

Performance	1 month	3 month	6 month	1 year	2 years p.a.	3 years p.a.	5 years p.a.	Since fund inception* p.a.
The Managed Fund	-4.88%	-2.90%	29.17%	26.17%	-10.60%	49.50%	36.43%	39.68%
S&P/ASX 200 Accumulated	2.88%	2.04%	1.22%	11.67%	4.52%	11.99%	6.07%	7.47%
Gold	1.57%	-2.71%	6.97%	15.65%	8.83%	1.86%	8.30%	12.23%

*Inception date 01/06/2018

Market & Portfolio Commentary

Perhaps it is of little significance, just a number, but bitcoin hit its 800,000th block this month. Those blocks exist on tens of thousands of computers around the world. There is no central server, no CEO, no budget and no customer service. Just clever incentives and cryptography.

The landmarks might mean nothing but they serve as a reminder that bitcoin only needs to do one thing and that's keep producing blocks. In analysing a business for investment, the hope is that the management team is focused on the goal and they don't get confused or pulled in multiple directions. One of the reasons I think bitcoin is a terrific and still underrated asset class is that it is singularly focussed by design.

Perhaps Larry Fink had that in mind when he continued his crusade throughout the month explaining why bitcoin might be a reasonable investment. I still find it odd that he is talking about it, but he says it well:

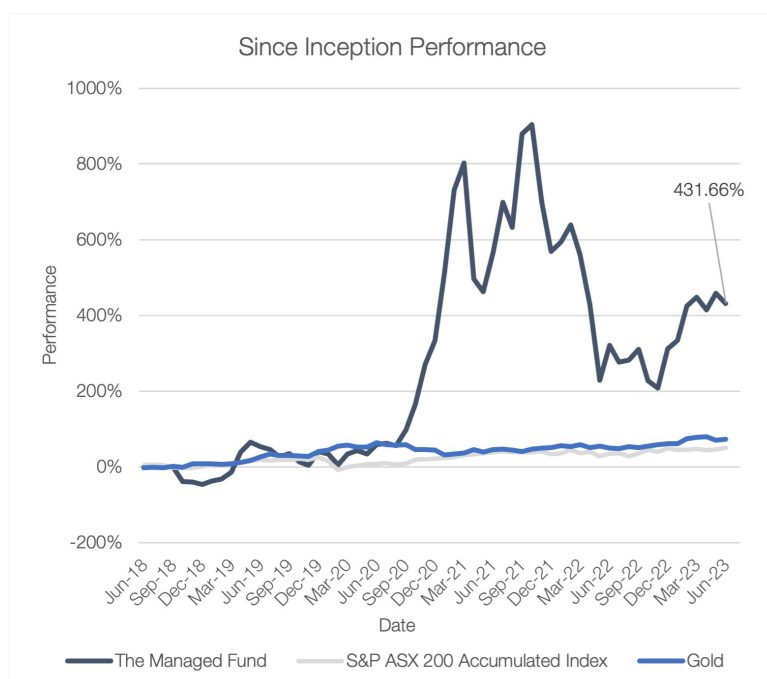
"If you look at the value of our dollar, how it depreciated in the last two months and how much it appreciated over the last five years ... an international crypto product can really transcend that," he said. "That's why we believe there's great opportunities and that's why we're seeing more and more interest. And the interest is broad-based and worldwide."

The US regulatory landscape lurched forward a little with both Ripple and Coinbase scoring significant victories against the SEC. In the case of Coinbase, the judge pointed out (the very obvious) that the SEC allowed Coinbase to list its business even with products they subsequently objected to as illegal. The correct time to intervene was at the listing, they didn't and signed it off. I doubt Coinbase gets off scot-free here but it will be a hugely mitigating factor for them.

Ripple on the other hand scored only a partial victory. A circuit judge ruling that anyone who dealt in Ripple post its initial issuance has done nothing wrong but the initial issuance is likely a security. Ripple jumped 75% on the news. I cannot really see why since it is a security and will likely always be one. Still, the SEC position is a mess and their reputation has been horribly damaged by the whole thing.

In Australia the [government](#) committed to respond to a wave of debankings that have occurred (not just in our sector) recently. It's an interesting dynamic because to control the economy you really do need to control the banking sector. Banks here have arguably used their monopoly power to keep fintech companies down (nearly all of them have their own story to tell). You can hardly blame them either; [Blockbuster](#) video wasn't that keen on Netflix if I recall, "not enough bandwidth and will never work".

The pendulum is swinging our way. Even so, we finished the month slightly down -4.9% and I expect a quiet few months yet.



Source: ListedReserve, Investing.com

Fund Risk Measures	
Sortino (annual)	0.59
Sharpe (annual)	0.57
Daily 95% VaR (%)	5.73

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)	374.7 EH/s
Bitcoin price in Oz Gold	14.7 Oz
% of gold market cap	4.26%
% of supply in corporate treasuries	8.54%
Days Since ATH	628
Chain size	567.5 GB
Tether MCAP	USD 83.8 B
Days to next halving	266

Source: Clark Moody, CoinMarketCap

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2023	33.77%	5.31%	20.96%	4.43%	-6.00%	8.59%	-4.88%						72.79%
2022	-16.29%	3.56%	6.51%	-10.70%	-20.13%	-37.57%	28.15%	-10.73%	1.46%	7.63%	-20.18%	-6.17%	-61.53%
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%

Blog & Media March

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Fund Information

Fund name The Managed Fund

Portfolio Manager Daniel Pickering

Investor type Wholesale investors

Minimum investment \$50,000

Outlook 5 years +

Unit pricing Daily

Redemption period Daily

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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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