

Performance	1 month	3 month	6 month	1 year	2 years p.a.	Since fund inception* p.a.
The Managed Fund	6.51%	-7.66%	0.83%	-11.10%	164.69%	68.42%
S&P/ASX 200 Accumulated	7.09%	2.44%	4.58%	15.19%	25.84%	10.19%
Gold	-1.40%	2.79%	6.51%	13.95%	0.63%	11.76%

*Inception date 01/06/2018

Market & Portfolio Commentary

Although performance for March was reasonable at +6.5%, we consider it a quiet month of consolidation. Even so, something interesting happened in the background. A new stablecoin was launched this month by the Terra ecosystem, known (amusingly) as LFG. It uses bitcoin as partial collateral backing and having raised \$1 billion, Terra started acquiring bitcoin throughout March. They have been buying around US\$125m per day. Bitcoin miners generate only \$43m per day at present in block rewards so roughly 3x the new daily supply is being consumed by LFG alone.

In overall terms the numbers are tiny. The point is supply just cannot cope with that sort of *consistent* demand. One thing this sector lacks is consistent flow. The providers of that flow, the pension funds, are not permitted to invest in digital assets; yet. Still, we have a \$1 trillion major asset in bitcoin and a \$2 trillion sector without really capturing any of the major pools of money. It's all fringe investment from the outer risk spectrum of investor portfolios.

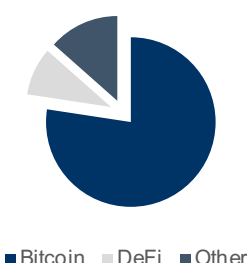
Larger, and crucially, *consistent* flows of capital are inevitable. There is no way super funds will be able to properly service their younger clients, who overwhelmingly support and invest in this sector, without engaging with digital assets on a meaningful and consistent scale. The impact of digital scarcity will then truly start to bite.

Elsewhere, there were positive developments in Europe, where the parliament pulled back from a ban on proof-of-working mining used by the bitcoin protocol. Mining received a further boost in the US when Exxon Mobil revealed they have been mining bitcoin on their oil sites to help reduce flared gas emissions. The merger of bitcoin and energy companies has begun.

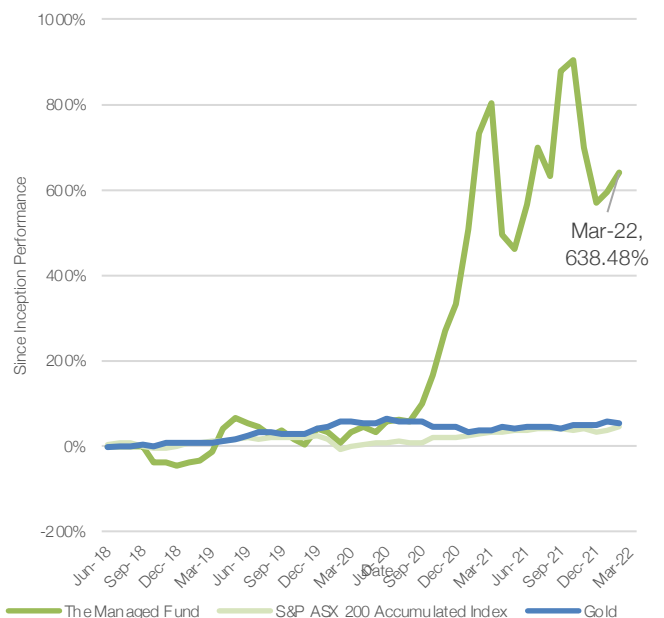
Ethereum's latest upgrade seems to be going reasonably well too, with the move to proof-of-stake looking like it could happen mid-year. This has provided a positive boost to the token, not least because the burning of tokens related to the changing is reducing supply significantly.

Overall, the sector has been part of the macroeconomic conversation every single day. I am convinced that in five years time I will be on an investment panel with a bunch of naysayers from 2022, who will be saying "as we've been telling our clients 'it was obvious this would happen and has been obvious for some time'". Today, those same people are not participants and they aren't telling their clients anything other than why their bond portfolios are in freefall. In a few short years they will morph into post-hoc rationalists. We look forward to welcoming them.

Portfolio Weightings



Since Inception Performance



Fund Risk Measures

Sortino (annual)	1.09
Sharpe (annual)	0.94
Daily 95% VaR (%)	6.19

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)	198.8 EH/s
Bitcoin price in Oz Gold	22.8 Oz
% of gold market cap	6.57%
% of supply in corporate treasuries	8.75%
Days Since ATH	110
Chain size	446.7 GB
Tether MCAP	USD 79.6 B
Days to next halving	793

Source: Clark Moody

LISTED RESERVE

The Managed Fund

Monthly Report | March 2022

Unit Price: \$7.38

MoM Return: 6.5%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	-16.29%	3.56%	6.51%										-13.31%
2021	17.02%	40.38%	36.43%	8.66%	-34.01%	-5.66%	18.38%	20.06%	-8.29%	33.65%	2.52%	-20.30%	115.77%
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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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

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.

GBTC 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.

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