

Coinbase Global, Inc. (COIN)

Equity research update | Prepared 14 September 2026 | Previous note 25 August 2026

WATCHLIST

Reaffirmed — the August turn has stalled rather than failed

Last close (11 Sep 2026)	\$175.26
Change since the 25 Aug note	-2.4%
Forward P/E on FY27 consensus	~34.2x
Probability-weighted fair value	\$160.20
Price relative to fair value	9.4% above

What Has Moved Since the Last Note

The most useful fact about the last twenty days is a divergence. United States spot Bitcoin exchange-traded funds took in \$986.9 million in the week to 4 September, a third consecutive week of positive flows and part of a three-week total near \$3.8 billion, described by those tracking it as the strongest three-week stretch of 2026. Bitcoin itself went almost nowhere. It traded near \$77,500 when the previous note was written, reached about \$81,700 in early September, briefly touched \$79,890 on 12 September and was back around \$77,200 by 13 September, failing twice at the \$80,000 to \$82,000 area in between. Coinbase fell 2.4%, from \$179.48 to \$175.26.

Record allocator inflows that do not move the price mean supply is meeting them. That is a materially different picture from the one the previous note described, where a single \$1.92 billion week accompanied a 22.7% advance in the asset and a 19.1% advance in the equity. The flows have got better and the price response has got worse, and the second of those is the more informative.

Four company-specific and policy items sit alongside it. The CLARITY Act reaches a key procedural vote on 15 September, which the chief executive has publicly described as nearing the finish line. Coinbase announced a partnership with Moov on 10 September to extend stablecoin capability to community banks, timed ahead of that vote. Morgan Stanley initiated coverage on 10 September at Equalweight with a \$250 target, the highest target on the tape attached to a rating that declines to recommend the shares, and separately characterised the company's everything-exchange positioning as carrying meaningful strategic value. And Goldman Sachs raised its target to \$219 from \$196 on 9 September while Needham cut to \$177 from \$200 on 27 August, both retaining Buy ratings.

The company has published nothing. There has been no disclosure since the 30 July second-quarter release, and monthly transacting users, the metric this coverage identified as decisive, remain unobservable until the third-quarter results on 29 October.

Do the Published Levels Still Hold?

Condition published 25 Aug 2026	Status at 11 Sep 2026	Assessment
Evidence that monthly transacting users have stopped declining would justify a Buy	No new user data; Q3 results are not due until 29 October	Untested. Exchange-traded fund flows are a proxy for the backdrop, not a substitute for the metric
The shares breaking below the \$139 low on capitulation volume would justify a Buy	The low remains \$139.11 from July; the price is 26.0% above it	Void. That entry is no longer available and this note replaces it with a level

Condition published 25 Aug 2026	Status at 11 Sep 2026	Assessment
A downgrade to Avoid would require users falling for a second consecutive quarter while trading market share also declines	No evidence either way	Untested
Probability-weighted fair value \$163.50, ~9.8% below the price	Restated at \$160.20, ~9.4% below the price	Barely changed. The price fell 2.4% and the fair value was cut 2.0% for the same reason

Has the Cycle Turned? A Second Look

The previous note put this question at the centre of the position and answered it by moving ten percentage points of probability from the bear case into the bull case, on the strength of a 22.7% weekly advance in Bitcoin, a reclaimed two-hundred-day average and \$1.92 billion of exchange-traded fund inflows. Three weeks on, the evidence has split rather than resolved.

What has improved is institutional demand, and it has improved substantially. Three consecutive weeks of inflows totalling roughly \$3.8 billion is the best such run of the year, with BlackRock's fund taking \$691.5 million in a single week, and a golden cross on the fifty- and two-hundred-day exponential averages was projected to complete around 11 September. Those are the flows of allocators rather than leverage inside the crypto system, and they are the right kind of demand.

What has not improved is the price, and for a business whose largest revenue line is transaction fees on an asset whose level sets platform assets, that is the variable that pays. Bitcoin is roughly unchanged across the period despite those flows, having failed at \$80,000 twice. A golden cross is a lagging construction that has reversed within weeks before, and the same signal set that fired here failed to mark a bottom in 2018 while succeeding in 2019 and 2023. The immediate obstacle is identifiable: August core inflation ran 0.3% against a 0.2% forecast, the ten-year Treasury closed at a 52-week high of 4.96%, and futures moved to roughly 87-90% odds of a Federal Reserve increase on 15-16 September. A rising risk-free rate is the most direct competition a zero-yield asset faces.

The reasonable conclusion is that the turn has stalled rather than failed, and that the previous note's ten-point shift was slightly ahead of the evidence. Three of those points are returned to the base case below. The fair-value estimates themselves are left untouched, because a month of sideways trading does not change fiscal 2027 earnings estimates and the consensus figure has not been revised.

Valuation

At \$175.26 across roughly 287 million diluted shares, Coinbase carries a market capitalisation near \$50.3 billion. The company remains loss-making on current earnings, so the only available multiple is a forward one. On the fiscal 2027 consensus of \$5.13 per share, which has not been revised since the previous note, the shares trade at approximately 34.2 times, against 35.0 times three weeks ago and 29.4 times in early August.

Metric	25 Aug 2026	14 Sep 2026	Comment
Share price	\$179.48	\$175.26	-2.4% over thirteen sessions
Market capitalisation	~\$51.4bn	~\$50.3bn	~287m diluted shares
Forward P/E on FY27 consensus	~35.0x	~34.2x	Consensus of \$5.13 unrevised in the interval
Bitcoin	~\$77,500	~\$77,200	Flat, having failed twice at \$80,000-82,000
Spot Bitcoin ETF net flows	\$1.92bn in one week	~\$3.8bn over three weeks	Demand improving; price response is not

Metric	25 Aug 2026	14 Sep 2026	Comment
Monthly transacting users	7.6m (-12.6% q/q)	7.6m	No new observation until 29 October
Trading market share	10.3%	10.3%	Third consecutive record at the last disclosure
Analyst targets	\$173-200 range	\$177-250 range	Goldman to \$219, Morgan Stanley initiates at \$250, Needham cuts to \$177
Probability-weighted fair value	\$163.50	\$160.20	Price 9.4% above it, from 9.8%
Distance from the 52-week high	-55.4%	-56.4%	\$402.16 set in the prior cycle

The sell-side dispersion is worth reading carefully because the ratings and the numbers disagree with each other. Morgan Stanley carries the highest target on the name at \$250, 42.6% above the market, attached to an Equalweight rating that explicitly declines to recommend the shares. Goldman raised to \$219 with a Buy, Citi holds \$210 with a Buy, Cantor \$212, and Needham cut to \$177 while keeping a Buy. A \$250 target paired with a Hold is not a contradiction; it is an analyst saying that the expected value is high and the distribution is too wide to act on. That is close to the position this coverage has held for three notes, arrived at independently.

Macro conditions that bear on this business. Two variables drive Coinbase and neither is a generic rate paragraph. The first is the policy rate path and the real yield it produces, because crypto is the purest risk-appetite asset under coverage and a zero-yield asset competes directly with a risk-free one. The ten-year Treasury closed at 4.96% on 11 September, a fresh 52-week high, and futures carried roughly 87-90% odds of a quarter-point increase on 15-16 September after August core inflation ran 0.3% against a 0.2% forecast. Bitcoin's failure to clear \$80,000 on record inflows is most economically explained by that competition. The second is legislation, which for this company functions as a macro driver in the way rates do for a bank. The CLARITY Act faces a key procedural vote on 15 September, and a market-structure framework that settles which regulator governs which digital asset would change the cost of doing business, the range of products that can be listed, and the willingness of regulated institutions to route through a listed exchange. It is the one external development available before 29 October that could re-rate the shares on something other than the Bitcoin price.

Risks

Risk	Probability	Severity	Change since 25 August
Crypto prices failing to sustain the August recovery	Medium	High	Elevated. Record inflows have not moved the price, which is the clearest warning available
Monthly transacting users falling again in the third quarter	Medium	High	Unchanged and still unobservable; the decisive datapoint arrives 29 October
Policy tightening suppressing risk appetite	High	Medium	New and imminent. An increase on 15-16 September is roughly 87-90% priced
Extreme equity volatility: beta near 3.35 and a 6.0% daily average true range	High	High	Unchanged. Position sizing rather than conviction is the binding constraint here
The CLARITY Act failing or being materially diluted at the 15 September vote	Medium	Medium	New. The upside case has become partly dependent on a legislative outcome
Valuation: 34.2x an unrevised FY27 consensus with the price 9.4% above fair value	High	Medium	Unchanged; the multiple improved only because the price fell

Risk	Probability	Severity	Change since 25 August
Loss-making on current earnings	High	Medium	Unchanged; current ratio of 2.14, no liquidity concern
Competitive pressure on take rates from exchanges and brokerages	Medium	Medium	Unchanged; market share was at a record in the last disclosure
Insider selling	Low	Low	A \$2.48m disposal was filed on 10 September; small and routine in character

Technical Position

This section carries a correction. The previous note recorded the shares as trading above every computable average and scored the technical setup at 7 on that basis. That statement was true of the averages then computable, but the series available at the time ran to only 100 sessions and could not produce a two-hundred-day figure. On a 300-session series the two-hundred-day average is \$191.28 and the price is 8.4% below it. The shares are therefore in a downtrend on the longest measure, not above every average, and the technical score is restated accordingly. This is a correction of an artefact of window length rather than a change in the market.

Indicator (11 Sep 2026)	Value	Reading
Close	\$175.26	26.0% above the July low; 56.4% below the prior-cycle high
SMA20	\$175.03	Price 0.1% above — sitting exactly on it
SMA50	\$165.05	Price 6.2% above; the nearest meaningful support
SMA100	\$172.25	Price 1.7% above
SMA200	\$191.28	Price 8.4% below ; computable for the first time in this coverage
EMA20 / EMA50	\$174.60 / \$169.73	Price marginally above both
RSI(14)	51.6	Neutral; the August overbought condition has fully unwound
MACD / signal / histogram	4.45 / 5.60 / -1.15	Still positive but rolled over; the crossover has reversed
ATR(14)	\$10.52 (6.0% of price)	Extreme. Two and a half times the volatility of the megacaps under coverage
Volume, 20-day vs 50-day average	9.9m vs 8.3m	Elevated, unlike the rest of the book — the name is being traded
52-week range	\$139.11 - \$402.16	Price in the lower third of the year

Indicators computed from 300 completed daily OHLCV sessions, 3 July 2025 to 11 September 2026, from a single split-adjusted source. Every average has been recomputed from that series; none has been carried forward from the previous note. Distances are measured against the 11 September close of \$175.26.

For entry timing only: the shares are pinned to the twenty-day average with the fifty-day at \$165.05 beneath them and the two-hundred-day at \$191.28 overhead. That is a compressed structure in a stock that moves 6% on an average day, which usually resolves quickly and in a direction the chart does not predict. The 15-16 September policy decision and the CLARITY Act vote both land inside that compression. Technicals inform entry timing only and do not alter the rating.

Scorecard

Category	Score	Comment
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Business quality	6/10	85.5% gross margin and record market share, against revenue that fell 18.5%
Financial strength	6/10	Current ratio of 2.14 and no liquidity concern, but loss-making
Competitive advantage	7/10	Largest custodian, record trading share, Base, ADGM venue, Moov bank channel
Management	6/10	Diversification executed well; a very large miss and several senior departures
Growth potential	7/10	Record ETF inflows lift the backdrop; the asset price has not followed
Valuation	3/10	~34.2x an unrevised FY27 consensus; 9.4% above fair value
Risk (10 = lowest risk)	3/10	Beta 3.35, 6.0% daily range, users unobserved, a policy decision this week
Technical setup	4/10	8.4% below the 200-day, MACD rolled over (was 7 on a 100-session window)

Scored 1-10, where 10 is always best, including Risk. Weightings: risk 16, valuation 16, growth 14, business quality 14, competitive advantage 12, financial strength 12, management 11, technicals 5. The previous note scored 54/100 on an unrounded 53.5. One factor moves: technical setup from 7 to 4, on the two-hundred-day average becoming computable and on the MACD crossover reversing. Unrounded total 52.0. The previous note already scored Risk on the convention used here, with a higher number meaning a safer business, so no restatement was required to compare the two scorecards. This remains the lowest overall score in current coverage.

Overall Investment Score: 52 / 100

Scenario Analysis

Scenario	Prob.	Path	Fair value	Conditions
Bull	32%	FY27 EPS ~\$7.00	\$245	The August turn resumes and the flows finally move the price, share gains compound, and the CLARITY Act passes in a form that re-rates Base and stablecoin economics as infrastructure (was 35%)
Base	48%	FY27 EPS ~\$4.50	\$135	The market stabilises without recovering strongly; diversification offsets but does not reverse the revenue decline; multiple near 30x (was 45%)
Bear	20%	FY27 EPS ~\$2.00	\$85	The August advance proves a bounce, user attrition continues, policy tightening suppresses risk appetite and estimates keep falling

Probabilities sum to 100%. Probability-weighted fair value: \$160.20, approximately 9.4% below the 11 September close of \$175.26. The scenario fair values are unchanged; three percentage points have moved from the bull case back to the base case because record exchange-traded fund inflows failed to lift the asset price. Previously \$163.50.

Recommendation: Watchlist (reaffirmed)

The rating is unchanged for a third consecutive note, and the position is now easier to state than it has been. Coinbase is a business whose decisive metric cannot be observed for six weeks, trading 9.4% above this analysis's estimate of fair value, in an asset class that has just absorbed the best three weeks of institutional inflows of the year without moving, into a policy decision that is nearly fully priced for a tightening.

The previous note's two upgrade paths have not survived contact with the market in the same way. The user-data path is intact and remains the right one: evidence on 29 October that monthly transacting users have stopped declining would justify a Buy, because it would separate the company's own franchise from the price of the asset it trades. The

capitulation path is void, since the shares are 26.0% above the July low of \$139.11 and that entry is gone. This note replaces it with a level rather than leaving the row empty.

The price at which this becomes interesting is the \$150 to \$160 band. The upper edge sits at the probability-weighted fair value of \$160.20, and the lower edge allows a margin for a business with a 3.35 beta whose central question is unanswered. That is 9% to 14% below the market, which in a stock with a 6.0% daily average true range is a matter of days rather than months if the policy decision goes badly. The fifty-day average at \$165.05 is the line whose loss would open it.

What would change the view	Direction
Third-quarter monthly transacting users flat or rising on 29 October, separating the franchise from the asset price	To Buy
A decline into the \$150-160 band, at or below the probability-weighted fair value	Becomes buyable
The CLARITY Act passing in a form that settles market structure and opens regulated-institution flow to a listed exchange	Positive; supports the bull case
Bitcoin clearing and holding above the \$80,000-82,000 area that has rejected it twice, with the exchange-traded fund inflows continuing	Positive
Users falling for a second consecutive quarter while trading market share also declines	To Avoid
Sustained institutional outflows from spot exchange-traded funds alongside a further rise in real yields, which removes the marginal buyer of the underlying asset	To Avoid

No cut-loss or take-profit levels are published, because the rating is not a Buy and no position is held.

Final Verdict

No, and the reason has sharpened. For two notes the objection to Coinbase was that the crypto cycle had not turned. In August it appeared to turn, and the previous note moved probability to reflect that. The twenty days since have supplied the cleanest possible test of whether it really did, and the answer is unsatisfying: the best institutional demand of the year arrived and the asset did not move. That is not a refutation of the turn, but it is the opposite of confirmation, and it is exactly the sort of evidence that a note written three weeks earlier could not have had.

The second thing this update finds is a correction to its own prior work. The previous note described the shares as trading above every computable average. With a longer price series the two-hundred-day average stands at \$191.28 and the shares are 8.4% beneath it. The technical improvement recorded in August was real but smaller than it was presented as being, and the score has been cut from 7 to 4 to reflect the fuller picture.

What keeps this at Watchlist rather than lower is that the franchise evidence continues to point the right way. Trading market share was at a third consecutive record in the last disclosure, gross margin is 85.5%, the Abu Dhabi tokenisation venue and the Moov community-bank partnership both extend the business away from pure transaction revenue, and Morgan Stanley has begun coverage describing the everything-exchange positioning as strategically valuable while putting the highest target on the tape against it. A company executing on diversification into a flat tape is doing the only thing it controls.

Two dates settle this. The Federal Reserve decides on 16 September and the CLARITY Act faces a procedural vote on 15 September, and between them they will set the risk appetite and the regulatory frame the fourth quarter is traded in. Then on 29 October the company reports the user number that separates its franchise from the price of Bitcoin. At \$175.26, roughly 9% above fair value with a 6% daily range, the sensible response to three unresolved questions arriving over six weeks is to keep watching and to be interested at \$150 to \$160.

Sources

Alpha Vantage — quote of record, 11 September 2026 close • Twelve Data — daily OHLCV series, 3 July 2025 to 11 September 2026, from which all indicators were computed • moomoo news search and stock digest — news, notices and broker research, 25 August to 14 September 2026 • The Block — spot Bitcoin ETF weekly inflows of \$986.9m, 6 September 2026 • CoinCentral — three-week ETF inflow total and the projected golden cross, 6 September 2026 • UseTheBitcoin — Bitcoin price action and Federal Reserve hike odds, 13 September 2026 • CNBC — Coinbase and Moov community-bank stablecoin partnership, 10 September 2026 • Decrypt — chief executive commentary on the CLARITY Act and the cycle, 10 September 2026 • MarketBeat and moomoo — Morgan Stanley initiation, Goldman Sachs, Citi, Cantor Fitzgerald and Needham rating actions, August and September 2026 • Coinbase Global, Inc. — Q2 2026 shareholder letter and results, 30 July 2026 • Bureau of Labor Statistics and US Treasury — August CPI and the ten-year yield

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