



ALGEBRA DIGITAL STRATEGY FUND SLP

Monthly news and bulletin updates

Issue
#40
February
2026

Fund objective

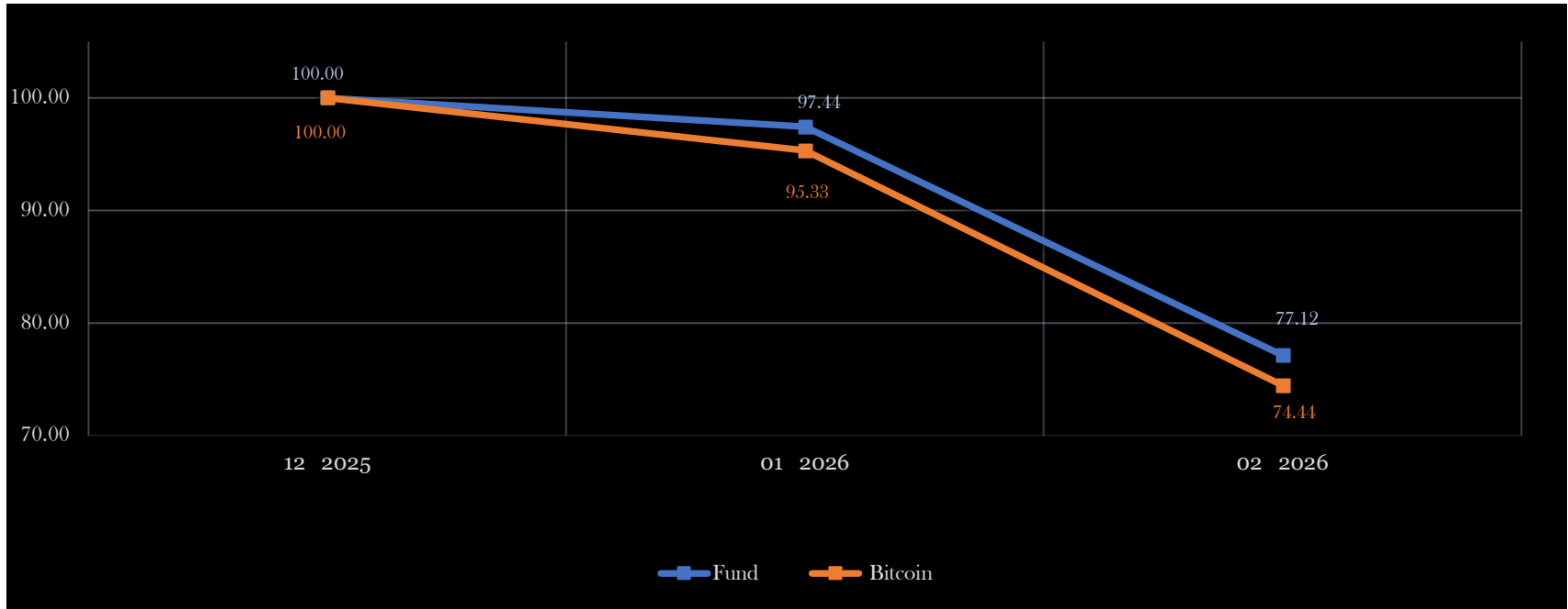
The Fund's investment objective is to provide capital growth, to outperform and decrease in volatility with respect the crypto currency Bitcoin over the medium to long term. The strategy is based on an in & out trading activity that operates rigorously following the signals that arrive from a trading 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

2026	Fund Performance	Bitcoin Performance	Extra Performance	Fund NAV	Bitcoin Eur	Fund Net Equity
February	-20.86%	-21.91%	1.05%	1'391.81	55'485.09	1'394'596.72
January	-2.56%	-4.67%	2.11%	1'758.64	71'053.25	1'762'162.07

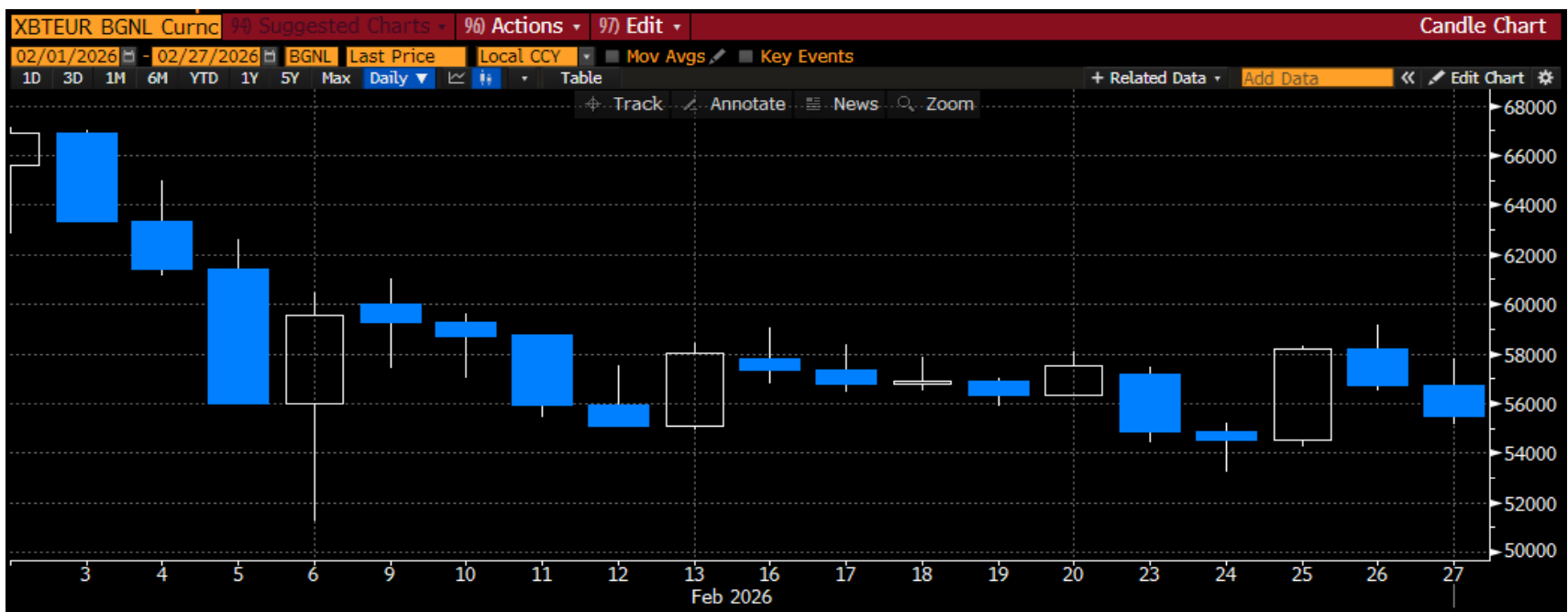
	Fund Performance	Bitcoin Performance	Extra Performance	Fund Ann.Volatility	Bitcoin Ann.Volatility	Volatility Delta
2026	-22.88%	-25.56%	2.67%	-	-	-
2025	-17.91%	-17.93%	0.02%	30.67%	36.55%	-5.88%
2024	27.90%	138.71%	-110.80%	56.94%	61.79%	-4.84%
2023	94.16%	145.48%	-51.32%	45.32%	47.27%	-1.96%
2022 (2 Months Only)	-11.47%	-24.81%	13.34%	-	-	-

Fund performance vs Bitcoin Eur



Fund Performance vs Bitcoin. Source: Internal elaboration

Bitcoin daily bars



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

Fund moves

February 2026 was one of the most turbulent months for Bitcoin since the collapse of FTX in November 2022. The sell-off was driven by a toxic combination of macroeconomic headwinds, geopolitical escalation, and crypto-specific negative flows. Bitcoin's worst single-day low occurred on February 6, when prices briefly touched 60'062 Usd – a level not seen since late 2024.

Federal Reserve Policy and Macro Impact

Entering February, the Federal Reserve had kept rates unchanged at its first meeting of 2026, with Chair Jerome Powell describing the stance as within a "neutral range." While this signaled a pause in tightening, markets became concerned about the potential nomination of Kevin Warsh as a future Fed chair – a figure perceived as more hawkish. Bitwise CIO Matt Hougan cited lingering uncertainty about Fed leadership as one of the key contributors to Bitcoin's underperformance versus gold during the month.

The most decisive macro catalyst of the month arrived on February 20, when a Supreme Court ruling struck down prior emergency trade measures, forcing the Trump administration into a more aggressive trade posture.

Geopolitical Turbulence

Escalating US-Iran tensions – stemming from Iran's resistance to a new nuclear agreement – drove a flight to traditional safe-haven assets such as gold (+1.2% on February 24 alone) and away from

risk assets including Bitcoin. President Trump publicly stated he would decide within ten days whether to strike Iran militarily. This defensive positioning pushed the Crypto Fear & Greed Index to 14 – deep in "Extreme Fear" territory.

Crypto Market Dynamics

On-chain data from CryptoQuant showed 56'000 to 59'000 BTC deposited onto exchanges within a two-day window in early February – a classic signal of large-holder selling intent. February marked the fourth consecutive month of net outflows from US-listed spot Bitcoin ETFs, though the pace slowed dramatically. Bitcoin's hash rate came under pressure throughout February as declining prices reduced mining profitability. Net miner sales peaked around February 8 at -4'718 BTC per day, before tapering as weaker miners curtailed operations. Analysts noted that some mining firms – particularly those with access to AI data center infrastructure – were strategically pivoting capacity from Bitcoin mining to high-performance computing (HPC) workloads, softening the impact of mining revenue compression. Despite negative hash rate growth during the month, this was characterized by analysts as a strategic adjustment rather than structural capitulation.

Fund Performance

The Fund suffered the Bitcoin's correction while it managed to overperform it of 1.05%.

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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