

Portfolio Manager's comments

Bitcoin dominance started the month at 63.7%, reached a low of 60%, high of 66.7% and ended at 62.5%.

Bitcoin started the month at \$13,781 and traded between \$13,243 and \$19,749 to close near its highs at \$19,626 up 42.41% for the month. Genesis Block Fund was up 46.02%. November started with a nervous market as US elections took center stage. One of the long-awaited events was the deployment of the [ETH 2.0](#) deposit contract which occurred on November 4th, this is the first step to bridge the protocol from its Proof of Work (PoW) consensus algorithm to Proof of Stake (PoS). As they achieved enough ETH staked (minimum requirement of 524,288 ETH) and [validators](#) (minimum requirement of 16,384) the next rollout is expected to be December 1st with the Beacon chain launch which will coordinate the expanded network of shards and stakers as it introduced PoS to Ethereum. Please check out [Ethereum.org](#) if you want the full roadmap of ETH 2.0. There was an unannounced [ETH hard fork](#) which caused some issues on DeFi projects as [Infura](#) APIs had issues but surprisingly didn't impact ETHs price. Once BTC broke the technical level close to \$14k handle it just continued a steady rise during the month leaving Alts in the dust for the first half of the month. On Nov 20th, another major Bitcoin endorsement come from [BlackRock's CIO](#), Rick Rieder. Some of his comments were "*Bitcoin and cryptocurrencies are here to stay*" and "*I see advantages over Gold with Bitcoin being far more functional*". These are strong statements from the world's largest asset manager with over \$7 trillion of AUM. Towards the last week of the month, we saw an up-tick in Alt coins which performed poorly during the first half. As BTC was faced with a big sell wall at \$19.5k it failed to surpass it and sold off after a [tweet](#) from Coinbase CEO Brian Armstrong on the eve of Thanksgiving. The market feared his response to a rumored plan by the US Treasury Department to require tracking of owners of "*self-hosted*" cryptocurrency wallets. As we wrote a few times in the past "*not your keys, not you're your coins*" so it would seem a bit absurd for this action to be taken but as Bitcoin mainstream adoption accelerates it clearly shows that Mnuchin is getting worried that the USD is being threatened by a private hard-asset, interesting times ahead of us. BCH went through yet another contentious hard-fork (last one was the BSV) and split into BCHA and BCHN, for the moment it looks like [BCHN](#) will predominate but since the fork it continues to lose ground (0.016 per BTC) and is close to its historical low of 0.014 per BTC (the fund hasn't owned any BCH for a few years now – in the past we saw this pair trade at 0.35 per BTC, so it is down 96% from its highs).

After following UNI for a few months as we like the project, we swapped some of our XTZ position which has been underperforming recently and swapped into UNI after its recent price correction, we believe DEXs (Decentralized Exchanges) have a lot of room to grow in the coming years. Our best performing asset in November was UNI (up 65%) followed by ETH (up 59%). We are slightly underweight in ETH and EOS. XRP, BCH and LTC remain core underweights. The XRP pump (up 177%) hurt us during November, YTD the fund is practically flat against BICI and 30% above since the fund's inception. Our small overweights (DOT, LINK, MKR, KEEP) underperformed BTC.

DeFi space seems to be finding a floor as volatility decreased. KEEP recuperated somewhat from October's correction (traded between \$0.18/\$0.41 and closed at \$0.32). We received our first KEEPs from our node staking (yielding an additional 25% APY for the staked tokens). There was a lot of activity in the nodes as the ETH/BTC pair was extremely volatile trading between 0.026 and 0.033. The smart contracts trigger a wave of liquidations if proper action, through contract redemptions, is not performed on time.

Yet another legendary investor bought BTC and spoke publicly about it on CNBC, this time it was [Stan Druckenmiller](#), former Chairman and President of Duquesne Capital who said "*I'm a bit of a dinosaur, but I have warmed up to the fact that Bitcoin could be an asset class that has a lot of attraction as a store of value*". Well know [Guggenheim's \\$5 billion Macro Opportunities Fund](#) reserves right to invest 10% of its assets in Bitcoin. The list of managers investing in digital assets is growing rapidly:

[Paul Tudor Jones](#) – Tudor Investment Corp.

[Bill Miller](#) – ex-CIO Legg Mason Capital Mgt.

[Abigail Johnson](#) - Fidelity

[Mike Novogratz](#) – ex-Fortress (currently at Galaxy Digital Assets)

[Mark Yusko](#) – Morgan Creek Capital

[Cathie Wood](#) – ex-CIO Alliance Bernstein (currently at ARK Investment Mgt.)

[Chamath Palihapitiya](#) – Social Capital

[Tim Draper](#) – Draper Associates

[Jack Dorsey](#) – Square

[Michael Saylor](#) - MicroStrategy

Another great quote from MicroStrategy's CEO Michael Saylor, "*Bitcoin is a swarm of cyber hornets serving the goddess of wisdom, feeding on the fire of truth, exponentially growing even smarter, faster, and stronger behind a wall of encrypted energy*".

Even legendary Bridgewater Founder [Ray Dalio](#) tweeted that he "*might be missing something*" about Bitcoin.

[Fidelity Digital Assets](#) releases a report addressing the persisting Bitcoin criticisms.

[Niall Ferguson](#) writes a great report on Bloomberg entitled "*Bitcoin is winning the Covid-19 monetary revolution*".

Loved the tweet below, especially the last line, "*hard to understand*", but when people do their homework, they will start seeing the potential of this growing asset class.



#Bitcoin is hard.

Hard to earn.
Hard to seize.
Hard to censor.
Hard to produce.
Hard to shut down.
Hard to understand.

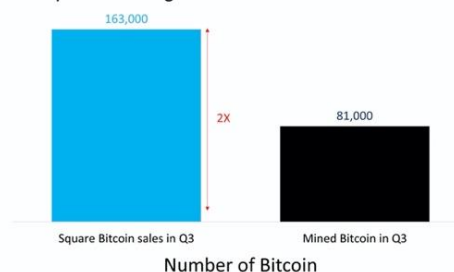
02:21 · 11/8/20 · Buffer

[Square](#) reported \$1.63 billion in Bitcoin sales for 3Q20 via its Cash App, the tweet below is mind-boggling.



This is huge.
Square is selling double the Bitcoin that is made.
...and now Paypal is doing the same.
Paypal is almost 3X Square. We already know Grayscale is consuming a similar magnitude.
This is a Bitcoin supply crisis.
Base case: expect huge price moves from #Bitcoin .

Square is selling twice as much bitcoin as is made



07:49 · 11/6/20 · Twitter Web App

On the Regulatory front [SEC Chairman Jay Clayton](#) confirms on CNBC's Squawk Box that Bitcoin is not a security and calls it a "*store of value*". Chairman Clayton is leaving his role at the SEC at year-end, depending who replaces him, a real Bitcoin ETF might be on its way.

Interesting announcements/comments:

- [Fidelity](#) launches engineering hiring initiative to build out crypto trade and custody services
- [Financial Advisors](#), Bitcoin is the next Amazon
- [Lagarde](#) says her “hunch” is that ECB will adopt digital currency
- [PBOC Governors](#) says 4 million transactions so far in Digital Yuan
- First company-sponsored [Bitcoin retirement plans](#) launched in US
- Mexican billionaire [Ricardo Salinas Pliego](#) reveals 10% of his liquid assets are in Bitcoin
- [PayPal](#) removes waitlist for new crypto service, boost weekly purchase limit to \$20k
- Wall Street legend [Bill Miller](#) reveals ‘strong’ Bitcoin recommendation despite massive price surge

Monthly estimated return

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	Since Fund Inception
2018 Genesis	-16.00%	-5.17%	-37.38%	57.20%	-20.19%	-20.44%	7.50%	-17.24%	-9.20%	-7.92%	-38.19%	-3.67%	-77.94%	
2019 Genesis	-11.50%	17.53%	7.18%	20.49%	58.58%	12.36%	-13.36%	-12.00%	-9.50%	7.15%	-16.52%	-8.70%	34.85%	
2020 Genesis	33.41%	1.02%	-31.57%	39.33%	14.03%	-3.46%	34.08%	18.55%	-12.85%	10.52%	46.02%		216.29%	-5.92%
2018 Crypto Assets	-19.19%	-1.78%	-33.74%	61.16%	-14.11%	-17.57%	4.50%	-8.56%	-11.64%	-13.85%	-34.26%	-3.36%	-72.27%	
2019 Crypto Assets	-15.67%	18.44%	10.58%	20.93%	52.76%	8.69%	-14.60%	-3.59%	-8.78%	2.86%	-11.98%	-12.94%	31.28%	
2020 Crypto Assets	40.07%	6.06%	-20.52%	43.21%	11.85%	-2.09%	23.51%	20.49%	-9.00%	11.45%	28.08%		257.95%	30.31%
2018 Criptoativos											-7.09%	-0.47%	-7.53%	
2019 Criptoativos	-2.88%	4.05%	2.39%	4.14%	10.17%	1.60%	-2.76%	-0.38%	-1.51%	0.86%	-2.23%	-2.36%	10.80%	
2020 Criptoativos	8.26%	1.05%	-3.74%	8.30%	2.52%	-0.83%	4.83%	3.99%	-1.85%	2.13%	5.49%		33.65%	36.94%
2018 BGCI	-15.77%	-10.72%	-43.52%	60.89%	-20.41%	-28.45%	13.72%	-21.67%	-0.21%	-12.18%	-36.83%	-1.70%	-81.14%	
2019 BGCI	-11.78%	15.54%	5.92%	13.41%	58.11%	17.20%	-24.19%	-16.14%	-6.24%	10.56%	-17.43%	-13.26%	7.08%	
2020 BGCI	40.26%	1.81%	-31.02%	35.85%	0.16%	-3.68%	39.48%	11.21%	-14.70%	14.62%	62.41%		218.00%	-35.77%
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%		2.59%	15.69%

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: Genesis returns are gross of performance fees and 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).

Genesis Block Fund Ltd. Characteristics

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	KPMG
Legal Counsel	Walkers Global and Freitas Leite
Custodian	Coinbase Custody & Fidelity Digital Assets
ISIN Number	KYG3832A1085
Bloomberg Ticker	GENBLOC KY
Website	www.blpcrypto.com.br/en/

BLP Crypto Assets FIM – Investimento no Exterior Characteristics

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
Auditor	UHY Bendoraytes & Cia
Legal Counsel	Freitas Leite
ISIN Number	BR01OYCTF009

BLP Criptoativos FIM Characteristics

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.
Auditor	KPMG
Legal Counsel	Freitas Leite and Madrona Advogados
ISIN Number	BR026OCTF003
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