

SIKULI CAPITAL

Conviction through contrarian research

Coinbase Global (COIN)

Valuation Snapshot — Fair Value Range

As of May 20, 2026 | Crypto exchange + staking + custody

CURRENT PRICE	PROBABILITY-WEIGHTED FAIR VALUE	FAIR VALUE RANGE
~\$215	~\$235	\$130 - \$360
May 2026	Bull 25% / Base 50% / Bear 25%	Modest upside; high BTC beta

Verdict: COIN reported Q1 2026 revenue of \$1.41B (-31% YoY) with a GAAP loss of \$1.49/share — well below consensus EPS of \$0.27 profit^[1]. Crypto market volumes fell 28% QoQ, spot volumes -37%, transaction revenue -23% QoQ / -40% YoY^[2]. The miss reflects the cyclical trough — but derivatives and stablecoin revenues are gaining share. At ~46x forward P/E^[3], COIN is priced for a recovery. Bull case requires renewed crypto volume + Base L2 monetization; bear case is a prolonged crypto winter.

CURRENT SNAPSHOT

Metric	Value	Notes / Source
Stock price	~\$215	Post-Q1 selloff ^[4]
Q1 2026 revenue	\$1.41B (-31%)	Below cons \$1.52B ^[1]
Q1 2026 EPS	-\$1.49 GAAP	vs cons +\$0.27 ^[1]
Q1 2026 net income	-\$394M	Swing from prior-year profit ^[1]
Spot trading volume	-37% QoQ	^[2]
Transaction revenue	-23% QoQ	-40% YoY ^[2]
Forward P/E	~46x	Pricing recovery ^[3]

BULL / BASE / BEAR SCENARIOS

Scenario (weight)	Assumptions	Fair Value
Bull (25%)	BTC volume recovers, derivatives + Base L2 scale, multiple compresses to 35x on higher EPS base	\$360
Base (50%)	Volumes stabilize, modest recovery, 45x forward P/E	\$235
Bear (25%)	Prolonged crypto winter, regulatory headwinds, multiple compresses	\$130

Scenario (weight)	Assumptions	Fair Value
Probability-weighted	Crypto cycle leverage; binary on BTC volume recovery.	~\$235

Key Risks

- **BTC volume cycle:** Transaction revenue tied to crypto trading volumes; highly cyclical.
- **Regulation:** SEC scrutiny continues; staking, exchange, and custody all under review.
- **Competition:** Binance, Kraken, derivatives platforms compete; CME for institutional.
- **Crypto cycle:** If BTC enters multi-year drawdown, volumes structurally lower.

What Would Change Our View

- **Upside:** BTC to \$100K+, volume recovery, Base L2 monetization disclosure.
- **Downside:** BTC under \$60K, sustained low volumes, adverse SEC action.

Sources

- [1] <https://www.cnbc.com/2026/05/07/coinbase-coin-earnings-q1-2026.html>
- [2] <https://www.tikr.com/blog/coinbase-q1-2026-earnings-revenue-down-21-but-derivatives-and-stablecoins-are-gaining>
- [3] <https://coindcx.com/blog/us-stock/coinbase-q1-2026-earnings-results/>
- [4] <https://finance.yahoo.com/quote/COIN/>

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