



Weekly Issue • Volume 1, Sample Issue

Data through October 13, 2026

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Disclosure: I am long Strive (ASST) and bitcoin personally and may hold or trade any instrument discussed. Impersonal educational research; nothing here is advice; no reader is a client. Reader-funded, not issuer-sponsored. This is a sample issue published free; paid issues follow the same format every Monday.

As of: Strive holdings October 9 (8-K and FWP filed October 13). Strategy holdings October 11 (press release October 12). Bitcoin valued at \$82,500 for both.

The scoreboard

THE DIGITAL CREDIT REPORT

Hydra Wealth Advisors

The Scoreboard

Strive today, Strive with SATS, and Strategy, measured the same way

	Strive today, SATA only	Strive + SATS pro forma	Strategy as of Oct 11
Bitcoin held	32,773	37,470	848,250
Debt ahead of the preferred	\$0	\$0	\$6.71B converts
Preferred at par	\$1.40B	\$1.90B	~\$13.7B
Cash and reserve	\$0.36B	\$0.47B	\$5.52B
Amplification, net of cash	39%	46%	21%
Coverage, net of cash	2.6x	2.2x	4.7x
Cash covers the dividend bill	24 months	22 months	44 months
Bitcoin must earn per year to pay the bill	6.7%	8.3%	2.2%
Junior-most preferred fully backed down to	SATA \$31.8K	SATS \$38.2K	STRD \$17.6K

Same yardstick for all three. The gap is the story.

Source: Author's calculations, Strive 8-K, 424B5 and FWP, Oct 13, 2026 (Oct 9 holdings; SATS pro forma before fees). Strategy release Oct 12, 2026 (Oct 11); STRC, STRE, STRD sizes estimated. Net = claims less cash; Strategy claims include converts.

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Same yardstick for both issuers: claims net of cash, cash measured in months of the full preferred bill. Strive is about 39 percent amplified net of cash today and Strategy about 21. Strategy’s dividend bill is about 2.2 percent of its bitcoin a year; Strive’s is 6.7 percent today and about 8.3 percent once SATS is issued.

How the Stack Fits Together

Digital capital at the base, digital credit paid first, digital equity owning what is left (Strive, Oct 9 holdings)



Credit raises the cash. The cash buys bitcoin. The common keeps the gain, and bitcoin per share is the scoreboard.

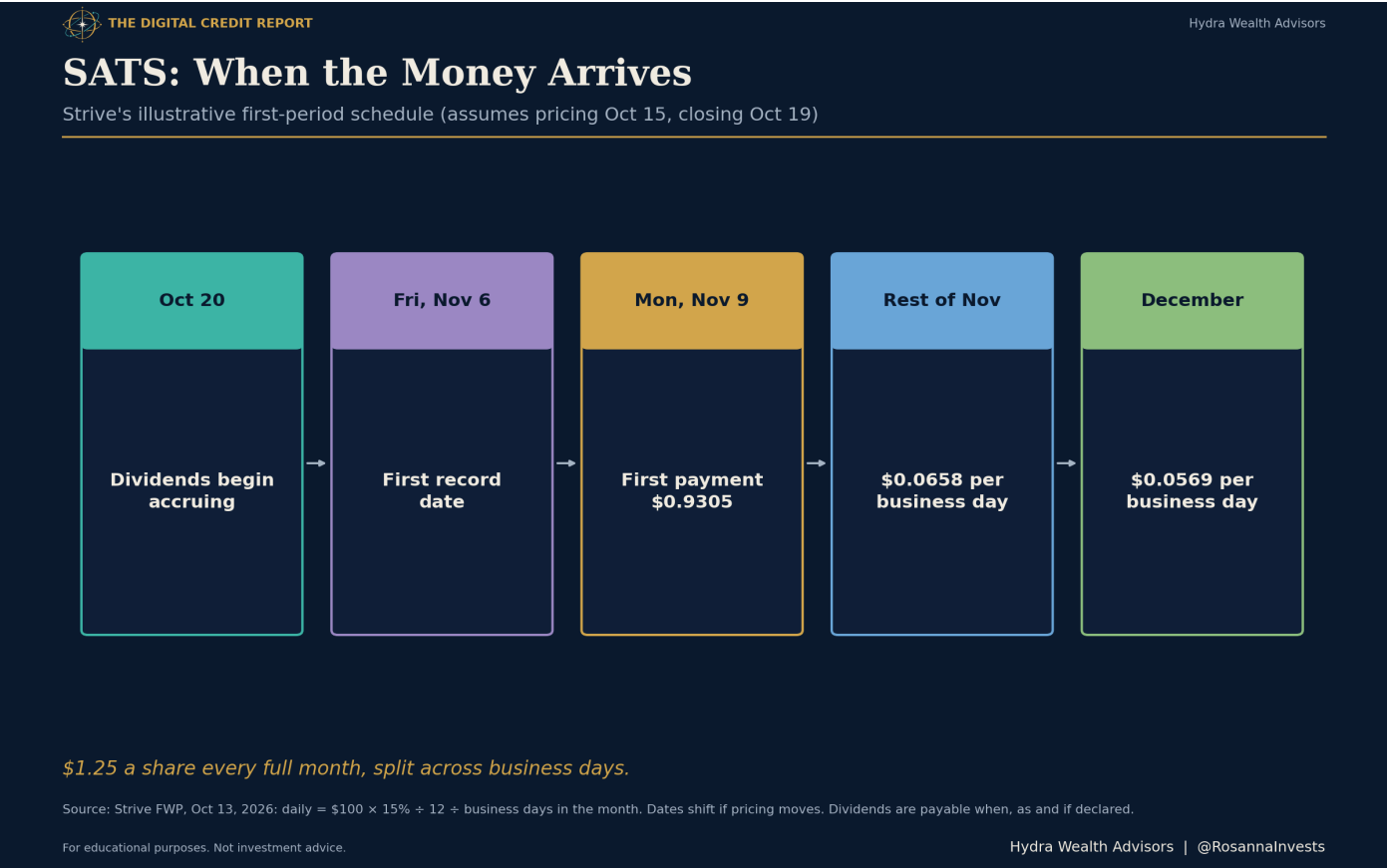
Source: Strive 8-K and 424B5, Oct 13, 2026. Holdings Oct 9, 2026; SATS proposed, terms not final. Illustrative of the structure common to bitcoin treasury issuers.

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What changed this week

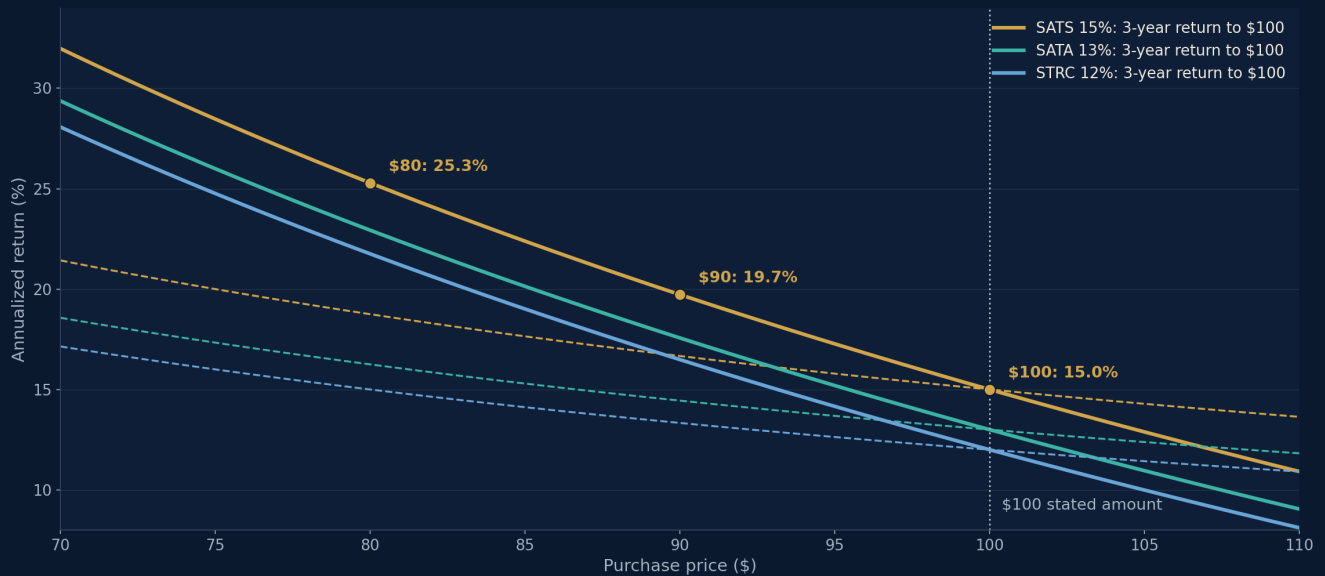
Strive proposed SATS. 5,000,000 shares, \$100 stated amount, 15 percent fixed, cumulative, paid every business day, junior to SATA and senior to the common, no target trading range, an 18-month dividend reserve of \$22.50 a share funded at closing. The offering price was left blank in the preliminary prospectus. ASST fell about 11 percent on the announcement. *Update, October 15: SATS priced at \$90, 7,000,000 shares (upsized from 5,000,000), \$630 million gross, closing October 20; the first regular issue after closing restates every SATS line.*





What a Return to \$100 Is Worth

Three-year annualized return by purchase price if the price is \$100 at the end of year three (solid); cash yield (dashed)



Below \$100, the price can do real work. Above \$100, you are paying for the coupon.

Source: Author's calculation. Coupons: SATS 15% (proposed), SATA 13%, STRC 12%. Annual payments, full dividends assumed; excludes fees and taxes. Illustrative, not a forecast.

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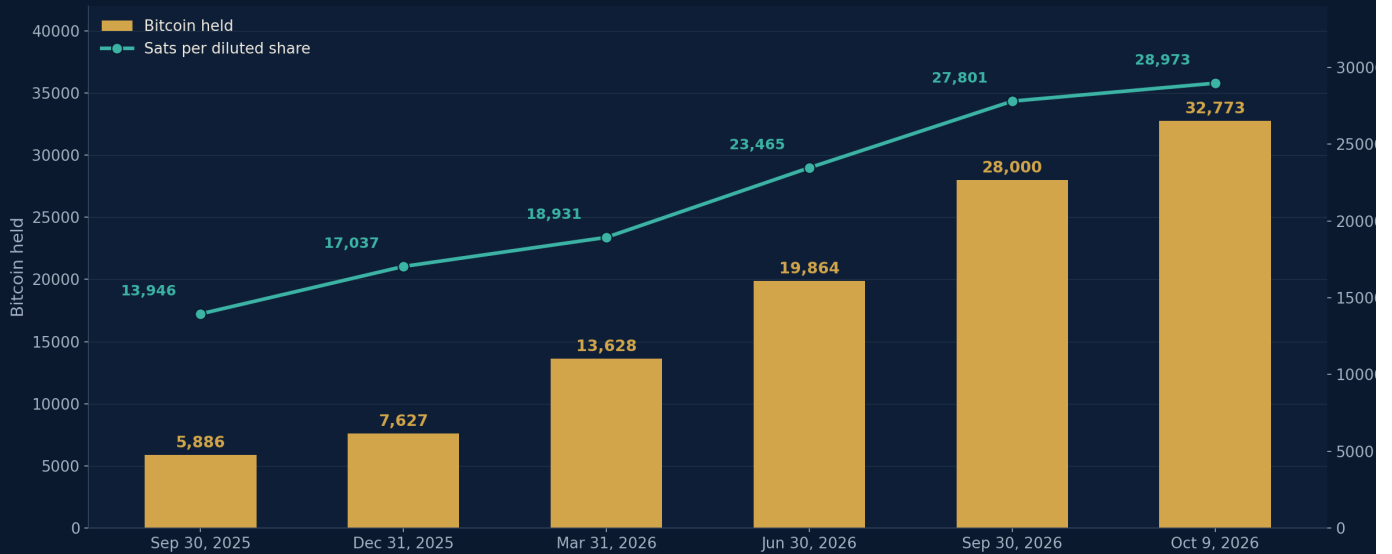
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Strive kept buying, and the warrants are gone. 3,311 bitcoin in the week to October 9, taking holdings to 32,773, up 4.3 times in 2026. Satoshis per diluted share are up 70 percent this year. The \$27 warrants resolved by exercise (\$208 million in the first week of October) and expiry on October 13.



Strive: Bitcoin Held and Bitcoin per Share

Bitcoin held (bars, left) and satoshis per assumed diluted share (line, right)



Coins up 4.3x in 2026; satoshis per share up 70%. The second number is the one that matters.

Source: Strive FWP, Oct 13, 2026 (quarter-end figures as reported by Strive; Oct 9 current).

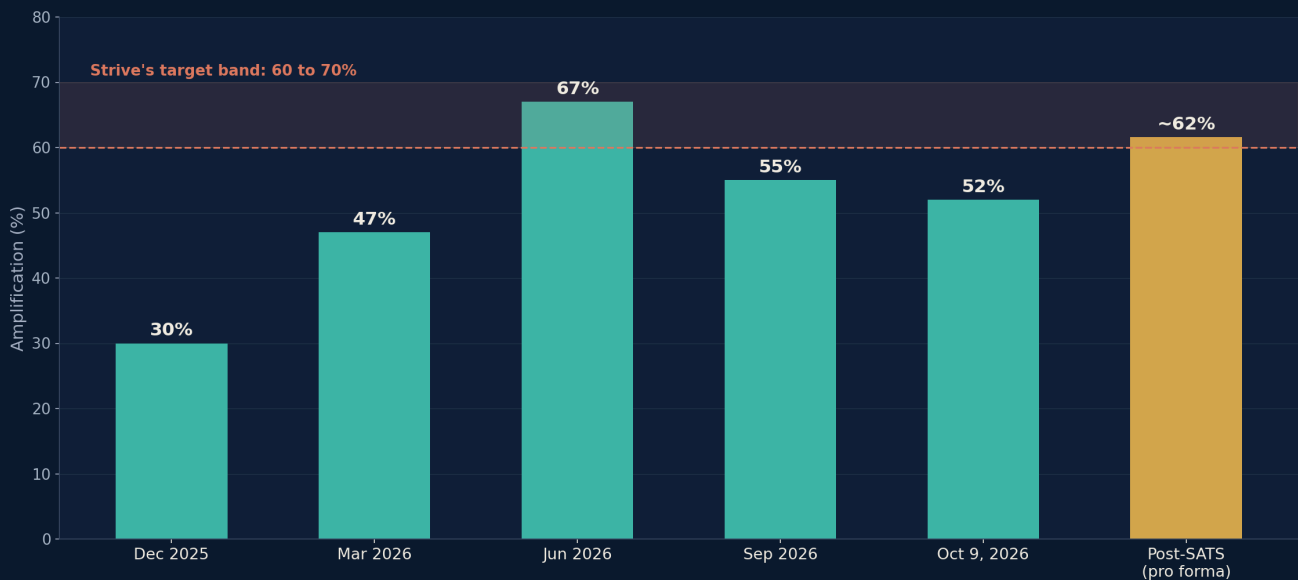
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Strive Is Turning the Amplification Dial Up

Preferred at par ÷ bitcoin value (Strive's own definition, gross of cash)



Strive's stated objective: above 60% while bitcoin is under \$100,000.

Source: Strive FWP, Oct 13, 2026 (quarter-end ratios; Oct 9 actual) and 8-K Oct 5, 2026 (objective). Post-SATS: author's pro forma, \$387.5M into bitcoin at \$82,500, before fees.

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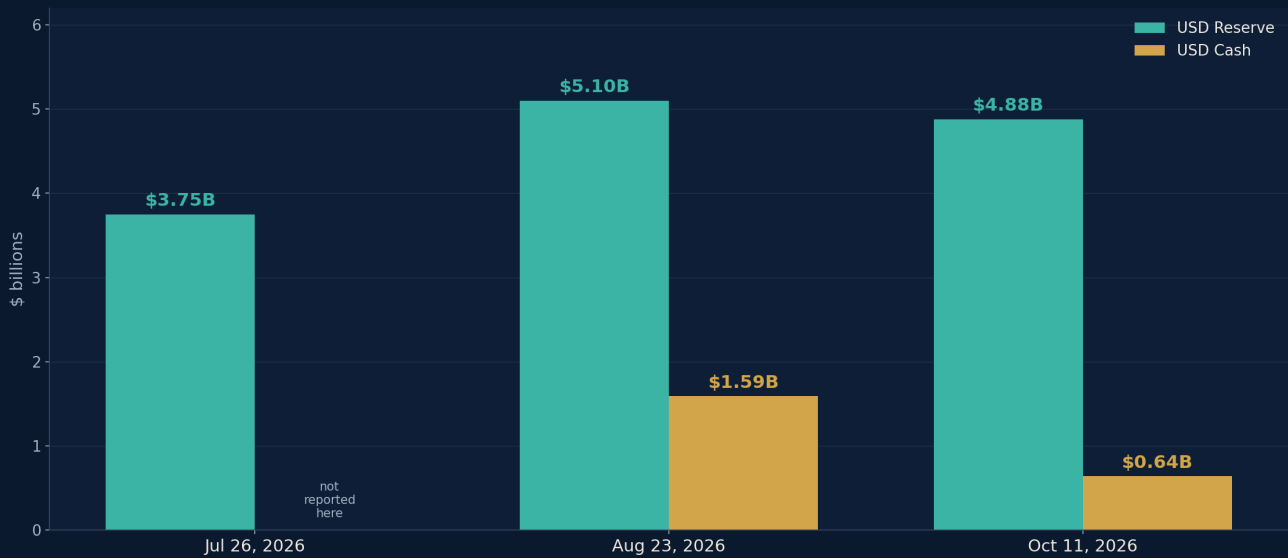
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Strategy spent nine times more buying back STRC than buying bitcoin. In the week to October 11 it repurchased 1,932,145 STRC shares for \$192.4 million, an average of about \$99.58, against 250 bitcoin for \$21.5 million. In July it was buying STRC back at \$86.53. STRC is back at par, and \$1.65 billion of the \$2.0 billion repurchase program is used.



Strategy's Cash: Reserve Up, Spending Cash Down

USD Reserve (for dividends and interest) and USD Cash, \$ billions



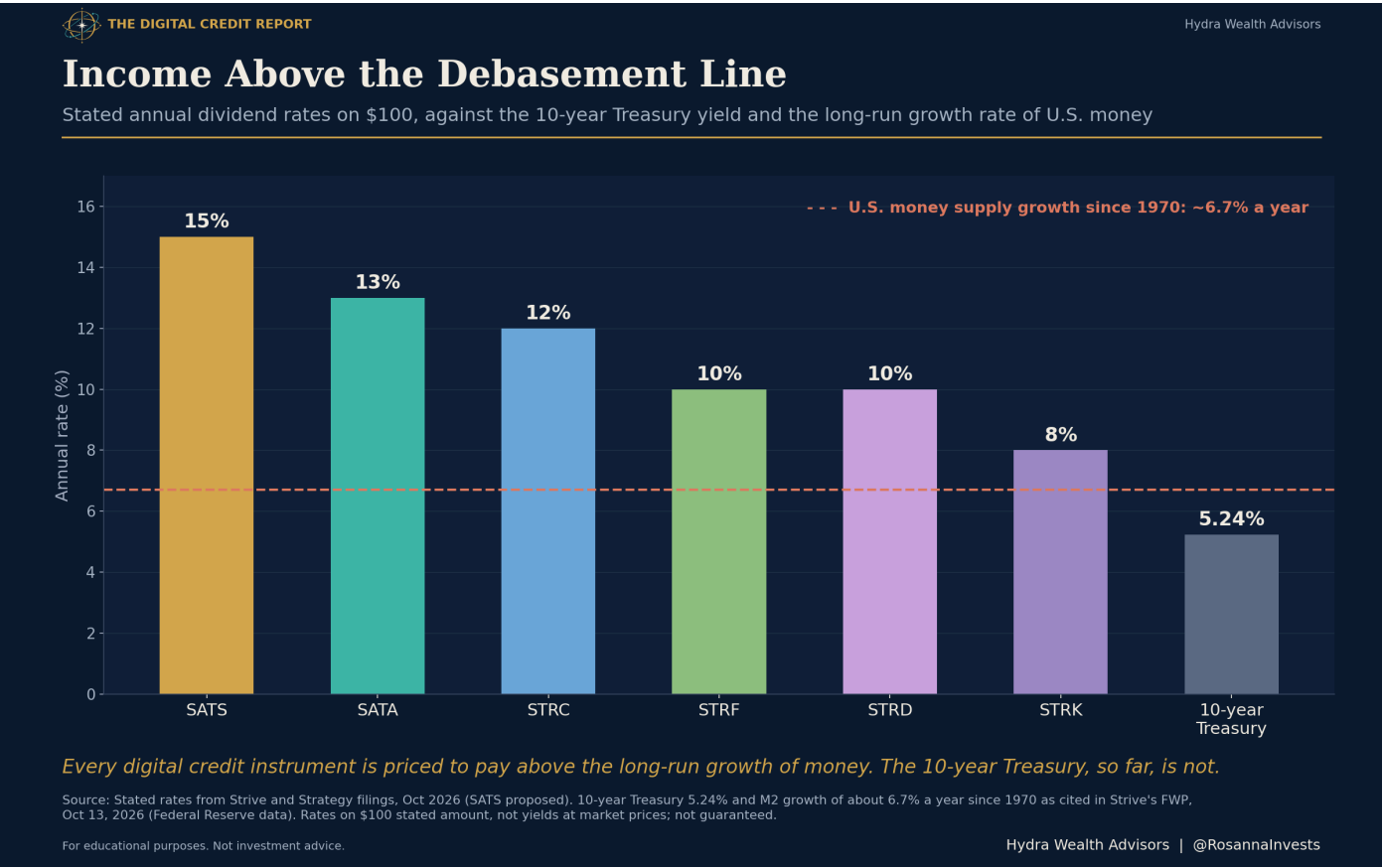
The buybacks came out of spending cash, not the dividend reserve.

Source: Strategy 8-K Jul 30, 2026 (reserve \$3.75B, Jul 26); 8-K Aug 24, 2026 (\$5.10B reserve, \$1.59B cash, Aug 23); release Oct 12, 2026 (\$4.88B and \$640.5M, Oct 11).

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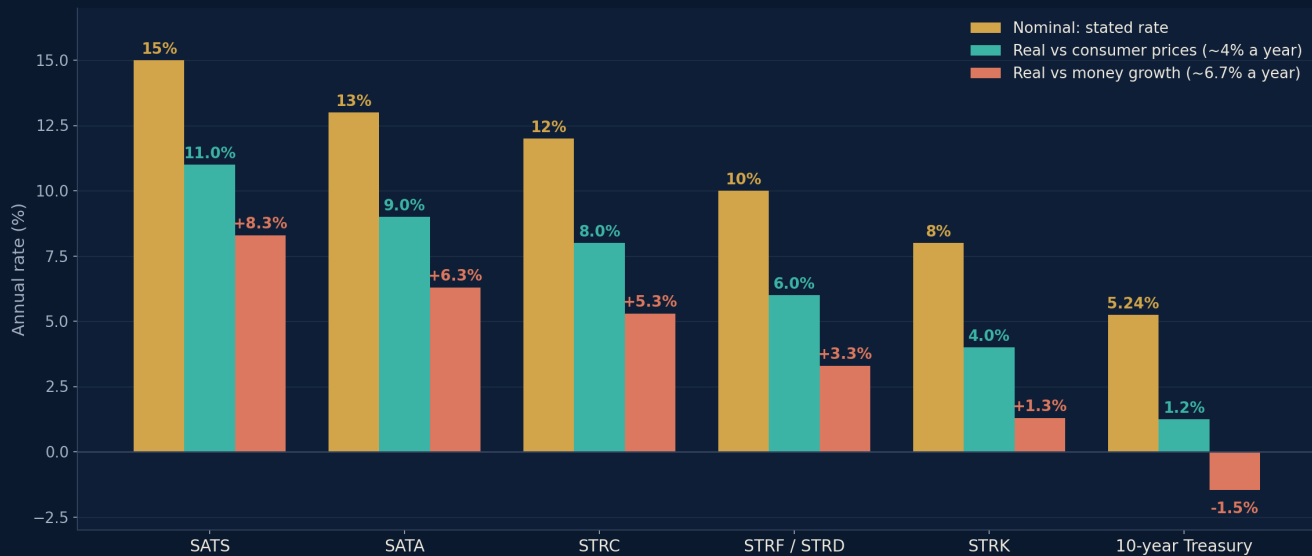
The credit view





Real Returns, Not Nominal Returns

Stated rate, then the same rate after consumer inflation, then after the long-run growth of money



Measured against the growth of money, the 10-year Treasury loses ground. Digital credit, at its stated rates, does not.

Source: Author's calculation. Stated rates on \$100 from Strive and Strategy filings, Oct 2026 (SATS proposed); 10-year Treasury 5.24% (Strive FWP, Oct 13, 2026). CPI-U about 4% a year since 1970 (BLS, approximate). M2 about 6.7% a year since 1970 (Federal Reserve data via Strive FWP). Pre-tax, before price changes; not guaranteed.

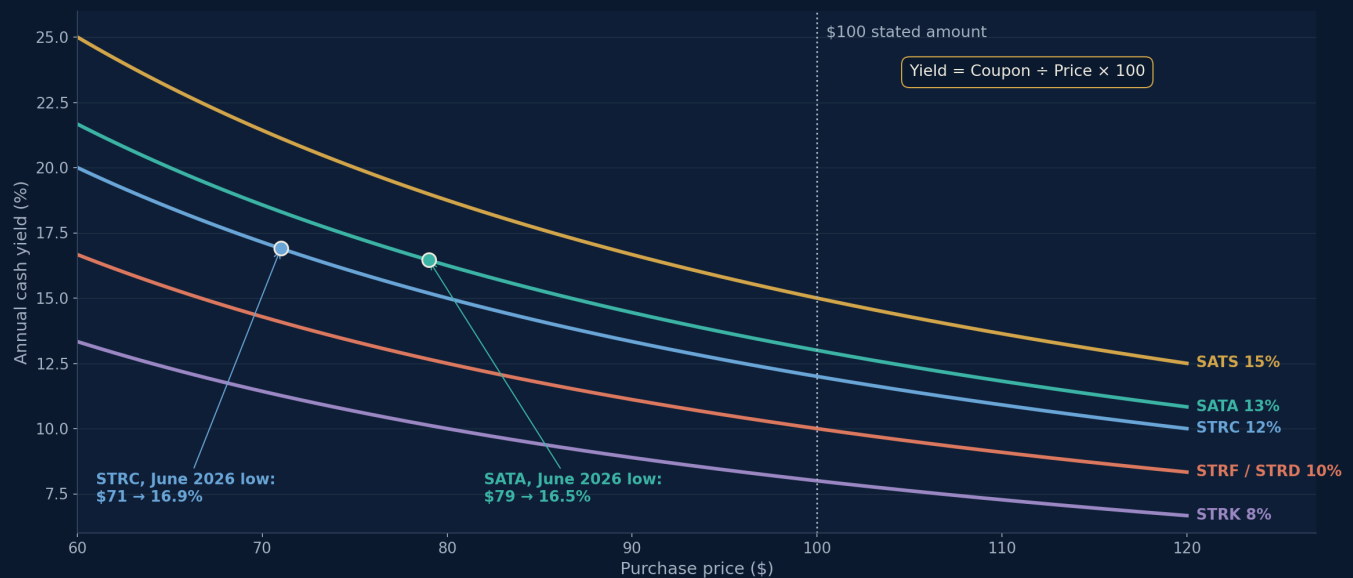
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Price-Yield Curves: Every Digital Credit Instrument

Annual cash yield = stated dividend on \$100 ÷ purchase price



The rate is printed on \$100. Your yield is printed on your fill.

Source: Stated rates from Strive and Strategy filings, Oct 2026 (SATS proposed). June 2026 lows from market reports. Assumes dividends declared and paid; excludes fees and taxes.

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Yield at Your Price, Every Instrument

Annual cash yield = stated dividend on \$100 ÷ the price you pay

PRICE	SATS 15%	SATA 13%	STRC 12%	STRF 10%	STRD 10%	STRK 8%
\$110	13.6%	11.8%	10.9%	9.1%	9.1%	7.3%
\$105	14.3%	12.4%	11.4%	9.5%	9.5%	7.6%
\$100	15.0%	13.0%	12.0%	10.0%	10.0%	8.0%
\$95	15.8%	13.7%	12.6%	10.5%	10.5%	8.4%
\$90	16.7%	14.4%	13.3%	11.1%	11.1%	8.9%
\$85	17.6%	15.3%	14.1%	11.8%	11.8%	9.4%
\$80	18.8%	16.2%	15.0%	12.5%	12.5%	10.0%
\$75	20.0%	17.3%	16.0%	13.3%	13.3%	10.7%
\$70	21.4%	18.6%	17.1%	14.3%	14.3%	11.4%

The rate is printed on \$100. Your yield is printed on your fill.

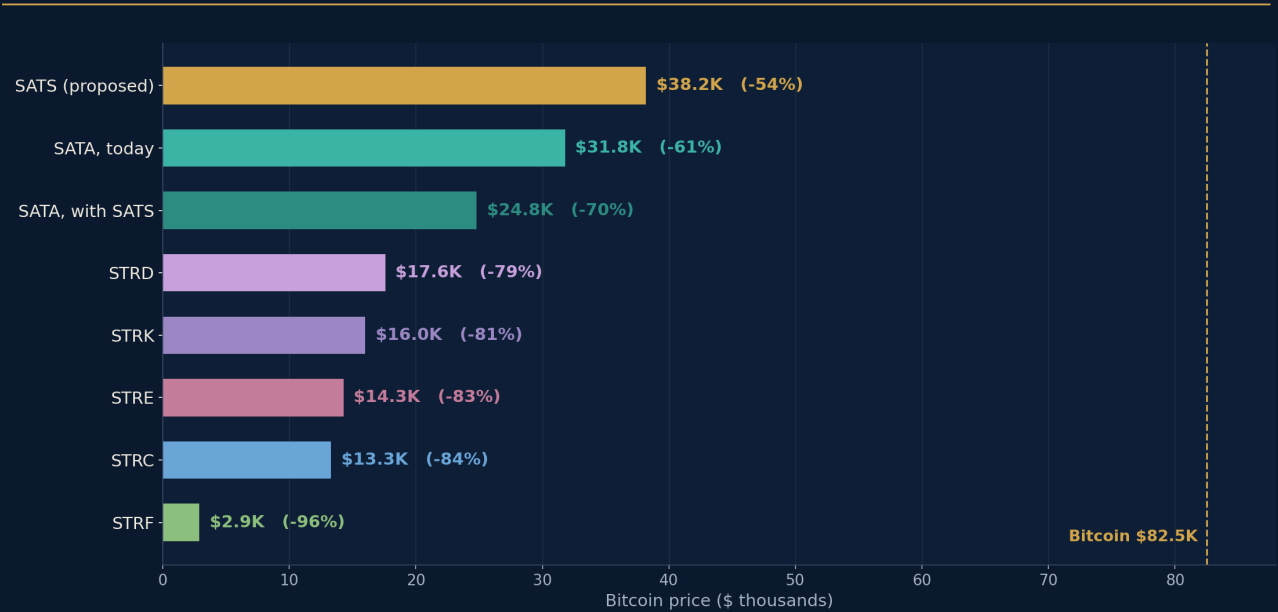
Source: Author's calculation. Rates: SATA 13% (Strive), SATS 15% proposed (Strive 424B5), STRC 12%, STRF 10%, STRD 10%, STRK 8% (Strategy). Assumes dividends declared and paid; excludes fees and taxes.

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How Far Can Bitcoin Fall?

Bitcoin price at which each instrument stops being fully backed, after every claim ahead of it, net of cash



Strategy's entire preferred stack sits below Strive's senior layer.

Source: Author's calculation. Strive 8-K/FWP Oct 13, 2026 (SATS pro forma). Strategy release Oct 12, 2026; \$6.71B converts ranked ahead of all preferred; STRC, STRE estimated. Balance-sheet measure, not a security interest.

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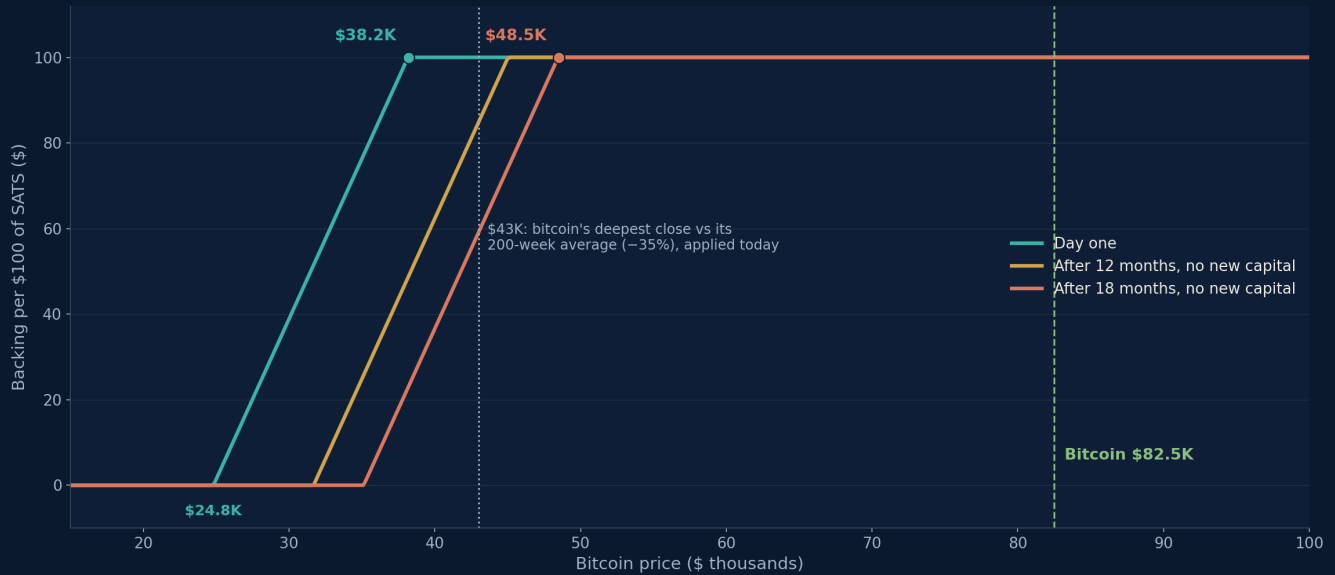
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The chart that matters most this week. Net of cash and after every claim ahead of it, Strategy's most junior preferred, STRD, stays fully backed down to about \$17,600 bitcoin. Strive's SATA, its most senior preferred, is fully backed down to about \$31,800 today and about \$24,800 once SATS is issued, because SATS adds capital beneath it. SATS itself sits at about \$38,200. Different capital structures, different seats; the extra yield on the Strive side is paying for exactly this.



SATS Is a Tranche, Not a Bond

Assets behind each \$100 of SATS after SATA is paid in full, by bitcoin price (October holdings, pro forma)



Day one, SATS is fully backed down to \$38.2K. Spend the reserve and the line moves to \$48.5K.

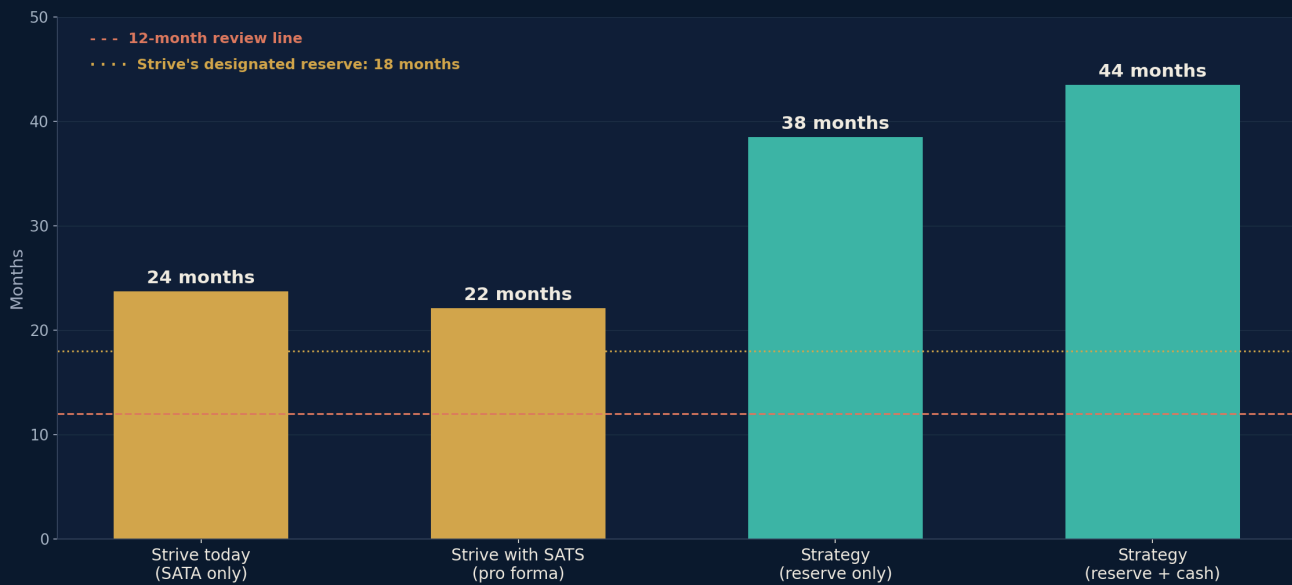
Source: Author's calculation from Strive 424B5 and FWP, Oct 13, 2026: 37,470 BTC, \$473.1M cash and STRC, SATA \$1,403M, SATS \$500M; \$257.4M a year of dividends paid from cash. Balance-sheet measure, not a security interest.

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How Long the Cash Pays the Dividends

Months of the full preferred bill covered by cash, with no new issuance and no bitcoin sales



Strategy has about 3.6 years of cash. Strive, with SATS, about 22 months.

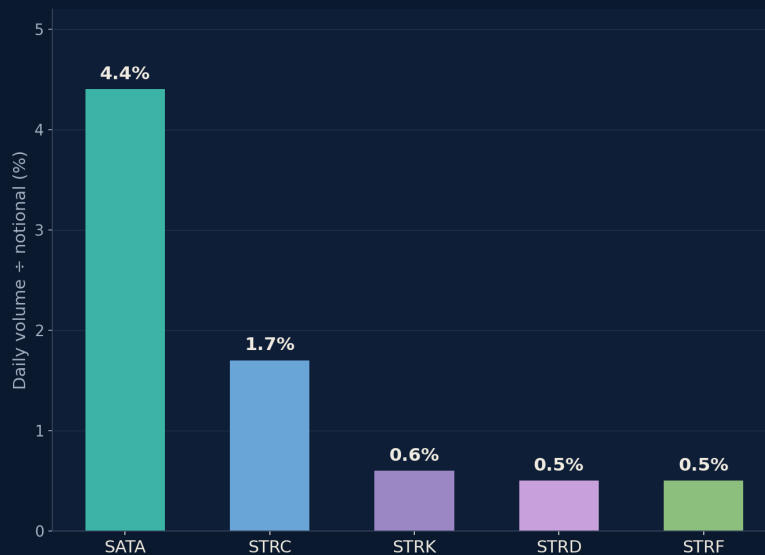
Source: Author's calculation at stated rates. Strive: \$360.6M cash and STRC vs \$182M SATA bill; pro forma \$473M vs \$257M. Strategy: \$4.88B reserve + \$640.5M cash vs ~\$1.52B preferred bill (STRC, STRE est.; convert interest excluded). Oct 2026.

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Liquidity, and How Often Par Holds

Daily dollar volume as a share of notional (left); share of days trading at \$100 or more (right)



24%

of days SATA traded at \$100+

16%

of days STRC traded at \$100+

SATA turns over fastest for its size. Neither flagship holds par most days.

Source: Strive FWP, Oct 13, 2026; dollar volume ÷ notional, Sep 11 to Oct 9; days with an intraday high at or above \$100 from each IPO through Oct 9 (SATA 55 of 230, STRC 48 of 302). Issuer-compiled.

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Trigger check

THE DIGITAL CREDIT REPORT

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Trigger Check

The review rules from the white paper, read against this week's filings

Coverage under 1.5x Strive 1.93x today; 1.42x on SATS day one, ~1.62x once deployed	REVIEW
Cash under 12 months of the bill Strive ~22 months pro forma; Strategy ~44 months	CLEAR
Par break, unrepaired by two rate increases SATA near par; STRC repurchased at \$99.58	CLEAR
Bitcoin within 30% of a backing point SATS \$38.2K vs bitcoin \$82.5K: 54% away	CLEAR
Senior issuance ahead of SATS SATA ATM: watch from SATS closing	WATCH

No reduce signals. One item on the review list: SATS issuance day.

Source: Author's rules and calculations from Strive and Strategy filings, Oct 2026. Clear = no action; Review = a decision on the record, not a sale; Watch = monitor from next week.

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No reduce signals. One review item: Strive’s gross coverage dips below 1.5x on SATS issuance day by design and recovers as proceeds buy bitcoin. New watch item from this issue forward: SATA issuance after SATS closes, since every dollar of SATA lands ahead of SATS.

Watch list for next week

- SATS pricing: offering price, final size, any upsizing, listing date.
 - Strive's post-SATS 8-K: bitcoin count, cash and reserve after proceeds, share count after warrant expiry.
 - Strategy: STRC price after buybacks near par; whether STRC issuance restarts; preferred outstanding by series on strategy.com.
 - SATA and STRC price versus par as SATS supply arrives.
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