

DIGITAL ASSET FUND

AN INSTITUTIONAL APPROACH TO
DIGITAL ASSET MARKETS

June 2022 Newsletter

Bitcoin's downtrend extended in June, dropping 35% for the month. The global macroeconomic backdrop remained challenging as inflation figures caused investors to further shift their rate hike expectations upwards. Furthermore, several large crypto companies experienced liquidity challenges amidst declining crypto prices and leveraged investment strategies while others suffered significant losses extending loans to such companies. These include the likes of Celsius, Blockfi, Three Arrows Capital and Voyager. (see links on page 2)

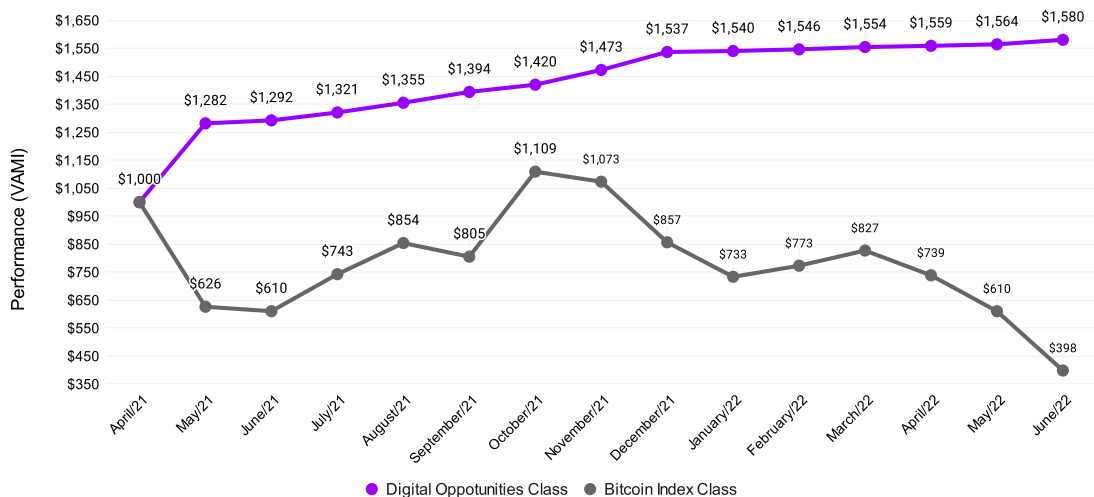
The Bitwise and Grayscale applications to launch a spot Bitcoin ETF were again denied by the SEC. Grayscale immediately filed a lawsuit against the SEC after the ruling. The SEC did however approve ProShares to launch the first short Bitcoin futures ETF in the US. Businesses also continued to bolster their Bitcoin-related services during the month; Deloitte partnered with NYDIG, Binance-US cut its Bitcoin trading fees to zero, Cash App one of the largest mobile payments businesses, unveiled a new feature allowing users to invest their spare change in Bitcoin, and Visa rolled out its first Bitcoin cashback card in Latin America.

Ethereum underperformed Bitcoin for a second consecutive month, declining 42%. Despite the negative price action, businesses continued to expand their suite of offerings in the Ethereum ecosystem. Anchorage and Blockdaemon unveiled Ethereum staking solutions targeting institutional investors, Wintermute revealed plans to launch a DEX aggregator on Ethereum, and Goldman Sachs trading its first non-deliverable forward tied to ETH. Conversely, dYdX, the largest decentralized derivatives exchange, revealed plans to abandon Ethereum in its v4 implementation to build its own application-specific chain in the Cosmos ecosystem.

Key market observations from the trading desk

Yields remain depressed however we were able to take advantage of the volatility more so than other months this year. We continue to add to the suite of products and evaluate additional exchanges that the algorithm can consider in its trading decisions. With the perpetual improvements to the system we remain as confident as ever that we can take advantage, in a risk neutral fashion, of any opportunities that the market presents and add to our 14 consecutive positive months in all market conditions.

Performance Chart



Performance overview

Style: Market-Neutral/Arbitrage

Funds under management: \$72.85m

1 month	+1.03%
3 months	+1.66%
6 months	+2.83%
12 months	+22.28%
Since inception	+58.02%



	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							+2.83

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: \$0.39m

1 month	-34.73%
3 months	-51.84%
6 months	-53.49%
12 months	-34.73%
Since inception	-60.16%

	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							-53.49

Articles we found interesting

- > [Another Big Crypto Player Just Blew Up](#)
- > [Crypto lender BlockFi gets \\$250 million bailout from FTX](#)
- > [Here's What Happened With Celsius and What's to Come](#)

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

APPLY



[CLICK TO APPLY](#)

CONTACT

Clint Maddock
info@dafm.io

Things you should know: The information contained in this factsheet has been prepared by Digital Asset Fund Management Pty Ltd ABN 645 472 813 ('DAFM') operating under the Corporate Authorisation No. 001285765 from Quay Wholesale Fund Services Pty Ltd AFSL No.528526. This factsheet is given to only 'wholesale clients' (as defined in the Corporations Act 2001 (Cth)) or other eligible investors as defined by their relevant jurisdiction. Quay Wholesale Fund Services Ltd (ABN 55 647 044 602; AFSL No. 528526) has been authorised by DAFM under an Intermediary Authorisation Agreement pursuant to section 911A(2)(b) of the Corporations Act 2001 (Corporations Act) to arrange for the issue, variation and disposal of the Units in the Digital Asset Fund ('the Fund') by DAFM. By attending or reviewing this factsheet, you are representing that you are a 'wholesale client' or eligible investor and that you will keep this factsheet and the information therein confidential including not to provide it to retail clients. This factsheet does not take into account the objectives, financial situation or needs of any particular person. The information in this factsheet is intended only for purposes of giving you a general understanding of an investment in the Fund and is not intended to be a definitive statement on the subject matter nor should be relied upon in making a decision to invest in the Fund. Persons should rely solely upon their own investigations in respect of the subject matter discussed in this factsheet. An investment in the Fund carries potential risks and fees which are described in the applicable offering document. Any forward looking statements, opinions and estimates provided in this factsheet are based on assumptions and contingencies which are subject to change without notice. Forward looking statements including projections and estimates are provided as a general guide only and should not be relied upon as an indication of the future performance of the Fund. No representations or warranties, express or implied, are made as to the accuracy or completeness of the information, opinions and conclusions contained in this factsheet. In preparing this factsheet, we have relied upon and assumed, without independent verification, the accuracy and completeness of all information available to DAFM. To the maximum extent permitted by law, neither DAFM, or Quay nor its directors, employees or agents accept any liability for any loss arising in relation to this factsheet. Neither DAFM nor any other person guarantees the investment performance, earnings or return of capital invested in the Fund. This factsheet does not constitute an offer to sell or a solicitation of an offer to buy interests or securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation. ('the Fund') by DAFM.