

CIO Monthly Review: June 2024

Both **Bitcoin** (-6.1% to close at 58,386 €) and **Ether** (-7.7% to 3,198 €) retreat slightly; most altcoins decline even more. The fund, despite its current altcoin-heavy exposure maintained for its high upward potential, closes at -12.0% due to its diversification: the largest winner among our positions, **Tron**, gains +12.4%.



Paul Otto
Chief Investment Officer

Fund Activity

On June 5th, we opened a position in the decentralised stablecoin project **Maker**, which has expanded into real-world assets (RWA). Their dollar-tokens are now also backed by government bonds. Interest earned on the collateral partly goes to staked stablecoin tokens and partly to the governance token MKR via buybacks.

Our continued research into MultiverseX uncovered weaknesses. When our questions to the team remained unanswered, we liquidated our **EGLD** position on June 14th.

We bolstered our position in DEX aggregator **Jupiter (JUP)**. The Solana allrounder's snappy front-end boosts user numbers while its popular leveraged perpetual futures earn trading fees.

Market Assessment

We believe the current Ethereum L2-scaling roadmap will continue to impress. This month new L2 **Blast** launched their token in a typical airdrop. It attracts activity by paying yield on all Ether and all stablecoins bridged to Blast.

For years, **Michael Saylor** has been promoting Bitcoin and buying the asset through his public company MicroStrategy. Buying this stock is a proxy for Bitcoin exposure. The firm currently holds **over 1% of all Bitcoin!**

Bitcoin bulls fell in love with yet another Michael in June: Founder and CEO of Dell, **Michael Dell**, **spoke out about Bitcoin** and some expect him to follow MicroStrategy's playbook.

Many larger altcoins saw losses, the worst in the top 100 being **Celestia** at -46%.

The best performer in the top 100 was once again a new Memecoin: **Based Brett**. Memecoin launches in June alone have reached a five-digit number, promoted by platforms like **pump.fun** (click the link at your own peril). We view this frenzy of launches as a side effect of open markets: When anyone can trade anything freely, some will trade for fun or buy assets with lottery dynamics: Most investors lose their investment, but occasionally truly big winners emerge.

Industry Overview

Last month we highlighted how the crypto industry has been systematically and unlawfully discriminated against by major institutions in the US like the SEC and FDIC.

This month, Coinbase is fighting back: **They are suing** the SEC over unanswered Freedom of Information Act requests, inquiring how the SEC determined whether Ether is a security. They are suing the FDIC for allegedly sending "pause letters" asking financial institutions to not work with crypto businesses.

Meanwhile, the **DOJ is using Coinbase** as a custodian and trading platform – highlighting the complex relationship between Coinbase and various regulatory bodies.

With the European MiCAR taking effect, the first stablecoin issuer already achieved compliance in France: **Circle**, issuer of USDC, **is now legally offering stablecoins in the EU**.

Thus, the outlook for crypto regulation is very positive. In the US, the courts are reigning in regulators. In Europe, MiCAR licenses will foster VC investment into regulated business models, growing crypto adoption.

About F5 CRYPTO

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

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