

NAV	Mar 2019
<b>USD Class</b>	43.45
<b>EUR Class</b>	47.47

## March 2019

### Market commentary

March 2019 was the second month in a row showing positive returns. Bitcoin rallied 7.6%, Ethereum 4.5% and Litecoin an impressive 32.4%. Ripple bucked the trend falling 1.8% (source: cryptocompare).

We are now seeing constructive follow-through action and significant technical break-throughs for some currencies, increasing the odds that a cyclical low has been established this year. The increase in trading volumes on crypto exchanges is another positive sign. CryptoCompare reported for example that there was an increase of 47.5% in total crypto exchange spot volumes in March. Whereas Coindesk reported that Bitcoin trading volume topped \$11 billion for the first time in almost a year and that such volumes could lead to a price breakout.

There certainly appears to be a positive feeling returning to the crypto sector, and as we have previously adhered to, the major advances in infrastructure (institutional grade custody services such as BAKKT & Fidelity) and regulation are giving the asset class an air of reputability and stability that will permit institutional participation. March saw Fidelity Digital Asset Custody services launch with initial customers however the SEC has postponed Bitwise Bitcoin ETF application until May.

### Portfolio commentary

Our Blockchain Strategies Fund continued as well with a positive performance for both asset classes during March, with a return of +1.73% and +3.24% in their USD and EUR share classes, respectively. The latter class benefited from a temporary devaluation of the Euro compared to USD in the valuation, as there is no hedge on the currency. As a result, the Fund's cumulated performance for the first quarter in 2019 stands now at -0.4% and +1.6% for its USD and EUR share classes. During this period, the Fund has underperformed its peers in 2019, but outperformance since inception remains robust (+11.1% as from 01.01.18 till 31.03.19, relative performance in USD vs Eureka Crypto Currency Hedge Fund Index).

The majority of the underlying holdings performed well during the first three months of 2019, identifying as main reason for above-mentioned underperformance the still high allocation in cash. As part of our regular holding review, we identified investment opportunities to deploy this cash, which were processed and executed beginning of April. Our allocation for the coming months does therefore consider the more positive market environment seen in the past few weeks.

The portfolio strategy will therefore transition towards a more dynamic asset allocation, increasing our allocation into direct participation strategies. Currently half of the portfolio is being invested in multi-strategy funds focusing on alpha generation, a quarter being invested on systematic strategies focusing on absolute returns and the remaining part being invested in direct participation strategies.

We continue to believe that our portfolio of investments is well positioned and with the reduction of the cash holding, will be able benefit from the seen positive market sentiment. The crypto markets remain at drawdown levels which offer interesting long-term entry points for investors willing to build exposure on the crypto asset class.

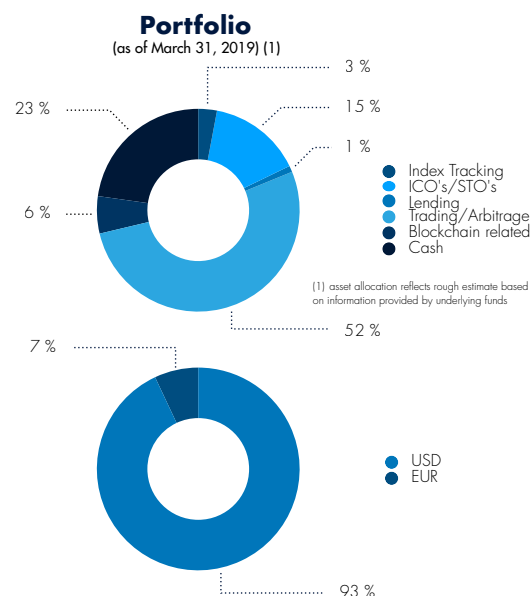
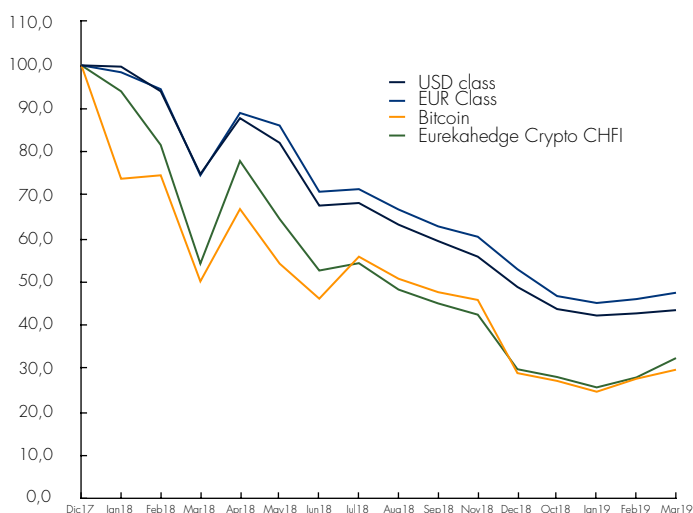
### Performance

(as of March 31, 2019)

Past performance is not an indicator of future performances.

2018	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Since Inception
BSF USD (Class A)	-0.31%	-5.74%	-20.34%	17.23%	-6.48%	-17.59%	0.81%	-7.36%	-5.91%	-6.18%	-12.45%	-10.59%	-56.35%	-56.35%
BSF EUR (Class B)	-1.65%	-3.96%	-21.07%	19.42%	-3.36%	-17.69%	0.79%	-6.54%	-5.94%	-3.70%	-12.54%	-11.63%	-53.29%	-53.29%
Bitcoin (BTC)	-26.16%	1.04%	-32.80%	33.19%	-18.88%	-14.89%	21.14%	-9.16%	-6.15%	-3.83%	-36.78%	-6.54%	-72.94%	-72.94%
EurekaHedge Crypto CHFI	-6.04%	-13.11%	-33.67%	43.80%	-17.20%	-18.39%	3.11%	-11.22%	-6.63%	-3.86%	-39.83%	-5.41%	-71.86%	-71.81%
2019														
BSF USD (Class A)		-3.33%	1.22%	1.73%									-0.50%	-56.55%
BSF EUR (Class B)		-3.38%	1.88%	3.24%									1.63%	-52.53%
Bitcoin (BTC)		-8.92%	12.02%	7.57%									9.75%	-70.31%
EurekaHedge Crypto CHFI*		-8.60%	10.56%	13.67%									14.87%	-67.62%

\* EurekaHedge Crypto-Currency Hedge Fund Index : Based on 69.23% of funds which have reported March 2019 returns as at 26 April 2019 (please note that those figures are estimates and will be revised when all funds have reported their performance).

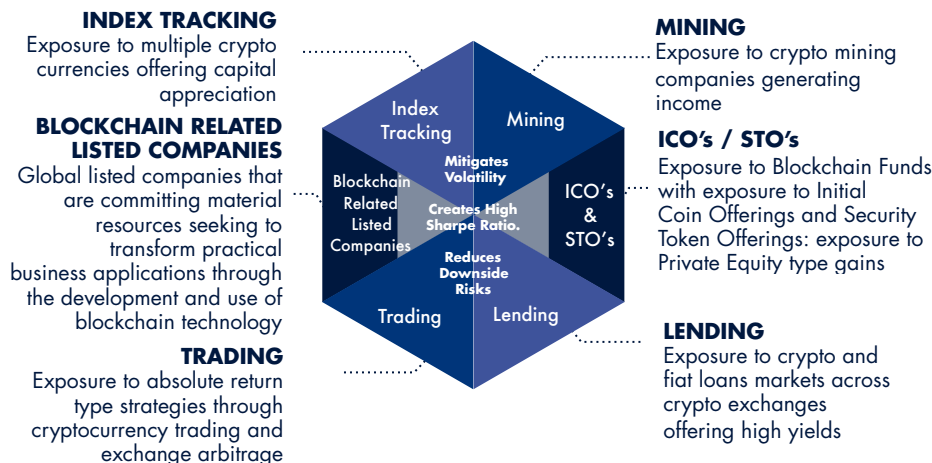


## Investment Program

Blockchain Strategies Fund (BSF) is the world's first fund of funds focusing on blockchain technology investment opportunities such as Funds focusing on all aspects of digital currencies and listed companies using blockchain technology. The Fund has been designed to offer investors full access to the world's newest and fastest growing asset class with the benefits of sound risk management and portfolio diversification to reduce volatility.

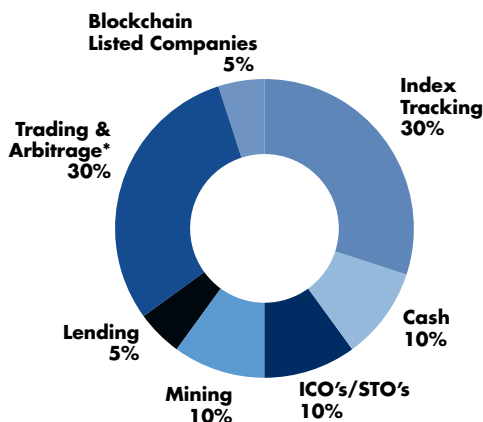
## Investment Strategy

By combining exposure to multiple cryptocurrencies together with Trading, Mining, Lending, Private Equity (ICO) and Blockchain related listed companies' strategies, the Fund aims to create better risk/return profile by reducing volatility.



## A MULTI STRATEGY DIVERSIFYING INTO VARIOUS MARKETS, MANAGERS AND BLOCKCHAIN INVESTMENT STYLES.

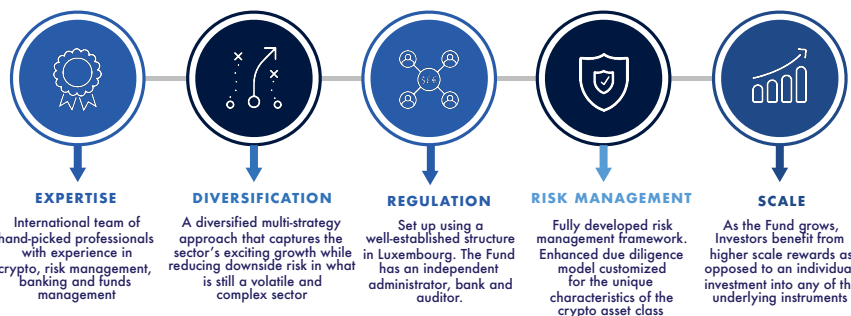
### Model Portfolio



\*Including systematic strategies

## Your Specialist Asset Manager

The Fund bridges the gap between fiat and crypto asset classes by applying risk management techniques and customizing them to the crypto emerging asset class.



### Disclaimer

This document does not constitute an offer of investment advisory services by Block Asset Management S.a.r.l. nor does it constitute an offering of limited partnership interests in the Fund; any such offering will be made solely pursuant to the Funds private placement memorandum. An investment in the fund is suitable only for qualified investors that fully understand the risks of such investment and only in jurisdictions in which such an offer is lawful. Interests in the Fund are speculative and involve a high degree of risk. You should be aware that you could lose all, or a substantial amount, of your investment in the Fund. Cryptocurrencies can be extremely volatile and subject to rapid fluctuations in price, positively or negatively. Investment in one or more crypto-currencies may not be suitable for even a relatively experienced and affluent investor and independent financial advice should be sought where applicable.

The domicile of the Fund is Luxembourg. The Representative of the Fund in Switzerland is OpenFunds Investment Services AG, with its registered office at Seefeldstrasse 35, CH-8008 Zurich, Tel +41 44 500 31 08, [www.open-funds.ch](http://www.open-funds.ch). The Paying Agent in Switzerland is Società Bancaria Ticinese SA, Piazza Collegiata 3, 6501 Bellinzona (Tel: +41 (0) 91 821 51 21, <http://www.bancaria.ch/>). The distribution of Units of the Fund in Switzerland must be made exclusively to Qualified Investors. The place of performance and jurisdiction for the Units of the Fund distributed in Switzerland is at the registered office of the Representative. Publications to Swiss investors in respect of the Interests in the Fund are effected on the electronic platform [www.fundinfo.com](http://www.fundinfo.com).

## Key Fund Facts

**Fund Name:** Blockchain Strategies Fund  
**Fund Manager:** Block Asset Management  
**Admin.:** Banque de Patrimoines Privés  
**Bank:** Banque de Patrimoines Privés  
**Auditor:** Mazars Luxembourg  
**Legal:** Eversheds Sutherland  
**Swiss Representative:** OpenFunds  
**Dealing / Liquidity:** Monthly  
**Currencies:** USD / EUR  
**Registration:** CSSF Luxembourg  
**Fund type:** Open ended  
**Incorporation:** Luxembourg  
**Management Fee:** 2.5%  
**Performance Fee:** 25% (10% Hurdle)  
**Redemption Fee:** 5% (in first 12 months)  
**Eligibility:** Qualified Investors  
**ISIN USD:** LU1738364063  
**ISIN EUR:** LU1738363925  
**Bloomberg Ticker USD:** BLCUSD LX  
**Bloomberg Ticker EUR:** BLCSEUR LX

## Key Benefits

- Blockchain Strategies Fund offers a diverse and broad access to the blockchain technology and crypto currencies. The Block Asset Management team includes experts with over 100 years combined experience in the fund & asset management industry (Credit Suisse, Citibank, Societe General, UBS, Barclays & Lloyds).
- The Fund bridges the gap between fiat and crypto asset classes by applying proven risk management techniques and customizing them to the emerging crypto asset class. Via the Fund, investors gain diversified exposure to this dynamic new asset class by way of the funds unique six-prong investment approach.
- Maximum drawdowns can be reduced applying active Risk Management to a diversified portfolio of underlying Funds/cryptocurrencies thus creating a smoother investment journey (less volatility).
- Blockchain Strategies Fund has strict fund concentration, strategy allocation and liquidity rules limiting maximum exposure single manager, single fund, single exchange & single currency.
- Block Asset Management is registered as AIFM with the CSSF in Luxembourg. The Fund has an independent Administrator, Custodian & Auditor. The Funds legal advisor is Eversheds Sutherland.
- Whilst the Funds is still within its first year of trading the underlying funds do have an established track record ranging from 1 to 3 years. The combined AUM of the underlying funds is over \$1 bn.

## Executive Board Block AM

**Manuel E. De Luque Muntaner**  
Founder & CEO  
**Kevin Ballard**  
CCO & Head Investor Relations  
**Daniel Vegue Domínguez**  
Partner & Chief Strategy Officer  
**Yannis Georgandelis**  
Advisor  
**Antonio Llabrés**  
Partner & CMO  
**Juan Carlos Serrano**  
COO

## Advisory Board Block AM

**Manuel E. De Luque Muntaner**  
Founder & CEO Block AM  
**Ryan Radloff**  
CEO Coinshares  
Blockchain/Crypto Advisor  
**Marco Abele**  
Founder & CEO Tend Swiss  
Blockchain & ICO Advisor  
**Peter Kambolin**  
CEO Systematic Alpha Advisor