

# DIGITAL ASSET FUND

AN INSTITUTIONAL APPROACH TO  
DIGITAL ASSET MARKETS

November 2021 Newsletter

Bitcoin fell 3% in November despite making a new all time high of US\$69,045 on November 10th. The strength early on in the month was attributed to a number of familiar factors; the "successful" US Bitcoin ETF launch in October, large reported institutional flows, Lightning network, a Layer 2 payment protocol, user growth, falling exchange balances and rising inflation data. The back end of the month was bearish with Bitcoin falling in line with risk assets across global markets as a result of the new Omicron Covid variant.

Ethereum generally followed a similar path, though it rallied late to end the month up 8%. Similar to October, the strength can again be attributed to increasing Total Value Locked in DeFi protocols and the continued speculation that a US Ether ETF will be announced.

Total volume traded across the major spot and derivative markets was US\$6 Trillion for the month, the lowest of the past 4 months, but 3x the levels of November 2020.

In local news, Commonwealth Bank (CBA) announced on November 3rd that it will become Australia's first bank to offer customers the ability to buy, sell and hold crypto assets, directly through the CommBank app.

Please see page 2 for a list of interesting articles we read in November

## Key market observations from the trading desk

Despite the decreased market volumes the fund was well positioned with some market neutral spreads reverting. There were increased opportunities around the CME futures with the launch of questionable futures based ETF products. It would appear there is still quite some leverage left in the market which is generally good for us.

### Performance overview

Style: Market-Neutral/Arbitrage

+3.72%

Digital  
Opportunities  
Class

1 month	+3.72%
3 months	+8.66%
6 months	+14.89%
Since inception	+47.25%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	-	+28.16	+0.83	+2.19	+2.62	+2.86	+1.85	+3.72		+47.25

Style: Long only Bitcoin Tracker

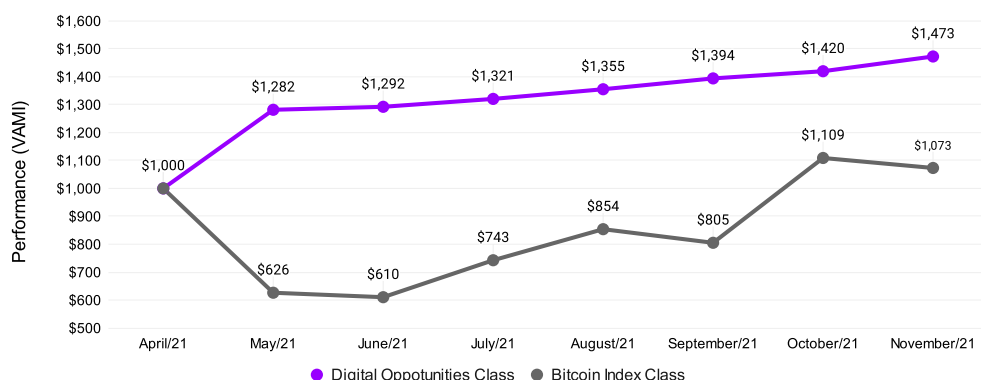
-3.23%

Bitcoin  
Index  
Class

1 month	-3.23%
3 months	+25.68%
6 months	+71.36%
Since inception	+7.32%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	-	-37.37	-2.55	+21.69	+14.98	-5.71	+37.73	-3.23		+7.32

### Performance Chart



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

Trustee



DAFM

DIGITAL ASSET  
FUNDS MANAGEMENT

[WWW.DAFM.IO](http://WWW.DAFM.IO)

### Fund Characteristics

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

### Digital Opportunities Class

- > Uncorrelated to traditional markets
- > Market neutral approach
- > Absolute return focused

### Bitcoin Index Class

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

### Digital Index Class (not open)

- > 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

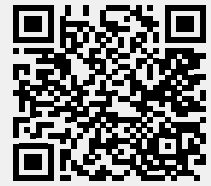
Ascent Fund Services (Singapore) Pte. Ltd  
[www.ascentfundservices.com](http://www.ascentfundservices.com)



## Articles we found interesting

- > [Amazon Web Services Looks to Drive Crypto Settlement and Custody to the Cloud](#)
- > [JPMorgan Doubles Down On Its Massive Bitcoin Price Prediction—But Adds A Serious Warning](#)
- > [Crypto Oversight Road Map Is Set by U.S. Banking Regulators](#)
- > [Ken Griffin, head of Citadel, bid highest for a copy of the Constitution.](#)
- > [Binance US to Close Pre-IPO Funding in 1-2 Months](#)
- > [The Croesus of Crypto: How Sam Bankman-Fried built a \\$22.5 billion fortune without really believing in cryptocurrency](#)

## APPLY



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## Fund Terms

	Digital Opportunities Class	Bitcoin Index Class	Digital Index Class
Minimum	AUD 100,000	AUD 100,000	AUD 100,000
Applications	Monthly	Monthly	Monthly
Redemptions	Monthly (45 days notice)	Monthly	Monthly
Lock up period	90 Days	None	None
Management Fee	2% plus GST	2% plus GST	2% plus GST
Performance Fee	25% plus GST	None	None
Highwater mark	Yes	N/A	N/A

## CONTACT

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