

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	-7.31%	-4.25%	13.70%	31.01%	-21.45%	44.81%	35.62%	37.84%
S&P/ASX 200 Accumulated	-0.73%	3.92%	3.00%	9.56%	3.07%	10.68%	6.51%	7.01%
Gold	2.26%	-1.08%	10.23%	19.51%	9.82%	3.81%	7.28%	12.36%

\*Inception date 01/06/2018

### Market & Portfolio Commentary

Despite being down 7% on the month; it was a very good one. The fact that the US courts have now sided with Grayscale in its battle with the SEC is significant. It wasn't a nobody court either; the District of Columbia Court of Appeal is a federal appellate court, second only to the Supreme Court. If the SEC wants to take the issue on, they have 45 days to choose. Let us hope they do, they will lose.

Why then is it so significant? We have bitcoin ETFs all over the world and they haven't really moved the dial. There are also very high hopes about trillions of dollars flowing into bitcoin as a result of someone like BlackRock launching. I suspect that is unlikely and it will take time to build momentum. The real significance here is one of legitimacy. The road to legitimacy is long and the recognition that bitcoin is a valid asset to hold, trade, sell and use is only a first step.

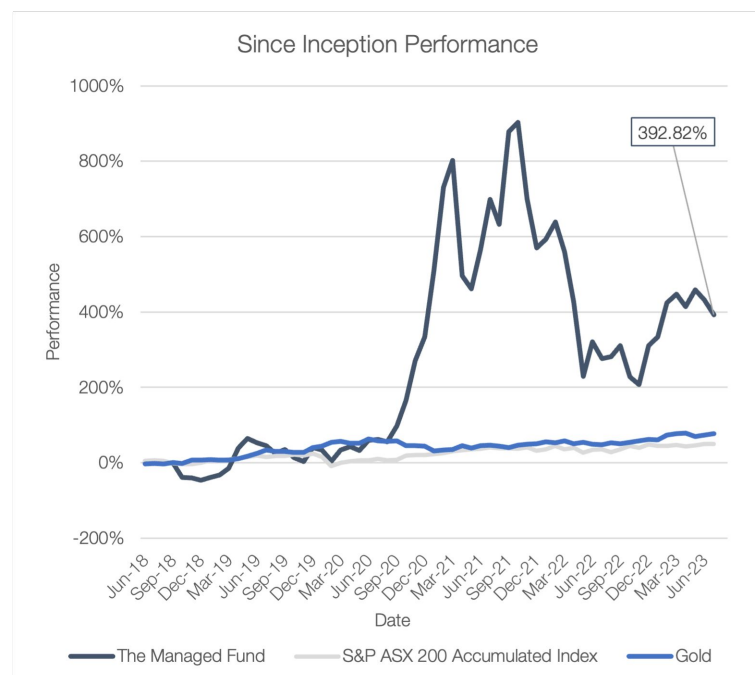
Ultimately we want to see bitcoin being used as part of central bank reserves; in international settlement mechanisms and as a settlement currency for trade. All of that is very unlikely when the SEC stands in the way of one of the most vanilla products imaginable.

When those ETFs come; my guess is early next year, do not be disappointed if they don't take \$10 billion on their first day. Be delighted that the whole industry isn't getting banned, that it's the SEC in court on the back foot for being "arbitrary and capricious" as the Court Of Appeal put it. The road to everything else has opened.

In considering the likely ETFs (for both bitcoin and ethereum) we have started to increase weighting towards ETH. It's a marginal shift and we will continue to up-weight slowly going into next year. The theory is simple: the dynamics of bull markets tend to increase demand for ETH and its derivative products (like USDT); that generally accelerate its price progression ahead of bitcoin. That is true even when bitcoin is rising strongly. The supply dynamics of ethereum also changed during last year's shift to Proof of Stake. Those dynamics have not been tested in periods of rising demand and our contention is they will be positive over the next 18 months. Ethereum will possibly benefit from its own ETFs more than bitcoin because fewer people are comfortable dealing with it directly.

There is a clear acceleration in development in the space too. I believe it is a simple result of AI helping people code more quickly; six month projects now take two and it's coming down all the time. I noted with interest that Iris Energy, the Australian bitcoin miner, [has purchased some GPUs](#) for generative AI. The tech stack that mines bitcoin is very similar to the tech that generates AI responses and images (both algorithm driven). This kind of thing should put a floor under the secondary market price of bitcoin mining equipment. It will also drive competition for chips even harder.

Down 7%. Best month we have had yet though.



Source: ListedReserve, Investing.com

Fund Risk Measures	
Sortino (annual)	0.54
Sharpe (annual)	0.53
Daily 95% VaR (%)	5.72

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)	378.3 EH/s
Bitcoin price in Oz Gold	13.6 Oz
% of gold market cap	3.92%
% of supply in corporate treasuries	8.55%
Days Since ATH	659
Chain size	576 GB
Tether MCAP	USD 82.8 B
Days to next halving	234

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%	-7.31%					60.17%
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

For deep dives into topics within the digital asset and decentralised systems space, subscribe to the ListedReserve [blog](#).

### Newsletters:

[Everything's a fine](#)

[The dirtiest coin](#)

[The squeaky earring](#)

[Do it fast Jay](#)

### Media:

[Bitcoin news recap for August 2023](#)

## 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

## Contact

Address: Suite 1, 185 Gloucester St, Sydney, NSW, Australia 2000

Phone: 1300 294 440, Daniel Pickering CIO

Email: [info@listedreserve.com](mailto:info@listedreserve.com)

## 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.

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.