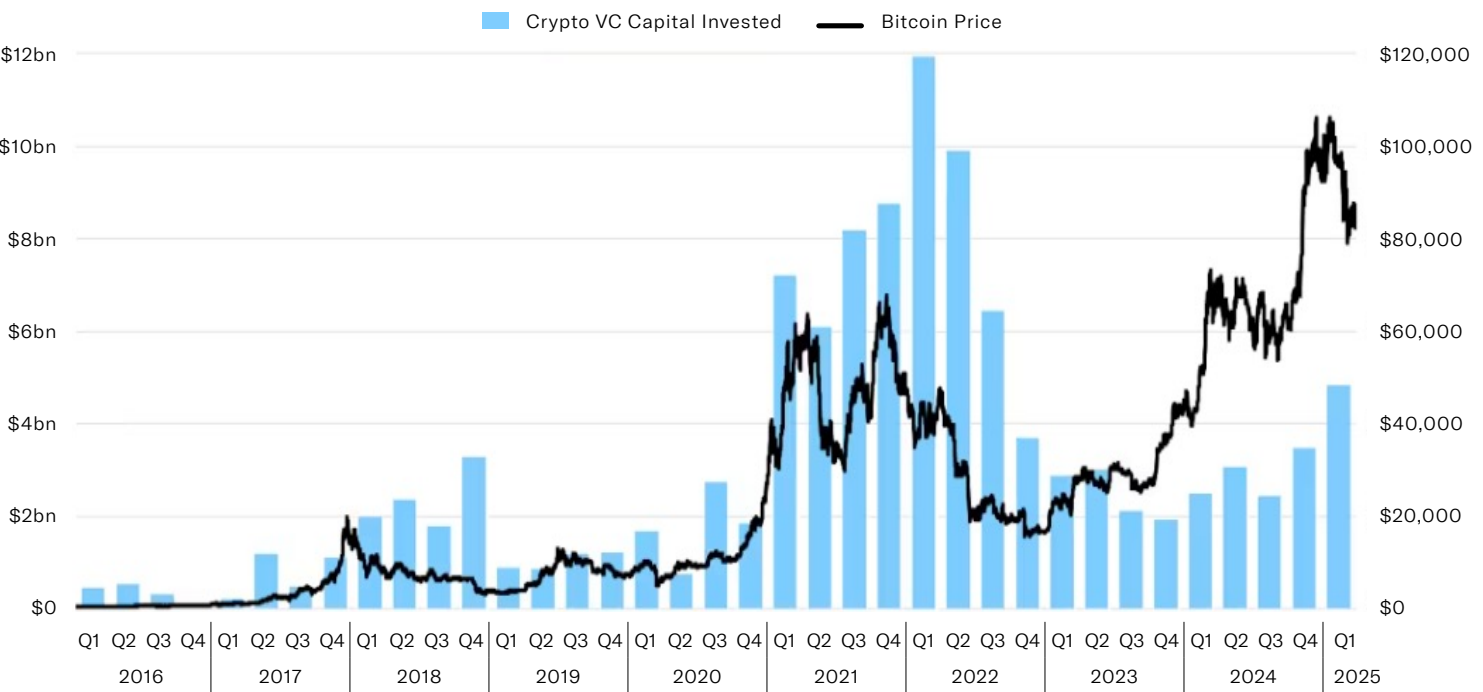


Trading companies raised the most capital, led by Binance's \$2bn raise from MGX, followed by DeFi protocols (\$763m) and Infrastructure companies (\$506m).



On the fundraising side, investors allocated \$1.9bn to 18 new crypto venture funds.

CRYPTO VC CAPITAL INVESTED & BITCOIN PRICE



Source: Galaxy Research. Data as of 5/01/25.

TRANSACTIONS AND REPOSITING

During the month, the Fund increased positions in Core Scientific (CORZ), Cipher (CIFR), HUT8 (HUT), and Block Inc (XYZ). These buys were funded from completed sales of Alibaba (BABA), CACI International (CACI) and Applied Digital (APLD). We consider those companies that we increased to be “Core Holdings.”

ATTRIBUTION

Standout performance on the positive side came in the form of our aggregate Bitcoin exposure, which across 5 Spot ETFs added 1.13% to the portfolio’s return and closed the month at about 8% holding. Such momentum was further shown in the portfolio exposure to Strategy, formerly MicroStrategy (MSTR) which contributed a 1.56% increase during the month with about a 31.85% return. The big news during the month was from Galaxy Digital (GLXY-CN), which after many years will be converting to a Delaware-based company and a new listing on Nasdaq on May 16th. GLXY was up 50.5% during the month and contributed 1.62% during this period. Congrats to the Galaxy Team! This change will help further reduce our now very limited exposure to Passive Foreign Investment Companies (PFICs) and thus reduce the probability of further December distributions. Robinhood Markets and Coinbase Global, as two main companies that make up the platform/transactional category, also showed outperformance with their contribution of 92 BPs and 85 BPs (*Basis Point), respectively. Both stocks were up about 18% in the month.

Beyond (BYON) was our worst performing stock, down almost 30%, reducing fund performance by about 92 BPs. The company trades at a \$230M market value which is not far off from its Q1 cash and inventory value of \$166 million. While it is true that the company is losing money and its plans are a bit complex, management’s commitment to turning the company around and maximizing its position with Blockchain is transparent and transformative. In fact, we would note that Beyond, which owns the Overstock brand, worked with tZERO as a “proof of concept” to launch a tokenized sleeve of Overstock.

No other companies meaningfully impacted the portfolio, which we attribute as greater than 70 BPs. As an addendum, we would note that Block Inc (XYZ), which increased during the month, did report a disappointing quarter early in May, which drove the stock down about 20%.

A couple of key takeaways:



We are a diversified Fund, but that does not mean we don’t have stronger beliefs in the potential outcome of certain companies.



Historically, as an active manager we have historically provided very high active share. The Fund’s overlap to the S&P 500 and the Nasdaq 100 remains at about 6%.



Over the years, our research process has identified about 200-300 public companies with varying degrees of Blockchain and crypto business strategies. We have seen an acceleration of opportunity in this universe, which includes 5 new names this month.



Historically, we have trimmed back positions when they rise above 5% to 5.5% exposure. It, therefore, should not be a surprise to see us trim MSTR as well as sometimes buy back what we sold. We also gingerly move in 50 BPs allocations. The category is volatile and momentum-driven. Stock price and value are frequently not the best determinate of the forward opportunity. Our insights into the category over these past seven years are best deciphered through our actions and our direct discussions with investors.



Investors have been disappointed by the stock performance of the “Bitcoin miners”. Our diversified approach follows an understanding around the outlook and approach of management teams in their geographic exposure, business approach to AI and Bitcoin mining, and our assessment of their ability to execute in the context of capital allocation against the industry’s cycle headwinds. The hardest part about this segment of the portfolio is remaining long when it moves 2-3x in value, but because the economics of the business are predicated in part on the volatility of Bitcoin and/or the evolution of AI, we remain constructive on the category in 2025 (see our BLOK-Chain Monthly comments from [January](#) and [December](#) for some further details).

TOP 10 HOLDINGS As of 4/30/2025

NAME	TICKER	WEIGHTING
Strategy	MSTR	5.81%
Robinhood Markets	HOOD	5.27%
Coinbase Global	COIN	4.42%
Galaxy Digital	GLXY CN	4.11%
Block	XYZ	3.64%
Cleanspark	CLSK	3.63%
Core Scientific	CORZ	3.54%
NU Holdings	NU	3.42%
MercadoLibre	MELI	3.22%
International Business Machines	IBM	3.20%

Holdings and allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security.

BLOK PERFORMANCE
CUMULATIVE (%)
ANNUALIZED (%)

MONTH END AS OF 4/30/2025	1 MO.	3 MO.	6 MO.	YTD	SINCE INCEPTION	1 YR.	3 YR.	5 YR.	SINCE INCEPTION
Fund NAV	8.76%	-16.15%	6.09%	-6.73%	159.27%	37.78%	17.05%	22.66%	13.97%
Closing Price	8.95%	-16.05%	6.05%	-6.97%	159.23%	37.96%	17.22%	22.77%	13.97%
QUARTER 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. 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

As blockchain technology and tokenization continue to reshape industries, we expect more companies to access public markets and drive broader adoption. Regulatory momentum is now acting as a tailwind rather than a headwind. While occasional disappointments are inevitable in periods of high expectation, we continue to be extraordinarily excited about the long-term opportunity for both the Fund and the broader digital asset ecosystem. Thank you for your confidence and shared insights. We always appreciate your engagement and challenging questions.

EDUCATION

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

- **Podcast:** The Empirepod, by Jason Yanowitz with Samara Cohen
x.com/theempirepod/status/1916869992181645656
- **Whitepaper:** Ripple and BDO Consulting: Approaching The Tokenization-Tipping Point.pdf
ripple.com/reports/approaching-tokenization-at-the-tipping-point.pdf
- **Satoshi Nakamoto Original Bitcoin White paper: Bitcoin:** A Peer-to-Peer Electronic Cash System
bitcoin.org/bitcoin.pdf

BLOK

Amplify Transformational Data Sharing ETF

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

Learn more: 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.

¹ Beta is a measure of a portfolio's or stock's volatility in relation to the overall market.

² sec.gov/newsroom/speeches-statements/statement-stablecoins-040425

³ a16zcrypto.com/posts/article/stablecoin-guide-what-why-how/

⁴ GENIUS ACT: "Guiding and Establishing National Innovation for U.S. Stablecoins Act of 2025"

⁵ sec.gov/newsroom/speeches-statements/atkins-remarks-crypto-task-force-roundtable-042525

⁶ ncleg.gov/BillLookup/2025/H92

⁷ galaxy.com/insights/research/crypto-venture-capital-q1-2025/

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. 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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