



# ALGEBRA DIGITAL STRATEGY FUND SLP

Monthly news and bulletin updates

Issue  
#15  
January  
2024

## Fund objective

The Fund's investment objective is to provide capital growth, to outperform and decrease in volatility with respect the crypto currency Bitcoin over the medium to long term. The strategy is based on an in & out trading activity that operates rigorously following the signals that arrive from a trading algorithm. The strategy itself is the result of an empirical analysis of the underlying observation over a period of 5 years. The fund is Eur based currency, it will not use derivatives, and it will not perform leveraged investments.

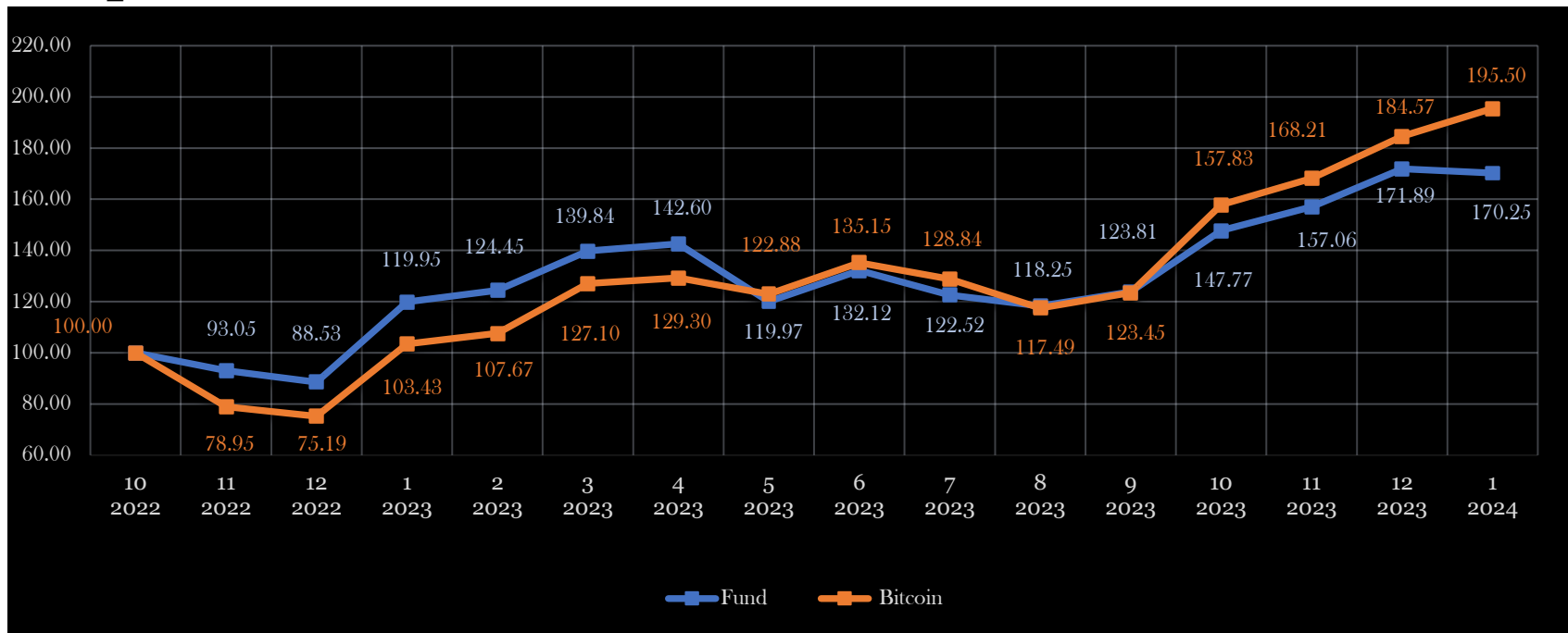
## Fund performance

	Fund Performance	Bitcoin Performance	Extra Performance	Fund Ann. Volatility	Bitcoin Ann. Volatility	Volatility Delta
Since Inception (15 Months)	70.26%	95.50%	-25.24%	43.16%	50.44%	-7.28%
2024	-0.95%	5.92%	-6.87%	-	-	-
2023	94.16%	145.48%	-51.32%	45.32%	47.27%	-1.96%
2022 (2 Months Only)	-11.47%	-24.81%	13.34%	-	-	-

## Fund monthly performance

	Fund Performance	Bitcoin Performance	Extra Performance	Fund NAV	Bitcoin Eur	Fund Net Equity	Fund Cumulative Performance	Bitcoin Cumulative Performance	Cumulative Extra Performance
January 2024	-0.95%	5.92%	-6.87%	1702.55	40'295.75	1'705'951.58	70.26%	95.50%	-25.24%
December 2023	9.45%	9.73%	-0.28%	1'718.92	38'044.25	1'722'359.12	71.89%	84.57%	-12.68%
November 2023	6.28%	6.58%	-0.29%	1'570.55	34'671.73	1'573'690.95	57.06%	68.21%	-11.16%
October 2023	19.35%	27.85%	-8.50%	1'477.71	32'532.56	1'480'668.37	47.77%	57.83%	-10.06%
September 2023	4.70%	5.08%	-0.37%	1'238.11	25'445.72	1'240'588.84	23.81%	23.45%	0.36%
August 2023	-3.48%	-8.81%	5.33%	1'182.53	24'216.71	1'184'892.15	18.25%	17.49%	0.76%
July 2023	-7.27%	-4.66%	-2.61%	1'225.20	26'557.32	1'227'651.57	22.52%	28.84%	-6.32%
June 2023	10.13%	9.98%	0.15%	1'321.24	27'856.46	1'323'884.66	32.12%	35.15%	-3.02%
May 2023	-15.87%	-4.97%	-10.90%	1'199.67	25'327.75	1'202'071.92	19.97%	22.88%	-2.91%
April 2023	1.98%	1.73%	0.246%	1'425.98	26'651.12	1'428'833.98	42.60%	29.30%	13.30%
March 2023	12.37%	18.05%	-5.682%	1'398.36	26'198.09	1'401'157.40	39.84%	27.10%	12.73%
February 2023	3.75%	4.10%	-0.35%	1'244.45	22'192.34	1'246'941.95	24.45%	7.67%	16.78%
January 2023	35.49%	37.56%	-2.07%	1'199.49	21'318.57	1'201'890.35	19.95%	3.43%	16.52%
December 2022	-4.85%	-4.76%	-0.09%	885.33	15'498.18	887'099.19	-11.47%	-24.81%	13.34%
November 2022	-6.96%	-21.05%	14.10%	930.45	16'272.13	932'312.26	-6.96%	-21.05%	14.10%
October 2022	-	-	-	1'000.00	20'611.90	1'002'000.00	-	-	-

**Fund performance vs Bitcoin Eur**



Fund Performance vs Bitcoin. Source: Internal elaboration

**Bitcoin daily bars of January 2024**



Source: Bloomberg graph of Bitcoin/Eur BGNL daily data.

**Fund moves**

The first 11 days of 2024 were dominated by expectations about the approval of physical Bitcoin ETFs. The fund started in long mode estimating SEC approval as very likely. In the first 10 days, rumours followed one another, causing large price fluctuations. In fact, Bitcoin immediately rose in the first two days, reaching 41,890 and then falling to 37,600 (-10%) in the wake of rumours about the possible failure to approve. It resumes the following day and continues with oscillations of 10% in both directions until it stabilizes in the 40'000/40'500 area.

On Monday the 8th the ride starts again which will take bitcoin to a high of 44'830 on the 11th once the definitive approval of the ETFs by the SEC is confirmed. The way in which the SEC managed the communication remains sensational, first releasing a Tweet on "X" on the 9th announcing the approval, denying it a few minutes later and then finally issuing the official and confirmed news of the approval on the 10th.

From the 11th itself, the outflows of investors who disinvest from the Grayscale fund, which has now become a freely tradable ETF, begin to follow.

Added to these are marketers who sell following the adage "Sell the News". After accumulating rumours of multi-trader approval, they decide to sell once the news is confirmed. However, the underlying outlook remains positive, the advent of ETFs still brings new purchasing flows and the halving on the horizon gives hope for a long-term strengthening of Bitcoin.

The fund continues to be long but, following the continuous declines mainly due to Grayscale's outflows, on day 14 the algorithm gives an exit signal.

In the following days there is a resumption of the bullish trend which induces a buy signal, the fund resumes its long position. Volatility returns on Thursday 18th with Bitcoin dropping to a minimum of 37'400 euros.

The decline continues Friday 19 January, where it reaches a minimum of 37'000 euros.

During this bearish phase the algorithm generates a sell signal. On Monday 22 January, bitcoin resumed its descent which lasted until the following day, sliding down to the minimum of 35,500 euros, i.e. a drop of more than 7% in two days.

Bitcoin has lost more than 20% since its January 11 high.

From the 24th a bullish trend starts again and continues for several days. On Monday 29 January, with the opening of Wall Street, Bitcoin accelerates beyond 40,000 euros.

The increase comes thanks to confirmation that outflows from Grayscale continue to reduce. The algorithm generates an entry signal. The month ends in long mode with Bitcoin at 39'500.

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## Risk Considerations

An investment in the Fund involves certain risk factors and considerations relating to the Fund's structure and investment objective that prospective investors should evaluate before making a decision to subscribe for Shares. No assurance can be given that the Fund will succeed in meeting its investment objective. Moreover, past performance is not a guarantee of future results. The risks referred to in the Fund's issuing document are neither specific nor exhaustive, and a financial advisor or other appropriate professional should be consulted for additional advice.

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**Class A Share:** ISIN LU2507354137  
**Category:** Capitalization of income  
**Currency:** EUR  
**Minimum initial investment:** EUR 125.000,00  
**Minimum subsequent investment:** EUR 1.000,00  
**Lock-up period:** Open-ended fund, no Lock-up period

**Class B Share:** ISIN LU2507354210  
**Category:** Capitalization of income  
**Currency:** EUR  
**Minimum initial investment:** EUR 125.000,00  
**Minimum subsequent investment:** EUR 1.000,00  
**Lock-up period:** Open-ended fund, no Lock-up period

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