



ALGEBRA DIGITAL STRATEGY FUND SLP

Monthly news and bulletin updates

Issue
#20
June
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.

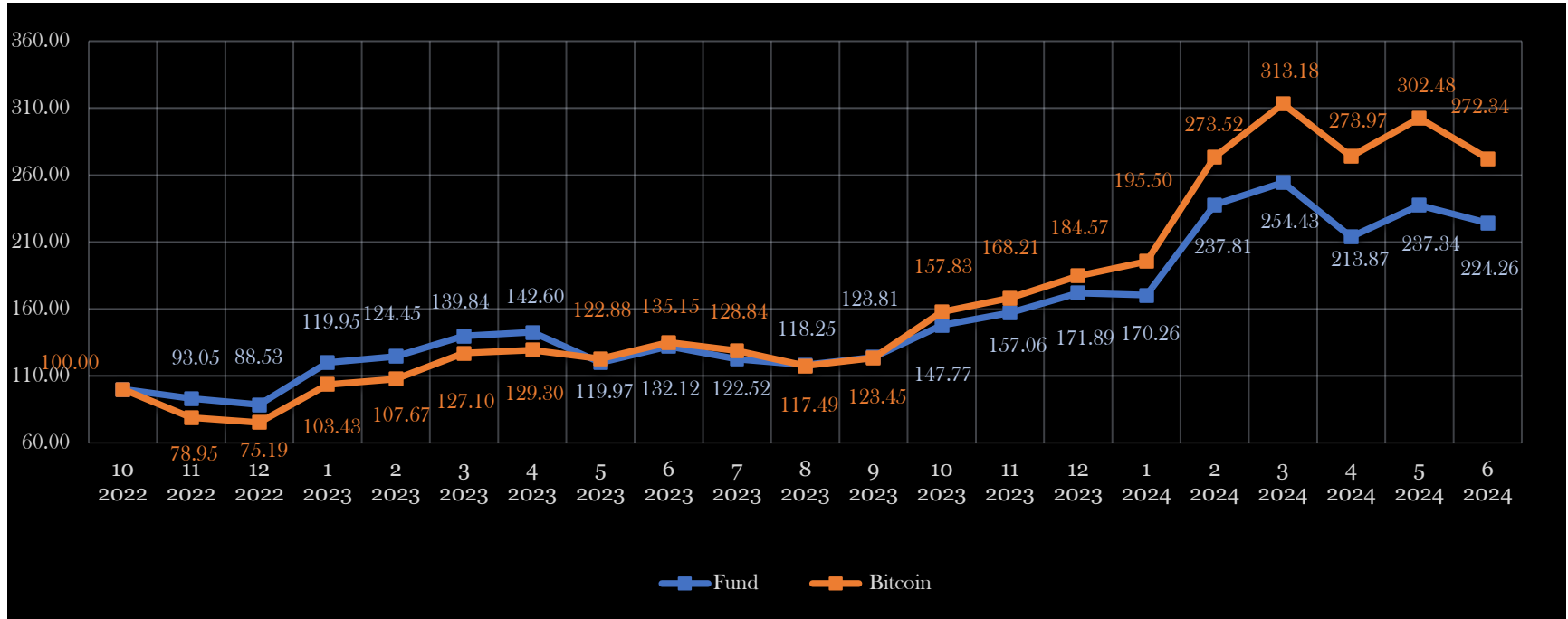
Fund performance

	Fund Performance	Bitcoin Performance	Extra Performance	Fund Ann. Volatility	Bitcoin Ann. Volatility	Volatility Delta
Since Inception (19 Months)	124.26%	172.34%	-48.08%	50.09%	55.12%	-5.03%
2024	30.46%	47.55%	-17.09%	-	-	-
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

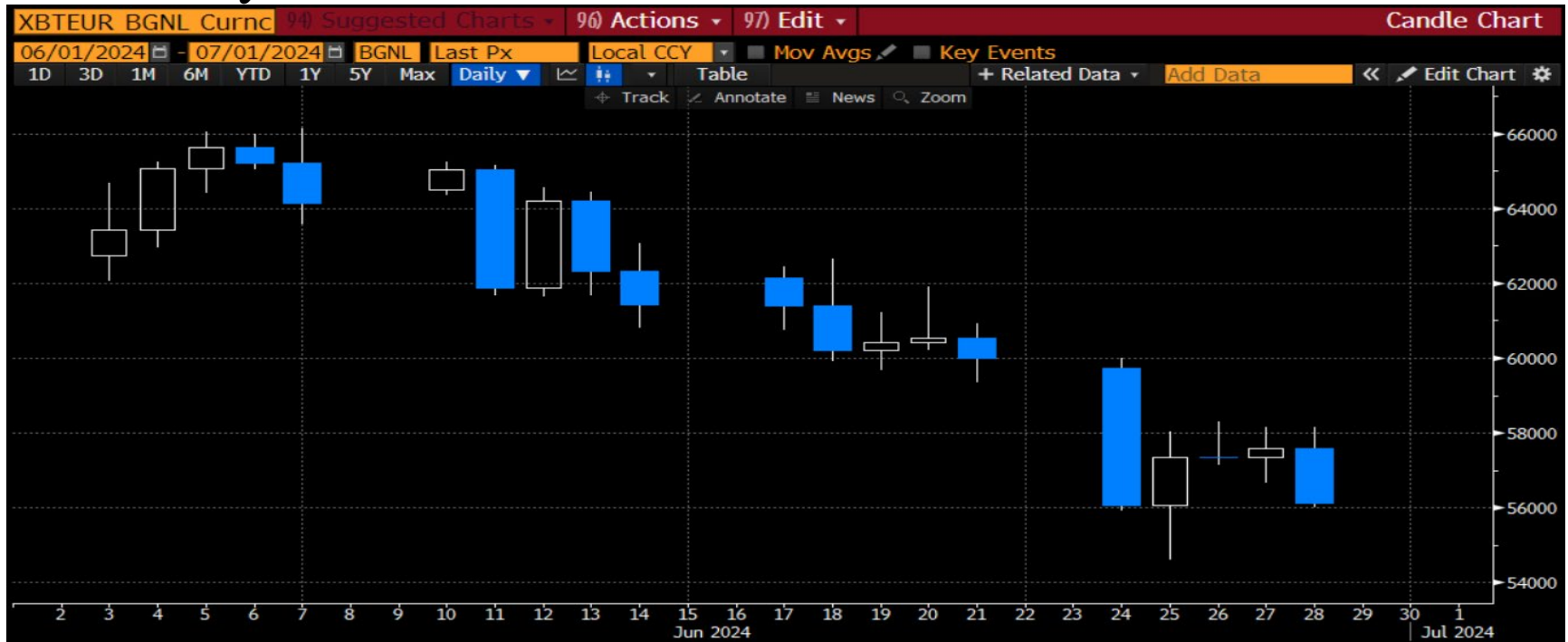
	Fund Performance	Bitcoin Performance	Extra Performance	Fund NAV	Bitcoin Eur	Fund Net Equity	Fund Cumulative Performance	Bitcoin Cumulative Performance	Cumulative Extra Performance
June 2024	-5.51%	-9.96%	4.45%	2'242.57	56'134.07	2'247'056.27	124.26%	172.34%	-48.08%
May 2024	10.97%	10.41%	0.57%	2'373.38	62'346.75	2'378'129.76	137.34%	202.48%	-65.14%
April 2024	-15.94%	-12.52%	-3.42%	2'138.69	56'470.68	2'142'963.47	113.87%	173.97%	-60.10%
March 2024	6.99%	14.50%	-7.51%	2'544.27	64'552.07	2'549'357.88	154.43%	213.18%	-58.75%
February 2024	39.68%	39.91%	-0.23%	2'378.09	56'377.39	2'382'850.22	137.81%	173.52%	-35.71%
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 June 2024



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

Fund moves

The month of June begins in long mode with Bitcoin at 62,406 Eur. The first 2 days of the month, like every weekend for some times now, are characterized by very low volatility. Subsequently, rate cut by the ECB and a reassuring macroeconomic framework pushed prices upwards until reaching the maximum of day 7 in which the price reached 66'091 Eur, less than 2% away from the historical maximum of March of 67 '427 Eur.

Unfortunately, the euphoria does not last long, on the same Friday the 7th the data on employment in the USA comes out which denotes a strong monthly growth in wages. The Fed adopts a prudential approach that strongly reduces hopes of future cuts during the rest of the year. The postponement of monetary policy easing contrasts with the path already taken by the ECB, fresh from the first reduction in the cost of money since 2019. A contrast that reflects the greater concern about the weakness of growth in the Old Continent.

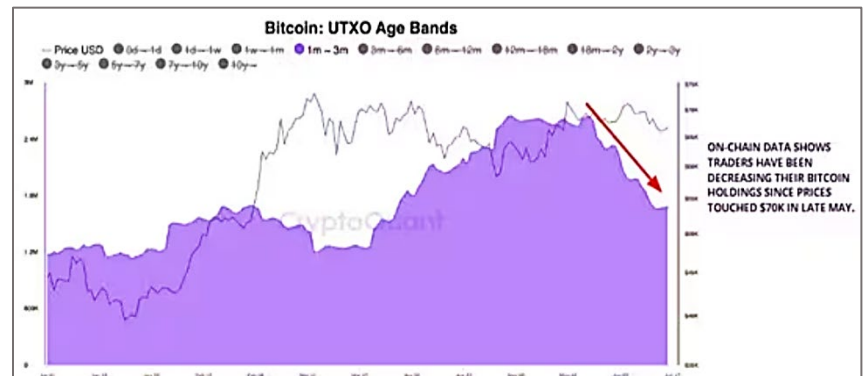
From here on, Bitcoin proceeds with a downward trend temporarily interrupted by the release of positive data on US inflation on day 12. The trend is affected not only by the Fed's policy which now estimates a single rate cut for 2024 compared to the 3 expected in March, but also three further factors.

The first is the Basis trade operated by various Hedge Funds that buy Bitcoin ETFs and at the same time short the Futures, leading to downward pressure on the spot price of Bitcoin.

The second is the massive monetization of profits implemented

by the "Big Whales", i.e. the large crypto investors who have continued to short Bitcoin since the highs in May. These are probably the outflows generated by miners diverting revenues from Bitcoin to AI activities.

The third is Mt Gox's announcement to begin repaying clients robbed of their assets during the 2014 hack with residual assets in



UTXO 1m-3m Band decrease, showing miner outflows. Source: CryptoQuant

July. Bitcoin therefore closes sharply lower at 56'134 Eur with a drop of almost 10% compared to the previous month. The fund reduced its losses thanks to two exits operated by the algo in stop loss mode, closing the month with a performance of -5.51%.

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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