

LISTED RESERVE

The Managed Fund

Monthly Report | November 2021

Unit Price: \$10.03

MoM Return: +2.5%

Performance	1 month	3 month	6 month	1 year	2 years p.a.	Since fund inception* p.a.
The Managed Fund	2.52%	25.65%	68.47%	278.12%	197.12%	93.11%
Gold	0.54%	-0.02%	3.35%	15.48%	6.39%	9.59%
S&P/ASX 200 Accumulated	5.01%	0.38%	1.52%	1.03%	7.21%	11.68%

*Inception date 01/06/2018

Market & Portfolio Commentary

A strange month which included a near 20% peak to trough decline in the bitcoin price at one point. It ultimately turned out that bitcoin fell only 2% over the month. The other constituents of the fund performed rather better with Ethereum up 13% and our small metaverse investment, MANA, the best performer, up 68%.

All together we finished +2% for November. Although it certainly doesn't feel like a good month, we can be happy with that against the performance of wider markets.

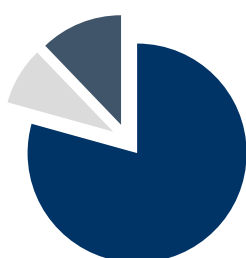
There were some key announcements in November, in particular from the US, which will guide our allocations going into 2022. The US Treasury issued the [Report on Stablecoins](#). Following that, there was a [joint statement](#) from the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency (a very powerful trifecta). That statement promised that throughout 2022 they will provide guidance on which activities are legally permissible for banks operating in the crypto-universe, including custody, purchase and sale of assets, collateralisation and stablecoins.

Almost certainly, we will see stablecoins brought under the net of full banking supervision; this will be significant because less well resourced providers will not be able to comply, others will simply either buy a US bank or reject US customers. In addition, we fully expect tighter rules around collateralisation in that such activities will need to be fully licensed. There is a real chance that we see some DeFi liquidation cascades as these changes are announced and there will likely be a clear separation between those protocols that are truly decentralised and those that are not.

Fundamentally, for the assets in our fund, we view these changes as good. They will reinforce that our core assets have essentially been legalised by the USA (hence last month's bitcoin futures ETF) and it will validate our more cautious approach to DeFi. It may also be that the time to expand our reach into DeFi is after these clarifications, when assets in that sector might be significantly cheaper.

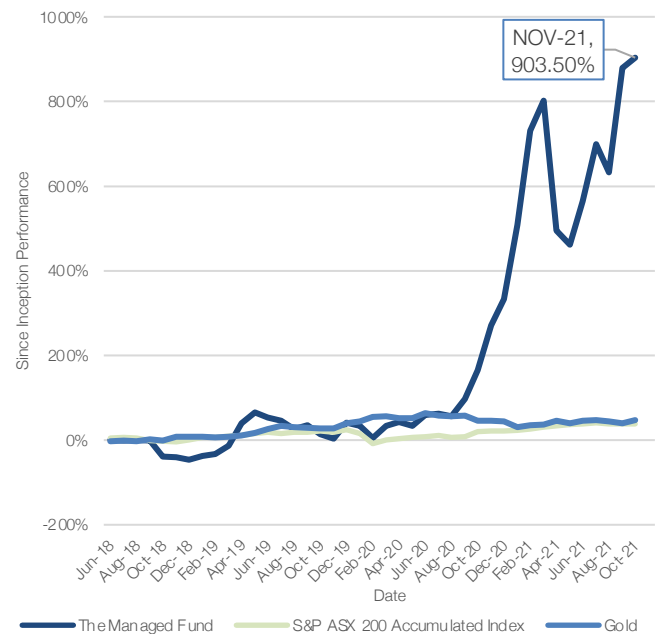
For now, we continue to take an open minded but cautious view on DeFi. Our allocation will remain small until we get further clarity.

Portfolio Weightings



■ Bitcoin ■ DeFi ■ Other

Since Inception Performance



Fund Risk Measures

Sortino (annual)	1.55
Sharpe (annual)	1.29
Daily 95% VaR (%)	6.21

Measures based upon The Managed Fund daily unit price returns and daily underlying asset returns and portfolio weightings since inception.

Bitcoin Market Data

Bitcoin Hash Rate (90 day average)	149.5 EH/s
Bitcoin price in Oz Gold	31.8 Oz
% of gold market cap	9.16%
% of supply in corporate treasuries	8.879%
QBTC Premium	-6.70%
Chain size	429.3 GB
Tether MCAP	USD 74.8 Billion
Days to next halving	886

Source: Clark Moody

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	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	17.02%	40.38%	36.43%	8.66%	-34.01%	-5.66%	18.38%	20.06%	-8.29%	33.65%	2.52%		170.74%
2020	35.86%	-4.71%	-21.45%	26.73%	7.36%	-7.06%	19.40%	2.00%	-3.91%	26.50%	34.52%	39.66%	257.61%
2019	-10.93%	15.66%	8.87%	27.53%	61.76%	18.75%	-7.20%	-5.05%	-13.81%	8.05%	-16.22%	-8.82%	72.25%
2018						0.00%	0.00%	-0.96%	1.14%	-0.56%	-38.04%	-2.50%	-39.83%

Source: ListedReserve

Blog

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Contact

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Glossary

Hash: a measure of the amount of computing power currently mining bitcoin. This is critical to the security model long term and is an indicator of the willingness of participants to make long term investments in the sector. EH/s are exahashees per second. it is 10^{12} (check) calculations per second. Bitcoin is the largest single linked computation ever undertaken by humanity.

Bitcoin price in Gold: the first target for bitcoin as a store of value is to overtake gold. We consider its price in gold and its percentage of market cap to be relevant measure of progress to that goal.

% of supply in corporate treasuries: the amount held by corporates and professional managers, like ETFs. Expect to see this above 50% before the end of the decade and possibly sooner. As it rises, volatility will fall.

QBTC Premium: this is the Grayscale bitcoin trust premium (or deficit) when negative.

Chain size: we need this to grow less quickly than individual laptop hard drive capacity. Critical to the decentralised model is that an entire copy of the blockchain can be held on an individual computer.

Tether Market Cap: Tether is the digital version of the USD, growth in Tether indicates growth in trading and is a good proxy for general interest in the sector since people often transit via Tether into other assets

Days to next halving: days until the next 50% cut in the new bitcoin supply. A big driver of price in the past.

Disclaimer: this report sheet is not an offer or solicitation with respect to the purchase or sale of any investment. You should not rely on this document if or when deciding whether or not to make an investment in The Managed Fund. It is important that you carefully read the Information Memorandum for The Managed Fund in full and seek appropriate advice before investing. This summary sheet is for discussion purposes only and has been provided on a confidential basis to provide summary information regarding The Managed Fund. Past performance is not a reliable indicator of future performance.

ListedReserve Pty Limited ACN 624 133 133. AFSL 513745 www.listedreserve.com

Fund Information

Fund name	The Managed Fund
Portfolio Manager	Daniel Pickering
Investor type	Wholesale investors
Minimum investment	\$100,000
Outlook	5 years +
Unit pricing	Daily
Redemption period	Monthly