



Crossbow Partners  
Experience & Discipline

# CV CB DIGITAL ASSET PORTFOLIO

# CV CB DIGITAL ALPHA PORTFOLIO

October 2022, Zug



## VISION & HIGHLIGHTS

Blockchain technology is a “catalyst technology” and will drive efficient adoption and growth of many tech megatrends, such as AI & machine learning, IoT, Metaverse, Sustainability

Blockchain technology is forecasted to contribute business value-add of USD3.1 trillion by 2030

Blockchain and digital assets are establishing themselves as an attractive alternative asset class in its own right, given the unique growth characteristics and diversification potential vs. traditional asset classes

Due to the early stage nature of the technology and high volatility, diversification is critical to properly balance growth upside and risk

Crossbow Partners and CV VC have teamed up to combine their expertise – an independent specialist for alternative multi-manager solutions and an investor & advisor deeply engrained in the blockchain industry – to launch their joint investment solutions, the CV CB Digital Asset Portfolio and the CV CB Digital Alpha Portfolio

The objective are portfolios that generate strong, uncorrelated returns by capitalizing on the long-term growth opportunities created by digital asset ecosystems

The concept will be implemented through actively managed, liquid digital asset dedicated hedge funds that deploy discretionary or systematic strategies



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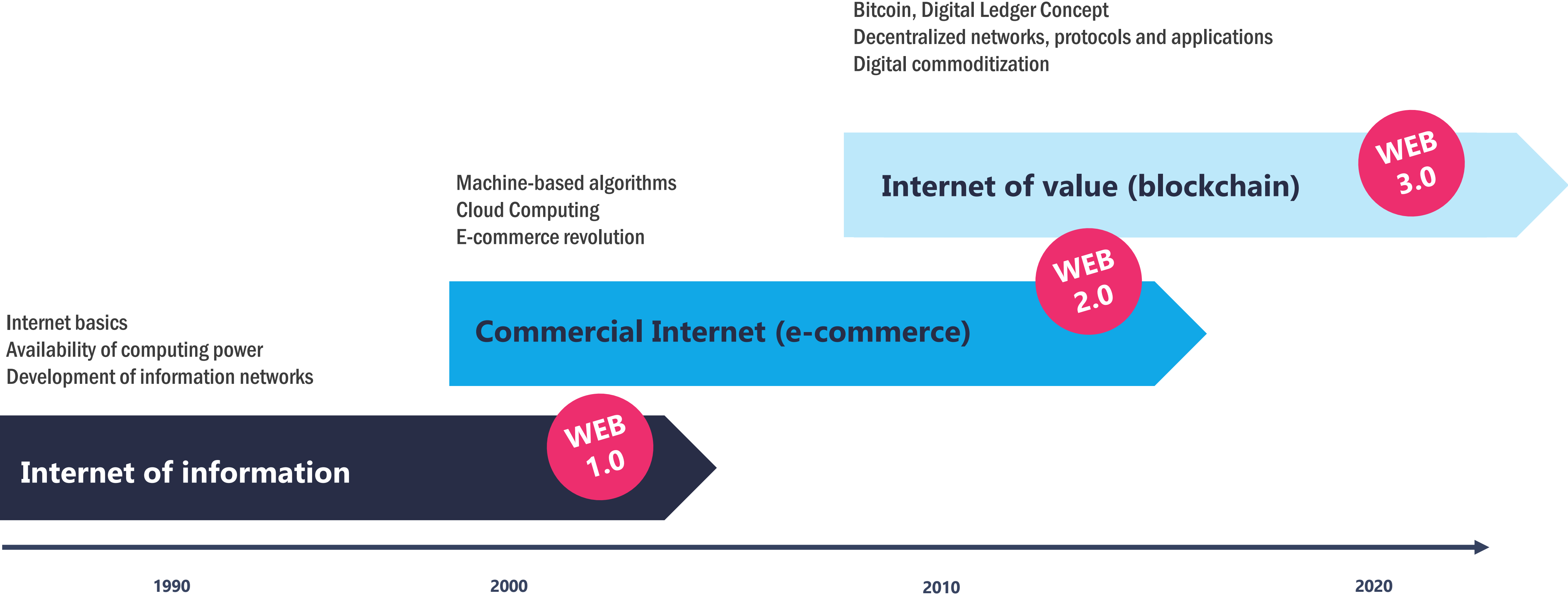
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# DIGITAL ASSETS AND BLOCKCHAIN

# 01

# BLOCKCHAIN: THE NEXT TECHNOLOGY REVOLUTION

THE TECHNOLOGICAL DEVELOPMENT IS TURNING TO THE NEXT STAGE OF BLOCKCHAIN, DIGITAL ASSETS AND DECENTRALIZED NETWORKS



# BLOCKCHAIN MEGATRENDS

THE NEW MEGATRENDS WILL FUNDAMENTALLY CHANGE THE WAY OF BUSINESS

	HEAVY INDUSTRY	CONSUMER & TECH	TECH & INTERNET	
RANK	1981	2001	2021	2030 – 2040 MEGATRENDS
1	Exxon Mobil	General Electric	Apple	<div>BLOCKCHAIN AS “CATALYST TECHNOLOGY”</div> <div>           AI &amp; Machine Learning             Sustainability (Energy, Cleantech, Water, etc)             Internet of Value &amp; Digital Assets             Metaverse             Personalised Health &amp; Longevity         </div>
2	Mobil	Cisco	Microsoft	
3	General Motors	Exxon	Saudi Aramco	
4	Texaco	Pfizer	Alphabet	
5	Chevron	Microsoft	Amazon	
6	Ford Motor	Wal-Mart	Facebook	
7	Gulf Oil	Citigroup	Tesla	
8	IBM	Vodafone	Berkshire Hathaway	
9	Amoco	Intel	TSMC	
10	General Electric	Shell	Tencent	

# BLOCKCHAIN AS AN ASSET CLASS

THE NEW ASSET CLASS IS HERE TO STAY, BUT WILL PRODUCE MANY WINNERS AND LOSERS

“Blockchain is the biggest opportunity set we can think of over the next decade”

BOB GREIFELD, CEO AT NASDAQ

“The future of money is digital currency”

BILL GATES

The first U.S listed Bitcoin-linked ETF is now the most successful launch in exchange-traded fund history. The ETF gained over 1 billion of assets in just two days, beating the largest Gold ETF’S 18-year-old record.

JPMORGAN PRIVATE BANK – 22, OCT 2021

Cryptocurrencies [+ Add to myFT](#)

Wall Street trading groups step up incursion into crypto markets

**Forbes**

**Institutional Money Is Pouring Into The Crypto Market And Its Only Going To Grow**

FT Wealth Cryptocurrencies [+ Add to myFT](#)

**Seasoned investors pile into the industry behind new currencies**



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# INVESTING IN DIGITAL ASSETS

# 02

# INVESTING IN DIGITAL ASSETS

HEDGE FUNDS ARE IDEAL INSTRUMENTS TO GAIN EXPOSURE TO A VOLATILE ASSET CLASS



TRACKERS & INDICES

**HEDGE FUNDS**

VENTURE CAPITAL

FUND OF FUNDS

LISTED CO'S



# FOCUS ON ACTIVE MANAGEMENT

- CV VC and Crossbow Partners co-advise the CV CB Digital Asset Portfolio and the CV CB Digital Alpha Portfolio
- The Portfolios focus on digital assets dedicated **hedge funds**, as they provide the following advantages:
  - Active trading approach, ability to short the largest tokens, ability to shift exposures, to raise cash, to cut positions quickly
  - Can focus on a single sector (e.g. DeFi), can avoid a sector (e.g. NFT)
  - Can underweight/overweight or avoid specific tokens (e.g. BTC)
  - Can trade outright directional or relative value (e.g. cross-exchange arbitrage)
  - Early access to tokens as many digital asset managers also manage VC funds
  - Today's diversified and more mature digital asset markets provide fertile ground to seasoned managers due to their intrinsic return drivers and volatility

# DIGITAL ASSET HEDGE FUNDS STRATEGIES



## STRATEGIES

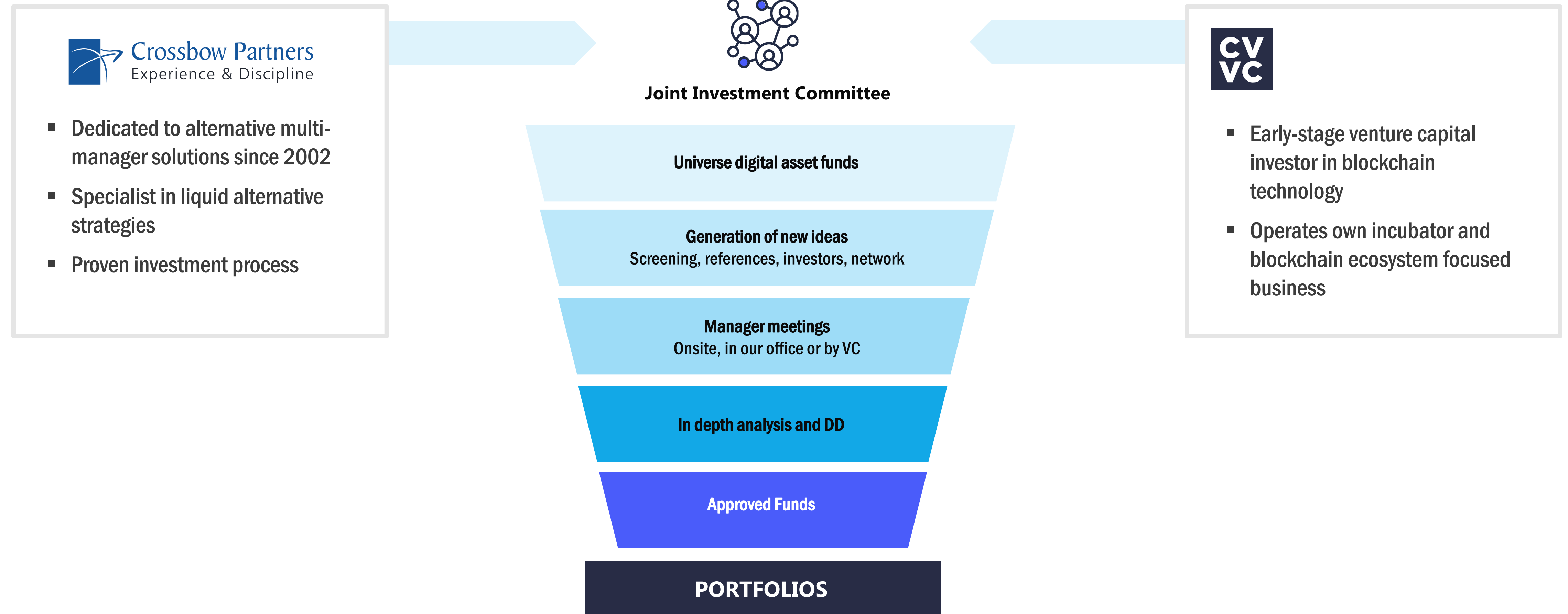
- Liquid strategies range from long only to relative value / market neutral
- Large investment universe focus is mostly on altcoins rather than BTC
- Diversified digital asset strategies universe spread across the following dimensions:

TRADE TYPE	Directional		Relative Value
INVESTMENT STYLE	Discretionary		Systematic
INPUT	Fundamental		Technical
TIME HORIZON	Short-term		Long-term

## STRATEGY EXAMPLES

- 1/  
Discretionary, fundamentally based, long biased, long-term, low trading activity
- 2/  
Discretionary, fundamentally based, long/short, medium-term, active trading
- 3/  
Systematic, quantitative based, trend following, medium-term, active trading
- 4/  
Systematic, quantitative based, market neutral, short-term, active trading

# COMBINED INVESTMENT EXPERTISE



# INVESTMENT COMMITTEE

COMBINING CROSSBOW PARTNERS & CV VC INVESTMENT AND BLOCKCHAIN SECTOR EXPERTISE

IC



**Stefan Steiner**  
**PARTNER & CIO**  
**CROSSBOW PARTNERS**

- 32 years experience in financial markets
- Former senior advisor of a large single family office (hedge fund, equity and derivative investments)
- Worked for UBS Asset Management in Zurich, New York and Tokyo
- M.A. HSG and CFA

IC



**David Friche**  
**PARTNER**  
**CROSSBOW PARTNERS**

- 21 years experience in financial markets
- Former Head of Hedge Fund Research and Portfolio Management at Vontobel AM
- Former Senior Hedge Fund Analyst and Portfolio Manager at Syz AM
- M.Sc. in Physics ETH

IC



**Olaf Hannemann**  
**CO-FOUNDER & CIO**  
**CV VC**

- Co-founder & CIO of CV VC
- 20 years at JP Morgan, Corporate Finance & IB (advised and financed > USD 250bn transactions)
- Founder of Health & Nutrition company
- 45+ VC investments at CV VC (Current portfolio 1.4x in less than 2 years)

IC



**David Long**  
**PRINCIPAL**  
**CV VC**

- JP Morgan Private Bank
- Board of Directors at SaaS company in Boston
- Angel investor
- FMR Managing Partner at ESG Asset Management Firm
- Managed USD 160M fund in equities, fixed income & alternatives



**Sita Chopra**  
**RELATIONSHIP MANAGER**  
**CV VC**

- Worked for Saxo Bank to support clients with trading and investments where she specialized on CFDs, Stocks, ETFS, Mutual Funds and Option trading
- Certified Turnaround Manager
- Passionate trader and investor herself

INVESTMENT COMMITTEE & INVESTMENT TEAM

SALES



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**CV CB DIGITAL ASSET PORTFOLIO**

**CV CB DIGITAL ALPHA PORTFOLIO**

**03**



# CV CB DIGITAL ASSET PORTFOLIO

## CV CB DIGITAL ALPHA PORTFOLIO

### OBJECTIVES AND CONCEPT



#### OBJECTIVES

- Both Portfolios seek to generate strong, uncorrelated returns by capitalizing on the long-term growth opportunities created by digital asset ecosystems
- CV CB Digital Alpha Portfolio aims to provide additional downside protection and is essentially the arbitrage oriented and less directional component of CV CB Digital Asset Portfolio

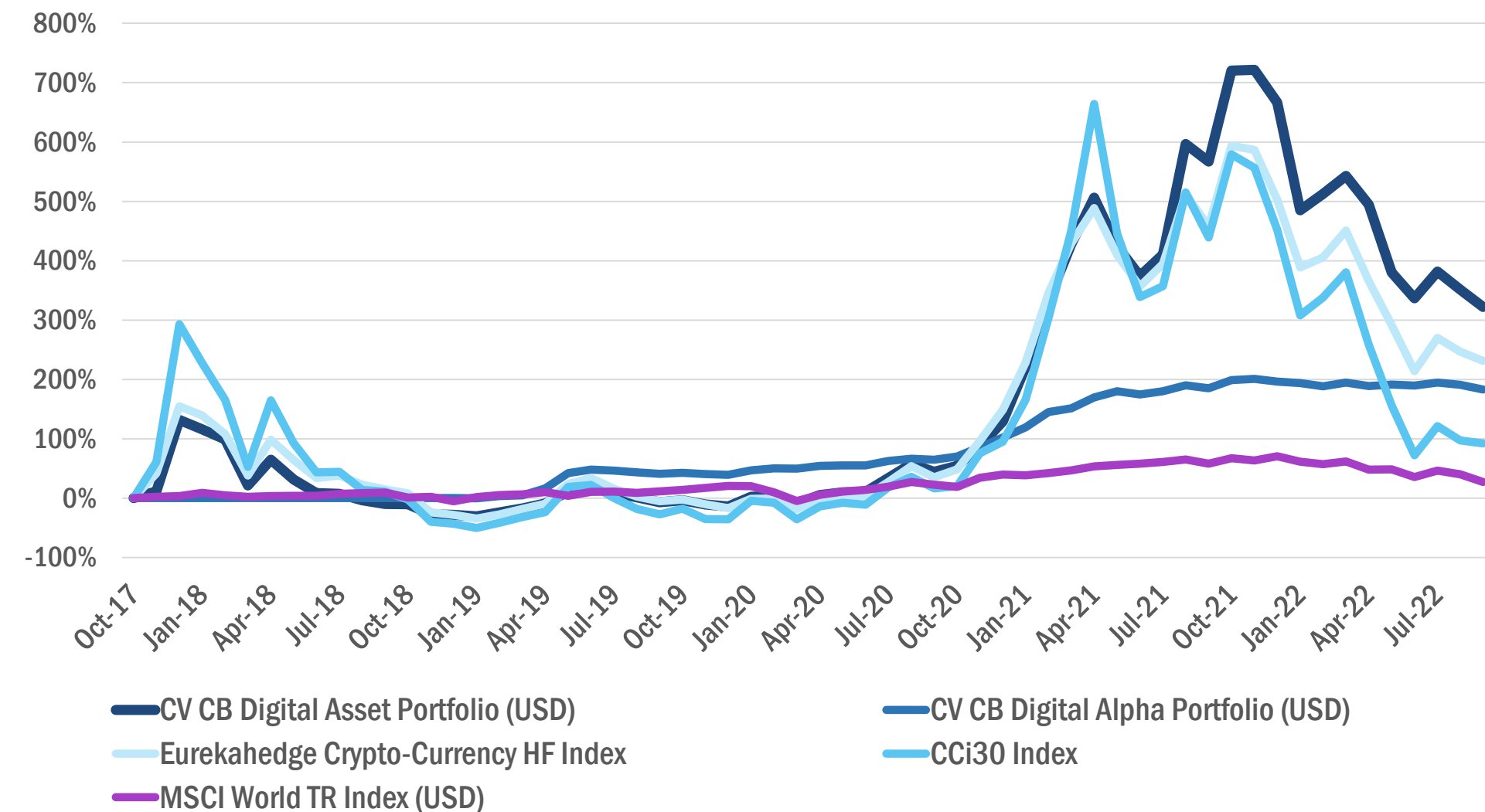


#### CONCEPT

- Implemented through actively managed, liquid digital asset dedicated hedge funds that deploy discretionary or systematic strategies
- Crossbow's disciplined fund selection process and CV VC's expertise in the digital asset space are combined to select the highest quality digital asset managers
- The portfolio is diversified across digital asset sub-sectors, investment strategies, trading styles and time horizons in order to gain a broad exposure to the new asset class

# STRONG PERFORMANCE POTENTIAL

RETURNS ARE ATTRACTIVE IN THE LONG RUN, BUT CAN BE VERY VOLATILE SHORT-TERM



	ANNUAL RETURN	ANNUAL VOLATILITY	SHARPE RATIO	MAX DD	SKEWNESS
CV CB Digital Asset Portfolio (USD)	34.0%	72.8%	0.45	-70.1%	2.12
CV CB Digital Alpha Portfolio (USD) <sup>(*)</sup>	32.0%	16.6%	1.87	-5.9%	2.01
Eurekahedge Crypto-Currency HF Index	28.4%	71.9%	0.38	-74.2%	1.00
CCI30 Index	14.2%	113.5%	0.12	-87.3%	1.55
MSCI World TR Index (USD)	5.0%	17.6%	0.22	-25.4%	-0.38

## > CV CB Digital Asset Portfolio

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	-23.7%	4.7%	4.9%	-7.5%	-19.3%	-9.0%	10.3%	-6.3%	-6.5%				-45.0%
2021	40.1%	35.0%	21.7%	14.8%	-13.6%	-9.6%	7.7%	36.5%	-4.2%	23.0%	-0.1%	-6.7%	234.0%
2020	19.1%	1.0%	-12.1%	15.7%	4.3%	0.7%	21.3%	17.7%	-8.5%	6.9%	21.6%	22.3%	166.9%
2019	-3.3%	9.7%	8.4%	10.1%	22.7%	5.3%	-7.2%	-6.8%	-8.2%	3.3%	-7.0%	-4.0%	19.6%
2018	-6.8%	-7.9%	-38.9%	35.4%	-20.2%	-17.4%	-1.0%	-10.1%	-6.6%	-0.2%	-19.3%	-0.9%	-69.0%
2017											11.5%	107.9%	131.8%

## > CV CB Digital Alpha Portfolio

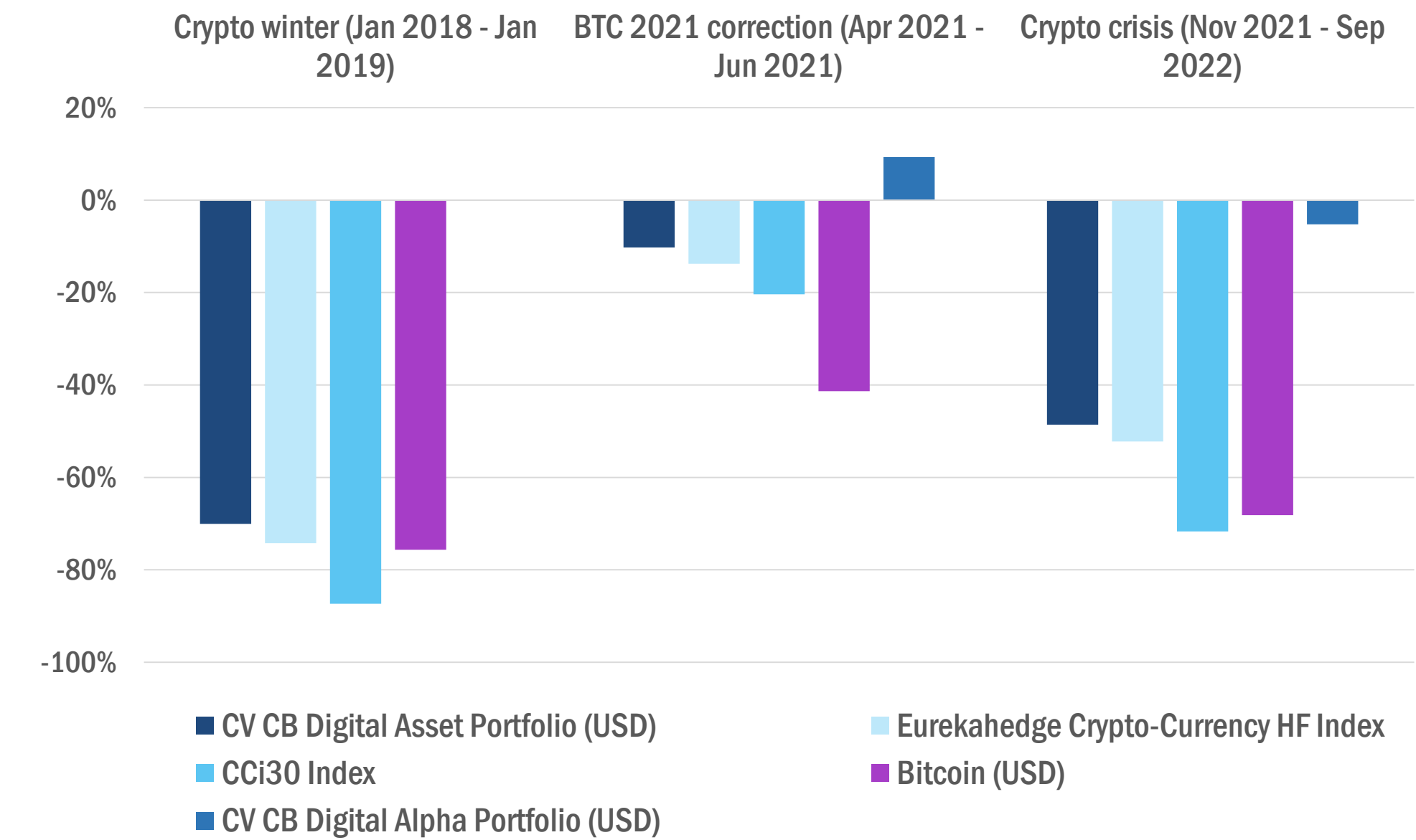
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	-0.8%	-1.9%	2.1%	-1.9%	0.9%	-0.6%	1.7%	-1.4%	-2.6%				-4.5%
2021	8.2%	11.8%	2.5%	7.5%	3.8%	-1.9%	2.0%	3.6%	-1.8%	4.8%	0.8%	-1.5%	46.4%
2020	5.6%	2.1%	-0.3%	3.2%	0.5%	-0.2%	5.0%	2.1%	-0.9%	3.3%	9.4%	8.8%	45.5%
2019	-0.4%	3.8%	1.4%	10.9%	22.4%	4.0%	-1.1%	-1.9%	-1.9%	1.2%	-1.3%	-1.0%	39.1%

Source : Crossbow Partners, Bloomberg, cci30.com. The returns of CV CB Digital Asset Portfolio (USD) are live since Feb 2022, the returns of CV CB Digital Alpha Portfolio (USD) are live since May 2022. Prior to those dates, respective performance are simulated and based on hypothetical portfolios of Digital Asset managers. All returns are net of fees and in USD. The information in this document is for information purposes only and does not constitute an investment advice. Past performance is no indication or guarantee of future results. (\*) Data since Jan 2019.

DIVERSIFICATION PROPERTIES

RETURNS ARE ATTRACTIVE IN THE LONG RUN, BUT CAN BE VERY VOLATILE SHORT-TERM

- The CV CB Digital Asset Portfolio reduced losses during prolonged and shorter downturns for altcoins and BTC
- The CV CB Digital Alpha Portfolio was positive or meaningfully reduced losses during the recent digital asset corrections (no data for crypto winter)



- The CV CB Digital Asset Portfolio has high correlation to digital assets and crypto currencies, but has a relatively low correlation to equity markets
- The CV CB Digital Alpha Portfolio has lower correlation to digital assets and crypto currencies as well as to equity markets

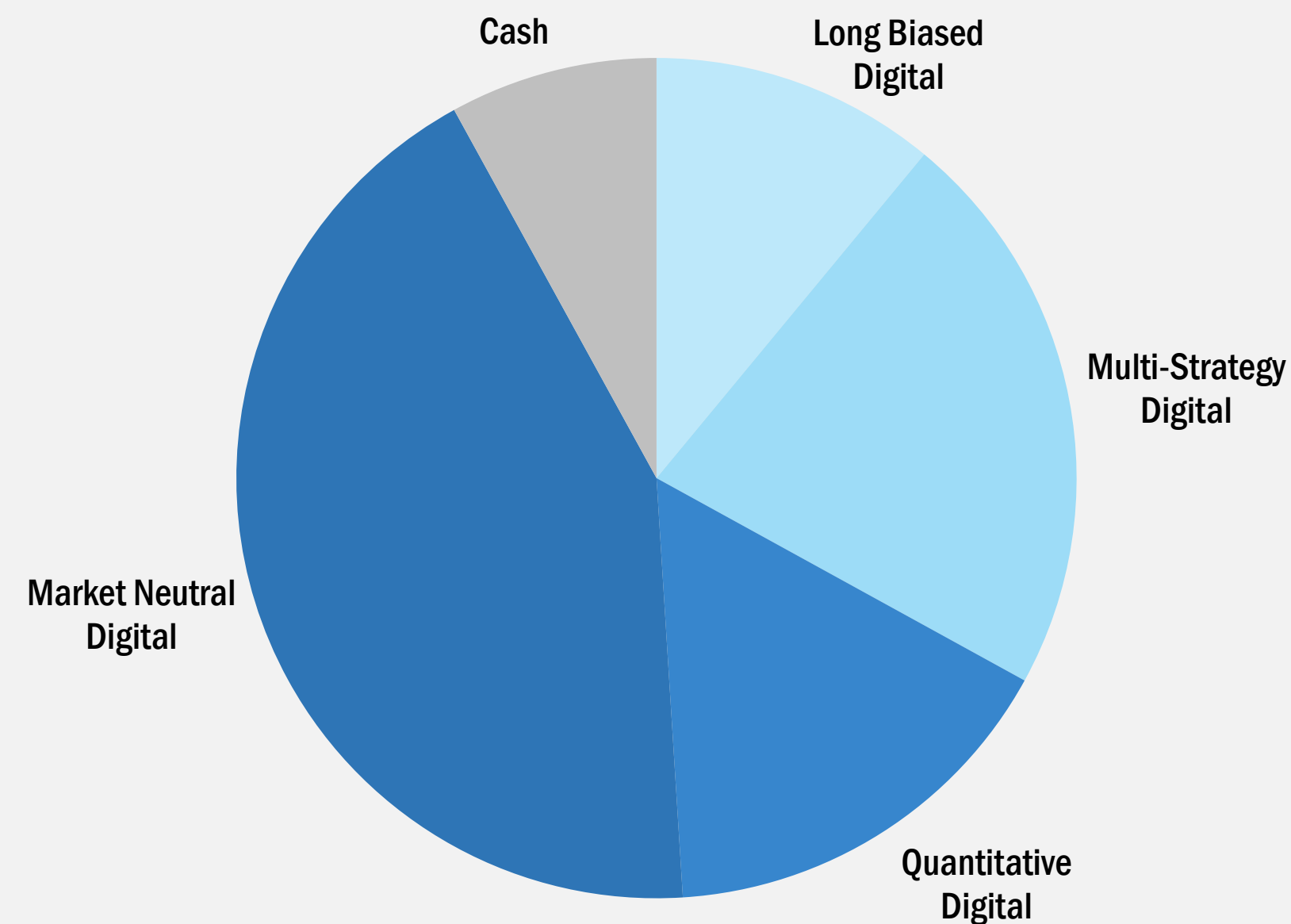
	1	2	3	4	5
1 CV CB Digital Asset Portfolio (USD)	1.00	0.69	0.94	0.80	0.29
2 CV CB Digital Alpha Portfolio (USD) <sup>(*)</sup>	0.69	1.00	0.77	0.73	0.21
3 EurekaHedge Crypto-Currency HF Index	0.94	0.77	1.00	0.89	0.37
4 Bitcoin (USD)	0.80	0.73	0.89	1.00	0.38
5 MSCI World TR Index (USD)	0.29	0.21	0.37	0.38	1.00

Source : Crossbow Partners, Bloomberg, cci30.com. The returns of CV CB Digital Asset Portfolio (USD) are live since Feb 2022, the returns of CV CB Digital Alpha Portfolio (USD) are live since May 2022. Prior to those dates, respective performance are simulated and based on hypothetical portfolios of Digital Asset managers. All returns are net of fees and in USD. The information in this document is for information purposes only and does not constitute an investment advice. Past performance is no indication or guarantee of future results. (\*) Data since Jan 2019.

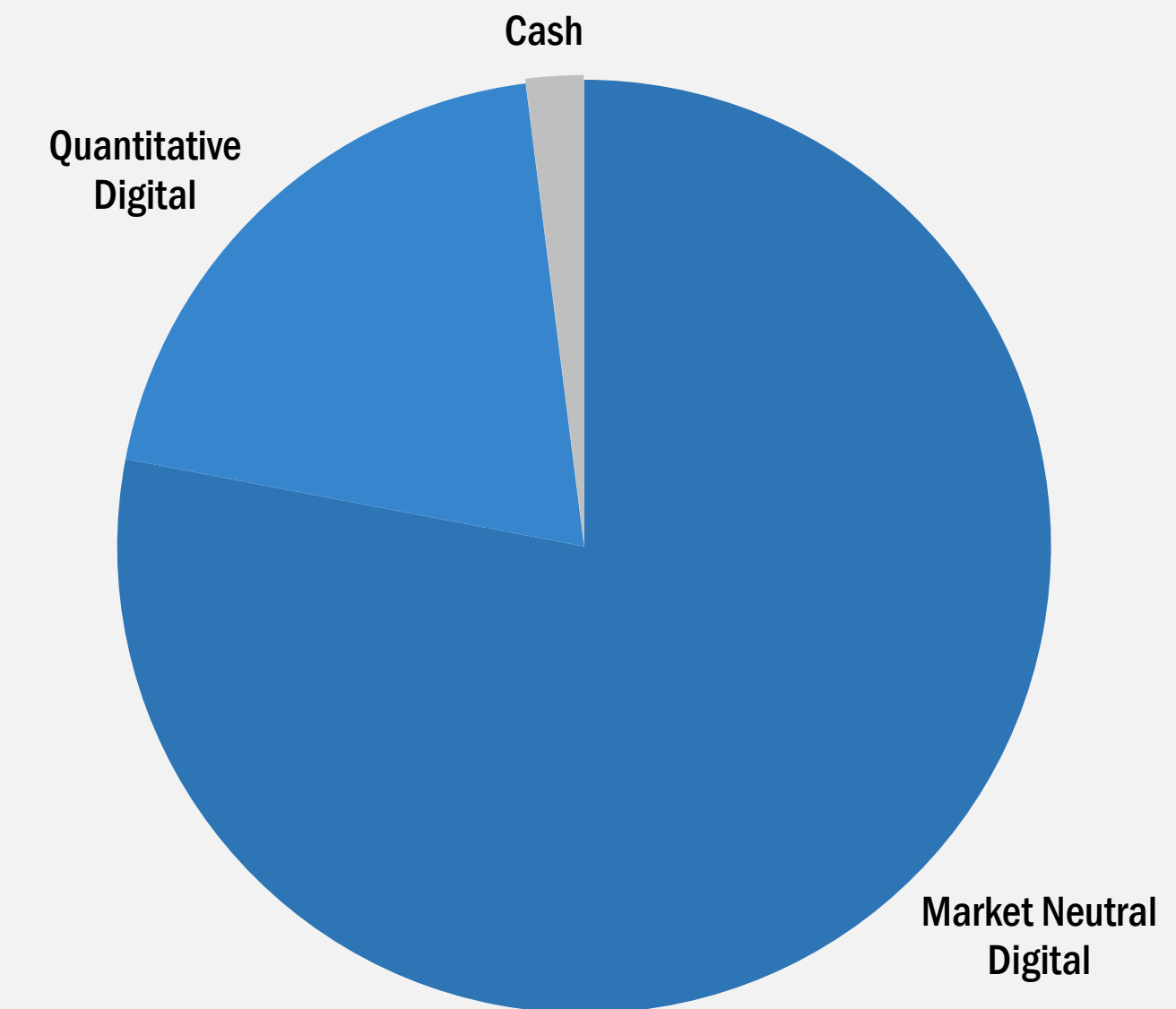


# CONCENTRATED HIGH-CONVICTION PORTFOLIOS

## > CV CB DIGITAL ASSET PORTFOLIO



## > CV CB DIGITAL ALPHA PORTFOLIO



### > THE PORTFOLIOS ARE DIVERSIFIED ACROSS:

- Sub-strategies
- Investments styles
- Digital asset sub-sectors
- Time horizons

## SUMMARY

Investment products exclusively focused on liquid digital asset strategies

Exposure to specialized digital asset managers providing access to uncorrelated return streams

The portfolios are diversified across sub-strategies, investment styles, sub-sectors and time horizons

CV CB Digital Asset Portfolio provides broad exposure to digital asset strategies, CV CB Digital Alpha Portfolio provides exposure to less directional and lower volatility strategies

Digital asset markets provide fertile ground to seasoned managers due to their intrinsic return drivers and volatility

Benefit at all stages of the investment process from Crossbow's expertise in hedge funds and CV VC's expertise in the digital asset space

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