

Series 23.  
**Unit Price \$0.87**

Unit price is calculated in Australian dollars using net asset value per unit and does not reflect buy/sell spread that investors incur when buying and selling units.

## About the Strategy

The Investment Strategy is to obtain and hold Bitcoin in a secure and regulated custodian, with exposure to the underlying asset issued as units in the Fund.

The Fund will not engage in derivatives, leverage, or short selling, and has adopted a strictly passive 'buy and hold' strategy.

## Performance

Fund Performance	Monochrome Bitcoin Fund (MBF) <sup>1</sup>	Bitcoin Reference Rate <sup>2</sup>
1 month	21.75%	22.07%
3 months	73.87%	74.77%
6 months	37.07%	38.78%
1 year	-33.05%	-31.38%
3 years p.a.	-	59.52%
Volatility <sup>3</sup>	68.82%	69.62%
Since Inception p.a.	-13.11%	-10.72%

<sup>1</sup> Based on NAV per unit.

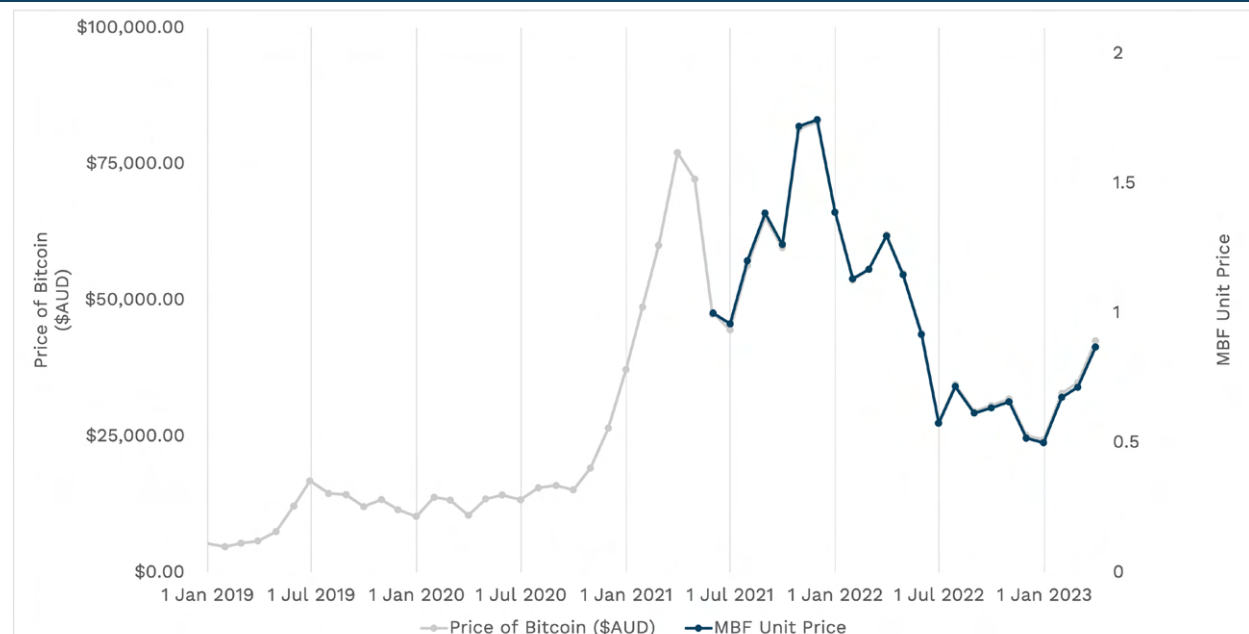
<sup>2</sup> CME Bitcoin Reference Rate (BRR), WMR as supplied by Refinitiv.

<sup>3</sup> Annualised volatility.

## Fund Details

APIR	NCC7833AU
Benchmark	BRR/WMR
Management Fee	1.5% P.A.
Performance Fee	N/A
Min. Investment	AUD\$25,000
Additional Contributions	AUD\$5,000
Applications/Redemptions Hard close	25th of each month
Unit Price	Monthly
NAV	Monthly
Buy/Sell Spread	0.19% / 0.29%
Entry/Exit Fee	0% entry / 1.94% exit fee within 12 months of application / 0% exit after 12 months
Inception Date	1 June 2021

## Growth of Bitcoin vs Growth of MBF Units<sup>1</sup>



<sup>1</sup> Bitcoin price based on WMR (AUD/USD) and CME BRR Benchmarks since 1/11/18. From 1/6/21, the chart represents change in NAV of MBF Units.

### Service Providers



**NON CORRELATED CAPITAL**  
Fund and Investment Management



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## Market Commentary

- **Bitcoin Surpasses USD\$30k, Marking Highest Price Since June 2022**

On April 11, Bitcoin reached USD\$30,000 for the first time since June 10, 2022<sup>1</sup>. This is a major milestone for Bitcoin, which had been battling to regain momentum after a year of decline. Many Bitcoin investors see the recent increase in price as a sign of revived interest and demand for the digital asset. This week, markets will be looking for signs that inflation is continuing its recent downward trend in the March Consumer Price Index (CPI), published on 14 March 2023, with some crypto-asset investors seeing bitcoin as a hedge against inflation and continuous currency debasement<sup>2</sup>.

The surge in price has been associated with a variety of causes, including increased institutional interest and an optimistic perception of regulatory developments. However, given the volatile and quick fluctuations of the cryptocurrency market, caution is urged. When making investment choices, investors should thoroughly analyse market circumstances, regulatory developments, and methods for risk management.

- **CFTC sues cryptocurrency exchange Binance for alleged violation of trading rules**

On March 27, the US Commodities Futures Trading Commission (CFTC) launched a lawsuit against Binance, one of the world's largest cryptocurrency exchanges. According to the lawsuit<sup>3</sup>, Binance had allowed US consumers to trade cryptocurrencies without being registered with the CFTC, violating eight provisions of a commodities trading law<sup>4</sup> "designed to prevent and detect money laundering and terrorism financing."

According to Reuters<sup>5</sup>, the US Justice Department has been investigating Binance since 2018 for potential money laundering and sanctions breaches. Since the lawsuit, the cryptocurrency exchange saw investors withdrawing overall \$1.6 billion in crypto-assets from Binance<sup>6</sup> and a decrease in market share<sup>7</sup> after the exchange eliminated zero-fee trading on its platform.

The case highlights the rising regulatory scrutiny that crypto-asset exchanges face, as well as the need to comply with local regulatory regulations in the cryptocurrency space. Investors should keep a careful eye on local regulatory changes and assess how they could affect crypto-asset markets.

- **BlackRock and Fidelity's Interest in Crypto-assets**

Two of the world's top asset management firms, BlackRock and Fidelity, are reportedly setting the framework for the next Bitcoin bull run<sup>8</sup>. Both BlackRock and Fidelity are reportedly exploring cryptocurrency developments in the digital asset industry especially in areas most relevant to their client base such as permissioned blockchains and the tokenization of stock and bond markets. This revelation comes as Bitcoin's price continues to rise, with some thinking that the recent collapse of Silicon Valley Bank may have worked as a catalyst for Bitcoin's price increase<sup>9</sup>.

Nigel Green, CEO of the \$12 billion financial advising business deVere Group, says "investors are looking for alternatives such as cryptocurrencies"<sup>10</sup> as a hedge against the current economic uncertainties in traditional finance markets.

The involvement of large asset managers such as BlackRock and Fidelity in the crypto-asset market has the ability to influence broader market sentiment and create more demand for digital assets.

As always, when contemplating investing in crypto-asset markets, investors should stay educated, thoroughly examine market conditions, execute sound risk management, and obtain professional advice relevant to their circumstances.

<sup>1</sup> <https://www.cnn.com/2023/04/11/bitcoin-tops-30000-for-the-first-time-since-june.html>

<sup>2</sup> <https://au.finance.yahoo.com/news/higher-us-inflation-expected-march-212204091.html>

<sup>3</sup> <https://www.cftc.gov/PressRoom/PressReleases/8680-23>

<sup>4</sup> <https://www.cnn.com/2023/03/27/bitcoin-drops-after-cftc-sues-crypto-exchange-binance-for-allegedly-breaking-trading-rules.html>

<sup>5</sup> <https://www.reuters.com/legal/crypto-exchange-binance-its-ceo-sued-by-cftc-over-regulatory-violations-2023-03-27/>

<sup>6</sup> <https://www.reuters.com/legal/investors-pull-16-billion-binance-after-cftc-lawsuit-2023-03-29/>

<sup>7</sup> <https://www.coindesk.com/markets/2023/04/04/binance-market-share-hits-lowest-since-november-after-cftc-lawsuit-end-of-zero-fee-trading/>

<sup>8</sup> <https://www.forbes.com/sites/digital-assets/2023/03/21/14-trillion-earth-quake-fidelity-and-blackrock-are-quietly-laying-the-groundwork-for-the-next-bitcoin-ethereum-and-crypto-price-bull-run/?sh=e1543c267597>

<sup>9,10</sup> <https://www.nigel-green.com/2023/03/17/bitcoin-soars-in-price-is-svb-collapse-a-springboard-for-btc/>



## Fund Performance Table

Year	Jan <sup>3</sup>	Feb	Mar	Apr	May	Jun <sup>1</sup>	Jul	Aug	Sep	Oct	Nov	Dec	Total <sup>2</sup>
<b>2021</b>	-	-	-	-	-	-4.18%	25.23%	15.25%	-8.80%	36.06%	1.42%	-20.41%	38.89%
<b>2022</b>	-18.52%	3.13%	10.93%	-11.61%	-20.11%	-37.31%	24.43%	-14.31%	3.48%	3.71%	-21.27%	-3.45%	-64.03%
<b>2023</b>	34.94%	5.81%	21.75%	-	-	-	-	-	-	-	-	-	73.87%

<sup>1</sup> June 2021 series NAV calculated based on 1 July 2021 price. Months subsequent to July 2021 are calculated based on last business day price.

<sup>2</sup> Based on the NAV per unit.

<sup>3</sup> Returns for January, February and March 2022 have been adjusted for a pricing discrepancy for January 2022 which has been rectified.

## Service Providers



Investment Manager  
Monochrome Asset Management

### NON CORRELATED CAPITAL

Fund and Investment Management

Trustee  
Non Correlated Capital



Fund Accountant  
KPMG



Auditor  
RSM Australia



Legal  
Piper Alderman



Custody  
BitGo Trust



Administrator  
A4 Funds

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