



THE ETF SUPPLY SINK — TWO LEDGERS

Miners Print 450 a Day. Wall Street's ETFs Can Drink That in an Hour.

Bitcoin has exactly two numbers that are fixed in advance: how many new coins the network mints each day, and how many the code will ever allow. The first is 450 a day, halved on a schedule and set in silicon. Against that fixed tap now sits a drain that did not exist two cycles ago — the U.S. spot ETFs, which on a strong day absorb ten times a day's issuance and never mint anything back. This note is a strict ledger: new supply on one side, structural ETF accumulation on the other, and the arithmetic of the deficit between them.

THE SUPPLY SIDE IS NOT NEGOTIABLE

Roughly 144 blocks are mined a day, each paying a 3.125-BTC subsidy since the 2024 halving — about 450 new coins, some 164,000 a year, until the next halving cuts it again. That is the entire new supply of bitcoin. It does not rise when the price rises; it does not respond to demand; it is the one number in the entire market that a spreadsheet can state with certainty years out. Everything else that trades is coins that already exist, changing hands. The question a desk asks is simple: is the fixed tap keeping pace with the drains?

450 / day

New bitcoin minted by the entire global mining network per day — the whole of new supply, fixed by protocol at 3.125 BTC across ~144 blocks until the next halving. **It is price-agnostic and demand-agnostic.** Miners are also structurally forced sellers of much of it to cover energy and hardware, which means the effective new float reaching the market is often *less* than 450, not more.

THE TWO LEDGERS, SIDE BY SIDE

FLOW	DIRECTION	APPROX. DAILY BTC	NATURE
Miner subsidy	New supply in	+450	Fixed by protocol; a large share sold by miners to fund operations
Spot-ETF net (trailing avg since launch)	Float out	~-650	Over 600K BTC absorbed since the Jan 2024 launch — already above issuance on average
Spot-ETF net (strong day)	Float out	~-4,500	A ~\$500M creation day, at illustrative spot, sinks roughly ten days of new supply at once
Net structural balance	Deficit	Negative on net-inflow days	Every coin into an ETF wrapper is one fewer on an exchange — it does not come back to the float

Read the ledger as accounting, not prophecy. On any day the ETFs take in more than 450 coins net, the regulated wrappers are removing tradable bitcoin faster than the network creates it, and the shortfall is drawn from exchange balances — the thin, liquid float that actually sets the marginal price. The flows are volatile and reverse on outflow days; the structure is not.



WHY A SINK IS DIFFERENT FROM A BUYER

A trader who buys bitcoin can sell it back tomorrow; the coins stay in the liquid float. An ETF creation is different in degree that becomes different in kind. Coins bought to back new shares move into cold custody and leave the exchange order books, and they only return if investors *redeem* — which, in aggregate and over time, they have not. That is what makes it a sink rather than a bid: it converts liquid, price-setting supply into inert, custodied supply on a one-way average. With more than 1.3 million BTC — north of six percent of all coins that will ever exist — now held across the wrappers, a growing share of the total is simply parked, and cannot participate in the next repricing until someone sells it.

The retail tape watches the price and the daily inflow headline. The desk watches the *balance of the two ledgers and the exchange-reserve line* underneath it. A market where the fixed tap runs at 450 and the average drain runs faster does not need a narrative to tighten; it tightens by subtraction. The timeline to a genuine liquidity deficit is not a prediction — it is 450 a day divided into whatever net the wrappers keep taking, and both numbers are published daily.

~1.3M BTC

Bitcoin held across U.S. spot ETFs — over 6% of the capped 21-million supply, accumulated in roughly two years. **Against 450 new coins a day, that stock represents years of issuance already removed from the float.** The wrappers do not have to buy aggressively to tighten the market; they only have to keep more than they release while miners keep printing the same fixed 450.

WHAT WE DO NOT KNOW

We do not know tomorrow's flows; ETF creations swing hard and turned to multi-billion-dollar *outflows* for stretches of 2026, which reverse the sink and return coins to the float. We do not know the spot price, which sets the dollar value of each side. What we offer is the part that is fixed or published: the 450-a-day issuance, the total already sunk into the wrappers, and the definitional fact that sustained net creations above issuance draw down exchange supply. The rule holds — *when everyone can see the trade, the trade is already crowded*. The inflow headline is the crowded part. The quieter fact is the ledger it sits on: a fixed tap, a one-way drain, and simple subtraction between them.

Sources & method: Daily issuance = $144 \text{ blocks/day} \times 3.125 \text{ BTC} \approx 450 \text{ BTC}$, per protocol post-2024 halving. Spot-ETF holdings (>1.3M BTC), cumulative net inflows (>600K BTC since Jan 2024), net assets (~\$87.6B $\approx$ 6.3% of BTC market cap), and representative daily net-creation figures (~\$471–507M on strong days) from public ETF flow trackers and issuer disclosures, early 2026. Strong-day BTC-count (~4,500) derived from a ~\$500M creation at an illustrative ~\$105K spot — spot varies; verify current price. Miner selling pressure and exchange-reserve dynamics from public on-chain data. Figures are approximate and illustrative as of the dates cited. Ananke Alpha is an independent research publisher, not a registered investment adviser or broker-dealer.

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