

CIO Monthly Review: March 2024

There is no stopping the Bitcoin train: BTC price reached a new all-time-high of 73,750 USD (previously shy of 69,000 USD in November 2021), up +16.7%. The fund closed March gaining +19.9%, primarily due to its strong position in Solana (SOL).

Altcoin returns varied widely: While some popular altcoins like EGLD and ADA *lost*, many memecoins surged, e.g. WIF +428%. Fund position BCH rallied +128% due to a UK court ruling while a court on the other side of the Atlantic sentenced SBF.



Paul Otto
Chief Investment Officer

Fund Activity

Last month, we liquidated the majority of our Arbitrum (ARB) holdings to secure profits ahead of large unlocks. ARB was in fact one of the poorest performers in March at -14.4%. We intend to re-enter ARB once the dust has settled.

The oracle service PYTH once again performed phenomenally soaring +54%. The initial 1.5% position has grown to 2.5% and [has provided an excellent performance contribution](#).

This month's strongest performer turned out to be Bitcoin Cash (BCH): The first major fork of Bitcoin gained +128%. Its inclusion demonstrates the benefits derived from the scientific quantitative framework of the F5 Crypto Index.

We also increased positions in both Optimism (OP) and Rocket Pool (RPL), based on our conviction regarding layer-2 and liquid staking.

In line with our optimistic market outlook, we plan increases in smaller-cap positions, reallocating away from Bitcoin and Ether.

Market Assessment

New BTC all-time highs has ignited widespread enthusiasm. One beneficiary were memecoins, with established DOGE facing competition from newcomers such as "Dog wif hat" (WIF), among many more less successful launches.

New memecoin SLERF raised 10m USD in a presale before its launch on Solana. However, during the launch, the initiator accidentally burned all tokens allocated to presale buyers, lea-

ving them empty handed. Once the contract was deployed, no corrective action could be taken. Ironically, this mistake drew attention to SLERF, a primary value driver for memecoins, enabling it to maintain a market cap of over 200m USD.

We view memecoins as a lasting phenomenon. The ease of creating a token means that many will emerge, and through the inherent tendency of humans to unite under a shared theme, some will inevitably gain popularity.

Meanwhile, another prominent narrative revolves around AI. Tokens such as Fetch.ai (FET), Bittensor (TAO) and Render (RNDR) have experienced outsized returns. However, we remain skeptical. The alignment of blockchain, a distributed technology with limited data processing, with AI, a centralised technology that requires extensive data processing, seems difficult.

Industry Overview

In a cleanup from 2021, a US court sentenced [Sam Bankman-Fried](#), founder of the bankrupt crypto exchange FTX, to 25 years in federal prison. The trial revealed shocking details, e.g. the website displaying random numbers for a supposed security fund. Clients of FTX lost over 8 billion USD. F5 Crypto never has and never will store funds at unregulated venues.

Another fraudster, Craig Wright, was ruled by the [UK High Court](#) to not be the inventor of Bitcoin. Bitcoin SV, Wright's creation, plummeted by -33%, while its parent fork, Bitcoin Cash, initially dropped -10% but ultimately surged, closing March at an impressive +128%.

About F5 CRYPTO

Since 2018, we have stood as Germany's foremost destination for crypto investment thanks to a team of leading industry specialists.

Invest in digital assets with F5 Crypto: *as solid as stocks, as trustworthy as government bonds and as simple as ETFs.*