



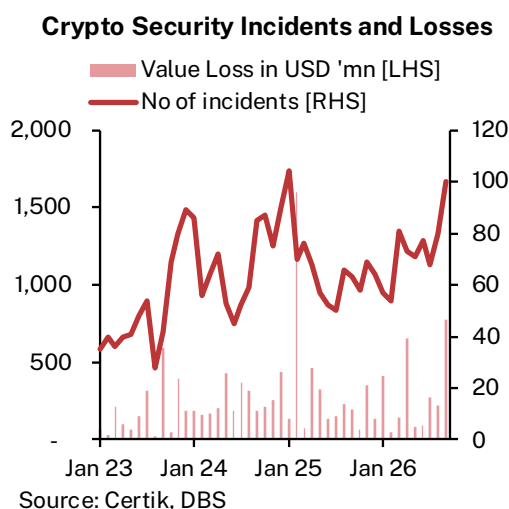
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- *ETF inflows and institutional buying supported crypto gains*
- *South Korea's upcoming tokenised-securities framework could boost blockchain adoption*
- *Cybersecurity incidents had limited impact as customer assets remain protected*

Crypto security incidents have been increasing since Feb 2026



Crypto extended its rally in September, outperforming US equities. Bitcoin and Ether gained 6% and 9%, respectively, compared with a broadly flat S&P 500 and a 2% rise in the Nasdaq. Continued spot ETF inflows supported crypto markets despite higher Treasury yields weighing on equities. Demand was also boosted by Strategy's c.USD220mn Bitcoin purchase and Bitmine's estimated USD250mn Ether acquisitions.

South Korea to legally recognise tokenised securities from 4 February 2027. South Korea has unveiled a three-phase roadmap for tokenised securities. The Financial Services Commission plans to begin in February 2027 with institutional-only private money market funds and bonds, unlisted shares held through trusts and publicly offered fractional-investment securities. The second phase will expand the framework to cover all publicly offered securities, while the final phase envisages on-chain payments linked to stablecoins. The timing of the latter phases will depend on the success of the initial rollout, technological developments, and the passage of stablecoin legislation. While the FSC did not specify the use of any blockchain network, Ethereum- and Solana-based networks are potential candidates given their adoption in tokenised securities initiatives by firms such as Robinhood, Gemini, Securitize, and Kraken.

September saw two security incidents within the crypto ecosystem, but user funds remain safe. ~USD320mn of Bitcoin was withdrawn from the Liquid Network sidechain on 6 Sep due to a vulnerability in transaction validation. 85% of these BTC were eventually returned, with the remaining loss absorbed by the Liquid Federation. An exchange also reported ~USD388mn in unauthorised transfers on 24 Sep, with its User Protection Fund absorbing the loss while customer balances are unaffected. Vulnerabilities reported so far are all peripheral, rather than within chains.

ASSET MARKET RETURNS

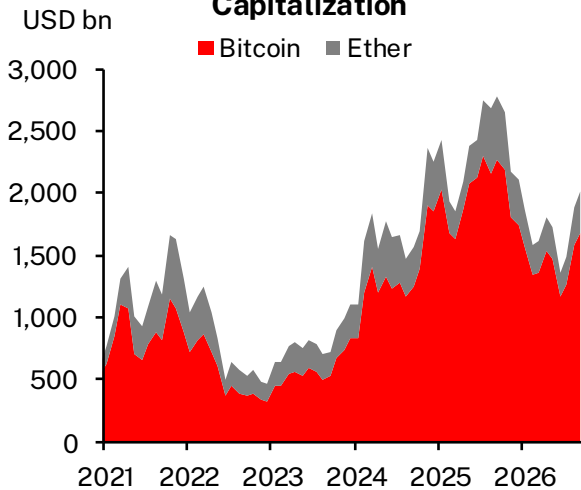
Market prices, capitalization, and returns

Market metrics (in USD)	Bitcoin	Ether	S&P500	Gold
Price*	83,580	2,686	7,652	4,157
Market capitalization (trn)	1.7	0.3	68.3	27.9
Monthly return (%)	6.4%	8.9%	-0.5%	-6.3%
Year-to-date return (%)	-4.5%	-9.5%	11.8%	-3.7%
1Y return (%)	-26.7%	-35.1%	14.4%	7.7%
5Y return (%)	90.9%	-10.5%	77.6%	136.6%

Source: Bloomberg, Coinmetrics, DBS

*As of 30 Sept 26

Cryptocurrencies Market Capitalization



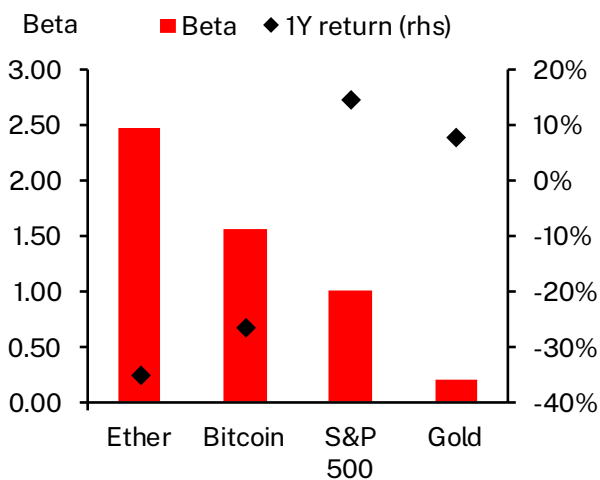
Source: Coinmetrics, DBS

Crypto 5Y return correlations

	Bitcoin	Ether	S&P500	Gold
Bitcoin		0.86	0.52	0.17
Ethereum	0.86		0.56	-0.01
S&P500	0.52	0.56		0.18
Gold	0.17	-0.01	0.18	

Source: Bloomberg, DBS

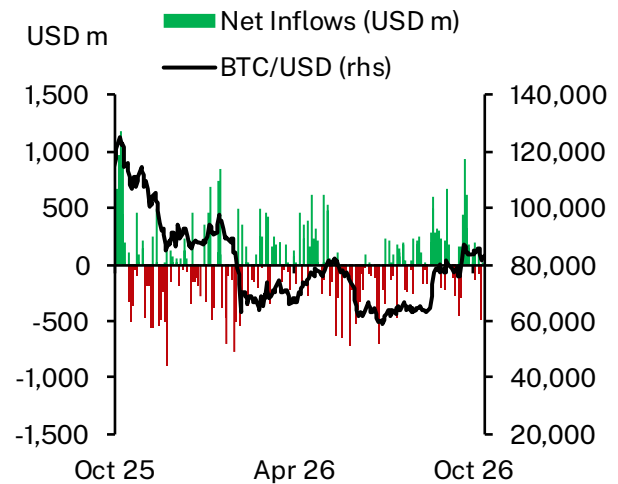
5Y CAPM betas vs 1Y spot return (%)



Source: Coinmetrics, Bloomberg, DBS

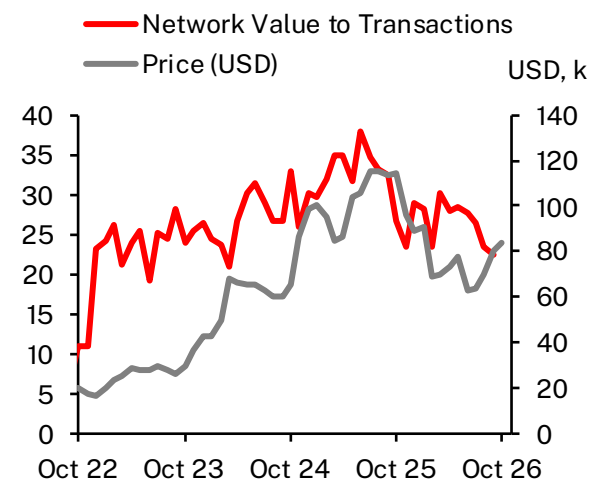
FLOWS & NETWORK METRICS

BTC: US ETF daily net inflows and price



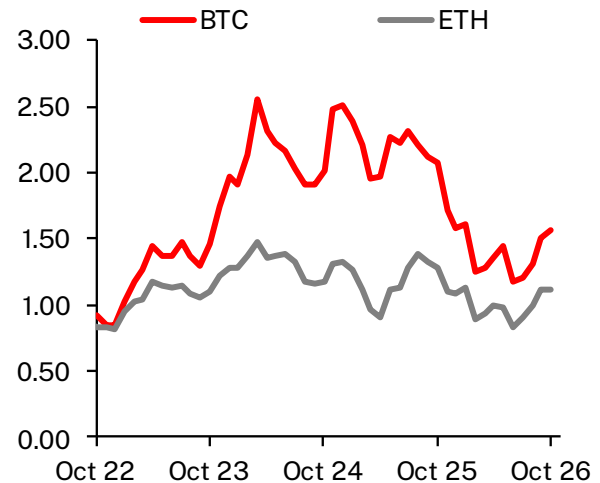
Source: Bloomberg, DBS

BTC: Network value to transactions



Source: Coinmetrics, DBS

Market value to Realized value ratio



Source: Coinmetrics, DBS

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