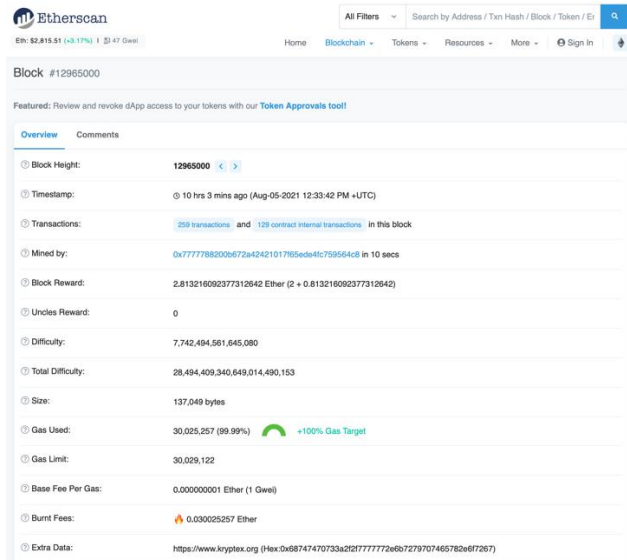


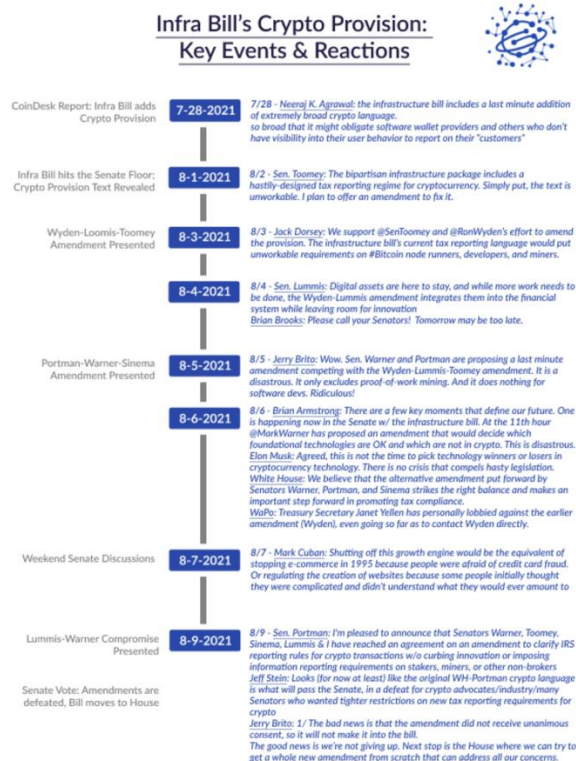
## Portfolio Manager's comments

Bitcoin dominance started the month at 48.4%, reached a low of 42.3%, high of 48.6% and ended at 42.4%.

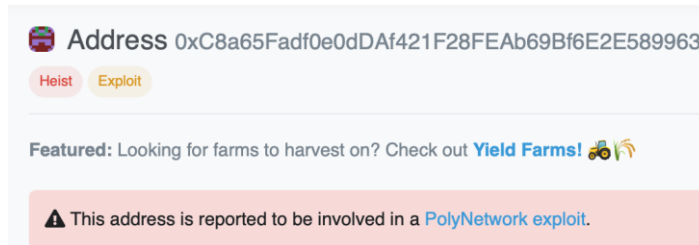
Bitcoin started the month at \$42,236 and traded between \$37,458 and \$50,482 to close at \$47,167 up 11.68% for the month. Genesis Block Fund was up 28.83%. We initiated the month with an ETH overweight position with high expectations for EIP 1559 kicking in on the Ethereum blockchain which happened on August 5<sup>th</sup> on block # 12965000 below that will go into the history books. ETH yearly inflation rate dropped from 4.2% to 2.6% after the fork and is expected to be negative following a successful merge to POS. Follow the impact of EIP 1559 [ETH burn](#) and projected [ETH supply](#) in time. Over 150k ETH (>\$500mm) has been [burned](#) over the past 3 and a half weeks helping it substantially outperform BTC.



We had a tense second week with the discussions of how the US Senate would treat the crypto space within Biden's Infrastructure plan. Our friends at Galaxy Digital put a great summary in the table below.



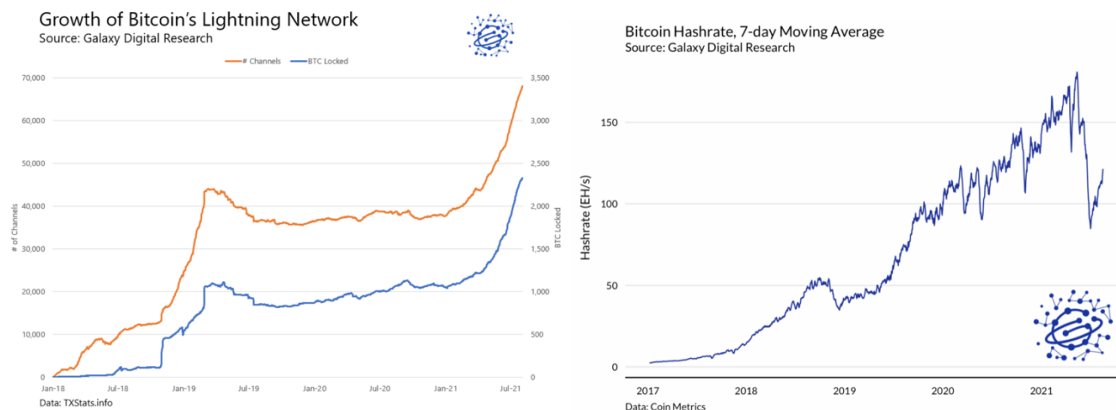
Market barely felt the impact of the largest hack ever on a DeFi protocol, [Poly Network](#). \$611mm were stolen in this massive hack, you can follow the hackers [ETH wallet black-marked](#), on the following day [\\$256mm](#) returned to the protocol and he continued [returning funds](#). Good that the blockchain is fully transparent and traceable.



We added some KEEP which performed well (+63.7%) and we were able yet again to generate nice trading gains by taking advantage of the high volatility against BTC. We continued to increase our position in Solana, now is the fund's third biggest position and it had another amazing month, many are calling it the Solana Summer. Solana has been getting a lot of attention lately with more developers and projects being built on it, great write up on [SOL](#) for those that want to learn more. Polygon (+25.3%) is our second asset in the fund that is going through a merger, this one with [Hermez](#). We decreased slightly our BCH underweight for a short-term trade. Our main underweights (BCH +15.2% and LTC 17.7%) performed slightly better than BTC during August. Our best performing assets were SOL (+234.8%) followed by DOT (+98.7%).

[Square](#) announced that it had \$2.7 billion of revenue from Bitcoin on 2Q21 that generated \$55mm of gross profits or 3x yoy. It also announced the \$29 billion acquisition of Afterpay in Australia that has 16 million customers. [Coinbase](#) 2Q21 results surged to \$2.23 billion in revenue and \$1.6 billion in net profits and it announced it would invest 10% of its profits in crypto. Dan Morehead from Pantera Capital had a great [Investment Letter](#) discussing ESG, the media focusses a lot on the "E" (Environmental) aspect but forget to discuss the "S" (Social) and the "G" (Governance) aspect which has the potential to benefit lives of billions of people.

On the tech side, we continue to be amazed how LN has been growing exponentially and glad to see BTC hash power recuperating rapidly as miners re-located after China bans, see Galaxy Digital's charts below.



On the Regulatory front SEC Chairman [Garry Gensler](#) wants more crypto oversight to protect investors. He gave a lengthy speech at the [Aspen Security Forum](#). There are currently 12 Bitcoin ETF proposals at his desk, so the pressure is clearly growing for the SEC to decide how they want to move forward with crypto regulation. At the same time a [CFTC](#) Commissioner claimed that the SEC has no authority over cryptos, Brian Quintenz wrote "Just so we're all clear here, the SEC has no authority over pure commodities or their trading venues, whether those commodities are wheat, gold, oil....or crypto assets." After a lot of noise, [US lawmakers](#) narrow US Infrastructure Bill requirements for crypto tax reporting in regards to what they define as brokers. [South Korean Financial Service Commission](#) is setting an independent bureau that will address all crypto related issues. [Japan's FSA](#) will strengthen its regulations on cryptocurrencies to protect investors.

Interesting announcements/comments:

- [BlackRock](#), the world's largest asset manager, invest in Bitcoin mining
- \$400 billion investment manager [Neuberger Berman](#) will allow crypto exposure through commodity-focused fund
- Investing giant [Invesco](#) that manages \$1.5 trillion in assets files for a Bitcoin ETF
- [Mitsubishi UFJ](#) partners with Coinbase to allow 40 million customers to buy Bitcoin in Japan
- Fortune 500 company [NCR](#) acquired Bitcoin ATM operator LibertyX
- [PayPal](#) launches crypto trading service in the UK
- [AMC Theaters](#) announced on their earnings call that they are planning to accept Bitcoin in 2021
- [Venmo](#) to allow credit card holders to automatically buy cryptocurrency with their cash back
- [Lionel Messi](#) is being partly paid in crypto by PSG
- Singapore's largest bank, [DBS](#), wins regulatory approval for crypto payment services
- [Eurex](#) announces launch of Bitcoin ETN futures
- [VISA](#) buys a crypto punk as it takes first steps into 'NFT commerce'
- Email subscription platform [Substack](#) adds Bitcoin lightning payments
- [Wells Fargo](#) files to launch a Bitcoin fund
- [United Wholesale Mortgage](#), 2<sup>nd</sup> largest US mortgage lender will accept Bitcoin as payment
- [Facebook](#) is considering building NFT features alongside its digital wallet
- [Budweiser](#) bought a beer themed Ethereum domain NFT
- [Circle](#) filed to become a US national bank
- [Argentinean President](#) is open to adopt Bitcoin as legal tender to fight against inflation

*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%	13.19%	28.8%					181.27%	270.81%
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%					164.32%	101.12%
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%	23.5%	20.5%	-9.0%	11.4%	28.1%	23.8%	343.00%	
2121	Crypto Assets	38.1%	20.6%	29.7%	10.8%	-18.5%	-13.9%	12.4%	24.1%					134.25%	277.77%
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%	2.5%	-0.8%	4.8%	4.0%	-1.8%	2.1%	5.5%	4.5%	39.61%	
2021	Criptoativos	7.3%	4.1%	5.8%	2.0%	-3.3%	-2.7%	2.8%	4.9%					22.37%	75.04%
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%					2.07%	18.28%

*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 CALENDAR DAY OF THE MONTH.*

*Genesis Block Fund Ltd. Characteristics*

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Minimum Investment	\$100,000
Subscription	Every Wednesday with 5 days pre-notice
Redemption	Every Wednesday with 5 days pre-notice
Administration fee	2% p.a.
Performance fee	20% over 6M Libor with High Water Mark
Administrator	MG Stover
Auditor	KPMG
Legal Counsel	Walkers Global and Freitas Leite
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 Crypto Assets FIM – Investimento no Exterior Characteristics*

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Minimum Investment	R\$25,000
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
Digital Platforms	Planner, Daycoval, Azimut, RB Inv., sim;paul, Ativa Inv.
Auditor	UHY Bendoraytes & Cia
Legal Counsel	Madrona Advogados
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, Warren, Consulenza Inv., Vitreo, sim;paul, Ativa Inv.
Auditor	KPMG
Legal Counsel	Madrona Advogados
ISIN Number	BR026OCTF003

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