

Digital Asset Income & Growth Fund (EUR)



INVESTMENT RATIONALE



**EURO
DENOMINATED**



**DIVIDEND
INCOME**



**COMPLIANT
STRUCTURE**



**MONTHLY
LIQUIDITY**



**ASSET
SECURITY**

STRATEGY

The fund seeks a non-traditional return profile by utilizing a diversified range of income generating strategies, while at the same time aiming to capitalize on each digital asset's potential to reach the investment managers' assessment of its intrinsic value. Quarterly review and rebalancing policies are in place and governed by an investment committee. The strategy allows to move portions of assets into cash and stablecoins depending on levels of market drawdown, capped at a limit of 25% per asset. The income generating nature of the strategy aims to decrease overall investment drawdown risk via regular reallocations of digital asset risk back into the reference currency.

MANAGER COMMENT

November was once again a classic month for digital assets in terms of price action. After the surge from Bitcoin in October, the rest of the sector followed in November resulting in a break above the \$500 billion mark in terms of total crypto market cap. It proved to also be the best month of the year for our fund.

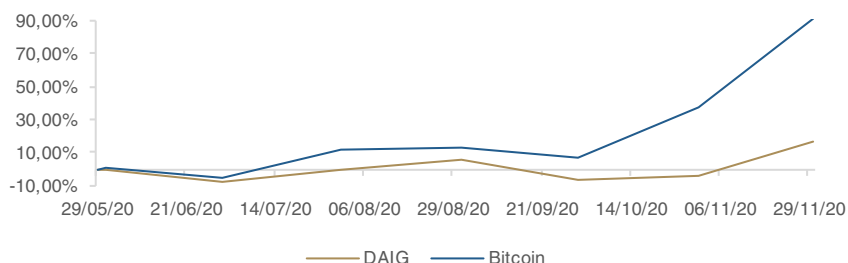
Our fund participated in Ethereum history by contributing a small part of our Ethereum holdings for staking on the new generation Ethereum 2 network. Throughout November we continued to add to our positions in Ethereum, Cardano and Polkadot. Bitcoin and Dash were the main drivers of the portfolio, while Tezos and Cardano also were notable contributors. We used the overall positive market trajectory to exit our position in Nexo at a profit. We plan to reinvest the proceeds following an IC discussion in mid-December.

Our outlook remains positive going into the final month of the year. Signs of institutional adoption are continuing as heavyweights like Stanley Druckenmiller announced his BTC position and Alliance Bernstein recommended an allocation to crypto over the course of the past month. On a macro level news regarding the start of vaccination efforts in the western world boosted the markets in November and we expect riskier assets to remain supported in December.

FUND FACTS

ISIN Number:	KYG8409A1004
Listing & Regulation:	Cayman Islands
Name of Fund:	Digital Asset Income & Growth SP
Investment Manager:	St. Gotthard Fund Management AG
Inception Date:	29.05.2020
Currency:	Euro
Min. Initial Investment:	€100,000
Recommended Investment Horizon:	3 yrs +
Distributions:	Semi-annual
Redemptions:	Monthly
Administrator:	Mainstream Fund Services (IE)
Depository:	Bank Frick (Liechtenstein)
Management Fee:	2% p.a.
Performance Fee:	20% with High Water Mark
Hurdle Rate:	5% over 6-m Performance Period

PERFORMANCE

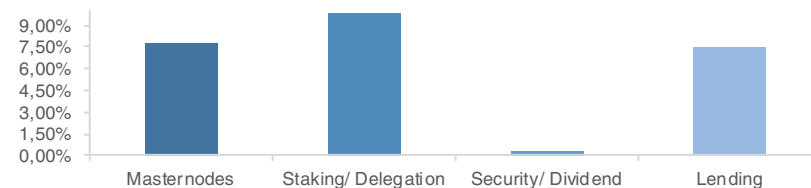


Monthly returns (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	DAIG					-0.37	-7.51	7.96	6.11	-11.99	2.74	21.99	16.45
	Bitcoin					2.54	-4.87	29.15	9.34	-12.80	20.46	39.10	90.31

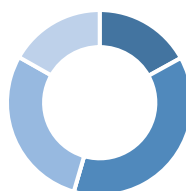
	Annualised (%)				Cumulative (%)			
	1Y	2Y	3Y	ITD	1Y	2Y	3Y	ITD
DAIG	n/a	n/a	n/a	29.80	n/a	n/a	n/a	16.45
Bitcoin	n/a	n/a	n/a	201.36	n/a	n/a	n/a	90.31

P/L CONTRIBUTION BY STRATEGY



CORE STRATEGY ALLOCATION

ILLUSTRATIVE PORTFOLIO BREAKDOWN



CORE STRATEGY

ALLOCATION

■ Masternodes	16,97%
■ Staking/Delegation	37,55%
■ Security/Dividend	0,00%
■ Lending	28,67%
■ Cash	16,82%

STATISTICS

29.05.2020 - 30.11.2020

	DAIG	Bitcoin
Sharpe Ratio	0.83	3.10
Annualised Volatility	35.79%	59.18%
Indicative Dividend Yield	5%	n/a
Maximum Drawdown (MDD)	11.99%	6.91%
Correlation Strategy vs Bitcoin	0.84	

RISK CATEGORY SRRI

Lower Risk

Higher Risk

1	2	3	4	5	6	7
Typically Lower Reward						Typically Higher Reward



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INVESTMENT TEAM

The fund is operated by a team of professionals with a deep understanding of Digital Assets, investment management and multi-asset portfolio construction. Past areas of expertise include Hedge Funds, Forex, fixed income and equities. The team is composed of alumni from Credit Suisse, Falcon Private Bank and Citigroup and has a combined experience in investment management of over four decades. The investment committee of the fund manages combined digital assets worth more than \$30 million.

INVESTMENT COMMITTEE

Alain Kunz – CEO & Founder at [TokenSuisse.com](https://www.tokensuisse.com). Previous positions include Leonteq and UBS.

Damir Bandalo – Early stage venture capital investor in blockchain. Previously Venture Partner at [Columbus Capital](https://www.columbuscapital.com).

Matthew Dibb – CIO & Founder at [Astronaut Capital](https://www.astronautcapital.com) hedge fund. Founder of [picoloresearch.com](https://www.picoloresearch.com).

Stefan Bollhalder, CFA – CEO & Co-Founder at [St. Gotthard Fund Management AG](https://www.stgotthard.com). Previously CIO at [Falcon Private Bank](https://www.falconprivatebank.com).

Vladimir Vishnevskiy – Director & Co-Founder at [St. Gotthard Fund Management AG](https://www.stgotthard.com). Partner at [Quonota Investments Ltd.](https://www.quonota.com)

RISK CONSIDERATIONS

The fund invests in digital assets and is therefore subject to high volatility. The risk category shown is based on historical data and may not be a reliable indication for the future risk profile of the Share Class. It is not a target or a guarantee and may change over time. The lowest category does not mean a risk-free investment. The strategy offers no capital guarantee or asset protection measures. The strategy may be exposed to the following risks which are not adequately captured by the synthetic risk indicator and may negatively impact its value:

- **Operational risk:** losses resulting from human errors, system failures, incorrect valuation and safekeeping of assets.
- **Counterparty risk:** losses occur when a counterparty does not honour its obligations related to contracts such as over-the-counter derivatives.
- **Financial Derivatives risk:** the leverage resulting from derivatives amplifies losses in certain market conditions.

Further information can be found in the prospectus.

DISCLAIMER

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GLOSSARY

Sharpe ratio

The Sharpe ratio shows the fund's risk-adjusted performance. It is calculated by dividing the excess return (portfolio return minus risk free return) by the volatility.

Correlation

Correlation shows how the fund's return moves in relation to the benchmark. Highly correlated investments tend to move up and down together while this is not true for investments with low correlation.

Annualised volatility

Annualised volatility or commonly known as standard deviation is a measure of historical volatility. It is calculated by comparing the average return with the average variance from that return, on a monthly basis.

Maximum drawdown

A maximum drawdown (MDD) is the maximum observed loss from a peak to a trough of a portfolio, before a new peak is attained. Maximum drawdown is an indicator of downside risk over a specified time period.

Annualised performance

The annualised performance is the geometric average of returns over a given time period from the present to the past, re-scaled to a period of one year.

Inception date

The inception date is the date when the fund was activated in its current legal status.

Annualised dividend yield

The annualised dividend yield here represents a trailing twelve-month dividend yield, annualised.

SRRI

The Synthetic Risk and Reward Indicator is a volatility gauge as defined by the European Securities and Markets Authority (ESMA) in its guidelines CESR/10-673.

