

FBTC

Fidelity Wise Origin Bitcoin Fund

Fund Description

FBTC is passively managed, offering exposure to the daily USD spot price of bitcoin (BTC) using a Bitcoin price feed. An investment in the fund is not a direct investment in bitcoin.

FactSet Analyst Report

FBTC aims to track the price of bitcoin, less trust expenses and liabilities. It intends to provide accessibility to bitcoin without the complexities of acquiring, holding, and trading directly through a digital asset platform. Holdings are valued daily based on the Fidelity Bitcoin Reference Rate, using bitcoin price feeds from eligible bitcoin spot markets and a volume-weighted median price methodology. The index aggregates the trade flow of several bitcoin platforms during an observation window, focusing on relevant transactions, as defined by the index provider. This serves as a once-a-day benchmark rate of bitcoins USD price. The fund will not utilize leverage. Tax consequences to shareholders is unclear. If treatment is similar to other physical precious metal ETFs, shares are taxed at the higher rate of collectibles. The fund may also sell bitcoin in order to pay trust expenses. As a result, this may be reflected as a return of capital and an income expense.

