

**FiCAS AG**  
**Investment Policy**

*Version 15 March 2022*

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## Introduction

FICAS AG is a Swiss company, domiciled in Zug. Amongst its activities is the active management of crypto investments.

The purpose of this Investment Policy, henceforth “the policy”, is to establish guidelines for FiCAS’ investment portfolio (Portfolio) and asset management activities.

In particular, it seeks to provide guidelines to ensure that the investments of the Portfolio are managed consistently with the short-term and long-term financial goals of the Portfolio. The policy intends at the same time to provide for the required investment flexibility to accommodate changing capital markets conditions and financial circumstances.

The policy will be reviewed at least once per year.

## Investment Committee

The Investment Committee is Board level Committee. Representatives include the Chairman of the BoD, an independent board member acting as chairman of the Committee, the Company’s Chief Investment Officer and the Company’s Head of Trading execution.

The Investment Committee acts in a fiduciary capacity with respect to the Portfolio and is accountable to the Board of Directors, and if applicable, the Management, for overseeing the investment of all assets owned by, or held in trust for, the Portfolio.

The Investment Committee recommends investment objectives and policies, asset allocation, distribution policies, investment guidelines that govern the activities of the Investment Committee, selects Investment Managers or Investment Advisors (if applicable), and the investment program.

The responsibilities and duties of the Committee are presented in detail in the [Appendix 1](#).

Other expectations by the Investment Committee are described below under “Asset allocation”.

The policy describes below the guidelines underpinning trading, execution, monitoring of investments, selection of traders and of investment consulting services. For each product for which FICAS AG acts as an asset manager – the policy describes, as applicable, the investment objective, the parameters driving asset allocation, the guidelines underpinning diversification, dynamic reallocation and standard of performance.

## Trading and Execution Guidelines

The Investment Committee, the CIO and any trader under the lead of the Head Trading execution have the discretion to execute transactions in cryptocurrencies with several authorized custodians and exchanges with whom an onboarding process has been successfully carried out.

As per date of this policy the Company has been onboarded by the following trading entities: SEBA Bank AG, Sygnum Bank AG, Crypto Broker AG, FTX, Coinbase Ltd, Bitstamp Ltd. and Kraken. Such variety of entities supports proper risk management requirements (diversification) and proper execution (ability to trade the targeted cryptocurrencies at fair prices). Further onboardings are possible and will be subject to strict selection criteria.

## Investment Monitoring

The Investment Committee conducts at least annually a performance evaluation of the Portfolio and its constituent parts (cryptocurrencies) as well as of the trading unit.

At the Portfolio level, the Investment Committee analyzes results relative to the absolute rate of return and the Benchmark. Investment results are also reviewed relative to the effects of policy decisions and the impact of deviations from policy decisions that might require a rebalancing of the Portfolio.

## Selection of Traders

The Investment Committee might select and appoint traders or commit investments for a specific investment style or strategy, provided that the overall objectives of the Portfolio are satisfied.

Traders must have at least 3 years of documented performance and must provide statements from a non-affiliated administrative entity and annual audited statements from a recognizable accounting firm.

## Selection of Investment Consulting Services

The Investment Committee might utilize services of third parties for specific due diligence, screening/evaluation of Traders, performance monitoring, asset allocation, and other services, such as legal/regulatory and tax advice, that the Investment Committee considers as necessary.

## Selection of Custodians / Exchanges

Cryptocurrencies/underlying of the Portfolio shall be registered by highly qualified and authorized custodians on behalf of the Company. The criteria for the selection of such entities are listed below:

- quality of execution rendered,
- financial health and integrity of the counterparty,
- overall efficiency in transacting trades,
- the jurisdiction of incorporation,
- the governance and transparency of ownership,
- the form of company,
- the solidity of KYC procedures,
- the solidity of AML procedures, including transaction monitoring,
- the nature of clients' segregation,
- the storage facility,
- license category,
- number of coins supported,
- the process to list an additional coin,
- insurance coverage (not binding)

## Product “15 FiCAS Active Crypto ETP” (issued by Bitcoin Capital AG)

### Investment objective

FiCAS trades the top 15 digital assets by market cap (as defined by SIX Swiss Exchange) and USD / CHF and EUR with the purpose to increase the Net Asset Value (NAV) of the ETP in the mid to long term.

The investment style is discretionary. There is no leverage.

Fiat can be held in the Portfolio when there are no more attractive investment opportunities in the cryptocurrency universe. Secondly, fiat can be held for liquidity reasons.

It must be emphasized that FiCAS does not hedge fiat currency risk, that is the risk of unfavorable movements in the exchange rates between CHF, EUR and USD.

The Portfolio will typically not make any distributions. Distributions can however be made depending upon specific investment policies related to certain portfolios or investment products. Periodic cash flow or digital asset flow will be used to better align the Portfolio to the target asset allocation outlined in the asset allocation policy outlined in this Investment Policy.

### Asset Allocation

FiCAS allocates the investable funds to BTC and / or to one or more Altcoin(s) that have a payment feature component, that are not anonymous or negatively highlighted or even prohibited by authorities (such as the FATF / GAFI) and that are generally included in the top 15 Altcoins based on market capitalization by [www.coinmarketcap.com/coins](http://www.coinmarketcap.com/coins). The ultimate investment universe is defined by the SIX Swiss Exchange. The purpose of allocating the funds to different Altcoins is to achieve the required level of diversification and growth of BTC in the Portfolio.

The allocation is ultimately driven by the House View as considered by the Investment Committee. The House View is produced by the independent research unit, annually, and is updated quarterly or ad hoc as needed. See [Appendix 3](#).

The Investment Committee expects that actual returns and return volatility may vary from expectations and return objectives across short periods of time. The Investment Committee wishes to retain flexibility with respect to making periodic changes to the Portfolio’s asset allocation. It expects however to do so only in the event of material changes to the Portfolio or the assumptions underlying the Portfolio spending policies.

FiCAS selects and manages investments in Altcoins and BTC based on a series of key indicators and parameters including:

- Active addresses, cost of mining, number of transactions, circulating supply, regulatory aspects (including anonymity), network difficulty, storage ability.
- Solidity of underlying business, exchanges supporting the coin.

- Market-wide aspects: coins correlations, market cap ranking, dominance.
- Technical analysis (Chartism)
- Macro views / seasonality
- Relative values (dynamic)

Cash investments will be considered as holdings if neither an investment in Bitcoin nor Altcoins is attractive. Cash will be used mainly for liquidity needs. Liquidity cash holdings can be in USD, EUR, or CHF, while the portfolio base currency is CHF.

Assets allocation takes place within the following boundaries:

Crypto currency	Sub-class	Minimum and Maximum Target Allocation (excluding fiat)
Bitcoin		0% to 100%
Altcoins	Total	Max 90%
Altcoins	Ethereum	0% to 50%
Altcoins	Remaining altcoins from top 15	0% to 30% each

The universe of coins as of the date of this policy is as follows:

Name	Description
Bitcoin	Bitcoin is a completely decentralized digital cryptocurrency. There is no central authority or centralized payment system controlling Bitcoin. Instead, Bitcoin operates in a peer-to-peer network that allows anyone in the world to send and receive Bitcoin without any middleman. Bitcoin was the very first cryptocurrency ever created. The Bitcoin network launched on Jan. 3, 2009, marking the start of the cryptocurrency revolution.
Ethereum	Ethereum is a smart contract platform that enables developers to build decentralized applications (DApps) on its blockchain. Ether (ETH) is the native digital currency of the Ethereum platform. Ethereum is supported in part by the Ethereum Foundation, a non-profit that is part of the larger Ethereum ecosystem including enterprise Ethereum consortiums like the Ethereum Enterprise Alliance.
Litecoin	Litecoin is a peer-to-peer cryptocurrency created based on the Bitcoin protocol, but it differs in terms of the hashing algorithm used, hard cap, block transaction times and a few other factors. Litecoin was released via an open-source client on GitHub on Oct. 7, 2011, and the Litecoin Network went live five days later on Oct. 13, 2011.
Ripple	The cryptocurrency Ripple is the currency that runs on a digital payment platform called RippleNet, which is on top of a distributed ledger database called XRP Ledger. While RippleNet is run by a company called Ripple, the XRP Ledger is open-source and is not based on blockchain, but rather the previously mentioned distributed ledger database. The RippleNet payment platform is a real-time gross settlement (RTGS) system that aims to enable instant monetary transactions globally.
Stellar Lumens	The native digital currency of the Stellar network is known as Lumens (XLM). The Stellar network is an open-source, distributed and community-owned blockchain

	network used to facilitate cross-asset transfers of value. Stellar aims to facilitate these transfers at a fraction of a penny, while aiming to be an open financial system that gives people of all income levels access to low-cost financial services.
Solana	Solana is a highly functional open source project that banks on blockchain technology's permissionless nature to provide decentralized finance (DeFi) solutions. Unlike other blockchains, Solana uses a hybrid consensus algorithm that combines proof-of-history (PoH) with proof-of-stake (PoS), enabling the network to carry out up to 50,000 transactions per second.
Polkadot	Polkadot is an open-source sharding multichain protocol that facilitates the cross-chain transfer of any data or asset types, not just tokens, thereby making a wide range of blockchains interoperable with each other. This interoperability seeks to establish a fully decentralized and private web, controlled by its users, and simplify the creation of new applications, institutions and services.
Avalanche	Avalanche is a layer one blockchain that functions as a platform for decentralized applications and custom blockchain networks. It is one of Ethereum's rivals, aiming to unseat Ethereum as the most popular blockchain for smart contracts. It aims to do so by having a higher transaction output of up to 6,500 transactions per second while not compromising scalability.
Polygon	Polygon is an answer to some of the major challenges that face Ethereum today — such as high fees, poor user experience, and low transaction throughput. The platform aims to create "Ethereum's internet of blockchains" — that is, the multi-chain ecosystem of Ethereum-compatible blockchains. It looks to achieve this by providing a simple-to-use framework that allows developers to each launch their own custom Ethereum-compatible blockchain in a single click.
EOS	EOSIO blockchain is a decentralized system that is powered by its native cryptocurrency, EOS, and supports decentralized applications (DApps) on its platform. EOS initially held a year-long initial coin offering (ICO) in 2017, with a total of 200 million (20% of the tokens) distributed during a five-day period, 700 million more (70%) distributed over the rest of the year and 100 million (10%) held in escrow for block.one.
NEO	Neo is an open-source platform driven by the community. It utilizes blockchain technology and digital identities to digitize and automate the management of assets using smart contracts. Using a distributed network, it aims to create a smart economy by building infrastructures of the next-gen Internet and creating a solid foundation for mass blockchain adoption.
Cardano	Cardano is a decentralized platform that will allow complex programmable transfers of value in a secure and scalable fashion. Founded by Charles Hoskinson, its development started in 2015, and it then raised around \$60 million in an ICO in 2017 before its release. Cardano is supported by three organizations that are separate in both ownership and leadership. It includes the Cardano Foundation, an independent, Swiss-based organization that oversees the development of the Cardano ecosystem.
Tezos	Tezos is a multi-purpose platform that supports decentralized applications (DApps) and smart contracts. It was developed by Arthur Breitman, with support from his wife Kathleen Breitman, and launched an initial coin offering (ICO) in 2017 that raised \$232 million US dollars. A year after the ICO, Tezos launched its beta network in July 2018. The Tezos platform aims to combine a self-correcting protocol and on-

	chain governance to manage network modifications, and supports Turing complete smart contracts.
TRON	TRON was founded in 2017 by Justin Sun through a Singapore-based non-profit called the Tron Foundation. The Tron Foundation's 2017 initial coin offering (ICO) created 100 billion TRX and raised a total of \$70 million. TRON was initially created as a token based on Ethereum, but migrated to its own network in 2018. Holders of ERC20 TRX tokens traded them for the TRX digital currency on the TRON network, and the Ethereum-based tokens were then destroyed.
Binance Coin	Binance Coin was launched through an initial coin offering in 2017, 11 days before the Binance cryptocurrency exchange went online. It was originally issued as an ERC-20 token running on the Ethereum network, with a total supply capped at 200 million coins, and 100 million BNBs offered in the ICO. However, the ERC-20 BNB coins were swapped with BEP2 BNB on a 1:1 ratio in April 2019 with the launch of the Binance Chain mainnet, and are now no longer hosted on Ethereum.

Following SIX regulations and discussion with SIX, FiCAS can trade the coins included in the list above. FiCAS needs an approval from SIX to trade in a cryptocurrency that is not in the list (above) but grew into the list of the top 15 coins according to [www.coinmarketcap.com/coins](http://www.coinmarketcap.com/coins). Beyond the SIX approval, FiCAS also needs to make sure that the coins it trades are supported by the market maker, the authorized participant and the custodian(s). At any time, FiCAS can only trade a maximum of 15 coins. If a Coin exits the top 15 cryptocurrency by coinmarketcap, it remains approved by SIX and therefore tradeable by FiCAS. Changes in this procedure can change in the future and changes will be reflected in new versions of this policy.

## Diversification

Diversification between BTC and Altcoins and between different Altcoins respectively, is the primary means by which the Investment Committee expects the Portfolio to avoid undue risk of large losses over a long time period.

Disregarding cash investments for liquidity purposes, and with the exception of BTC, Ethereum and cash, no investment in a single Altcoin shall represent more than 50% of the assets in the Portfolio. Investments in BTC and / or fiat can represent 100% of the assets in the Portfolio. Investments in Ethereum cannot represent more than 90% of the Portfolio.

## Dynamic reallocation

If the Portfolio's actual asset allocation varies from the target asset allocation as a result of the varying periodic returns earned on its investments in different cryptocurrencies and Altcoins, the Portfolio's components will be dynamically re-allocated to its target asset allocation.

The Investment Manager can provide a rebalancing recommendation at any time.

## Custodian allocation

The following table summarises the entities and the indicative diversification of holdings targeted by the Company:

Custodian, Exchange	Indicative target range for the holdings
Crypto Broker AG	0% to 70%
Coinbase	0% to 100%
Kraken	0% to 50%

## Leverage

FiCAS may take 10% leverage on the Assets under Management by borrowing a maximum of 10% of AuM. FiCAS does not take short positions or any kind of derivatives.

## Product “1 FiCAS Active Bitcoin ETP” (issued by Bitcoin Capital AG)

### Investment objective

FiCAS actively trades Bitcoin against CHF, EUR and USD with the purpose to outperform bitcoin over the mid to long term. The investment style is discretionary. Bitcoin price development is to be considered as a Benchmark. The Product charges a performance fee only if it is outperforming Bitcoin. We expressly emphasise that outperformance includes the case where the price of Bitcoin decreases, while the price of ETP decreases less, because of being invested in cash (fiat) in total or in parts.

Fiat can be held in the Portfolio at any time. The Asset Manager can decide discretionary if it wants to hold Bitcoin or cash with a defined range in the Asset Allocation. It must be emphasized that FiCAS does not hedge fiat currency risk, that is the risk of unfavorable movements in the exchange rates between CHF, EUR, and USD.

The Portfolio typically does not make distributions. Distributions can however be made depending on specific investment policies related to certain portfolios or investment products. Periodic cash flow or digital asset flow will be used to better align the Portfolio to the target asset allocation outlined in the asset allocation policy outlined in this policy.

### Asset Allocation

FiCAS allocates the investable funds to BTC and / or Cash. The purpose of allocating the funds is to outperform Bitcoin over the time and hedge into cash if the market turns bearish.

The allocation is ultimately driven by the House View as considered by the Investment Committee. The House View is produced by the independent research unit, annually, and is updated quarterly or ad hoc as needed. See [Appendix 3](#).

The Investment Committee expects that actual returns and return volatility may vary from expectations and return objectives across short periods of time. The Investment Committee wishes to retain flexibility with respect to making periodic changes to the Portfolio’s asset allocation. It expects however to do so only in the event of material changes to the Portfolio or the assumptions underlying the Portfolio spending policies.

Cash investments will be considered as holdings if an investment in Bitcoin is not attractive. Cash holdings can be in USD, EUR, or CHF, while the portfolio base and settlement currency is CHF.

Assets allocation takes place within the following boundaries:

Asset	Minimum and Maximum Target Allocation
Bitcoin	0% to 100%
Cash (USD, EUR, CHF)	0% to 100%

The following table provides details around Bitcoin.

Name	Description
Bitcoin	Bitcoin is a completely decentralized digital cryptocurrency. There is no central authority or centralized payment system controlling Bitcoin. Instead, Bitcoin operates in a peer-to-peer network that allows anyone in the world to send and receive Bitcoin without any middleman. Bitcoin was the very first cryptocurrency ever created. The Bitcoin network launched on Jan. 3, 2009, marking the start of the cryptocurrency revolution.

### Dynamic reallocation

The Investment Manager can provide rebalancing recommendation at any time.

### Custodian allocation

The following table summarises the entities and the indicative diversification of holdings targeted by the Company:

Custodian, Exchange	Indicative target range for the holdings
Crypto Broker AG	0% to 70%
Coinbase	0% to 100%

### Leverage

FiCAS may take 10% leverage on the Assets under Management by borrowing a maximum of 10% of AuM. FiCAS does not take short positions or any kind of derivatives.

## Product “1 FiCAS Active Ethereum ETP” (issued by Bitcoin Capital AG)

### Investment objective

FiCAS actively trades Ethereum against CHF, EUR and USD with the purpose to outperform Ethereum in the mid to long term. The investment style is discretionary. Ethereum price development is to be considered as a Benchmark. The Product charges a performance fee only if it is outperforming Ethereum. We expressly emphasise that outperformance includes the case where the price of Ethereum decreases, while the price of ETP decreases less, because of being invested in cash (fiat) in total or in parts.

Fiat can be held in the Portfolio at any time. The Asset Manager can decide discretionary if he wants to hold Ethereum or cash with a defined range in the Asset Allocation. It must be emphasized that FiCAS does not hedge fiat currency risk, that is the risk of unfavorable movements in the exchange rates between CHF, EUR and USD.

The Portfolio will typically not make any distributions. Distributions can however be made depending upon specific investment policies related to certain portfolios or investment products. Periodic cash flow or digital asset flow will be used to better align the Portfolio to the target asset allocation outlined in the asset allocation policy outlined in this Investment Policy.

### Asset Allocation

FiCAS allocates the investable funds to ETH and / or Cash. The purpose of allocating the funds is to outperform Ethereum during the time and hedge into cash if the market turns bearish.

The allocation is ultimately driven by the House View as considered by the Investment Committee. The House View is produced by the independent research unit, annually, and is updated quarterly or ad hoc as needed. See [Appendix 3](#).

The Investment Committee expects that actual returns and return volatility may vary from expectations and return objectives across short periods of time. The Investment Committee wishes to retain flexibility with respect to making periodic changes to the Portfolio’s asset allocation. It expects however to do so only in the event of material changes to the Portfolio or the assumptions underlying the Portfolio spending policies.

Cash investments will be considered as holdings if an investment in Ethereum is not attractive. Cash holdings can be in USD, EUR, or CHF, while the portfolio base currency is CHF.

Assets allocation takes place within the following boundaries:

Asset	Minimum and Maximum Target Allocation
Ethereum	0% to 100%
Cash (USD, EUR, CHF)	0% to 100%

The initial universe of coins as of the date of this policy is as follows:

Name	Description
Ethereum	Ethereum is a smart contract platform that enables developers to build decentralized applications (DApps) on its blockchain. Ether (ETH) is the native digital currency of the Ethereum platform. Ethereum is supported in part by the Ethereum Foundation, a non-profit that is part of the larger Ethereum ecosystem including enterprise Ethereum consortiums like the Ethereum Enterprise Alliance.

### Dynamic reallocation

The Investment Manager can provide rebalancing recommendation at any time.

### Custodian allocation

The following table summarises the entities and the indicative diversification of holdings targeted by the Company:

Custodian, Exchange	Indicative target range for the holdings
Crypto Broker AG	0% to 70%
Coinbase	0% to 100%

### Leverage

FiCAS may take 10% leverage on the Assets under Management by borrowing a maximum of 10% of AuM. FiCAS does not take short positions or any kind of derivatives.

## Appendix 1: Investment Committee Charter

The purpose of the Investment Committee is to carry out the responsibilities delegated by the BoD of FiCAS AG with regard to the oversight and implementation of FiCAS's investment policy.

The Committee shall be composed of the following members: i) BoD members, ii) CEO, iii) CIO, iv) head of Trading execution. The chair is BoD level.

The Committee shall meet at least four times per year and normally at the occasion of the BoD meetings.

The duties & responsibilities are:

- Develop and maintain the investment policy and all other documents governing the investment of AuM,
- Review at least annually the Investment Policy and Asset Allocation parameters,
- Review the investment performance of the invested assets relative to their benchmark,
- Monitor and evaluate investment service providers for the invested assets (including ETP partners and market research), and determine any change or replacement,
- Assess whether fees incurred are appropriate and reasonable,
- Ensure compliance with the Investment Policy by verifying that assets are invested accordingly,
- Lead investment managers and asset selections in accordance with the Policy parameters,
- Ensure appropriate availability and performance of operational functions, including to rebalancing and reserve funding,
- Review trading infrastructure and processes,
- Review treasury and treasury management
- Review the Committee's charter (duties and responsibilities) and recommend changes to the BoD for approval,
- Report at least annually to the BoD on the Committee's findings and recommendations.

## Appendix 2: Governance of Investment Process

FiCAS adheres to the following processes for formulating the trading strategy and managing the execution of the strategy to optimise performance and minimise risk. The governance is applied over three timeframes: long term (12 months), medium term (1-3 months) and short term (24-48 hours).

Long term governance covers the allocations driven by the House View, which we set annually and review quarterly in the Investment Committee or ad hoc as needed.

Medium term governance is carried out by the Investment Unit to set/modify the trading strategy as a guide for selection of trading opportunities, as well as ongoing execution of trading and risk management. During the investment unit meetings, we decide the fundamental allocations of invested money and the gradual changes we may want to make according to the long- and medium-term house views.

Short term governance is carried out by means of daily trading events where we optimise trading execution to capture opportunities, while managing risks and inflows/outflows. During the trading events we define scenario boundaries and trading actions in case of occurrences which are valid and can be actioned overnight and until the next call. Decisions during the trading events cannot invalidate the allocations decided in the investment unit meetings unless this unit is also consulted.

MI is produced and delivered to the relevant constituencies by the research team ahead of each meeting / event. The MI is a summary of the views of all analysts and includes timeframes, and also distinguishes between dominance scenarios and BTC scenarios.

## Appendix 3: Market House View (status 19 January 2022)

*The House View is produced by the independent research unit. It is produced annually and reviewed on a quarterly or ad hoc basis. The Investment Committee and the Chief Investment Office consider this view when deliberating actions.*

*We express a view only for those cryptocurrencies that we trade. Each product is defined above in terms of the tradable cryptocurrencies.*

### **Big picture:**

- Our view is that digitalization is an unstoppable technological (r)evolution which will affect all sectors of the economy and the society. Blockchain is a major and most disruptive expression of it. Bitcoin is the epitome of blockchain and best representation of the new asset class that is supported by blockchain technology and ultimately by the ineluctable digitalization process.
- Our view is that cryptofinance and cryptoassets are major expressions of the digital (r)evolution. They have gained in popularity exponentially since 2017, supported by continuously enhanced products, process, regulations and performance. Bitcoin progressed from a value of some cents in 2010 to over 45'000 USD at the end of 2021. In 2013, 7 cryptoassets existed for a market cap of USD 1.5bn; at the end of 2021, 9'107 cryptoassets existed for a market cap of USD 2.2 trillion. (source: Coinmarketcap)

### **Cryptocurrencies:**

- BTC – According to our traditional model, our outlook for 2022 is that bitcoin could reach a price region of USD 100'000-200'000 until end of 2022. The likelihood of this event is however lower than what we hold during 2H21. The reasons are to be found first in the increased correlation of bitcoin with global markets (resulting from professional and institutional investments in cryptocurrencies during 2021) and in the deflationary policies anticipated or initiated in a series of major economies; second in the uncertain regulatory outlook globally. Under circumstances, we do not rule out a prolonged range trading between USD 30'000 and 50'000 and, with a small probability, even a dip below that range.

- ETH – We believe that Ethereum will increase in value if the implementation of ETH2.0 will be successful. ETH2.0 will determine, on the supply side, a significant lowering of the coins rewarded during the block validation process – which will compound with the already implemented burning mechanism. On top of it, more coins will be locked in validator nodes and DeFi protocols. On the demand side, we expect an increase fueled by the growth of Defi, Web 3.0 Dapps , DAOs , Metaverse, scalability and lower fees as a result of ETH2.0.
- 2022 will also be characterized by the development and growth of several ETH protocol challengers applicable to the DeFi space and promising a faster and cheaper processing of transactions, and by an increased use of multi-chain blockchains.

Specifically related to the coins we can actively trade under the BTCA ETP:

- LTC – With its Proof-of-Work consensus and Dual mining with Doge coin ability, and long history of existence, Litecoin was able to keep an active ecosystem of users. It faces however increasing competition from other emerging coins. We believe Litecoin’s value will be highly correlated to the price of bitcoin in the foreseeable future.
- ADA – Our view is that Cardano is a project with solid fundamental value and growth potential. Long waited Alonso hard fork will be a major milestone for the protocol, which will enable users to create and deploy “smart contracts” on the Cardano blockchain. Cardano manages its community very well.
- XLM – Our view is that Stellar faces good development potential, in particular as a platform hosting CBDCs. We believe Stellar will be a main competitor to Ripple. It has a solid network and cost-effective solutions. It could become a protocol of choice for Governments and enterprises to issue their assets and transact them.
- TRX – Our view is that Tron is to be monitored on its path to develop all the Ethereum network features and facilities and to launch DeFi and NFT standard protocol TRC-721 with lower gas fees. Tron foundation has now become a solid underlying protocol for well-known assets such as tether. The main weak point about this project is the centralization of protocol governance.
- XTZ – Our view is that Tezos has good potential in connection with the release protocol updates that could attract developers, reduce gas fees and enable novel applications on its blockchain. Tezos has one of the highest Supply locked for Staking and a solid team.
- BNB – Our view is that Binance coin is to be monitored and invested opportunistically, considering potential regulatory / reputational risks. It has one of the fastest pace growing ecosystems, and Binance Smart Chain and its Native Asset BNB have shown significant growth in terms of development, ecosystem and innovation. Binance will stay among top 10 assets in the next years.
- NEO – Our view is that NEO harbors a good potential for appreciation and for becoming one of the top 10 smart contracts platforms over the next 2 years. With NEO 3.0, many scalability, security, and governance issues of this blockchain will be resolved.

- EOS – We believe that 2022 would be a year that EOS will focus on protocol development, compatibility with EVM machines, and introducing new functional Dapps on its chain. EOS governance has witnessed the return of Dan Larimer and the treasury position of EOS is solid, with significant funds sitting on the books.
- XRP – Our view is that Ripple finds itself in an uncertain regulatory situation following the lawsuit launched by the SEC over the alleged sale of unlicensed securities and will experience significant volatility until settlement. If Ripple manages to settle their case, we could see a large price appreciation.
- MATIC – Polygon has gained significant momentum in 2021, with significant organic growth and adoption. We expect 2022 to feature further Dapp developments and focus on improving scalability.
- AVAX - As one of the new leading Layer 1 blockchains, Avalanche proved to be a successful chain. Its adoption by innovative Defi protocols has shown the ability of this chain to be highly scalable. Another positive factor for Avalanche is its EVM compatibility.
- DOT – Polkadot has shown determination and discipline when it comes to roadmap and milestones delivery. It could recently successfully launch its first parachain auctions. Going forward we believe Polkadot to grow its community and move forward toward interoperability of chains with incremental functionality such as Cross-chain message passing and Parathreads.
- SOL – Solana had a great 2021. It gained a lot of momentum both from a community perspective and token valuation. It features very low fees, high-speed confirmation, and broad Dapps on this L1 chain. We took note of recent Block congestions and Network outages which point to insufficient decentralization.