

## Portfolio Manager's comments

Bitcoin dominance was relatively stable throughout the month, started the month at 65.40%, reached a low of 64.07%, high of 65.88%, and ended practically unchanged at 64.64%.

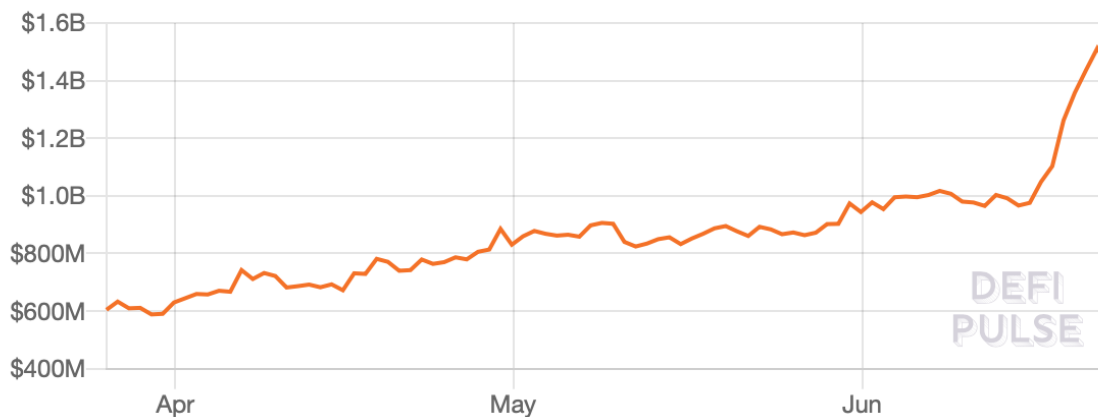
Bitcoin started the month at \$9,461 and traded between \$8,976 and \$10,163 to close at \$9,138 down 3.41% for the month. Genesis Block Fund was down 3.58%. Right off the gates on June 1<sup>st</sup> a big spike took us over the infamous \$10k mark for BTC but within 24 hours we were back to the mid \$9k handle as Bitmex yet again liquidated a lot of levered longs. After this initial excitement most of the month was very boring with volatility coming off significantly to around 50% until rumors that both [PayPal & Venmo](#) would roll out crypto trading for their 300mm plus client base, following the footsteps of Square's [Cash App](#), [Revolut](#) and [Robinhood](#). The firing of Geoffrey Berman, US attorney for the Southern District of NY, and potential nomination of Jay Clayton, current SEC Chairman, to take his place sparked speculation of a Bitcoin ETF approval. Clayton has been holding back to a Bitcoin ETF approval, if he is replaced as SEC Chairman and Senate approves his new role, it will be interesting to see who would assume the role of SEC Chairman going forward and if he/she would be more crypto-friendly. We increased our position in XMR and LINK early in the month. We added some Tezos on recent weakness (down 15.3% in June). Our best performing asset in May was BAT (up 19% in June) followed closely by LINK (up 10.6% in June) and WAX (up 10% in June). We continue with our structural underweight position in XRP (down another 13% in June). Our small overweight (ETH, WAX, BAT, XMR, and LINK – all outperformed BTC) and our underweights (BCH, LTC, and EOS – all underperformed BTC) helped gain some Alpha against BGCI.

The big theme of the month was the DeFi (Decentralized Finance) space, check out [DeFi Pulse](#) for more statistics. This space has recently been a hot topic in the crypto world and we believe we are well position to capture its upside with an overweight position in ETH and our smaller but relevant positions in KEEP and MKR. We were not involved in [Compound](#) which came to main net this month and did quite well.

## Total Value Locked (USD) in DeFi

[TVL \(USD\)](#) | ETH | BTC | DAI

All | 1 Year | [90 Day](#) | 30 Day | 7 Day



KEEP token price continues somewhat erratic with small free float for trading (down 9% in June). They launched their stake drop on June 8<sup>th</sup>, there is still limited liquidity in the secondary market so we continue to mark them at a discount to Coin Market Cap. We were glad to hear that Coinbase Custody approved KEEP for custody, a strong sign that listing them for trading on their platform will be next. Interesting [article](#) comparing early internet adoption in the mid 90's with Ethereum's DeFi proposition with number of unique addresses exceeding 100mm which is 10x higher than internet users in 1995. Of course, one individual can have multiple addresses so we could discount some of this number, but the growth has been accelerating (more interesting stats on the full article).

JPM wrote a lengthy [report](#) stating that Bitcoin crash survival shows it has staying power. Again, what a change from just over 2 years ago. Please contact us if you want access to the full document.

## Bitcoin

• This article is more than 2 years old

Bitcoin is a fraud that will blow up, says JP Morgan boss

Jamie Dimon claims cryptocurrency is only fit for use by drug dealers, murderers and people living in North Korea

Cryptocurrencies

## JPMorgan Says Bitcoin Crash Survival Shows It Has Staying Power

By [Vildana Hajric](#) and [Lu Wang](#)  
 June 12, 2020, 12:39 PM EDT

After a Greenwich Associates survey of nearly 800 institution in the US and Europe, [Fidelity](#) says a third of big institutions own crypto assets. They usually start off with BTC and ETH, the 2 largest protocols by market cap. [The Block](#) article went into a bit more detail on the survey showing the significant growth in derivatives by the impressive growth of open interest at the CME.

Interesting announcements/comments:

- [Swiss Bank Maerki Baumann](#) launches crypto custody and trading
- [Microsoft](#) builds identity system that runs on Bitcoin
- [Fidelity Digital Assets](#) eyes service for introducing crypto funds to big investors
- Bitcoin exchange-traded product to list on [Deutsche Börse's Xetra](#)
- [Novogratz's Galaxy and Bakkt](#) start 'White Glove' Bitcoin service
- Why [Family Offices](#) should consider digital assets for their portfolios
- [Coca-Cola](#) vending machines in Australia and New Zealand now accept Bitcoin
- [Facebook's Libra Association](#) appoints Sterling Daines (ex-Head of Compliance at Credit Suisse and GS) as Chief Compliance Officer
- A report from [Deloitte](#) shows that 39% of companies have blockchain in production
- KPMG LLP launches [KPMG Chain Fusion](#) to help manage crypto and traditional assets over public and private blockchain networks
- [BIS](#) report on CBDC (Central Bank Digital Currencies)
- [Coinshares, Nomura and Ledger](#) launch digital asset custodian for institutional investors
- [Ernst & Young](#) launches crypto app that helps with tax filings

### 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%	-8.7%	34.85%	
2020 Genesis	33.4%	1.02%	-31.6%	39.3%	14.0%	-3.6%							41.30%	-57.97%
2018 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 Crypto Assets	-15.7%	18.4%	10.6%	20.9%	52.8%	8.7%	-14.6%	-3.6%	-8.8%	2.9%	-12.0%	-12.9%	31.28%	
2020 Crypto Assets	40.1%	6.1%	-20.5%	43.2%	11.8%	-2.1%							85.18%	-32.59%
2018 Criptoativos											-7.1%	-0.5%	-7.53%	
2019 Criptoativos	-2.9%	4.1%	2.4%	4.1%	10.2%	1.6%	-2.8%	-0.4%	-1.5%	0.9%	-2.2%	-2.4%	10.80%	
2020 Criptoativos	8.3%	1.1%	-3.7%	8.3%	2.52%	-0.8%							15.95%	18.80%
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%	-81.14%	
2019 BGCI	-11.8%	15.5%	5.9%	13.4%	58.1%	17.2%	-24.2%	-16.1%	-6.2%	10.6%	-17.4%	-13.3%	7.08%	
2020 BGCI	40.3%	1.8%	-31.0%	35.9%	0.16%	-3.7%							29.11%	-73.92%
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%	0.36%	5.97%	
2020 CDI	0.38%	0.29%	0.34%	0.28%	0.24%	0.21%							1.75%	14.75%

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*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	BR01OYCTF009

*BLP Criptoativos FIM 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
Digital Platforms	Genial Inv., Órama, Azimut, Daycoval, Necton, RB Inv.
Auditor	UHY Bendoraytes & Cia
Legal Counsel	Freitas Leite
ISIN Number	BR026OCTF003

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