USDC

USDC — General Reserve Analysis

CUSIP · Circle Reserve Fund · direct assets · liquidity · risks

As of 31 August 2026

AUGUST 2026 EDITION

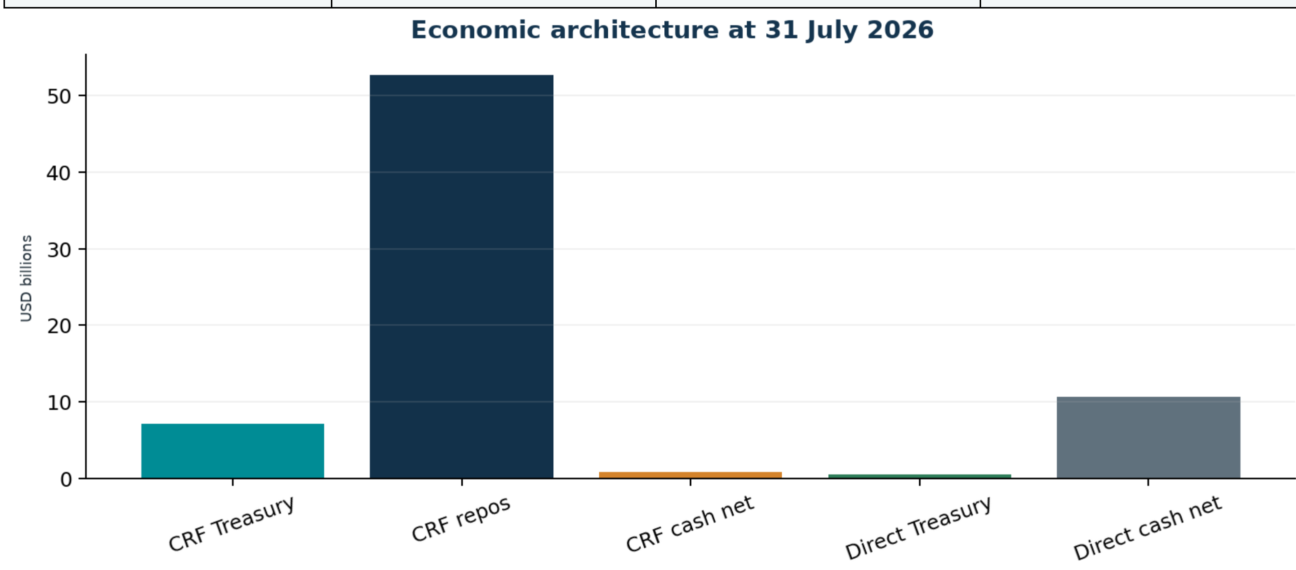
Advisory • Research • Financial Intelligence

Contents

1. Executive summary

The attestation issued in July 2026 materially improves the analytical quality of the disclosure framework: it explicitly separates Circle Reserve Fund assets from the other USDC reserve assets, then distinguishes Treasury securities, reverse repos, cash and settlement adjustments. This level of granularity enables, for the first time, a consolidated analysis without obscuring the legal and operational origin of the assets.

Indicator	8 July	31 July	BECTRA interpretation
USDC in circulation	USD 73.084bn	USD 71.826bn	USD −1.258bn
Total reserves	USD 73.160bn	USD 71.904bn	USD −1.256bn
Coverage	100.10%	100.11%	Stable surplus of approximately 0.10%
CRF / reserves	85.45%	84.44%	Dominant reserve layer
Repos / reserves	73.88%	73.32%	Main source of one-day liquidity
Consolidated Treasury	USD 8.793bn	USD 7.678bn	CRF and direct holdings kept separate



Source: Circle Internet Group, Inc., USDC Reserve Report, observations as of 8 and 31 July 2026; BECTRA calculations.

2. Source set, integrity and sufficiency

Source family	Relevant documents	Use	Conclusion
Circle	July 2026 attestation	Definitions, circulation, reserves, reserve layers and CUSIPs	Complete for both dates
BlackRock	31 July SOI, factsheet, N-CSR/N-CSRS	Holdings, repos, assets, liabilities, NAV, WAM/WAL	Complete at 31 July; unavailable at 8 July
BECTRA CUSIP	2022–June 2026 workbook	Canonical database and life cycle	Recalculated and extended
BECTRA CRF	Semi-annual workbook	Fund history, ladder and bridges	Checked and corrected
Earlier reports	Public CRF + internal CUSIP	Method references and control points	Scopes preserved

Limitation — BlackRock page exports dated 26–27 August are current views. They are not reassigned to 8 or 31 July without evidence establishing the relevant date.

3. Legal architecture

Function	Entity	Role / characterization adopted
Assertion examined	Circle Internet Group, Inc.	Its management formulates the assertion in the July 2026 Reserve Report
Issuance / redemption	Circle Internet Financial, LLC	Acts according to the report, notably within the U.S. perimeter; the exact role is retained as stated by the source
Issuance / redemption	Circle Internet Financial Europe SAS	Acts according to the report within the European perimeter; the exact role is retained as stated by the source
Ownership of fund interests	Circle Internet Financial, LLC	Holds the interests represented by the NAV according to the cited official information
Fund	Circle Reserve Fund / USDXX	Government money market fund legally distinct from Circle entities
Manager / adviser	BlackRock / BlackRock Advisors, LLC	Manages the fund; is neither the issuer nor the fund itself
Custodian	The Bank of New York Mellon	Publicly disclosed fund custodian; role distinct from that of the manager
Independent accountant	Deloitte & Touche LLP	Issues the independent examination report

Consequence: the quality of the reserve assets does not automatically give a USDC holder a direct ownership interest in the portfolio, universal eligibility for direct redemption, instant redemption, or a permanent guarantee that the market price will remain at USD 1.

Source: USDC Reserve Report, August 2026, Management Assertion and Independent Accountants' Report sections; BlackRock fund documents.

4. Method and historical scopes

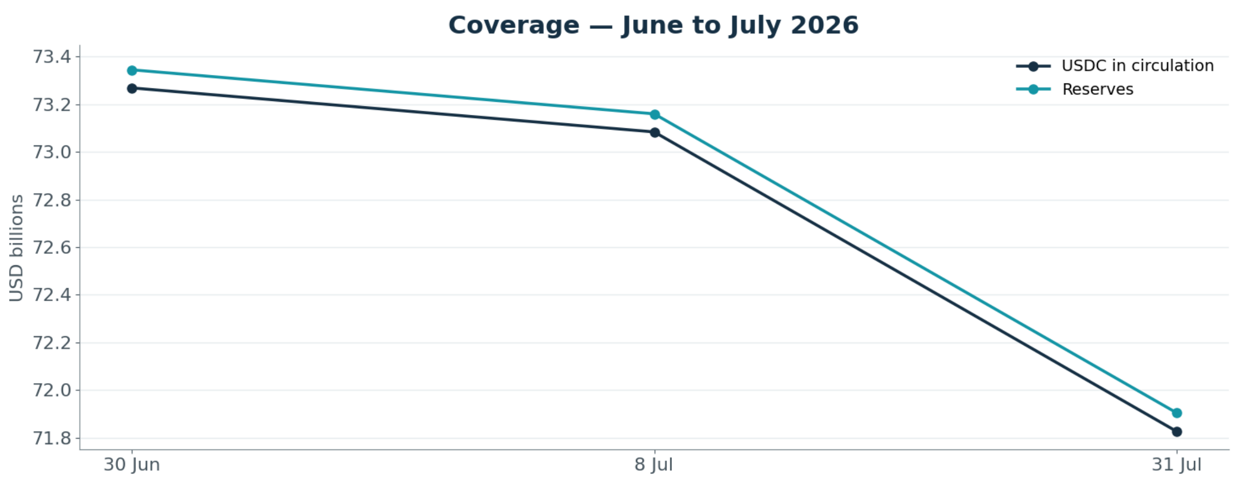
Scope	Before July	After July integration	Use
Monthly canonical database	613 security observations; 329 CUSIPs; 48 theoretical snapshots	643 observations; 341 CUSIPs; 50 theoretical snapshots	Monthly statistics, life-cycle analysis and like-for-like comparison
Expanded multi-date / multi-source database	1,161 rows; 338 CUSIPs; 91 dates	Not mechanically extended	Earlier public report and enhanced documentary controls

The two scopes do not measure the same thing. The canonical database records one normalized monthly observation, whereas the expanded database may retain several dates and several sources for a given period. Adding them together or comparing them directly would create a spurious difference.

The canonical database contains 49 snapshots with positions after the July integration, plus the documented null snapshot for May 2023. The 30 new July rows contain 12 net new CUSIPs relative to the historical dataset, bringing the total to 341 distinct CUSIPs. The figure of 338 in the earlier public report remains valid within its own expanded scope and is not a target for the monthly database.

Method — Treasury WAM = fair-value-weighted average number of days to legal maturity. HHI = sum of squared weights × 10,000. WAM excludes repos, cash and timing adjustments.

5. USDC reserve and coverage

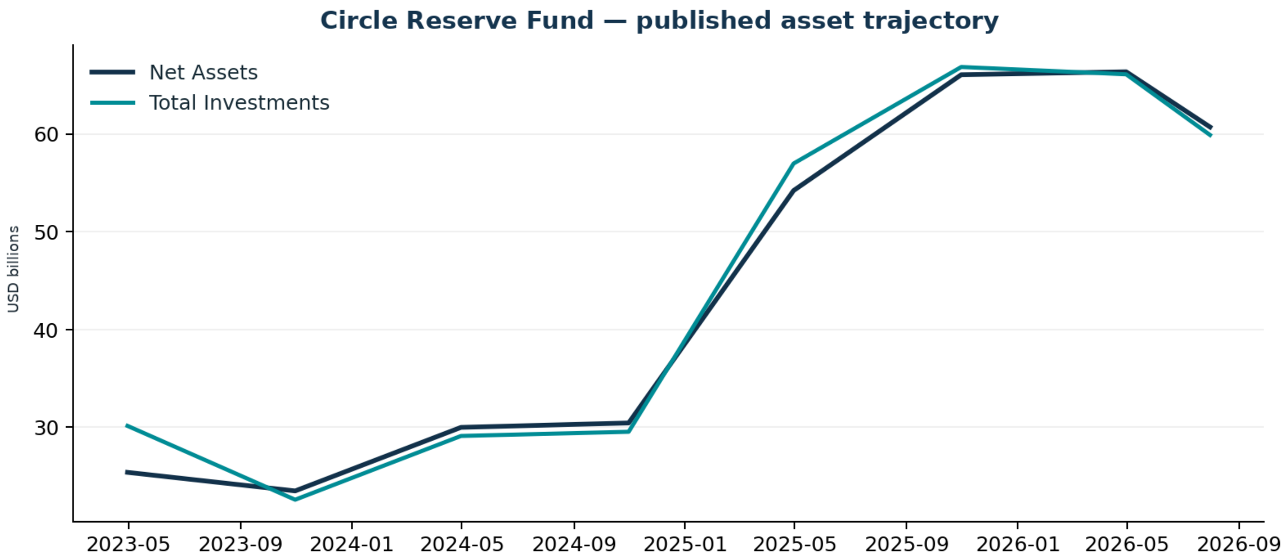


Source: Circle attestations for June and July 2026; BECTRA calculations.

Date	Circulation	Reserves	Surplus	Coverage
2026-06-30	USD 73.269bn	USD 73.345bn	USD 0.076bn	100.10%
2026-07-08	USD 73.084bn	USD 73.160bn	USD 0.076bn	100.10%
2026-07-31	USD 71.826bn	USD 71.904bn	USD 0.078bn	100.11%

Coverage exceeds 100% at all three dates. The USD 77.648 million surplus at 31 July represents approximately 0.108% of USDC in circulation: it is a positive accounting margin, but not standalone regulatory capital and not evidence that operational risk is absent.

6. Circle Reserve Fund — trajectory



Source: BlackRock N-CSR, N-CSRS, Schedule of Investments and factsheet; BECTRA extraction.

Date	Total Investments	Other Assets Less Liabilities	Net Assets	Bridge
2023-04-30	USD 30.141bn	USD −4.754bn	USD 25.387bn	$0
2023-10-31	USD 22.588bn	USD 0.900bn	USD 23.488bn	$0
2024-04-30	USD 29.110bn	USD 0.879bn	USD 29.988bn	$0
2024-10-31	USD 29.538bn	USD 0.900bn	USD 30.439bn	$0
2025-04-30	USD 56.980bn	USD −2.765bn	USD 54.215bn	$0
2025-10-31	USD 66.857bn	USD −0.791bn	USD 66.066bn	$0
2026-04-30	USD 66.109bn	USD 0.258bn	USD 66.367bn	$0
2026-07-31	USD 59.902bn	USD 0.816bn	USD 60.717bn	$0

The bridge Total Investments + Other Assets Less Liabilities = Net Assets is preserved for each date. Where the historical portfolio lines received are insufficient to reconstruct Total Investments, the workbook adds an explicit “RECONCILIATION ADJUSTMENT” line: this is neither an invented security nor an estimated allocation, but a traceable residual arising from the source data.

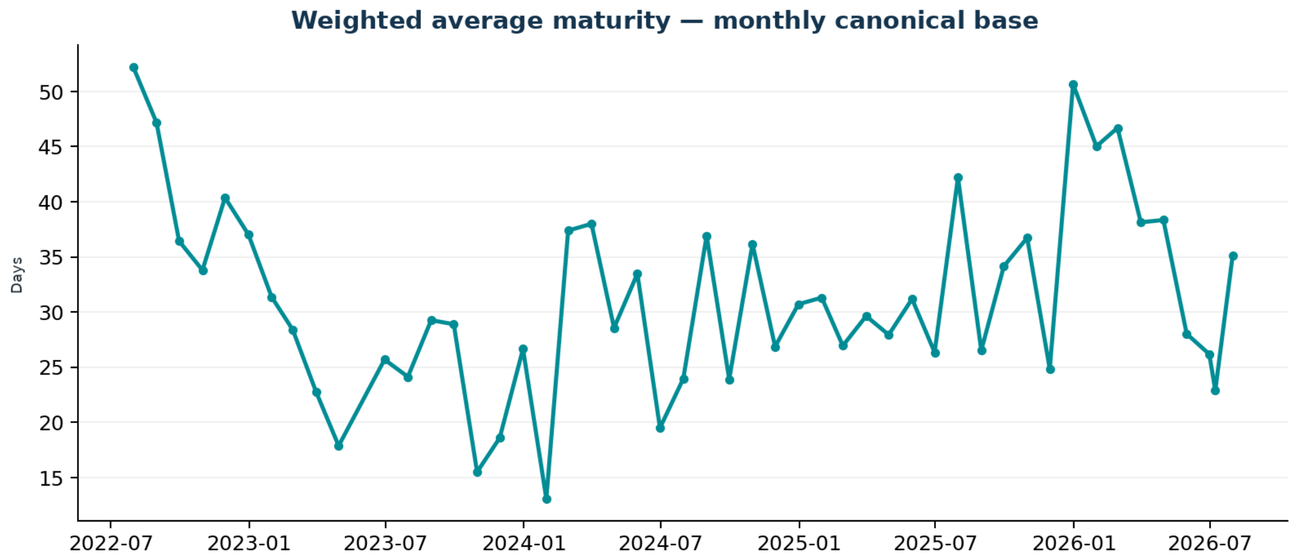
7. Historical Treasury portfolio

The extended canonical database contains 643 observations and 341 distinct CUSIPs. It now separates 572 CRF_TREASURY observations from 71 DIRECT_TREASURY observations. Before July, the classification was reconstructed from the available evidence on reserve layers in the CRF workbook; where historical reporting was less explicit, it remains documented as a BECTRA normalization.

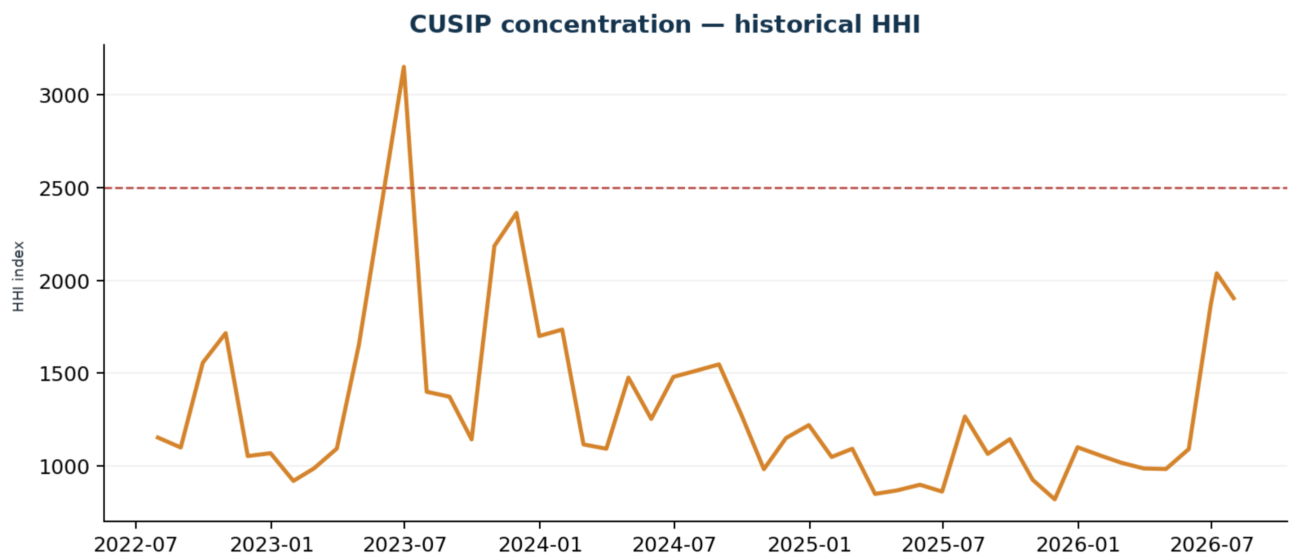
Control point	Recalculated result	Interpretation
Average historical monthly WAM	31.4 days	Consistent with the previous control point after recalculation
Average share ≤30 days	53.40%	Short maturities dominate, but are not equivalent to cash
Average share ≤90 days	99.35%	Very limited residual exposure >90 days
Minimum WAM	13.1 days — 2024-01-31	Shortest historical WAM
Maximum WAM	52.2 days — 2022-07-31	Longest historical WAM
June 2026	9 positions; USD 8.524bn; WAM 26.2 days	Reclassified as CRF_TREASURY

Source: recalculated BECTRA CUSIP database, 2022–2026

8. Maturity and concentration



Source: BECTRA calculation based on the monthly canonical database.



Source: BECTRA calculation; the 2,500 chart threshold is provided as an analytical reference point, not as an applicable regulatory limit.

The recalculated historical HHI reaches a maximum of 3,149.8 in June 2023, immediately after the May reporting discontinuity. Concentration in a single CUSIP is not the same as issuer concentration: all of the securities are U.S. Treasury securities, but each line carries a distinct maturity, valuation and rollover risk.

9. CUSIP rotation and life cycle

Indicator	Value	Interpretation
Distinct CUSIPs	341	Extended canonical universe
CUSIPs observed only once	117	Transitory securities / maturity schedule
Reused CUSIPs	224	Present in several snapshots
Theoretical snapshots	50	July 2022 to July 2026, plus the second July observation
Snapshots with positions	49	May 2023 remains a documented null snapshot

May 2023 is not treated as an absence of control. The temporary disappearance of Treasury lines from certain snapshots, with repos appearing instead, constitutes a break in the documentary structure. The workbook transition matrix is regenerated automatically when the model is built; the aggregate life-cycle analysis remains formula-driven.

Automation — The detailed transition matrix is calculated by the update pipeline to avoid the excessive burden of thousands of volatile formulas. The workbook's aggregates and control checks remain dynamic.

10. 8 and 31 July extraction

Field	8 July	31 July
usdc_supply	$75,227,884,211	$73,705,096,104
allowed_not_issued	$2,020,599,718	$1,748,798,028
access_denied	$123,219,920	$129,764,354
gateway_pending_burns	$100,471	$80,312
usdc_circulation	USD 73.084bn	USD 71.826bn
total_reserves	USD 73.160bn	USD 71.904bn
crf_treasury	USD 8.590bn	USD 7.179bn
crf_repo	USD 54.054bn	USD 52.723bn
crf_cash	USD 1.001bn	USD 1.004bn
crf_timing	USD −1.127bn	USD −0.189bn
total_crf	USD 62.517bn	USD 60.717bn
direct_treasury	USD 0.204bn	USD 0.499bn
direct_cash	USD 10.276bn	USD 10.607bn
direct_timing	USD 0.164bn	USD 0.080bn
total_other	USD 10.643bn	USD 11.187bn

The observed arithmetic definition is: supply − Tokens Allowed But Not Issued − Access Denied Tokens − Circle Gateway pending burns = USDC in circulation. Frozen tokens and pending burns must remain distinct operational categories; they are not reserve assets.

Source: USDC Reserve Report, observation tables as of 8 and 31 July 2026.

11. Circle arithmetic reconciliation

Date	Control	Difference	Status
2026-07-08	Circulation	$0	OK
2026-07-08	CRF	$0	OK
2026-07-08	Other reserves	$0	OK
2026-07-08	Total reserves	$0	OK
2026-07-31	Circulation	$0	OK
2026-07-31	CRF	$0	OK
2026-07-31	Other reserves	$0	OK
2026-07-31	Total reserves	$0	OK

All eight controls reconcile to the dollar. Timing adjustments retain their signs and remain within their original reserve layer. They include cut-off effects, settlement items, transfers, interest and other accounting differences; they are neither neutralized nor reclassified as cash.

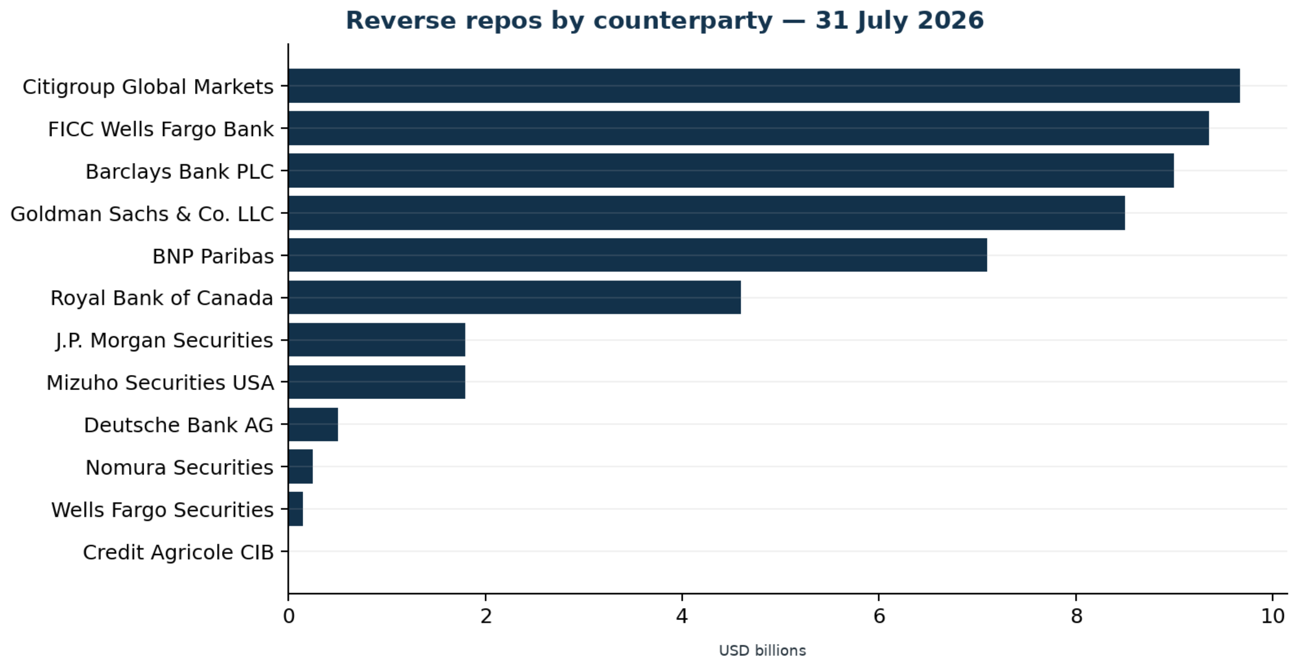
12. July Treasury portfolios

31 July view	Positions	CUSIP	Amount outstanding	WAM	HHI	Top 5
CRF	8	8	USD 7.179bn	36.1 days	2091	95.04%
Direct	11	11	USD 0.499bn	21.4 days	1127	63.60%
Consolidated	19	14	USD 7.678bn	35.1 days	1904	91.43%

Maturity	Consolidated amount outstanding	Share
≤7	USD 1.060bn	13.81%
8–30	USD 2.954bn	38.47%
31–60	USD 1.592bn	20.73%
61–90	USD 2.073bn	27.00%
>90	USD 0.000bn	0.00%

The same CUSIP may be held simultaneously in the CRF and directly. The consolidated view therefore aggregates the economic exposure while retaining two separate lines and two reserve layers, so that no legal or operational information is lost.

13. Reverse repos and counterparties



Source: BlackRock, unaudited Schedule of Investments as of 31 July 2026.

Indicator	Result
Number of counterparties	12
Total repos	USD 52.723bn
Top 5	82.73%
HHI	1484
Nature	Overnight / tri-party reverse repos, based on published information

Treasury collateral and the overnight tenor limit duration risk, but they do not eliminate counterparty risk, settlement risk or reliance on tri-party infrastructure. Reverse repos should not be presented as bank deposits or as cash that is already available.

14. Circle ⟷ BlackRock reconciliation

Measure	Circle	BlackRock	Difference / status
Total CRF	USD 60.717bn	USD 60.717bn	$0 — RECONCILED
Treasury	USD 7.179bn	USD 7.179bn	$358,620 — SCOPE/VALUATION
Repos	USD 52.723bn	USD 52.723bn	$0 — RECONCILED
Total Investments	N/A	USD 59.902bn	Detailed portfolio equals the published total
Other Assets Less Liabilities	N/A	USD 0.816bn	Bridge to Net Assets
8 July	USD 62.517bn	Data not available	DATA NOT AVAILABLE

The factsheet, which is published to the nearest million, may create a small rounding difference relative to Circle's exact amount. The Treasury comparison must also distinguish fair value from amortized cost. No residual is concealed: each control is assigned a status and an explanation.

WAM/WAL divergence: the July factsheet reports 5/5 days, whereas an SOI/portfolio view may produce 7/7 depending on the date or convention used. The model retains both observations rather than arbitrarily selecting a single value.

15. 30 June → 8 July → 31 July

Indicator	30 June	8 July	31 July	June→31 July
USDC circulation	USD 73.269bn	USD 73.084bn	USD 71.826bn	USD −1.442bn
Reserves	USD 73.345bn	USD 73.160bn	USD 71.904bn	USD −1.441bn
CRF	USD 61.917bn	USD 62.517bn	USD 60.717bn	USD −1.200bn
CRF Treasury	USD 8.524bn	USD 8.590bn	USD 7.179bn	USD −1.345bn
CRF repos	USD 52.527bn	USD 54.054bn	USD 52.723bn	USD 0.196bn
Direct Treasury	USD 0.000bn	USD 0.204bn	USD 0.499bn	USD 0.499bn

Consolidated Treasury WAM moves from 26.2 days at end-June to 22.9 days on 8 July and then to 35.1 days on 31 July. The final increase reflects the rollover of maturities, with no position exceeding 90 days in the consolidated end-July portfolio.

Correction — The historical June field named “T_Bills_Directs_USD” in fact reconciled to the CRF. It is reclassified as CRF_TREASURY; the direct Treasury holdings disclosed in July form a separate reserve layer.

16. Liquidity analysis

Horizon	Amount / measure	Qualification
Immediate — gross cash	USD 11.611bn	Before timing adjustments; operational availability not demonstrated
Immediate — cash net of timing	USD 11.503bn	Consolidated accounting measure
1 day — repos	USD 52.723bn	Overnight, subject to settlement
7 days — Treasury	USD 1.060bn	Legal maturity; not instantly available cash
30 days — Treasury	USD 4.014bn	Cumulative legal maturity
BlackRock July DLA/WLA	Data not available in the strictly date-matched source documents	The 100% figures visible at end-August are not back-applied to July

Economic liquidity describes the probable capacity to convert assets into cash; operational liquidity depends on account access, cut-off times, settlement, sanctions/AML controls, blockchain availability and the operation of Circle Gateway. These two dimensions may diverge precisely when the system is under stress.

17. Risk matrix

Risk	BECTRA level	Observed fact	Consequence
Market	Low to moderate	Short-dated Treasury securities; short fund WAM	Low duration; fair-value movements are not zero
Liquidity	Moderate	Repos dominate; substantial cash holdings	Economic availability ≠ operational availability
CUSIP concentration	Moderate	Variable HHI; historical peak of 3,150	Rollover concentrated around certain maturities
Banking	High / not quantified	USD 10.607bn of direct cash; banks not broken down	Concentration cannot be calculated
Repo / counterparty	Moderate	High Top 5 share; Treasury collateral	Dependence on multiple intermediaries
Settlement / timing	Moderate	Signed and variable adjustments	Cut-off effects and unsettled movements
Legal	High	Assertion, issuers, redemption and legally distinct fund	Holder rights cannot be inferred from the composition of the reserve portfolio
Multichain / freezing	Moderate	Access Denied, Gateway and approved blockchains	Distributed operational risk
Manager / infrastructure	Moderate	Dependence on BlackRock / BNY / tri-party infrastructure	Potential operational point of failure
Transparency	Moderate	No BlackRock snapshot as of 8 July	Incomplete interim reconciliation

The risk levels are a BECTRA interpretation, not a credit rating or legal opinion. High-quality reserve assets do not demonstrate instant redemption, a permanent USD 1 market price, the absence of banking risk, or immediate access to the fund's assets.

18. Corrections, limits and conclusions

Correction / decision	Treatment applied	Traceability
Two earlier CUSIP scopes	Kept separate	Earlier reports + DICTIONARY
June 2026 incorrectly labelled “direct”	Reclassified as CRF_TREASURY	June report, CRF composition section
January 2023 Total_Other truncated	Recalculated as total reserve − CRF	JOURNAL_CORRECTIONS
Incomplete BlackRock portfolios in the historical extraction	Explicit RECONCILIATION ADJUSTMENT line	PORTEFEUILLE_BLACKROCK + CONTROLES
WAM/WAL 5/5 vs 7/7	Divergence retained and explained	Factsheet p. 1; SOI p. 1
BlackRock 8 July	No extrapolation	DATA NOT AVAILABLE status

The reserve architecture remains highly liquid in economic terms, but it relies on a complex legal and operational chain. The CRF contains the majority of the reserves and primarily uses overnight reverse repos; the direct reserve layer adds bank cash and a smaller Treasury allocation. July’s enhanced disclosure materially improves the ability to perform controls, without resolving the issue of banking concentration or providing a BlackRock snapshot as of 8 July.

Appendix A — Main sources

Issuer	Document	Section / pages
Circle	USDC Reserve Report — July 2026, signed by Deloitte & Touche LLP on 27 August 2026	Observations and tables pp. 2–5; assertion and independent report
BlackRock	Circle Reserve Fund Institutional Shares — July 2026 Factsheet	p. 1: Net Assets, yield, WAM/WAL
BlackRock	Circle Reserve Fund — unaudited Schedule of Investments as of July 31, 2026	p. 1 et seq.: Treasury securities and reverse repos
BlackRock / SEC	N-CSR and N-CSRS, 2023–2026	Statements of Assets and Liabilities ; Schedule of Investments
BECTRA	USDC Circle Reserve CUSIP Deep Analysis 2022–2026 — internal	Methodology and canonical scope
BECTRA	Circle Reserve Fund USDC Public Report 2023–2026 FR v2	Expanded multi-source scope and CRF history

Appendix B — Document inventory

File	Type	Bytes	SHA-256 (prefix)
2026 USDC_Examination Report July 26 (1).pdf	.pdf	400610	9bb3e852cc468819...
BECTRA_Circle_Reserve_Fund_USDC_Public_Report_2023-2026_FR_v2 (1).docx	.docx	311259	68f1975b0bb86817...
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Circle Reserve Fund _ USDXX _ Institutional 2.pdf	.pdf	512844	889308b045fbebca...
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Inline Viewer_ BlackRock Funds N-CSR 2026-04-30(4).pdf	.pdf	502408	a3841fa00e5582f0...
USDC_Circle_CUSIP_Analytical_Database_2022-2026 (6).xlsx	.xlsx	429701	ab6e92e8e5d51f5b...
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