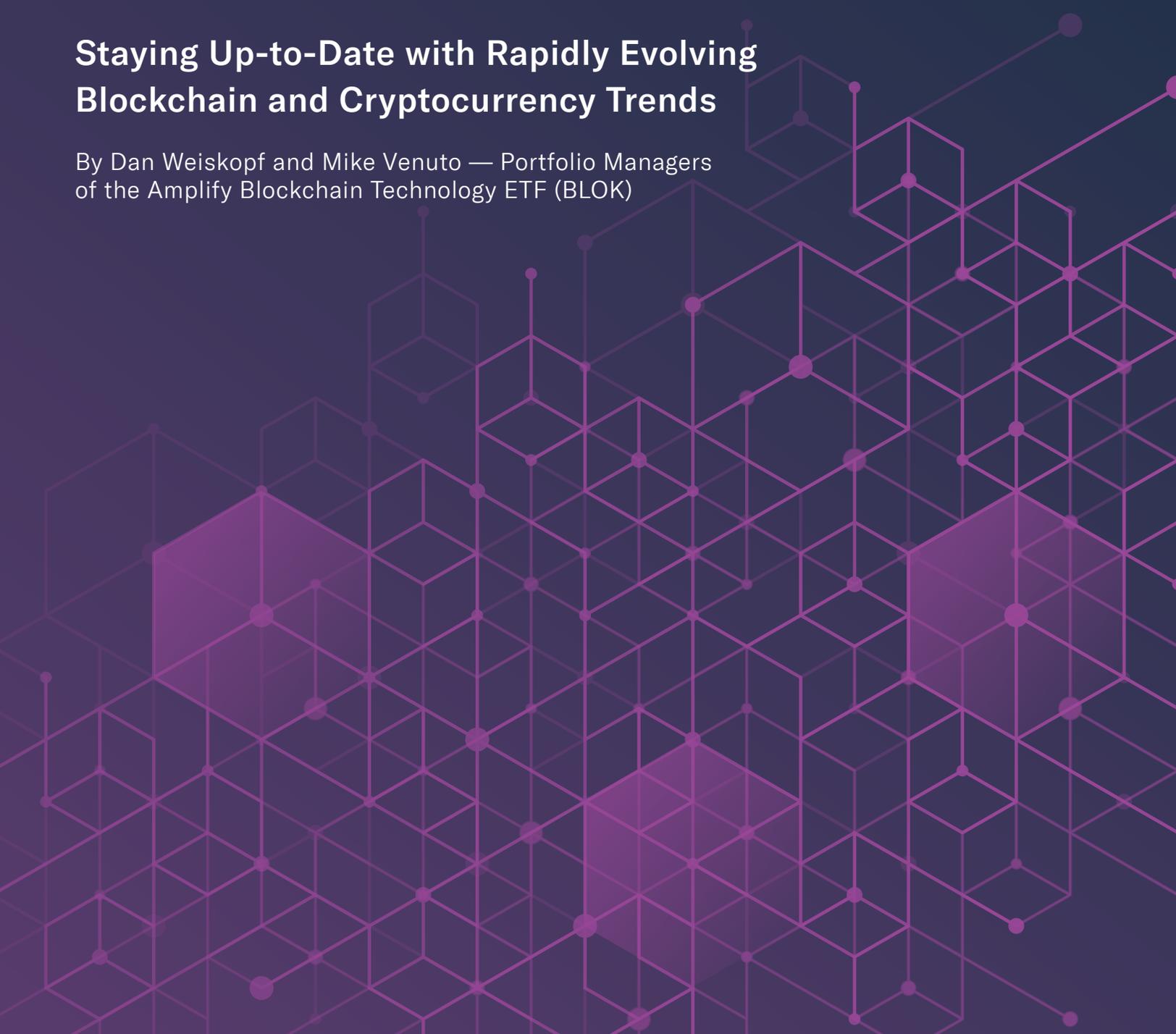


MARCH 2026

The BLOK-Chain Monthly

**Staying Up-to-Date with Rapidly Evolving
Blockchain and Cryptocurrency Trends**

By Dan Weiskopf and Mike Venuto — Portfolio Managers
of the Amplify Blockchain Technology ETF (BLOK)



As of February 28th, BLOK is down 6.04% total return (NAV, view [standardized performance](#)), year-to-date (YTD), following a 10.07% decline in February—a rough start for sure. However, compared to the decline of 25-35% in Bitcoin and other crypto blockchain-related platforms, this related-performance suggests that exposure to equity infrastructure has provided some differentiation during a weak period for the asset class. We believe companies leaning in on this technology shift may be positioned to benefit as the industry develops.

Actively Managed and Focus on Management Execution

We are an actively managed fund. Active means different things to investors, but to us it reflects an analysis defined not only by valuations, portfolio turnover, and traditional KPIs. It also involves engaging closely with the people who are building the evolving future rails and infrastructure of the Blockchain Decentralized Finance (DeFi) ecosystem. As a result, we are often asked by investors what we look for in a company and in management leadership.



Management led by founders or CEOs who are positioning their companies strategically with long-term business objectives, focusing on the use to capitalize on blockchain solutions to impact their industries by streamlining costs and/or supporting future revenue generations.



The universe of public companies in our network is in the hundreds, but those that qualify for inclusion in the portfolio have articulated a strategic plan or provided dedication to using blockchain technology to change traditional business processes. Benefits such as speed, transparency, and lower costs on a ledger often are referred to as part of a broader (block)chain-based approach.



Valuation is a relative risk/reward metric for us and helps inform when and how we enter a stock, as well as when we may trim a position



Long-term earnings objectives help inform and support our overall portfolio thesis.



Our access to company management teams is important to us. Building the right corporate culture, with the right ambition to embrace disruption, is not an easy journey. Having engaged with many management teams over the past nine years, we have a unique perspective on what is meant by native crypto, “wild west” ambitions, and the distinction of real business adoption.



We are long-term investors in our ninth year of this work, and value direct straight communication. Most people who believe in blockchain view it as a system grounded in the truth, particularly native to the ecosystem. We can handle management teams that need to pivot or iterate along their journey; however, exaggerated or unsupported tall tales are a different story.

A MYTH

We do not look for founders or CEOs named Michael to lead the companies in the portfolio; however, there are eight individuals named Michael across our portfolio of about 48 companies. These include **Michael** Saylor (MSTR), **Michael** Novogratz (GLXY), **Michael** (Mike) Cagney, founder (FIGR), **Michael** Tannenbaum, CEO (FIGR), **Mike** Ho, founder (HUT), **Michael** Belsche, founder (BTGO), and **Michael** Dell (DELL). If you are named Michael, please note that this 17% hit ratio is purely coincidental.

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](#).

Myths, Rumors, and Clarity on Regulation

Headlines around the progress around the CLARITY Act/market structure bill have been mixed until very recently, we believe that some of this noise reflects ongoing negotiations between banks and crypto industry leadership. Building consensus can be challenging and, at times, necessary, so tweets and public chatter are part of the modern-day process. According to some analysts, the likelihood of such a bill passing by mid-year is in the range of 60% to 70%.¹ While the positive headlines this week were influenced by a President Trump tweet², we would highlight that the Senate Banking Committee may need to postpone and garner more support.

However, to be clear, we do not believe that blockchain technology adoption is predicated on the approval of this bill. The administration, the Securities Exchange Commission (SEC), and the Commodity Futures Trading Commission (CFTC) are working together to establish foundational support aimed at creating a more constructive friendly environment than in the past, and even leadership within the banking industry has expressed support for blockchain technology. For example, just ask the ultra-competitive Jamie Dimon³ who claims to be “one of the biggest users of Blockchain” why blockchain technology is important, and ask Brian Moynihan, CEO of Bank of America, why the bank’s extensive blockchain-related patent filings.⁴

Nevertheless, we figured addressing some of the myths surrounding stablecoins, particularly given their role in industry disruption and the discussion around why this technology is considered beneficially so important.



MYTH 1

Stablecoins drain bank deposits

Most of the \$300 billion currently represented by stablecoins has originated from abroad, largely from individuals seeking U.S. dollar exposure. Bank deposits, which remain at or near record levels, have not shown material impact, as this demand is typically invested in U.S. Treasury bills. Growth in stablecoins could actually increase demand for Treasuries. Stablecoins are among one of the largest holders of U.S. Treasuries, with countries such as China reducing Treasury purchases, market participants continue to discuss the need for additional sources of demand to support U.S. deficit financing.⁵

- a** Stablecoins, currently at approximately \$300 billion, are often projected to potentially reach trillions of dollars, but they still compete against nearly \$8 trillion in assets under management in money market funds. Over nearly 50 years of existence, since 1974, there have been only four quarters in which money market fund (MMF) assets increased while bank deposits declined.
- b** Similar arguments existed in 1974 when MMF were first introduced. Today, both bank deposits and money market funds have grown, and MMF represents about 42% of the value of aggregate deposits, but this is down from about 52% in early 2000.
- c** At current levels, stablecoins as a form of digital money tend to compete more with bank deposits, as yield and liquidity are key factors driving force of their added value.
- d** The concept that the banking system includes both inside and outside money, which helps keep financial flows stable, is important and closely monitored by the Federal Reserve and banks. To this point, at a minimum the fact that reserves are increasing and remain at healthy levels, and that significant funds are parked at the Fed with minimal risk, is often cited as suggesting that the perceived threat is limited.
- e** Stablecoin transaction volume in 2025 was in the range of \$33-\$34 trillion, and in January alone it exceeded \$10.5 trillion, which, according to Grok, is about three to four times the volume of the combined credit card networks. Momentum has been building, which is often referenced as evidence that the underlying payment rails are functioning smoothly. Notably, approximately 60% of this volume operates on Ethereum.



MYTH 2

It hurts lending

Stablecoin competition won't hurt lending, just bank profits which are enjoying very healthy net interest margins.⁶ Banks could simply choose to compete by paying depositors higher interest rates — the national average savings yield is currently around 0.62%. The question of why should banks not pay depositors fairly for their capital? Arguably it must be nice to have \$18 trillion in free deposits that you can then go against. It is also notable that approximately 17.8% of bank deposits are held at the Federal Reserve, earning a risk-free return of 3.6%. Most importantly, banks provide most of the credit in the system. Wall Street, fintech firms, private equity, and credit unions are all significant sources of credit.

- a) Banks provide less than 30% of auto-loans.⁷
- b) Non-bank lenders now account for a majority of the mortgage originations, while banks represent about 30.1%.⁸
- c) Major financial institutions approve about 26.9% of small business loan applications. In contrast, small community banks and credit unions approve approximately 82% of applications, at least partially. Why? The difference is often attributed to the scale and process, as large banks typically take significantly longer to originate about 4x longer, while non-bank lenders average roughly seven days from application to decision.



MYTH 3

Savers will move money to stablecoins outside the system

Wrong – this view is often debated, if stablecoins offer yields similar to money market funds and/or Treasuries, the incentive to move away from bank deposits already exists, with ease of use cited as a potential differentiator. Sure, Millennials and Gen Z are increasingly engaging with the narrative around digital money and crypto, a trend often discussed as part of broader shifts in how these generations think about their capital and savings. Not all savers require 24/7 liquidity, and many alternatives already exist in the U.S., such as Zelle, Venmo, PayPal, and Apple-Pay. Money market funds and high-yield paying liquid pools of capital—whether offered through traditional structures or in tokenized form—are frequently cited as presenting similar challenges for banks.



MYTH 4

Stablecoins will be structured without proper regulatory requirements

Banks operate under extensive regulatory frameworks. Firms that issue or market stablecoins are also subject to regulatory scrutiny, though without the same backstops or support mechanisms provided by the Federal Reserve. As a result, these structures are often discussed as operating under different regulatory considerations—Again, there is no free lunch! Just a fair meal! **If coding on crypto follows first-principal rules, with transactions reconciled in milliseconds to minutes, then automation on a blockchain must also operate within proper reconciliation processes and established Know Your Customer (KYC) requirements. For this reason, we believe that the CLARITY Act may help identify a common framework between banks and participants supporting DeFi protocols.**

Bottomline

We are optimistic on the possibility that Congress may identify a bridge to advance a market structure bill (which may ultimately be referred to as the CLARITY Act). Ongoing discussions continue around modernizing U.S. financial infrastructure through blockchain technology, alongside considerations of how the traditional banking models adapt within that framework and did not deserve a free lunch. Additionally, the growth of money markets to approximately \$8 trillion did not disrupt capital flows into the banks, which has led some market participants to question whether newer, modernized structures would necessarily result in disruption?

Attribution: Interesting parallels? Figure and Galaxy

BLOK is down 6.04% total return NAV, (YTD), reflecting a 10.07% drawdown in February following a very volatile January. The decline was broad-based, in nature, and our diversified weightings did not provide meaningful insulation during the period. However, Figure Technology Solutions (FIGR) and Galaxy Digital (GLXY) were two stocks that stood out, given a number of uncommon situational parallels.

①

Both companies are led by founders with significant experience in financial services companies and capital markets. Michael Novogratz (see bio link⁹). Michael Cagney (see bio link¹⁰) is both well-known industry figures and have been charismatic active participants by nature in the crypto ecosystem.

②

Coincidentally, Galaxy Digital—a long-time holding position in BLOK since 2020—was also down substantially during the period, similar to FIGR. Galaxy's approximately 27% decline contributed about 1.25% to fund performance, reflecting its larger portfolio weighting. Much of last year's commentary focused on periods of positive performance; however, periods of drawdown can also provide insight into views on management teams and overall confidence. Investing, for us, is a highly engaged and deliberate process.

③

Both companies are building large-scale digital asset platforms and were early participants in the crypto space.

④

Both founders are highly competitive and have publicly discussed their focus on capital discipline and hate to lose money willing to put their money behind their mouth! During February, each company **announced a \$200 million share buyback of their stocks**. We would also note that both founders stay large shareholders, holding founder-sized equity stakes. Alignment of interests between management and shareholders, along with founder-led leadership, is often discussed as an important consideration for companies seeking to disrupt industries.

Attribution: Interesting parallels? Figure and Galaxy *cont.*

To be clear, other positions also declined substantially in February. However, none detracted more than 1% from the portfolio. With no outsized positions, the portfolio declined alongside other high-beta¹¹ strategies. Robinhood (HOOD) was the next-largest decliner at approximately -24%, resulting in a 0.87% impact on performance. Questions around the impact of AI on the portfolio are difficult to quantify, particularly when even companies such as IBM experienced historic drawdowns. IBM may also be pursuing a longer-term hardware strategy around quantum computing, which has been discussed as a potential offsetting area of focus. We have been long-term investors in IBM, in part due to its Hyperledger blockchain open source software¹². IBM declined 21% during the month, contributing to a 0.74% decline in BLOK's performance, despite reporting results above estimates. Our point is that recent sector rotation has left many stocks under pressure, regardless of reported results or stated management objectives. Given our strategy focuses on exposure to the convergence between AI and blockchain, we continue to monitor how these themes evolve within the portfolio.

Transaction and Repositioning

February was a month where we trimmed small positions and trimmed back some larger positions. An overweight position for us is in the range 4.5-5.5% and by month end we were below such levels. We remained at about 35% in our top 10 holdings, but did trim PayPal and Cleanspark. Separately, we also captured further profits from GPGL, formerly CompoSecure (GPGL). We exited small position in Bitdeer (BTDR) and Canaan (CAN) which together were less than 1%.

We increased positions incrementally in Applied Digital (APLD), EToro (ETOR) and BITGO (BTGO). We would note that Coinbase Global (COIN) and Robinhood Markets (HOOD) are names that historically we had to trim when they eclipsed the 5 to 5.5% level pursuant to our process. Trading around core holdings is part of our fundamental approach, which has served us well when momentum gets hot and also when risk off needs to be managed.

Top 10 Holdings *(as of 2/28/2026)*

TICKER	COMPANY	% WT.
WULF	Terawulf	4.58%
CIFR	Cipher Digital	4.02%
GLXY	Galaxy Digital	3.94%
HUT	HUT 8 CORP	3.72%
HOOD	Robinhood Markets	3.41%
8473 JP	SBI Holdings	3.34%
BBBY	Bed Bath & Beyond	3.30%
COIN	Coinbase Global	3.22%
OPRA	Opera	3.08%
NU	NU Holdings	3.04%

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

BLOK Performance

MONTH END AS OF 2/28/26	CUMULATIVE (%)					ANNUALIZED (%)				
	1 MO.	3 MO.	6 MO.	YTD	SINCE INCEPTION	1 YR.	3 YR.	5 YR.	SINCE INCEPTION	
Fund NAV	-10.07%	-13.83%	-9.48%	-6.04%	247.28%	28.72%	46.81%	5.32%	16.57%	
Closing Price	-9.94%	-13.93%	-9.50%	-5.99%	247.51%	29.45%	46.87%	5.45%	16.58%	
QUARTER END AS OF 12/31/25	1 MO.	3 MO.	6 MO.	YTD	SINCE INCEPTION	1 YR.	3 YR.	5 YR.	SINCE INCEPTION	
Fund NAV	-8.29%	-14.50%	0.64%	32.95%	269.59%	32.95%	59.05%	15.07%	17.86%	
Closing Price	-8.44%	-14.53%	0.33%	32.66%	269.67%	32.66%	59.57%	14.96%	17.86%	

Fund Inception Date: 1/17/2018. BLOK's total expense ratio is 0.70%. **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. Relatively high performance due to market conditions may not be sustainable or repeated in the future. 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

For the month of February, the Fund was down 10.07% and concluded the YTD period down 6.04% total return (NAV). While volatility in the space does present challenges for some investors, we would argue that earnings and cash flow matter the same to us as for any growth strategy but going where the hockey stick is headed has definite advantages.

Education

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

Coursework

DACFP Coursework: <https://dacfp.com/>

White Paper

Satoshi Nakamoto Original Bitcoin White paper: Bitcoin: A Peer-to-Peer Electronic Cash System bitcoin.org/bitcoin.pdf

BLOK

Amplify Blockchain Technology ETF

First & Largest Actively Managed Blockchain Technology ETF

Learn more: BLOKETF.com



Embrace the Future of Finance: The blockchain and crypto transformation is here, and BLOK is designed to help capture opportunities in this rapidly evolving market.



Dynamic and Forward-Thinking: Unlike passive funds, BLOK uses active portfolio management to dynamically adjust holdings based on industry trends, regulatory changes, and emerging technologies.



Proven Strategy Since 2018: BLOK identifies and dynamically invests in leading blockchain innovators, crypto infrastructure companies, and digital assets like bitcoin ETPs—positioning investors for long-term growth potential.

¹ https://www.theblock.co/post/391680/jpmorgan-crypto-market-structure-bill-positive-catalyst-second-half?utm_source=twitter&utm_medium=social

² <https://x.com/EricTrump/status/2028976237289304098?s=20>

³ <https://www.interactivecrypto.com/jp-morgan-ceo-jamie-dimon-says-stablecoin-issuers-paying-interest-should-be-regulated-as-banks-1772585970671>

⁴ https://finance.yahoo.com/news/jamie-dimon-warns-coinbase-must-174154469.html?fr=sycsrp_catchall

⁵ <https://cryptoslate.com/stablecoin-issuers-182-billion-us-treasury-hoard-ranks-17th-among-countries-beating-uae-and-south-korea/>

⁶ <https://fintechmode.com/news/blockchain/bank-of-america-blockchain-patents/>

⁷ <https://www.fdic.gov/news/speeches/2026/fdic-quarterly-banking-profile-fourth-quarter-2025#:~:text=Chart%201,from%20the%20year%2Dago%20quarter>

⁸ <https://www.autofinancenews.net/allposts/sales-and-marketing/bank-auto-finance-share-jumps-to-28-9/>

⁹ https://en.wikipedia.org/wiki/Michael_Novogratz

¹⁰ <https://www.mikecagney.com/>

¹¹ Beta is a measure of a portfolio's or stock's volatility in relation to the overall market.

¹² <https://www.ibm.com/docs/en/hlf-support/1.0.0?topic=started-about-support-hyperledger-fabric>

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 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. 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. Amplify ETFs are distributed by Foreside Fund Services, LLC.

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