

# DIGITAL ASSET FUND

AN INSTITUTIONAL APPROACH TO  
DIGITAL ASSET MARKETS

## September 2022 Newsletter



# 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
- > Two 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

### 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)

It was another month where activities in the crypto space were overshadowed by carnage in the traditional financial markets. Both bonds and equities sold off in unison as central banks around the world reaffirmed their commitment to fighting inflation and financial market uncertainty strengthened the US dollar. Despite the tough macroeconomic backdrop, Bitcoin registered a positive return, ending up +2.65% in September in AUD.

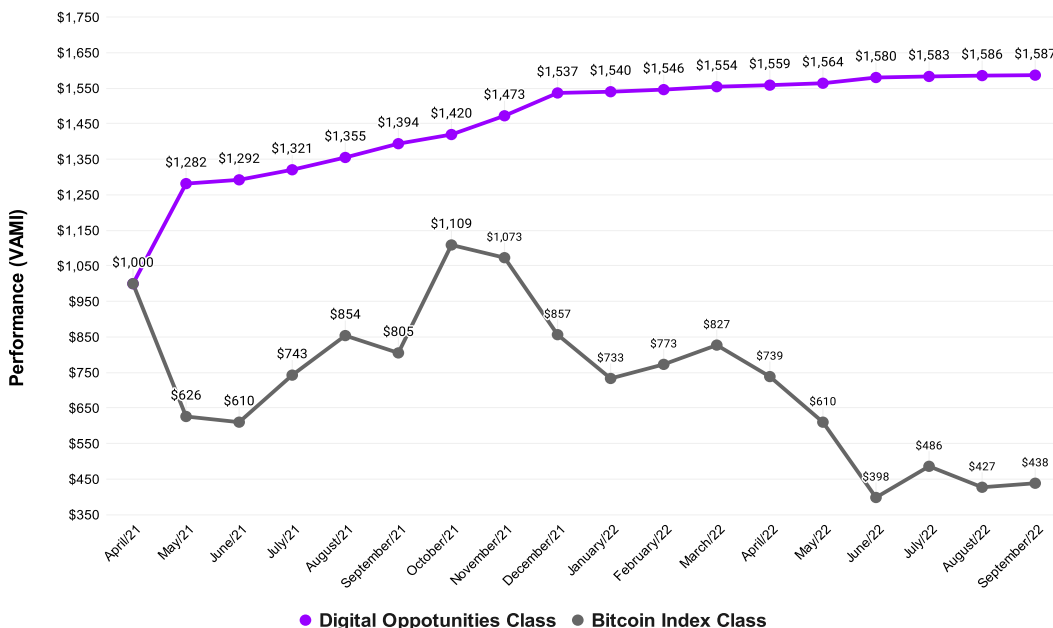
Ethereum was far more affected from the traditional market jitters and gave up some of its recent relative outperformance over Bitcoin by falling -14.5% for the month in AUD. The widely discussed Ethereum Merge, contrary to what the price action would suggest, was a success. Clearly a sell-the-news response from market participants in a very challenging investing landscape.

### Key market observations from the trading desk

The Ethereum Merge provided a complex trading environment with very little certainty around how the “Forked” Proof of Work token would be created and how it would trade once implemented. Additionally, there was ongoing conjecture around whether the Merge may get delayed all adding to a difficult market to price dated Futures dependent on that information.

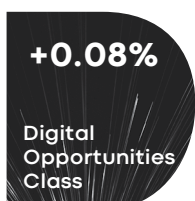
Bitcoin was largely sidelined during the month with little interest on either side and no leverage to speak of coming into the market. This manifested in a very flat and stable Forward curve. Not an ideal market environment for our strategy.

### Performance Chart



### Performance overview

**Style: Market-Neutral/Arbitrage**  
**Funds under Management: \$66.5m**  
 1 month +0.08%  
 3 months +0.42%  
 6 months +2.09%  
 Since inception +58.69%



	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	+4.36	+53.68
2022	+0.23	+0.38	+0.53	+0.28	+0.35	+1.03	+0.19	+0.15	+0.08				+3.26

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





**Style: Long only Bitcoin Tracker**  
**Funds under Management: \$0.43m**  
 1 month +2.65%  
 3 months +10.07%  
 6 months -47.00%  
 Since inception -56.15%

**APPLY**



[CLICK TO APPLY](#)

	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	-20.19	-14.34
2022	-14.39	+5.41	+7.02	-10.71	-17.37	-34.73	+22.04	-12.14	+2.65				-48.81

**Fundmonitors.com FACTORS Research Report**



**Fund Terms**

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

**CONTACT**

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