



ALGEBRA DIGITAL STRATEGY FUND SLP

Monthly news and bulletin updates

Issue
#22
August
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.

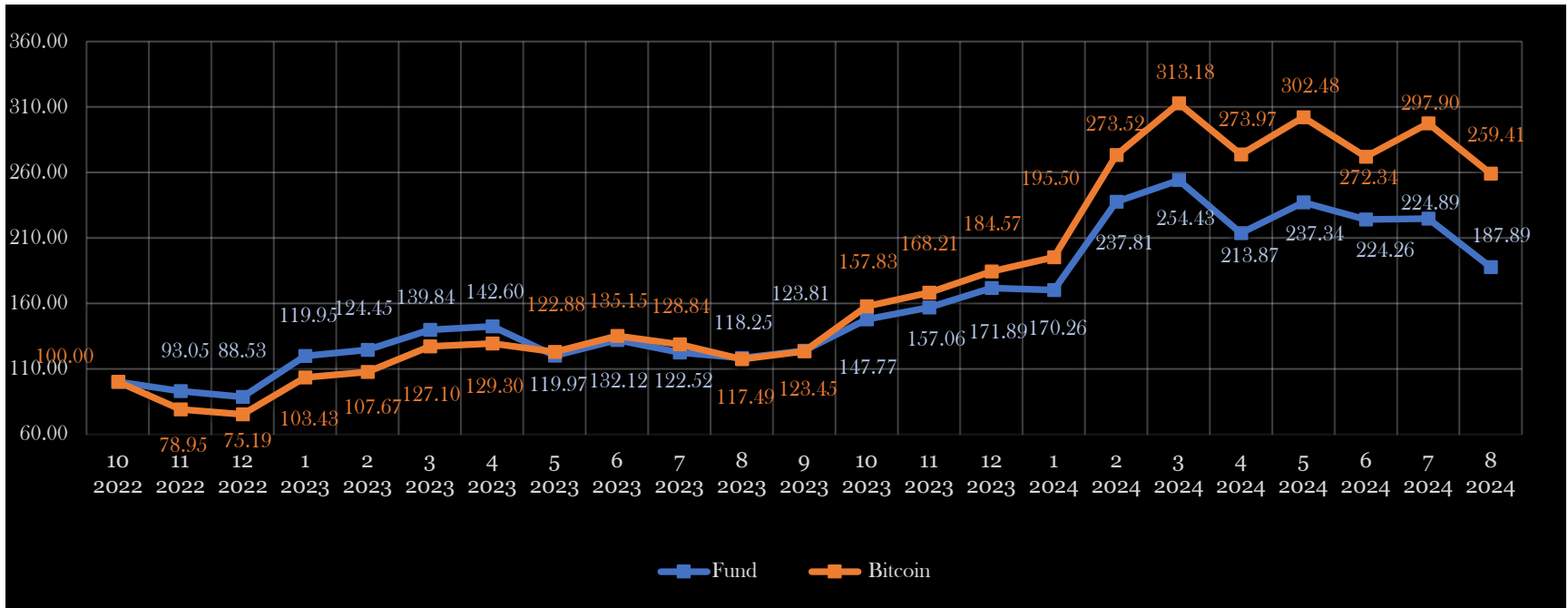
Fund performance

	Fund Performance	Bitcoin Performance	Extra Performance	Fund Ann. Volatility	Bitcoin Ann. Volatility	Volatility Delta
Since Inception (22 Months)	87.89%	159.41%	-71.52%	50.28%	54.38%	-4.10%
2024	30.83%	61.40%	-30.57%	-	-	-
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

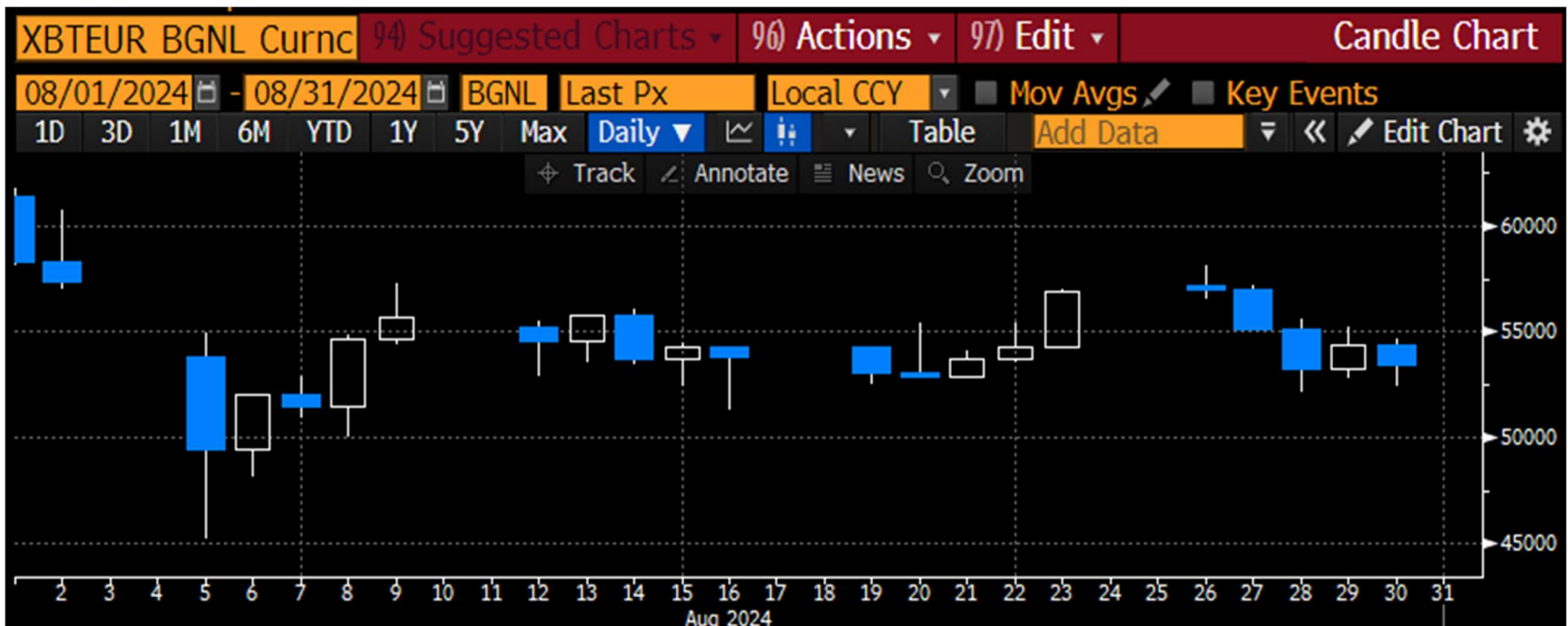
	Fund Performance	Bitcoin Performance	Extra Performance	Fund NAV	Bitcoin Eur	Fund Net Equity	Fund Cumulative Performance	Bitcoin Cumulative Performance	Cumulative Extra Performance
August 2024	-16.45%	-12.92%	-3.53%	1'878.89	53'469.43	1'882'648.08	87.89%	159.41%	-71.52%
July 2024	0.28%	9.39%	-9.11%	2'248.88	61'403.70	2'253'374.87	124.89%	197.90%	-73.02%
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 August 2024



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

Fund moves

August starts in long mode with an opening level at 61'403.70 Eur. On August 2nd the financial markets plummet. Bitcoin is no exception and closes with a decline of 7% on a daily level at 56'325 Eur with a minimum of the day at 56'106 Eur, i.e. a total decline of over 13% from the high of 64'700 Eur touched only 4 days before on Monday 29th July.

Meanwhile, on the financial markets, the terrible employment data in the USA raises fears that the Fed is late: futures are now discounting a cut from 0.50 in September. In Europe, banks are falling.

There's a lot going on in the markets at the beginning of August. The Tokyo Stock Exchange (yesterday -5.7%) experienced its worst session since 2016 according to Bloomberg. The "magnificent 7" have lost 3'300 billion in capitalization along the way from their respective recent highs. The Nasdaq index has entered correction territory with a decline of more than 10% since the beginning of July. Since the highs of March, European stock markets have lost 10%.

Investors have the feeling that central banks are lagging behind the rate curve. The feeling that they are trying to frantically chase an economy that risks having already ended up in the quicksand of a recession.

Monday 5 August is Black Monday in global financial markets. The collapse of Bitcoin is impressive, at the opening of the European stock exchanges it reached a minimum of 45'020 Eur

a decline of 15.5% compared to the closing of the previous day. From the high on Monday 29th July to this low, the overall drop in 7 days was more than 30%. During opening hours on Wall Street, the rebound began, leading Bitcoin to close at 49'359 Eur, or up by almost 10% compared to the lows of the day. The collapses are due to a generalized panic that does not seem to be based on real negative news for the crypto world. In fact, from day 6 we witness a recovery in prices which leads to a maximum of 57'446. However, bearish tensions resume again, the algo gives an exit signal on day 11 and then returns long two days later, following the increases due to positive US macro data which seem to cheer up the market. Expectations on future rate cuts have a positive impact on the crypto market but several critical issues weigh on the performance of Bitcoin. Profitability for miners is at historic lows and many are attracted by the profits of the AI sector to which they could easily convert their plants. The US administration still holds several Bitcoins resulting from seizures from the dismantling of the "Silk Road" network. It could liquidate them at any moment and liquidity is so low that such flows would have a very negative effect on the market. The rest of the month is therefore affected by this uncertain trend with Bitcoin closing at 53'467.43 Eur, down by almost 13% compared to the previous month. Uncertainty and laterality weigh heavily on the fund's strategy which is oriented to trend following, this month in fact it underperforms Bitcoin by 3.53%.

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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