

# **Lending - July 2025**

## **Performance Report**

The purpose of this report is to offer transparent information about the performance of Bitstamp Earn Lending product to our customers.

Welcome to the latest edition of our monthly Lending Performance Report.

We believe transparency is essential for crypto lending. This report, developed in collaboration with our lending partner, Tesseract, provides a comprehensive overview of our lending product performance.

The Bitstamp by Robinhood team

# Market Commentary

The cryptocurrency market is constantly changing, with new developments and market shifts happening at a rapid pace. The first section of the Lending Performance Report provides insights and analysis on the current state of the market, helping crypto lenders stay up-to-date on the latest trends.

## Key crypto market commentary:

### Market overview and exchange volumes

- July 2025 was a highly bullish month for both equities and crypto. At the start of the month, the total crypto market cap stood at \$3.46 trillion and climbed steadily to \$3.93 trillion. This growth was supported by relative stability in trade policy, the formal passing of the GENIUS Act, and easing concerns around future Fed rate decisions. Corporate demand for digital assets remained strong, particularly for Ethereum. The total ETH holdings by public companies jumped from 237,000 ETH to 862,000 ETH, driven primarily by Bitmine's acquisitions. Institutional appetite was also reflected in crypto ETFs, which recorded a historic month with over \$5 billion in inflows, especially on the Ethereum side. Real-world asset tokenization continued to gain traction as Robinhood launched tokenized offerings for stocks, ETFs, and private companies on Arbitrum. Stablecoin inflows accelerated, reaching \$8 billion in July, signaling solid liquidity support for future price movements.
- Ethereum led the crypto rally with a 39% month-over-month gain, fueled by sustained buying from corporate treasuries. Bitcoin

followed with a 7.8% increase. Solana rose 10.8%, supported by volume growth on the Letsbonk platform. XRP surged 30% after reaching a settlement with the SEC. Meme coins and DEX tokens also performed well in July, each segment growing its total market cap by more than 30%.

- Monthly exchange volumes saw a significant uptick, rising from \$1.10 trillion in June to \$1.77 trillion in July. This 47% increase brought volumes back to levels last seen in February 2025.

### Outlook

- In August, analysts are watching for additional treasury acquisitions across both major and alternative tokens. Institutional activity will be a key signal of continued ecosystem maturity. Attention is also focused on upcoming inflation and employment data, which may influence whether the Federal Reserve moves forward with a rate cut in September. Meanwhile, uncertainty around the future direction of United States trade policy and tariffs remains a notable variable.

# Portfolio Performance

The performance of crypto borrowing portfolios can vary based on several factors, including the quality of the borrowers and the collateral they provide. Understanding the performance and quality of such portfolios is essential for crypto lenders looking to maximize their returns while managing the risk involved. The portfolio along with its diversification is managed by our lending partner Tesseract.

Current yield <sup>1</sup>	6/2025	5/2025	4/2025
 1,50 %	1,50 %	1,50 %	1,50 %
 2,50 %	2,50 %	2,50 %	2,50 %
 1,50 %	1,50 %	1,50 %	1,50 %
 6,60 %	6,60 %	6,60 %	4,40 %
 4,40 %	4,40 %	4,40 %	4,40 %
 4,00 %	4,00 %	4,00 %	4,00 %
 4,00 %	4,00 %	4,00 %	4,00 %
 2,00 %	2,00 %	2,00 %	2,00 %
 2,00 %	2,00 %	2,00 %	2,00 %
 3,80 %	3,80 %	3,80 %	3,80 %
 2,00 %	2,00 %	2,00 %	2,00 %
 3,80 %	3,80 %	3,80 %	3,80 %
 3,50 %	3,50 %	3,50 %	3,50 %
 1,20 %	1,20 %	1,80 %	/
 3,25 %	3,25 %	3,90 %	/
 5,00 %	5,00 %	6,00 %	/
 2,00 %	2,00 %	2,40 %	/
 7,50 %	7,50 %	9,00 %	/
 1,25 %	1,25 %	1,50 %	/
 2,40 %	2,40 %	3,60 %	/

## Portfolio performance – key facts:

The loan portfolio continues to demonstrate solid performance, with all borrowers making timely repayments of both interest and principal as scheduled.

Ongoing credit assessments, including reviews of financial statements, confirm that borrowers maintain strong levels of creditworthiness.

<sup>1</sup> Rates may change from time to time. Rate changes are communicated to the Bitstamp Earn users on the Earn product page.

# Bitstamp Earn portfolio concentration

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The table shows how loans are distributed across various assets in the portfolio.

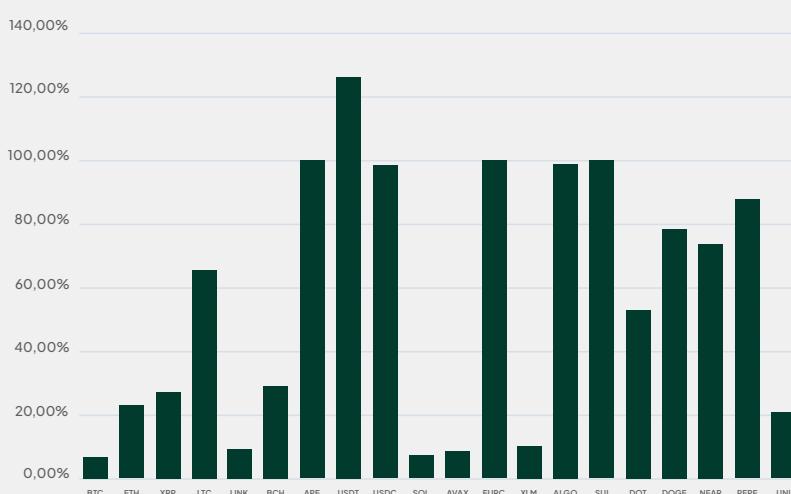
<b>BCH</b>	<b>0.7%</b>
Counterparty3, Tier2: BCHloan	0.2%
Counterparty1, Tier2: BCHloan	0.5%
Counterparty18, Tier2: BCHloan	0.0%
<b>BTC</b>	<b>67.7%</b>
Counterparty3, Tier2: BTCloan	6.9%
Counterparty6, Tier2: BTCloan	2.1%
Counterparty5, Tier2: BTCloan	10.6%
Counterparty14, Tier2: BTCloan	3.4%
Counterparty8, Tier1: BTCloan	4.9%
Counterparty12, Tier2: BTCloan	11.0%
Counterparty10, Tier1: BTCloan	12.7%
Counterparty2, Tier2: BTCloan	5.6%
Counterparty1, Tier2: BTCloan	8.8%
Counterparty18, Tier2: BTCloan	1.6%
<b>ETH</b>	<b>7.2%</b>
Counterparty3, Tier2: ETHloan	2.9%
Counterparty14, Tier2: ETHloan	0.5%
Counterparty1, Tier2: ETHloan	0.5%
Counterparty2, Tier2: ETHloan	1.4%
Counterparty8, Tier1: ETHloan	0.2%
Counterparty18, Tier2: ETHloan	1.6%
<b>LINK</b>	<b>0.7%</b>
Counterparty3, Tier2: LINKloan	0.4%
Counterparty12, Tier2: LINKloan	0.2%
Counterparty18, Tier2: LINKloan	0.1%
<b>LTC</b>	<b>0.6%</b>
Counterparty3, Tier2: LTCloan	0.4%
Counterparty12, Tier2: LTCloan	0.1%
Counterparty18, Tier2: LTCloan	0.1%
<b>XRP</b>	<b>11.9%</b>
Counterparty3, Tier2: XRPloan	0.9%
Counterparty6, Tier2: XRPloan	8.3%
<b>GrandTotal</b> 100,00%	

- The graph shows the distribution of loans across all assets in the portfolio.
- At end of July, the loan portfolio is well-diversified across 10 borrowers:
  - 2 in the Tier 1 category (large top-tier market makers from traditional finance)
  - 8 in the Tier 2 category (large top-tier crypto-native market makers and exchanges)

Most assets in the portfolio consist of Bitcoin (BTC), which accounts for 69.1% of total assets lent. Ripple (XRP) is the next largest asset at 12.1%, followed by Ether (ETH) at 7.3%. At month-end, 6.0% of the portfolio remained undeployed.

## Portfolio collateral ratios by asset

Key facts about the loan portfolio:



Collateral levels for each asset in the loan portfolio at the end of June

- With the loan portfolio being well-diversified across 10 borrowers, the collateral levels held for each asset further mitigate the credit risk in the portfolio.

# Borrower debt to equity ratios

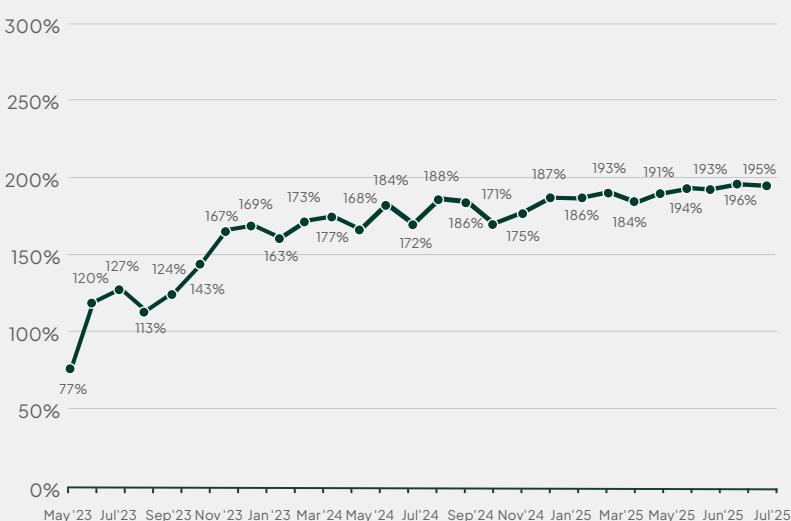
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## Borrowers' risk profile and collateral

Bitstamp by Robinhood is partnered with Tesseract, a regulated and experienced digital asset lending company, to provide crypto lending products. Lending rewards are generated solely through lending assets to reputable and creditworthy institutions, including delta neutral market makers. Tesseract conducts thorough credit and risk due diligence on all borrowers. Delta neutral means that borrowers are not materially exposed to pricing movements of the assets they have borrowed. As delta neutral market makers, borrowers provide liquidity for exchanges. This reduces the bid-ask spread, making markets more efficient.

## Borrower debt to equity ratios

The graph illustrates how much leverage (i.e., debt-to-equity) the borrowers are taking on average in order to grow their market making activities. The lower the leverage, the more equity the borrowers have as a buffer against any potential losses arising from their business.



The graph shows the average leverage (i.e., debt-to-equity ratio) that borrowers are using to grow their market-making activities. Lower leverage means borrowers have more equity as a buffer against potential business losses.

The Earn Lending product targets counterparties with modest debt-to-equity ratios ranging between 200 - 400%.

At the end of July, borrowers' average debt-to-equity ratio was 195%. This remains below the long-term target range of 200% to 400%, indicating that borrowers are well-capitalized and have significant buffers to mitigate potential losses. As a result, the risk of the borrowers ultimately defaulting on their loans is low.

## Tesseract's lending credit scorecard model

The main objective of Tesseract's credit due diligence process is to ensure that all key risks that could potentially lead to the borrower defaulting on the loan are identified. These are then reflected in the credit score (Tier categorization) and collateral requirements for the borrower.

### KYC/AML compliance

Assessment of borrowers' regulatory status to ensure Tesseract works with fully compliant counterparties.

### Solid financial base

Assessment of profitability, volatility, leverage and concentration of borrowers' financial performances.

### Non-financial risk

Assessment of past performance in terms of reputation, management experience and information security and other operational risk practices.

## Bitstamp crypto lending - Earn with confidence

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