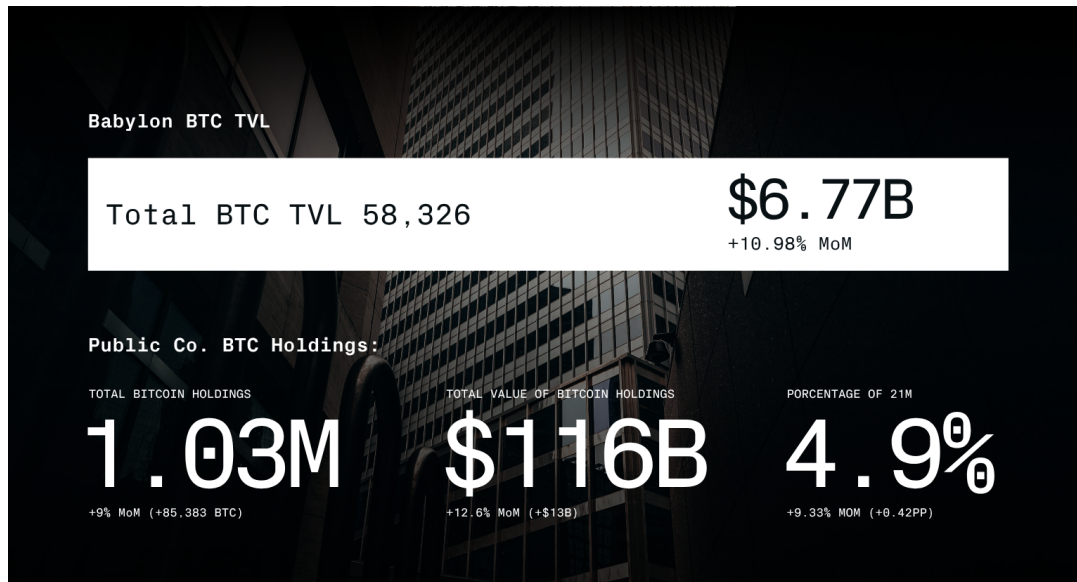


Explore the latest in institutional Bitcoin - staking efficiency, treasury moves, and key market developments

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Bitcoin BENCHMARK in X days



Babylon Institutional Update

BTC Price: \$116,438 (+4.27% MoM)

Total BTC ETF Holdings: \$148,276B (-8.61% MoM)
(down \$13.96B)

Trustless Vaults: BTC-Backed Borrowing

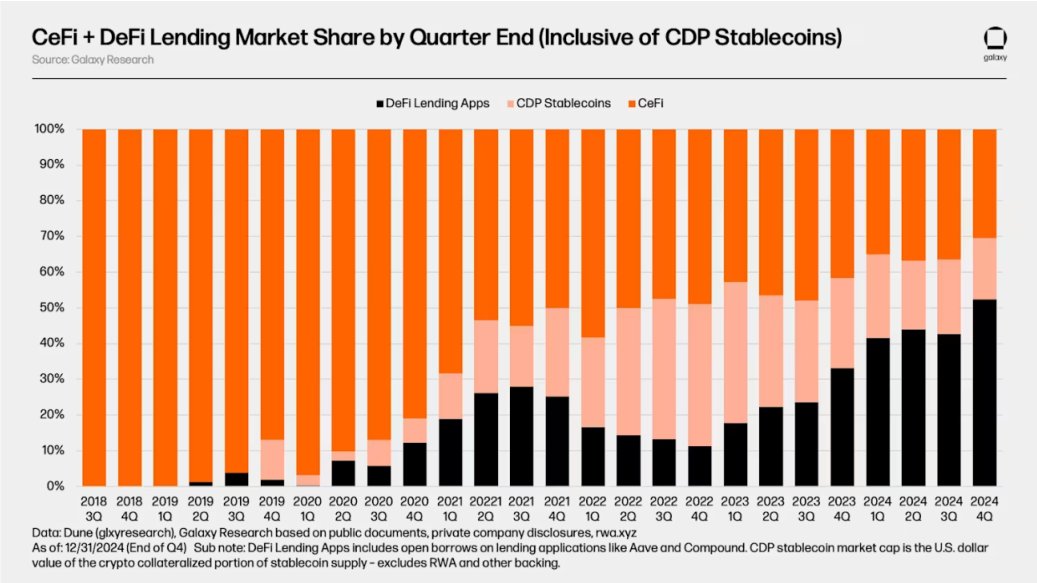
Following August's publication of the Trustless Bitcoin Vaults whitepaper, this section examines a key institutional use case: using native BTC as collateral for borrowing.

[Read the whitepaper today](#)

DeFi is becoming the dominant credit market - and here's why it matters for Babylon Bitcoin Trustless

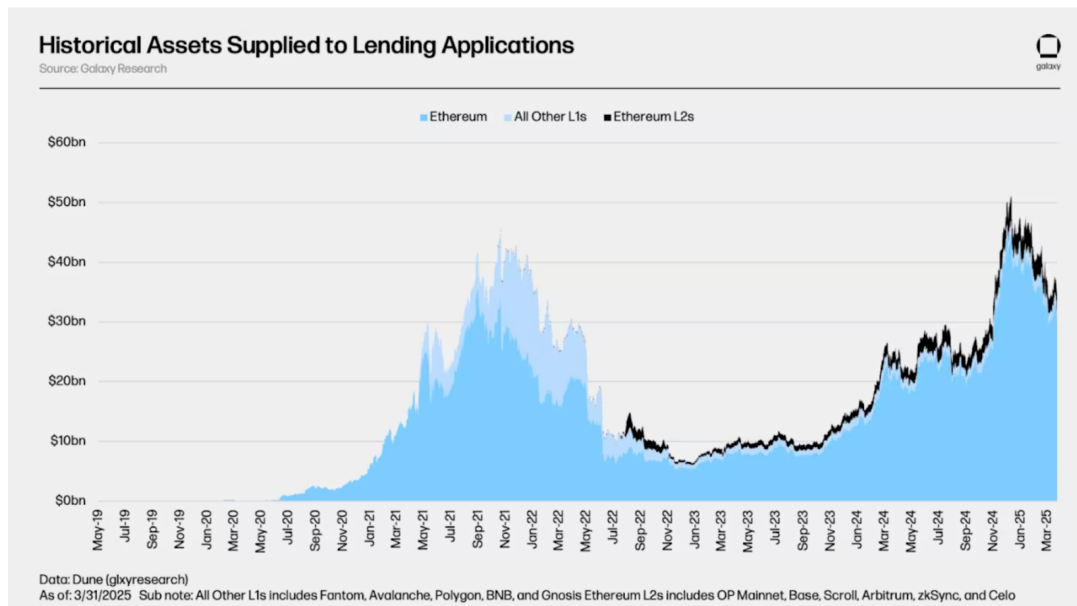
Vaults

By Q4 '24, DeFi lending apps + CDP stablecoins captured ~69% of crypto credit market share (CeFi has steadily eroded since 2022). (See Galaxy chart: DeFi vs CeFi market share.)



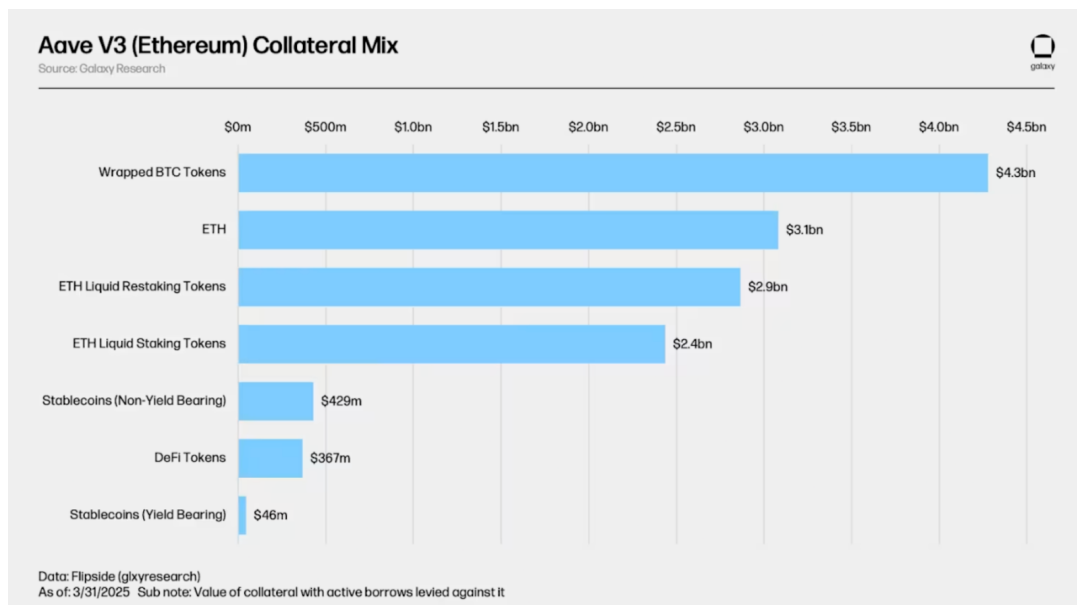
Ethereum L1 remains the home of on-chain credit, accounting for >80% of supplied assets and ~\$50B in deposits by Q1'25.

(See Galaxy chart: Historical assets supplied to lending apps.)



On Ethereum, **BTC is the single largest collateral asset** (WBTC on Aave V3 \$4.3B), ahead of ETH itself (\$3.1B) and ETH LST/LRT baskets (~\$5.3B combined). (See Galaxy chart: Aave V3 collateral mix.)

Boris Alergant, Head of Strategic Initiatives, Babylon Labs, commented, ***"BTC has proven itself to be the ultimate collateral. No one wants to sell their BTC, but everyone wants to mobilize it. We will see the BTC-backed lending market continue to grow significantly in the coming years."***



What Trustless Bitcoin Vaults unlock

- **Lending protocols:** BTC as HQLA-style collateral for credit markets without wrapper risk.
- **Stablecoin issuers:** liabilities backed by verifiable Bitcoin reserves.

David Tse, co-founder of the Babylon Protocol, commented on Bitcoin Trustless Vaults: “This marks Bitcoin’s transformation from a static store of value into trustless collateral for DeFi.”

Institutional Market Insight

BTC Market Pulse (week of Sept 22–26)

- **ETF flows flipped negative:** U.S. spot BTC ETFs saw ~\$897.6M net outflows (vs. +\$887M prior week), with the largest single-day print -\$418.3M on Friday.
- Without a quick return of ETF inflows, bias is sideways-to-lower. Reclaiming \$114–116k reopens the topside; losing \$104–105k risks a deeper test into the \$95–105k range.

Our take:

A methodical read of price vs. the power-law shows BTC ‘on trend’ around ~\$114k. If 2017’s pattern repeated—power-law ~\$2.6k in Sept to a year-end peak ~\$20k—the analogue would map to ~\$1M today (illustrative, not a forecast). The real question is whether the four-year cycle is ending and a new regime is starting. A classic blow-off (>90th percentile) would point to \$228k+.

Bitcoin Treasury Update

M&A Highlight – Strive acquires Semler Scientific (SMLR):

- **Deal:** All-stock acquisition using equity trading at ~4.12× mNAV to buy BTC at ~2.1× NAV – effectively

acquiring ~\$565M of BTC for ~\$291M implied value (~48% discount).

- **Result:** Combined entity controls ~10,900 BTC and jumps into the global top-15 without cash deployment.
- **Playbook:** Use premium equity + preferred structures to roll up discounted treasuries; accretive to BTC/share while avoiding debt cliffs.
- **Implication:** Template for a broader consolidation wave, especially across **EU names trading <1× NAV**; potential for rapid concentration if premiums persist.

Weekly Leaders

Top Bitcoin buy this week

OranjeBTC 🇧🇷

- **BTC added:** 3,600 BTC
- **Estimated value:** ~\$400M
- **New total holdings:** 3,650 BTC
- **Funding source:** Private capital raise backed by Winklevoss Capital, Adam Back, FalconX, and Latin American investors
- **Current Ranking:** ~#27 globally
- **% of total supply:** ~0.017%
- **mNAV:** To be determined post-listing on Brazil's B3 exchange

OranjeBTC has burst onto the global leaderboard with Brazil's largest corporate Bitcoin buy to date. The company announced a 3,600 BTC purchase ahead of its planned reverse-merger listing on the B3 exchange in early October, instantly positioning itself as Latin America's premier public Bitcoin treasury. B

Babylon Ecosystem Update

- **Metrics:** TVL \$6.77B (ATH); BTC price \$116,438

- **Events & X Spaces:**

- Founders Quarterly Call - October 7
- Babylon at DevCon November 16 + 17

For institutional inquiries, contact Babylon Institutional Relations.

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Babylon Labs

Rodus Building, Road Town
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