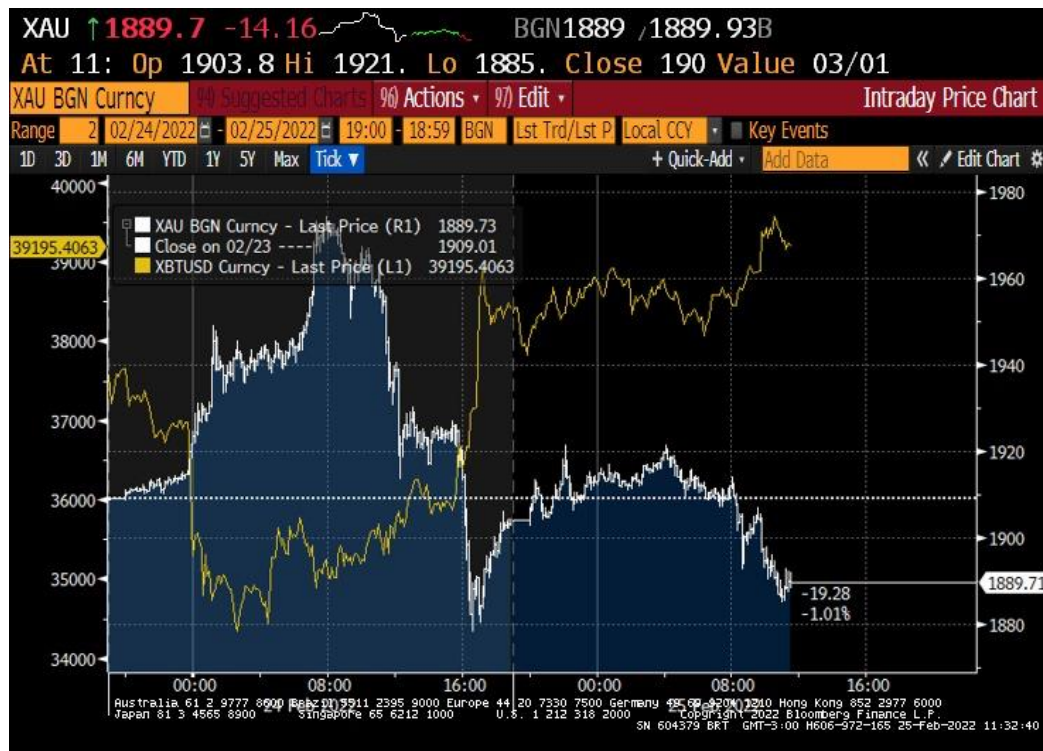


## Portfolio Manager's comments

Bitcoin dominance started the month at 41.6%, reached a low of 40.8%, high of 43.1% and ended at 43.0%.

BTC started the month at \$38,483 and traded between \$34,459 and \$45,661 to close at \$43,182 up 12.21% for the month. Genesis Block Fund was up 9.96%. For most of February the 2 main events that kept markets on its toes was the US CPI print that came at 7.5% which was a 40-year and the geopolitical tensions between Russia and Ukraine. Crypto markets started very correlated with equity markets until about mid-month when the correlation started to break down somewhat. We increased our exposure in UNI as it traded on recent lows given concerns of regulation related to DeFi platforms, we think it has been somewhat overdone. The day Binance announced they would be supporting the KEEP & NuCypher merge on their platform we reduced another 20% of our position as it was up 25% on a 24-hour interval. During the month we also traded in and out of KEEP/BTC pair as there was a lot of volatility with the conversion of NU and Keep tokens to the new T token and at the end of the month, we sold another 15% of our KEEP position as it had another splendid day up over 30% against BTC reaching a new ATH. With the volatility we also traded in and out of ETH/BTC pair making small gains. On the latter half of the month market again sold-off as risk assets in general traded poorly with the ongoing geopolitical concerns especially on February 24<sup>th</sup> when Putin ordered Russia to invade [Ukraine](#). After a 24-hour brutal selloff, most of the large caps quickly recuperated their losses. Gold which is known for its safe heaven quality had a strong uptick in the early hours of the bombings while BTC fell considerably but that reverted quickly by the end of the day, see graph below from the day of the attack and the following day price action. This is quite amazing given gold's five thousand years history and BTC's 13-year history, are we seeing a big change in risk perception?



On the last trading day of the month, we saw the crypto market decoupling from the equity markets (which ended mostly in negative territory) with a strong up day with most of the large caps up double digits to close a volatile February on an up note. One of our underweights (BCH +17%) outperformed BTC while the others (LTC +3.1%, EOS -3%) underperformed BTC during February. Our best performing assets were KEEP (+81.1%), followed by AVAX (+20.4%) and BTC (+12.2%).

[Wells Fargo](#) which used to be very against the whole cryptocurrency space surprisingly issued a lengthy report entitled *Cryptocurrencies – Too early or too late?* which made some interesting headlines such as “cryptocurrencies appear to be near a hyper-adoption phase, similar to that of the internet during the mid-to-late 1990s”. Following a16z footsteps, [Sequoia Capital](#) has recently become a registered investment advisor in order to launch its new Crypto Liquid Token Fund expected to be just over half a billion USD. They also

mentioned that approximately 20% of their investments over the past year has been to crypto startups. Well known [Tiger Global](#) which already invests in various crypto companies via VC announced that it has started trading crypto assets directly as well. [JP Morgan](#) wrote a report entitled “Opportunities in the metaverse” and opened the Onyx Lounge in Decentraland. We also had [KPMG](#) Canada announcing that they have added Bitcoin and Ethereum to their corporate treasury. I love this classic tweet from Chris Dixon from Andreessen Horowitz’s a16z fund (on cryptos), the original phrase comes from Mahatma Gandhi.



first they ignore you

then they laugh at you

then they fight you 🖐️ we are here

then you win

1:35 AM · 21 de dez de 2021 · Twitter for iPhone

Often the media claims that cryptocurrency are for criminals, we can never forget that every transaction on the blockchain is registered, immutable and remains there forever. The US [DOJ](#) (Department of Justice) arrested two individuals in NY that tried to launder \$4.5 billion from the Bitfinex hack which occurred almost 6 years ago on August 2016. Quite remarkable that they were able to follow funds (approximately 120k BTC that at that time were worth \$60mm) and capture the bad actors. The Deputy Attorney General went on to say “*Today’s arrests, and the department’s largest financial seizure ever, show that cryptocurrency is not a safe haven for criminals ... the department once again showed how it can and will follow the money, no matter what form it takes.*” It also looks like they found the culprit of the famous [DAO hack](#) from 2016 on the early days of Ethereum when a highly controversial fork happened and Ethereum Classic was born.

On the tech side, [Wormhole network](#), a popular bridge that links ETH with several blockchains, suffered a \$320mm hack. A few days later a [bounty](#) was offered for information on the hack and all funds were returned. We were never involved with the Wormhole bridge but our position in SOL underperformed given this incident.

On the Regulatory front there was a report that [Russia](#) is close that it reached an agreement with their Central Bank to recognize cryptocurrency as a form of currency. The [Ukraine](#) passed a law legalizing crypto as threat of war looms. The Treasury’s attempt to move stablecoin issuers into a banking regime met big resistance from the [House Financial Services Committee](#). [The US Department of Justice](#) announced the first director of the National Cryptocurrency Enforcement Team. After the controversial Infrastructure Bill, it was a relief that the [US Treasury](#) confirmed that the IRS will not consider crypto miners, stakers or coders to be brokers. The [European Union](#) is open to crypto according to the Home Affairs Commissioner. [Colorado](#) will start accepting crypto for tax payment by the end of the summer.

Interesting announcements/comments:

- [BlackRock](#) planning to offer crypto trading, sources
- Upcoming [Apple](#) iphone feature to give merchants a way to accept crypto payments
- Binance takes a \$200mm stake in [Forbes](#)
- [Jack Doresey's Cash App](#) integrates Bitcoin's Lightning Network
- [ConocoPhillips](#) is selling extra gas to bitcoin miners in North Dakota
- [Circle](#) valued at \$9 billion in in transaction terms agreed with Concord Acquisition Corp.
- [Disney](#) names executive to oversee metaverse strategy
- [Marshall Islands](#) is trying to become global hub for DAO incorporation
- Crypto Apps soar in popularity after [Super Bowl](#) splurge
- [US Senator](#) Cynthia Lummis: The Federal Reserve should buy Bitcoin
- [Singapore's DBS Bank](#) plans to launch digital assets trading desk by year end
- [Alphabet CEO](#) says company 'definitely' looking at blockchain
- [FED officials](#) banned from owning cryptocurrencies and stocks after public outcry
- [South Korea's](#) top bank to launch crypto derivatives and ETFs

## Monthly estimated return

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	Since Fund Inception
2018 Genesis Class B	-15.9%	-5.0%	-37.3%	57.5%	-20.1%	-20.3%	7.7%	-17.1%	-9.0%	-7.8%	-38.1%	-3.5%	-77.50%	
2019 Genesis Class B	-11.3%	17.7%	7.4%	20.7%	58.8%	12.5%	-13.2%	-11.9%	-9.4%	7.3%	-16.4%	-8.6%	37.57%	
2020 Genesis Class B	33.6%	1.2%	-31.5%	39.6%	14.2%	-3.3%	34.3%	18.7%	-12.7%	10.7%	46.1%	32.3%	325.82%	
2021 Genesis Class B	38.5%	25.5%	32.5%	18.5%	-18.8%	-13.0%	13.2%	28.8%	-9.3%	44.3%	-1.0%	-18.1%	198.37%	
2022 Genesis Class B	-24.0%	10.0%											-16.43%	228.72%
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%	0.2%	-3.7%	39.5%	11.2%	-14.7%	14.6%	62.4%	18.5%	276.70%	
2021 BGCI	42.4%	21.9%	25.7%	28.7%	-24.2%	-10.5%	7.6%	28.8%	-11.3%	40.1%	-0.4%	-22.6%	153.38%	
2022 BGCI	-22.4%	4.0%											-19.35%	55.50%
2018 BLP Digital 100	-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 Digital 100	-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 BLP Digital 100	40.1%	6.1%	-20.5%	43.2%	11.8%	-2.1%	23.5%	20.5%	-9.0%	11.4%	28.1%	23.8%	343.00%	
2121 BLP Digital 100	38.1%	20.6%	29.7%	10.8%	-18.5%	-13.9%	12.4%	24.1%	-3.1%	39.1%	-1.5%	-15.5%	162.60%	
2022 BLP Digital 100	-26.9%	-2.7%											-28.86%	201.27%
2018 BLP Digital 20											-7.1%	-0.5%	-7.53%	
2019 BLP Digital 20	-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 BLP Digital 20	8.3%	1.1%	-3.7%	8.3%	2.5%	-0.8%	4.8%	4.0%	-1.8%	2.1%	5.5%	4.5%	39.61%	
2021 BLP Digital 20	7.3%	4.1%	5.8%	2.0%	-3.3%	-2.7%	2.8%	4.9%	-0.3%	8.3%	0.1%	-2.9%	28.35%	
2022 BLP Digital 20	-5.2%	0.4%											-4.86%	74.67%
2021 BLP Digital 40 *														
2022 BLP Digital 40 *														
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%	0.19%	0.16%	0.16%	0.16%	0.15%	0.16%	2.76%	
2021 CDI	0.15%	0.13%	0.20%	0.21%	0.27%	0.30%	0.36%	0.43%	0.44%	0.48%	0.59%	0.77%	4.41%	
2022 CDI	0.73%	0.8%											1.49%	22.80%

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. GENESIS CLASS B RETURNS ARE GROSS OF MANAGEMENT AND PERFORMANCE FEES. BGCI ONLY PRICES DURING BUSINESS DAYS WHICH IS DIFFERENT THAN ADMINISTRATOR MARKING OF 0:00 UTC ON THE LAST BUSINESS DAY OF THE MONTH. \* BLP DIGITAL 40 WAS LAUNCHED ON OCTOBER 15, 2021, AND CAN NOT PUBLISH PERFORMANCE RESULTS FOR ITS FIRST 6 MONTHS OF OPERATIONS.

*Genesis Block Fund Ltd. Characteristics*

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Minimum Investment	\$100,000
Subscription	Daily – NAV calculation next week’s Wednesday
Redemption	Daily – NAV calculation next week’s Wednesday
Administration fee	2.00% p.a.
Performance fee	20% over 6M Libor with High Water Mark
Administrator	MG Stover
Auditor	KPMG
Legal Counsel	Conyers
Custodian	Coinbase Custody, Fidelity Digital Assets, Gemini
ISIN Number	KYG3832A1085
Bloomberg Ticker	GENBLOC KY
Website	<a href="http://www.blpcrypto.com.br/en/">www.blpcrypto.com.br/en/</a>

*BLP Digital 100 FIM – Investimento no Exterior Characteristics – Professional Investors*

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Minimum Investment	R\$10,000
Subscription	Daily – NAV calculation T+1
Redemption	Daily – NAV calculation next week’s Wednesday
Administration fee	2.00% p.a.
Performance fee	20% over CDI with High Water Mark
Administrator	BNY Mellon
Digital Platforms	Órama, Daycoval, Azimut, Necton, sim;paul, Ativa Inv., Vitreo, RB Inv., Inter Invest, Modal Mais
Auditor	KPMG
Legal Counsel	Madrona Advogados
ISIN Number	BR01OYCTF009
Website	<a href="http://www.blp.com.br">www.blp.com.br</a>

*BLP Digital 40 FIM Characteristics – Qualified Investors*

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Minimum Investment	R\$1,000
Subscription	Daily – NAV calculation T+1
Redemption	Daily – NAV calculation next week’s Wednesday
Administration fee	1.75% p.a.
Performance fee	20% over CDI with High Water Mark
Administrator	BNY Mellon
Digital Platforms	Órama, Daycoval, Azimut, Necton, sim;paul, Ativa Inv., Vitreo, RB Inv., Warren, CM Capital, Modal Mais
Auditor	KPMG
Legal Counsel	Madrona Advogados
ISIN Number	BR09ZDCTF002
Website	<a href="http://www.blp.com.br">www.blp.com.br</a>

*BLP Digital 20 FIM Characteristics – Retail Investors*

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Minimum Investment	R\$100
Subscription	Daily – NAV calculation T+1
Redemption	Daily – NAV calculation next week’s Wednesday
Administration fee	1.50% p.a.
Performance fee	20% over CDI with High Water Mark
Administrator	BNY Mellon
Digital Platforms	Órama, Genial Inv., Daycoval, Azimut, Necton, sim;paul, Ativa Inv., Vitreo, RB Inv., Warren, CM Capital, Nova Futura, Inter Invest, Modal Mais
Auditor	KPMG
Legal Counsel	Madrona Advogados
ISIN Number	BR026OCTF003
Website	<a href="http://www.blp.com.br">www.blp.com.br</a>

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