

*Portfolio Manager's comments*

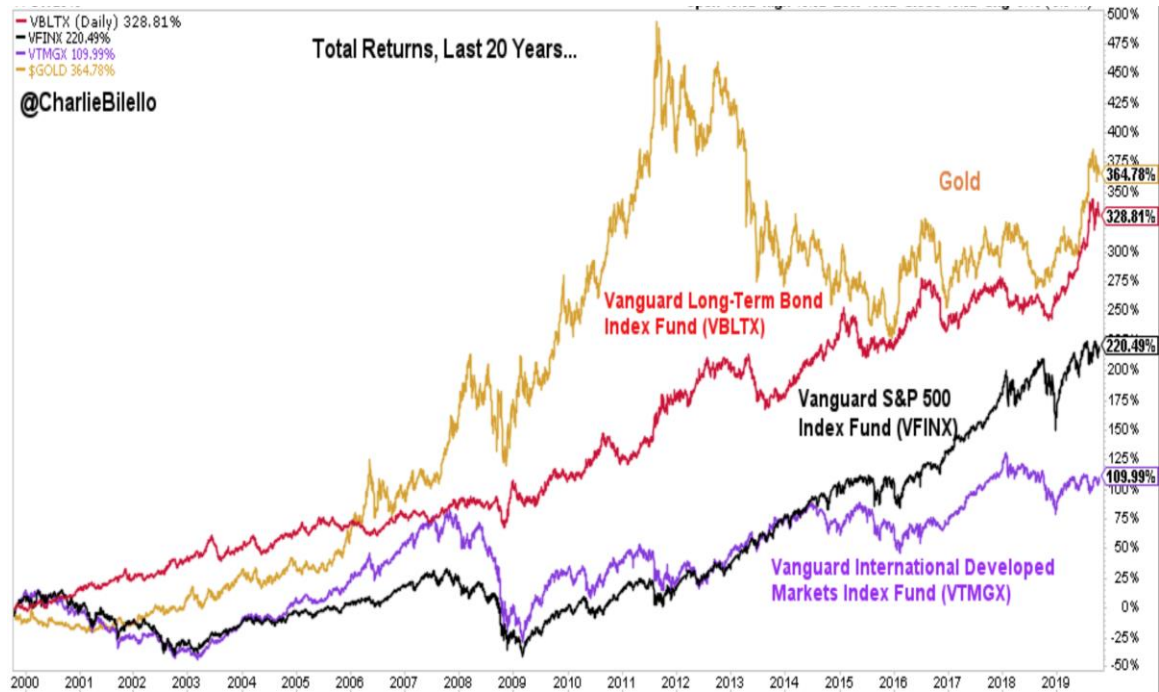
Bitcoin dominance started the month at 67.50%, reached a high of 67.67% and ended the month at 66.64%, relatively stable throughout the month.

We strongly recommend everyone to read Ray Dalio's recent article entitled [The world has gone mad and the system is broken](#). It has no mentions on crypto currencies but still a very interesting read.

A picture is worth 1,000 words, loved Charlie Bilello's recent [tweet](#), who would have guessed the below.

- Total Return, last 20 years:
- International stocks: +110%
  - S&P 500: +221%
  - Long-term US bonds: +329%
  - Gold: +365%

It will be interesting to see how Bitcoin as potential Digital Gold plays out in 20-years' time.



Bitcoin started the month at \$9,200 and traded between \$9,505 and \$6,617 to close at \$7,570 down 17.72% for the month. Genesis Block Fund ended down 16.50%. Even with positive news in general like [Fidelity Digital Assets](#) receiving NY state license, the market traded lower practically during the whole month before rebounding somewhat in the last week. MKR, one of the DeFi tokens which we increased last month was one of November's best performers, up 17.7% MTD vs BTC, we continue to follow this protocol closely and like the developments we have been seeing. Tezos was by far the best performing asset of our portfolio, up 81.50% vs BTC. XRP (which the fund has a structural underweight position) continued to underperform BTC (7.12% during November), helping as well to increase our Alpha against BGCI.

Interesting announcements/comments:

- [German banks](#) allowed to sell and custody crypto assets from 2020: Report
- [HSBC](#) moves \$20 billion from paper to blockchain in one of the biggest financial deployments
- [Asian Financial Group](#) sets road map for tokenized securities
- [Andreessen Horowitz](#) launches free crypto startup school
- What the [Bitcoin job market](#) looks like in 2019 (and beyond)
- Investment App [Abra](#) expands US offering with 60 new cryptos
- [Joe Lubin](#) talks Trump, Blockchain's 'Frankenstein' and willingness to work with China
- [MAS, Temasek, JPM](#) develop prototype network for multi-currency payments
- Chinese tech giant [Tencent](#) gets HK license for blockchain bank
- [PayPal](#) joins \$4.2m round for crypto banking compliance startup
- [Bitcoin ATMs](#) worldwide hit new milestone, surpassing 6,000

### Monthly estimated return

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	Since Fund Inception
2018	Genesis	-16.0%	-5.2%	-37.4%	57.2%	-20.2%	-20.4%	7.5%	-17.2%	-9.2%	-7.9%	-38.2%	-3.7%	-77.94%	
2019	Genesis	-11.5%	17.5%	7.2%	20.5%	58.6%	12.4%	-13.4%	-12.0%	-9.5%	7.1%	-16.5%		47.75%	-67.41%
2018	BLP Crypto Assets	-19.2%	-1.8%	-33.7%	61.2%	-14.1%	-17.6%	4.5%	-8.6%	-11.6%	-13.8%	-34.3%	-3.4%	-72.27%	
2019	BLP Crypto Assets	-15.7%	18.4%	10.6%	20.9%	52.8%	8.7%	-14.6%	-3.6%	-8.8%	2.9%	-12.0%		50.79%	-58.19%
2018	BLP Criptoativos											-7.1%	-0.5%	-7.53%	
2019	BLP Criptoativos	-2.9%	4.1%	2.4%	4.1%	10.2%	1.6%	-2.8%	-0.4%	-1.5%	0.9%	-2.2%		13.48%	4.94%
2018	BGCI	-15.8%	-10.7%	-43.5%	60.9%	-20.4%	-28.5%	13.7%	-21.7%	-0.2%	-12.2%	-36.8%	-1.7%	-80.88%	
2019	BGCI	-11.8%	15.5%	5.9%	13.4%	58.1%	17.2%	-24.2%	-16.1%	-6.2%	10.6%	-17.4%		23.45%	-76.71%
2018	CDI	0.58%	0.46%	0.53%	0.52%	0.52%	0.52%	0.54%	0.57%	0.47%	0.54%	0.49%	0.49%	6.42%	
2019	CDI	0.54%	0.49%	0.47%	0.52%	0.54%	0.47%	0.57%	0.50%	0.47%	0.48%	0.40%		5.59%	12.37%

THE BLOOMBERG GALAXY CRYPTO INDEX (BGCI) ESTIMATED RETURNS STATED ON THE TABLE ABOVE ARE MERELY ECONOMIC REFERENCES AND SHALL NOT BE CONSTRUCTED AS A PERFORMANCE TARGET TO BE ACHIEVED BY THE FUNDS NOR A PERFORMANCE PARAMETER APPLICABLE TO THEM (Note that the BGCI only prices during business days at 4pm Eastern time zone, which is different than Administrator marking of 0:00 UTC of the last day of the month).

## **MPC (Multi-Party Computation)**

Multi-signature wallets have become the standard for institutions managing cryptocurrencies as they enhance the security of assets over single key wallets. Recently, however, new cryptographic breakthroughs in MPC are ushering in a new generation of key management. But as the case with most technological developments, misinformation and confusion are common in the early days. MPC and threshold signatures have surpassed multi-sig technology and ultimately deliver on the flexibility and security required to become the next generation of private key security.

Similar to a Multi-Signature configuration, a private key within an MPC-based solution is never created or held in one single place. MPC technology protects the key from being compromised by both cybercriminals and from internal fraud and collusion, preventing any employee, or group of employees, from stealing the digital assets.

MPC works on the standardized cryptographic signature algorithm (ex. ECDSA) that is used across most blockchains, making the implementation of MPC possible between different blockchains. This means that institutions that utilize MPC can quickly and easily onboard new cryptocurrencies onto their platform.

While MPC technology was only applied within the cryptocurrency wallet context relatively recently, it has been the topic of academic research since the early 1980s and has undergone extensive, public peer reviews. As the MPC implementation is agnostic to the blockchain protocol, the attack surface is minimal and each review fixes implementation for all the protocols. Unfortunately, this is not the case with an on-chain Multi-Sig solution, as each protocol requires the wallet provider to implement a different code.

MPC allows for ongoing modification and maintenance of the signature scheme. For example, changing from a '3 of 4' set-up to any other set-up would require existing shareholders to agree on the new distributed computation and the addition of a new user share. In this process the blockchain wallet address (deposit address) is maintained, so that:

1. you don't need to create a new wallet;
2. you don't need to move any funds;
3. your counterparties can continue to use the existing address

MPC-based wallets are represented on the blockchain as a single wallet address, with the actual distributed signature computed outside of the blockchain. This translates into having the lowest fees possible for the transaction.

Accountability is probably one of the most misunderstood aspects of an MPC-based solution. MPC provides off-chain accountability so that each co-signing component can audit which of the keys participated in the signing without it being made public to outsiders. Solutions based on MPC are able to provide a thorough and trustworthy record to allow for true accountability.

Hardware Isolation Modules (HSMs and Secure Enclaves) are an important means of protecting cryptographic material when the system is compromised. But HSMs alone are not sufficient for providing the most secure solution to protecting your private key.

Likewise, MPC alone is only part of the solution. As a result, this has given rise to a misconception that both MPC and HSMs are substitutional technologies. Instead, the use of MPC in addition to hardware isolation systems, such as HSMs, is critical because HSMs alone are not completely bullet-proof.

Institutions know that in order to be competitive, there can be no compromises between security and accessibility. MPC technology allows for businesses to capture market opportunities and deploy their digital assets in a secure environment that simply was not possible before.

### *Genesis Block Fund Ltd. Characteristics*

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Minimum Investment	\$100,000
Subscription	Monthly
Redemption	Monthly with 15 days pre-notice
Administration fee	2% p.a.
Performance fee	20% over 6M Libor with High Water Mark
Administrator	MG Stover
Auditor	Cohen & Co
Legal Counsel	Walkers Global and Freitas Leite
Custodian	Coinbase Custody
ISIN Number	KYG3832A1085
Bloomberg Ticker	GENBLOC KY
Website	<a href="http://www.blpcrypto.com.br/en/">www.blpcrypto.com.br/en/</a>

### *BLP Crypto Assets FIM – Investimento no Exterior Characteristics*

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Minimum Investment	R\$100,000
Subscription	Monthly
Redemption	Monthly with 15 days pre-notice
Administration fee	2% p.a.
Performance fee	20% over CDI with High Water Mark
Administrator	Planner
Auditor	UHY Bendoraytes & Cia
Legal Counsel	Freitas Leite
ISIN Number	BR010YCTF009
Website	<a href="http://www.blpcrypto.com.br">www.blpcrypto.com.br</a>

### *BLP Criptoativos FIM – Investimento no Exterior Characteristics*

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Minimum Investment	R\$1,000
Subscription	Monthly until the last business day of the month
Redemption	Monthly until the last business day of the month
Administration fee	1.50% p.a.
Performance fee	20% over CDI with High Water Mark
Administrator	Brasil Plural
Distributor	Genial Inv., Órama, Daycoval Inv., Uniletra Inv., e Necton
Auditor	UHY Bendoraytes & Cia
Legal Counsel	Freitas Leite
ISIN Number	BR026OCTF003
Website	<a href="http://www.blpcrypto.com.br">www.blpcrypto.com.br</a>

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