FUND RESEARCH NOTE · CANADIAN LISTED ETFs · BITCOIN & DIGITAL ASSETS

BDAY — Hamilton Enhanced Bitcoin DayMAX™ ETF

The Case for a Differentiated Route to Bitcoin Exposure — and Where It Still Needs to Prove Itself

July 12, 2026 | Prepared by Dividend North Research | For education & informational purposes only — not investment advice

VERDICT	
SPECULATIVE BUY	BDAY offers a genuinely differentiated structure — full Bitcoin upside participation plus semi-monthly cash income — at a lower fee than existing Canadian Bitcoin income ETFs. But it is brand new, tiny in assets, and unproven. Best suited as a small, income-oriented satellite position for investors who already want core Bitcoin exposure — not as a first or only way to own Bitcoin.

EXECUTIVE SUMMARY

The Hamilton Enhanced Bitcoin DayMAX™ ETF (BDAY) is the newest entrant in Canada's fast-growing Bitcoin ETF category, and the first to combine full Bitcoin price participation with a semi-monthly cash distribution — without selling call options on the Bitcoin holding itself. Traditional Bitcoin "yield" ETFs generate income by writing covered calls directly on their Bitcoin position, which caps the amount of upside an investor can capture if Bitcoin rallies hard. BDAY sidesteps that trade-off structurally: it holds Bitcoin exposure through IBIT (iShares Bitcoin Trust ETF) essentially uncovered, and generates its income from a separate, modestly levered options overlay on the Nasdaq-100 (via QQQM) using Hamilton's zero-days-to-expiration (0DTE) options strategy.

At a 0.85% management fee, BDAY undercuts Purpose's Bitcoin Yield ETF (BTCY.B, ~1.10%–1.41% MER) while still paying investors twice a month, and it remains eligible for TFSA, RRSP, RESP and other Canadian registered accounts. The core question for investors is not whether the structure is clever — it is — but whether a fund with $3.8 million in assets and a single distribution's worth of history can be trusted to deliver on that design over a full market cycle.

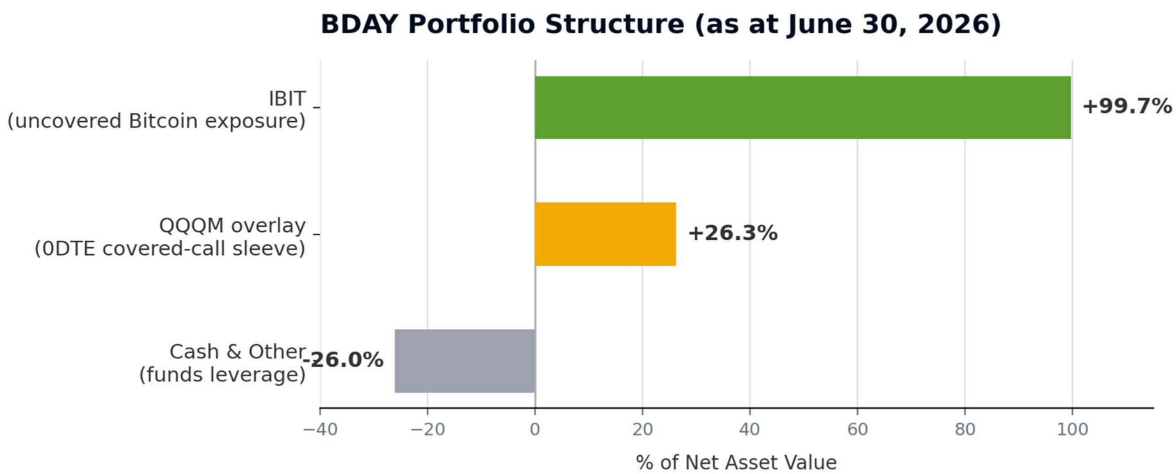
FUND SNAPSHOT

FIELD	DETAIL	FIELD	DETAIL
Ticker	BDAY — Cboe Canada	**Inception Date**	June 24, 2026
Issuer	Hamilton ETFs (Hamilton Capital Partners Inc.)	**NAV (Jul 9, 2026)**	$25.27
Management Fee	0.85%	**Assets Under Mgmt.**	$3.8M CAD
Risk Rating	High	**Distribution Freq.**	Semi-monthly (cash)
Last Distribution	$0.185 / unit	**Registered Accounts**	TFSA, RRSP, RRIF, FHSA, RESP
Leverage	Modest, up to ~25% of NAV	**Currency**	CAD, unhedged

Source: Hamilton ETFs (hamiltonetfs.com/etf/bday), as at July 9, 2026 (NAV, AUM) and June 30, 2026 (holdings). Figures change frequently; verify current values before trading.

HOW BDAY IS BUILT

BDAY's portfolio is unusual for a Bitcoin fund, and understanding the structure is the whole investment case. As at June 30, 2026, the fund held approximately 99.7% of net assets in IBIT (iShares Bitcoin Trust ETF), giving it effectively full, uncapped exposure to Bitcoin's price. Separately, it holds a ~26.3% position in QQQM (Invesco NASDAQ-100 ETF), funded in part by cash borrowings — the source of the fund's modest 25% leverage — shown as a roughly -26.0% cash/liabilities offset.



BDAY portfolio weights as at June 30, 2026. Because leverage is applied only to the QQQM income sleeve, the Bitcoin position is not diluted or hedged to fund it. Source: Hamilton ETFs.

Hamilton's options team then writes short-dated (0DTE — zero days to expiration) covered calls against the QQQM sleeve, harvesting daily time-decay premium to fund the semi-monthly cash distribution. Because the options are written on the Nasdaq-100 exposure and not on the Bitcoin holding, the fund is designed to preserve full participation in Bitcoin's price moves, up or down, while generating income from a second, independent source of volatility. This is the structural feature Hamilton is marketing as the differentiator versus “traditional” Bitcoin covered-call funds.

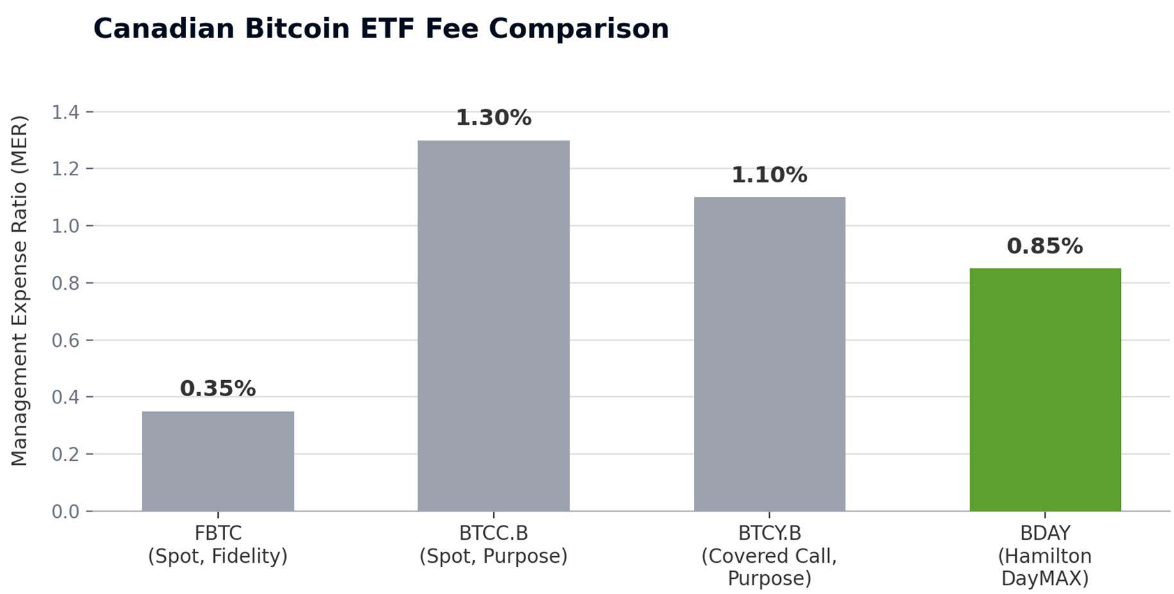
BDAY VS. THE ALTERNATIVES

Canadian investors currently have four broad routes to Bitcoin exposure through listed ETFs: low-cost spot funds, higher-cost legacy spot funds, covered-call income funds that cap upside, and now BDAY's overlay-income structure.

	FBTC (Fidelity)	BTCC.B (Purpose)	BTCY.B (Purpose)	BDAY (Hamilton)
Strategy	Spot Bitcoin	Spot Bitcoin	Spot BTC + covered calls on BTC (10–50%)	**Spot BTC (IBIT) + covered calls on separate QQQM sleeve**
MER	0.35%	~1.30% (cap 1.50%)	~1.10%–1.41%	**0.85%**
Cash Income	None	None	Monthly; historically ~9–12%	**Semi-monthly; single distribution so far**

BTC Upside Participation	100%	100%	Partial (capped on written portion)	**~100% (calls written on QQQM, not BTC)**
Leverage	None	None	None	**Modest, ~25% of NAV**
Track Record	Since 2021	Since 2021	Since 2021	**Since June 2026 (new)**
Registered-Account Eligible	Yes	Yes	Yes	**Yes**

MERs and yields are approximate and change over time; BTCY.B yield reflects trailing distribution history reported in late 2024/2025 commentary, not a guarantee. Always confirm current figures with each issuer before investing.



Management Expense Ratio comparison across Canadian-listed Bitcoin ETFs. Lower is not automatically better — it depends on whether income and structure add value for your goals.

THE BULL CASE

— Removes a real trade-off. Every existing Bitcoin income ETF in Canada generates yield by capping upside — selling calls directly on Bitcoin. BDAY is the first to decouple the two, at least by design.

— Cheaper than the income alternative. At 0.85% MER, BDAY is meaningfully less expensive than BTCY.B, the main existing Bitcoin income ETF in Canada, while still paying out twice monthly.

— Registered-account friendly. Like other Canadian Bitcoin ETFs, BDAY can be held in a TFSA, RRSP, RESP or FHSA — something self-custodied Bitcoin cannot offer, with no foreign reporting complexity.

— Experienced options desk. Hamilton's DayMAX™ suite (CDAY, SDAY, QDAY) has been running 0DTE strategies on equity indices before BDAY launched, led by a team with 50+ years of combined options experience — this is not Hamilton's first attempt at daily-options income.

— Diversified income source. Premium is harvested from Nasdaq-100 volatility, a deep and liquid options market, rather than from Bitcoin's own (thinner, more erratic) options market.

KEY RISKS & CONSIDERATIONS

— No track record. BDAY launched June 24, 2026, with a single semi-monthly distribution paid to date. There is no history to confirm the distribution is sustainable, or how the strategy behaves in a sharp Bitcoin drawdown or a flat/low-volatility Nasdaq market.

— Tiny, illiquid fund. At roughly $3.8 million in assets, BDAY is a fraction of the size of BTCC.B or FBTC. Small funds can carry wider bid-ask spreads, thinner trading volume, and — in the worst case — closure risk if assets don't grow.

— Added complexity and a second risk factor. Investors aren't just underwriting Bitcoin risk; the QQQM overlay and the 25% leverage introduce Nasdaq-100 and options-execution risk that has nothing to do with Bitcoin. In a scenario where Bitcoin is flat but the Nasdaq-100 sells off sharply, the income sleeve could detract from returns.

— Still costs more than plain spot exposure. At 0.85%, BDAY is 50 basis points more expensive per year than FBTC for investors who don't actually want or need the income feature.

— Leverage cuts both ways. The modest 25% leverage on the income sleeve is designed to enhance both income and growth potential, but it also amplifies losses on that portion of the portfolio during adverse Nasdaq-100 moves.

— High issuer risk rating. Hamilton ETFs itself classifies BDAY as “High” risk — consistent with a fund combining Bitcoin, leverage, and daily options.

— Distribution composition and tax character (return of capital vs. income) are not yet established over a full tax year; investors should review annual tax reporting once available rather than assume the current distribution rate is representative.

WHO BDAY IS — AND ISN'T — FOR

BDAY is best framed as a satellite, income-tilted complement to a core Bitcoin position, not a replacement for one. Investors who want the simplest, cheapest, most liquid way to own Bitcoin in a registered account are still better served by a low-cost spot ETF like FBTC (0.35% MER, no leverage, no options complexity, five-year track record). Investors who specifically want cash flow from Bitcoin holdings and are comfortable underwriting a new, small, leveraged fund with a novel structure may find BDAY's design compelling enough to justify a modest allocation — sized as a satellite position, and revisited once the fund has a longer distribution and drawdown history.

FINAL VERDICT

VERDICT **SPECULATIVE BUY (SMALL POSITION)**	The structural idea behind BDAY is sound and addresses a genuine gap in the Canadian Bitcoin ETF lineup. The fee is competitive and the manager is experienced. However, with under four months of trading history and under $4 million in assets, this is not yet a fund with a proven track record — it is a well-designed idea still being tested in the market. Suitable only as a small, monitored allocation alongside — not instead of — a core Bitcoin position, with a plan to reassess once BDAY has a full year of distributions and at least one real drawdown behind it.

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