DIGITAL ASSET FUND

AN INSTITUTIONAL APPROACH TO DIGITAL ASSET MARKETS

July 2021 Newsletter

July was a positive month for digital asset markets. However it wasn't looking this way until the last week of the month as we witnessed a dramatic rally into the month-end. Bitcoin and Ethereum ended up +18.3% and +11.2% respectively. The weakness seen early on in the month was attributed to newsflow regarding the regulation of digital asset participants. Remarks from Elon Musk, Jack Dorsey, and Cathie Wood at "The B Word" event, as well as a reported increase in interest in the space from corporates and large asset managers helped turn market sentiment into positive territory.

Please see page 2 for a list of articles and a podcast of interest.

Key market observations from the trading desk

Market conditions for the Digital Opportunities Class in July were similar to June, in that yields remain subdued, market volumes consistent but not spectacular, but enough going on to generate opportunity. We continue to improve existing strategies with some exciting skunkworks enhancements to be implemented over the coming weeks and months.

We have recently onboarded with Fireblocks as our digital asset security and transfer solution. Fireblocks is a leading all-in-one platform to build, run, and scale digital asset businesses using their next-generation security.

Performance overview



Style: Market-Neutral/Arbitrage

 1 month
 +2.19%

 3 months
 +32.05%

 6 months
 +32.05%

 Since inception
 +32.05%

YEAR Mar Sep Oct Nov Dec YTD Jan Feb Apr May Jun Jul Aug 2021 +28.16 +0.83 +2.19 +32.05%



Style: Long only Bitcoin Tracker

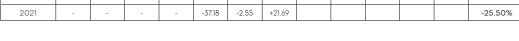
 1 month
 +21.69%

 3 months
 -25.50%

 6 months
 Since inception

 -25.50%
 -25.50%

YEAR Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov



Dec

YTD

All performance figures are net of fees and relate to the Lead series. Investors will recieve an emailed statement directly from Ascent Fund Services with their unit holdings and valuations



DIGITAL ASSET FUNDS MANAGEMENT

WWW.DAFM.IO

Fund Characteristics

Australian based Investment manager Australian unit trust Australian Dollar denominated units Three separate unit classes

Digital Opportunities Class

- > Targeted Returns +35% pa net of fees
- > Uncorrelated to traditional markets
- > Market neutral approach
- > Absolute return focused

Bitcoin Index Class

- > Bitcoin tracker
- > Enhanced yield
- > Directional, long only exposure

Digital Index Class

- > Digital Index tracker
- > Enhanced yield
- > Directional, long only exposure

Investment Manager and Trustee Digital Asset Funds Management Pty Ltd Corporate Authorised Representative (No. 001285765) of Quay Wholesale Fund Services Pty Ltd (AFSL No. 528526)

Fund Administrator and Registry Ascent Fund Services (Singapore) Pte. Ltd www.ascentfundservices.com



Articles we found interesting

- Visa: More Than \$1 Billion Spent Using Crypto-Linked Cards in 2021
- > China's Bitcoin Mining Share Was in Decline Even Before Crackdown
- > Jack Dorsey Announces Bitcoin-Focused Business Division at Square
- > FTX exchange completes largest ever digital asset fundraise
- Most institutional investors expect to buy digital assets, study finds.

Podcast worth a listen

Sam Bankman-Fried is one of the most influencial individuals in the digital asset space. In this podcast Sam and one of the leading financial journalists, Matt Levine, discuss how crypto markets work and where it is going.

Sam Bankman-Fried and Matt Levine on How the Crypto Market Really Works.

	Fund Terms			CONTACT
	Digital Opportunities Class	Bitcoin Index Class	Digital Index Class	Clint Maddock
Minimum Applications Redemptions Lock up period Management Fee Performance Fee Highwater mark	AUD 100,000 Monthly Monthly (45 days notice) 90 Days 2% plus GST 25% plus GST Yes	AUD 100,000 Monthly Monthly None 2% plus GST None N/A	AUD 100,000 Monthly Monthly None 2% plus GST None N/A	info@dafm.io

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