

DIGITAL ASSET FUND

AN INSTITUTIONAL APPROACH TO
DIGITAL ASSET MARKETS

August 2022 Newsletter

Bitcoin reversed its strong July performance and fell 12% in August. Prices were steady for the first half of the month, but further hawkish narrative from key central bankers contributed to weaker risk asset prices in the second half. Bitcoin and the other major cryptocurrencies saw particularly negative performance on the 19th and the 26th, with deleveraging contributing to the former and Jay Powell's comments at Jackson Hole driving the latter. Outside of macroeconomic news, The world's largest asset manager, BlackRock was active in the Digital Asset space, first announcing a partnership with Coinbase Prime to provide institutional clients access to Bitcoin spot trading and custody solutions, and later launching a private institutional Bitcoin trust. Ethereum ended negative for the month, but continued with its recent relative outperformance over Bitcoin only falling 7%. All focus is on the upcoming Merge, which many are labeling the most important event in crypto this year. It was the continued progress towards this transition, where Ethereum will switch from proof-of-work to proof-of-stake, that was the highlight of the month.

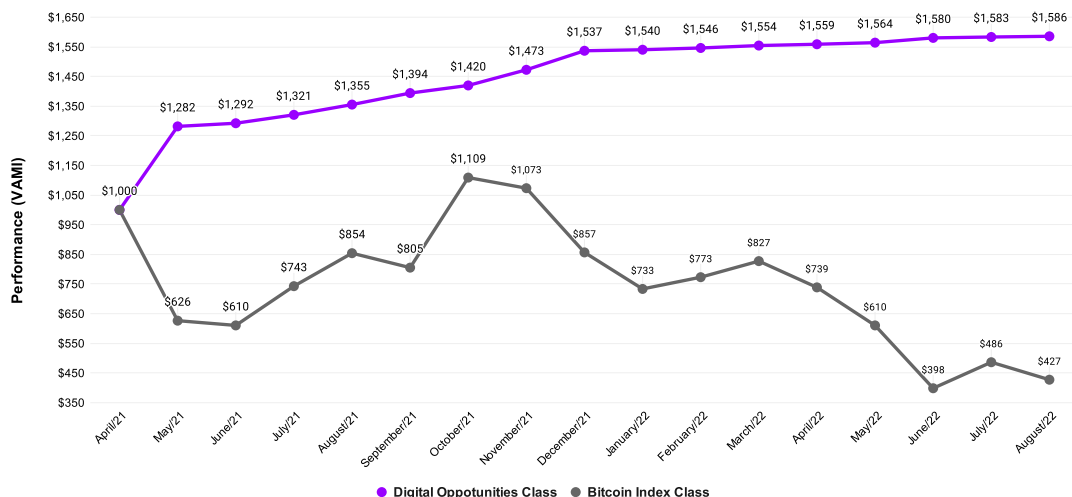
Key market observations from the trading desk

It's all about the Merge and our positioning around this to ensure no surprises from the myriad of complex instruments that we trade, whilst simultaneously trying to take advantage of this event. The expected PoW token drop on the split from PoS has created distortions in the markets, resulting in yields of greater than negative 100% APY in the short term.

FACTORS Research Approval

The Digital Opportunities Class recently received an "Approved" rating from FundMonitors.com. FundMonitors.com "FACTORS" Research Reports provide detailed analysis and information gathered during extensive interviews and analysis on funds which meet what they perceive to be acceptable, and appropriate, business structures and operations. There is a link to this report on Page 2.

Performance Chart

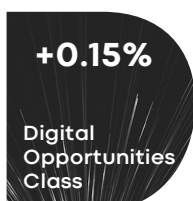


Performance overview

Style: Market-Neutral/Arbitrage

Funds under Management: \$69m

1 month +0.15%
3 months +1.37%
6 months +2.55%
Since inception +58.56%



	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					+3.18

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



DAFM

DIGITAL ASSET
FUNDS MANAGEMENT

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

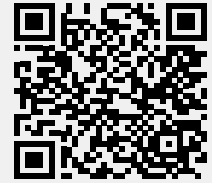
Ascent Fund Services (Singapore) Pte. Ltd
www.ascentfundservices.com





Style: Long only Bitcoin Tracker
Funds under Management: \$0.42m
 1 month -12.14%
 3 months -30.02%
 6 months -44.74%
 Since inception -57.29%

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					-50.13

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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