BECTRA

# CIRCLE RESERVE FUND AND USDC RESERVES

Financial, longitudinal and liquidity analysis — 2022–2026

Seven fund reporting dates, Circle monthly attestations and Q2 2026 results

2026 Edition

# The fund has changed in both scale and structure

**$66.37bn**

net assets at 30 April 2026

**+161%**

since April 2023

**70.8%**

repos as a share of net assets

**3.60%**

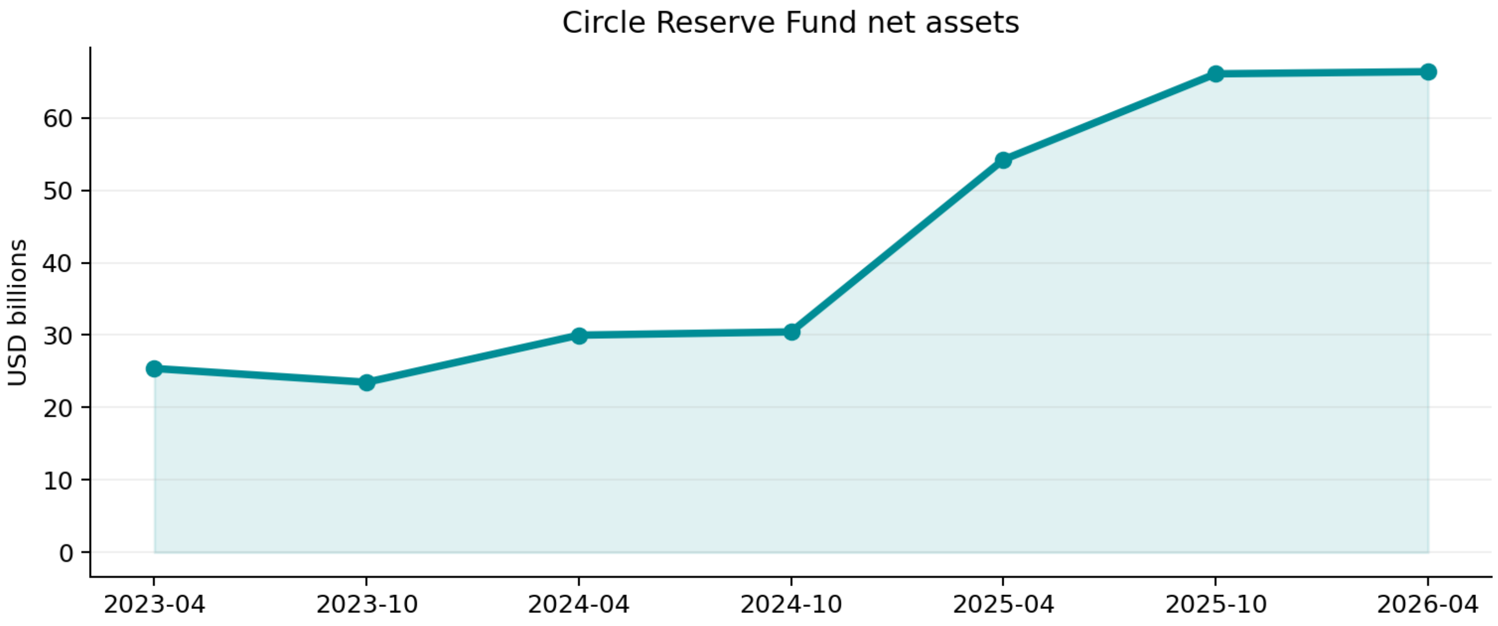
seven-day yield

**Very short maturities support contractual liquidity. They do not remove operational risk, counterparty risk or the timing gap between the fund and a fiat USDC redemption.**

Sources: Circle Reserve Fund annual and semi-annual reports; BECTRA calculations.

Analysis updated through 30 June 2026

# Net assets reached $66.37bn




## Growth was concentrated in 2025

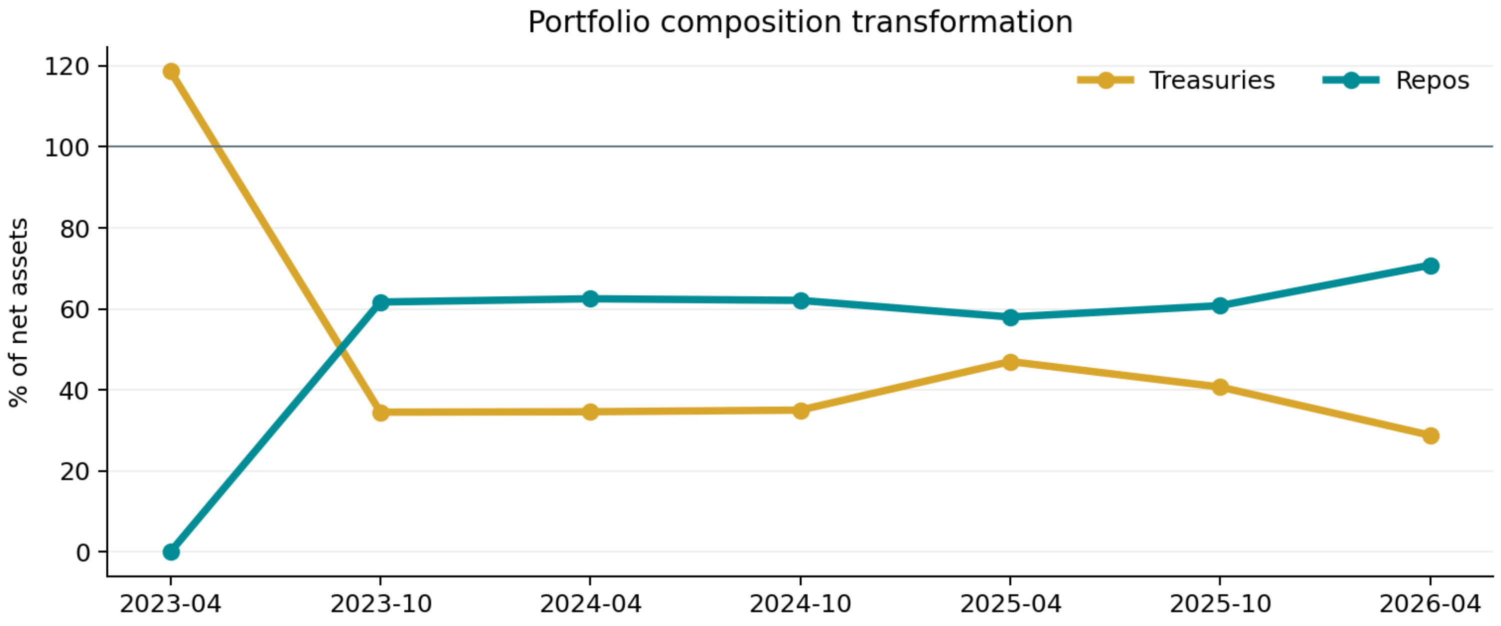
Net assets rose from $25.39bn to $66.37bn between April 2023 and April 2026. The 2025 increase changed the scale of the structure and raised the importance of gross flows.

**+$40.98bn in three years**

Sources: Circle Reserve Fund annual and semi-annual reports; BECTRA calculations.

# Repos now dominate the portfolio

## Short liquidity relies more heavily on intermediaries




Repos increased from 0% to 70.8% of net assets, while Treasuries declined to 28.8%. This shift shortens maturities but increases reliance on settlement infrastructure and counterparties.

**$47.0bn of repos at 30 April 2026**

Sources: Circle Reserve Fund annual and semi-annual reports; BECTRA calculations.

# 70.8% of net assets mature by T+1

| Horizon | Cumulative share | Observable resource |
|---|---|---|
| T+1 | 70.8% | Repos maturing |
| T+7 | 73.0% | Repos and first Treasury bills |
| T+30 | 83.8% | Cumulative maturities |
| T+90 | 99.6% | Almost all investments |

**Key limitation: contractual maturity of fund assets does not equal the capacity to redeem all USDC holders simultaneously.**

Sources: Circle Reserve Fund annual and semi-annual reports; BECTRA calculations.

Analysis updated through 30 June 2026

# Liquidity depends on a chain of intermediaries

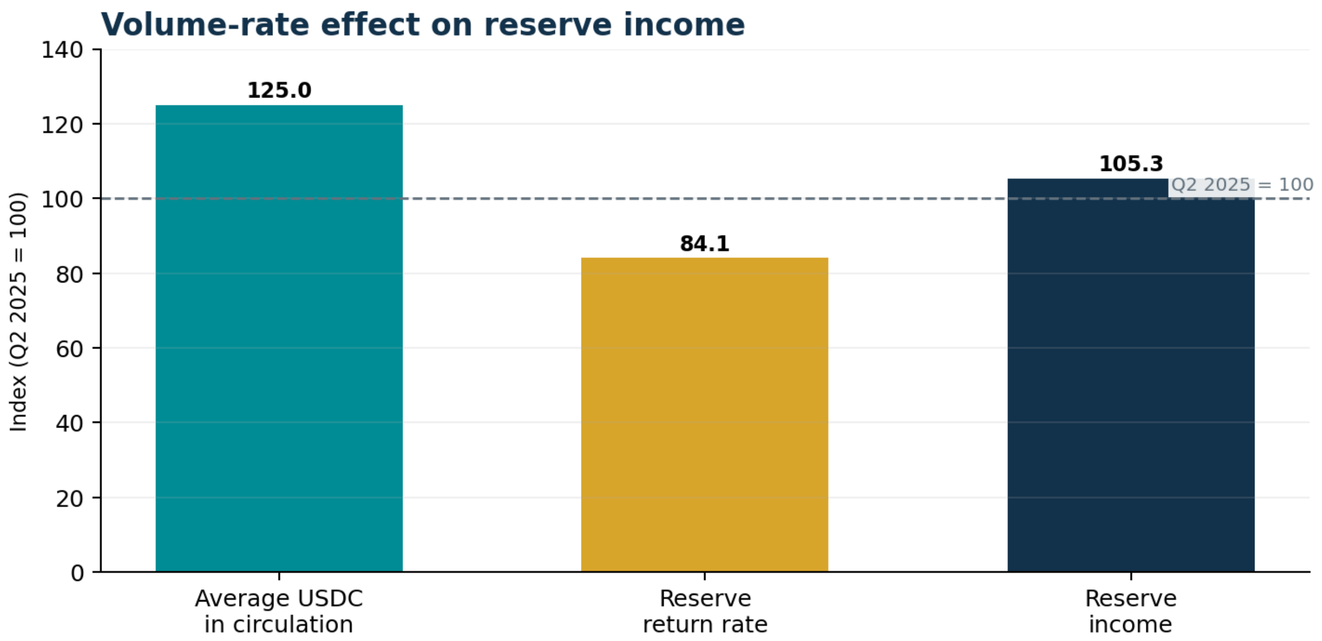
| Provider | Dependency |
|---|---|
| BlackRock | Management, allocation and valuation |
| BNY Mellon | Custody, accounting and shareholder records |
| 10 repo counterparties | Settlement, renewal and collateral |
| Circle | Sole shareholder and redemption execution |

**Stress testing must distinguish three events: economic loss, settlement delay and operational freeze.**

Sources: Circle Reserve Fund annual and semi-annual reports; BECTRA calculations.

Analysis updated through 30 June 2026

# In Q2 2026, volume offset lower rates




Source: Circle, Q2 2026 results. BECTRA calculations. The 66 bps decline implies a Q2 2025 rate of 4.16%.

| Indicator | Q2 2026 | Year-on-year |
|---|---|---|
| Average USDC | 76.5bn | +25% |
| Reserve return rate | 3.5% | −66 bps |
| Reserve income | $667.7m | +5% |
| Net after costs | $257.3m | +13%* |

* BECTRA calculation: reserve income less distribution and transaction costs.

# The fund does not represent all reserves on its own

| Data point | Date | Amount |
|---|---|---|
| Fund net assets | 30/04/2026 | $66.37bn |
| USDC in circulation | 30/06/2026 | $73.3bn |
| Assets segregated for holders | 30/06/2026 | $73.161bn |
| Holder deposits | 30/06/2026 | $72.928bn |

**Dates and scopes differ. No direct reconciliation should be forced.**

April 2026: a $90,351 difference remains between Circle’s attestation and the fund annual report — it requires explanation and should not automatically be labelled an error.

Sources: Circle Internet Group Q2 2026 results and Form 10-Q; BECTRA calculations.

Analysis updated through 30 June 2026

# Businesses must look beyond asset quality

| Risk | Materiality | Priority control |
| --- | --- | --- |
| Mass redemptions | High | Monitor gross flows and maturities |
| Repo counterparties | High | Test replacement and collateral |
| Custodian / agent | High | Prepare an operational-freeze scenario |
| Bank liquidity | High | Separate fund cash from available bank cash |
| Rate / reinvestment | Medium | Test −25 to −200 bps |

**Portfolio quality does not cover settlement, banking, access or execution risks.**

Sources: Circle Reserve Fund annual and semi-annual reports; BECTRA calculations.

Analysis updated through 30 June 2026

# Conclusion: liquid and robust, but not self-sufficient

- High-quality assets and very short maturities
- Greater reliance on repos, counterparties and BNY Mellon
- The fund alone does not prove bank liquidity or individual holder rights
- For businesses: cap exposure, diversify exit rails and test timing

**Fund strength is one component of USDC resilience — not its equivalent.**