

# CoinDesk Bitcoin Momentum Strategy

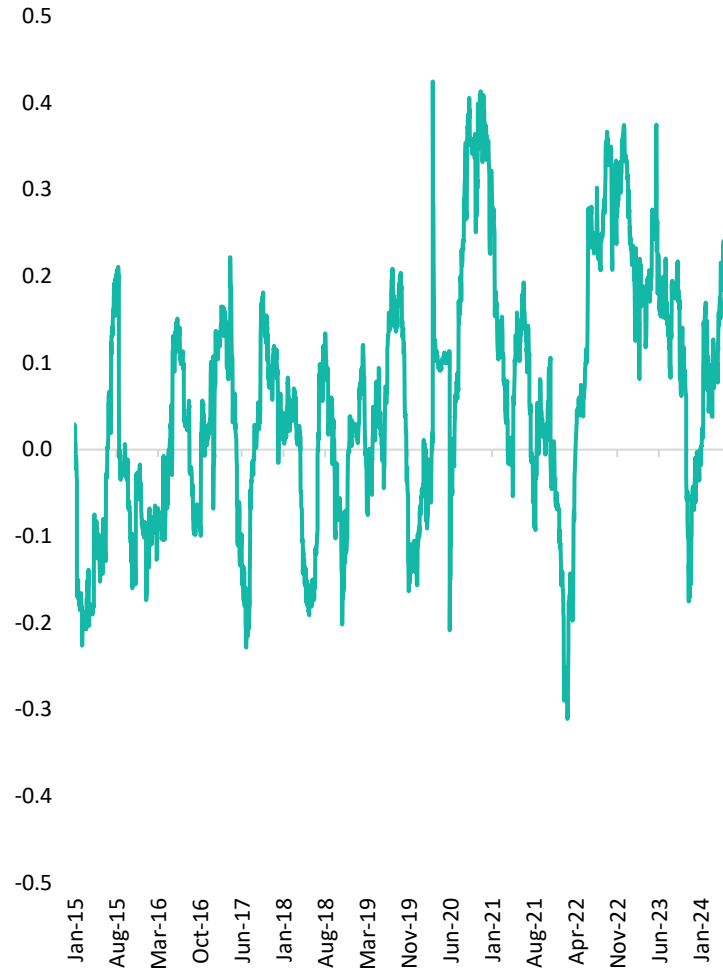
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Crypto.Banking.Simplified.

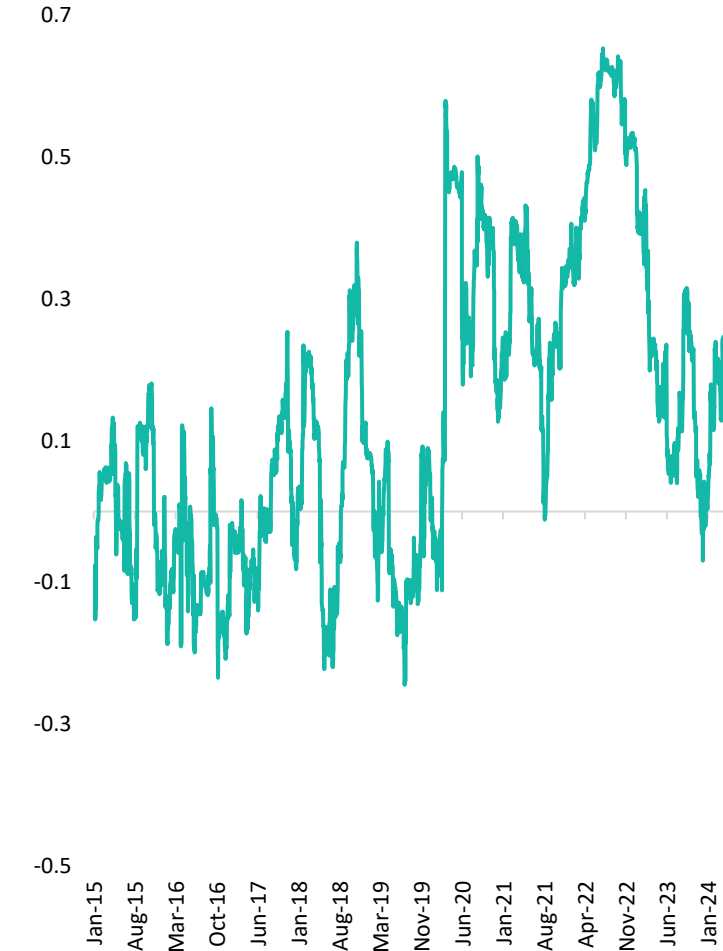
# In a long-term context, cryptocurrencies have shown a remarkably low correlation versus traditional asset classes...



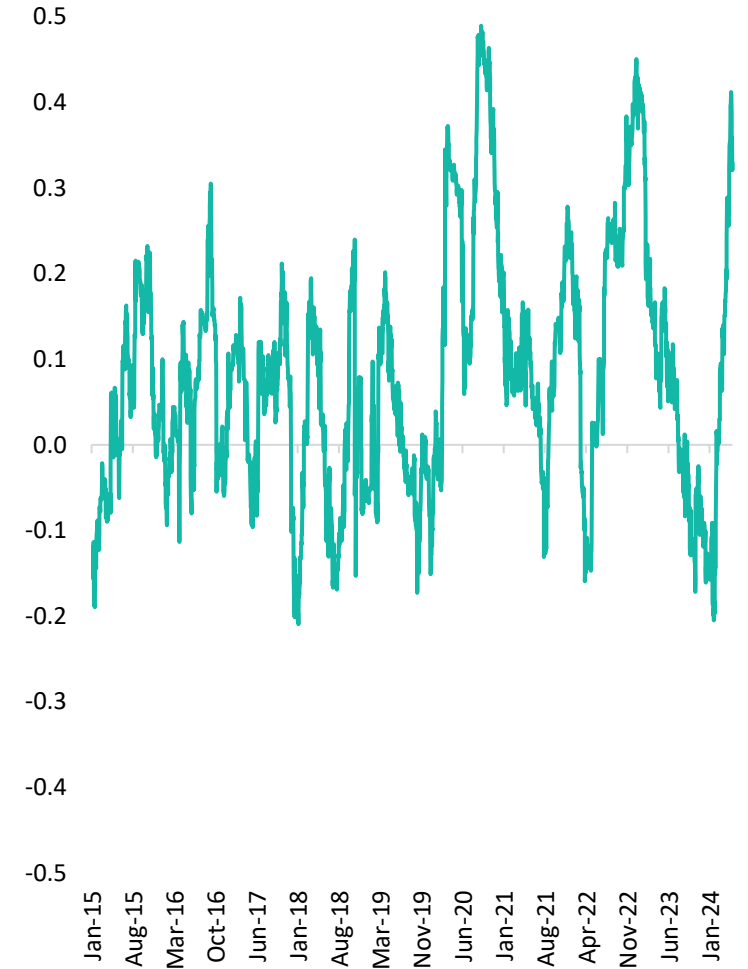
### BTC vs Fixed Income



### BTC vs Equities



### BTC vs Commodities



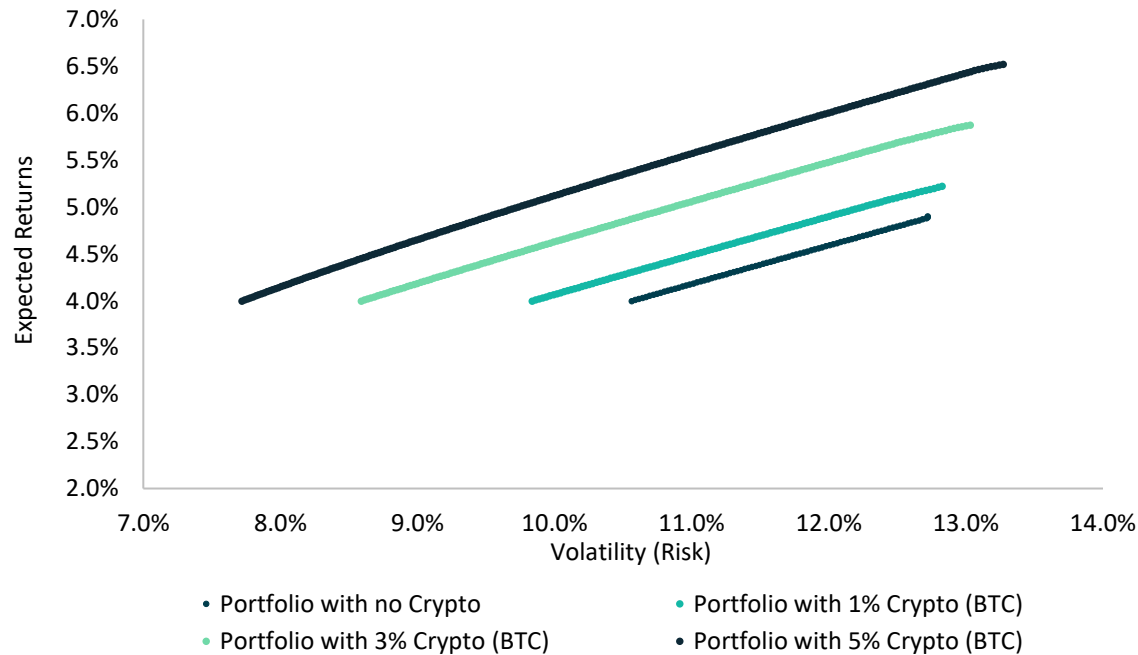
Source: Bloomberg, Reuters; Cryptocompare; AMINA  
Start date: 01.01.2015 end date: 31.05.2024  
Note: The charts show the 90 days rolling correlations

# ...and have improved risk-adjusted returns materially...



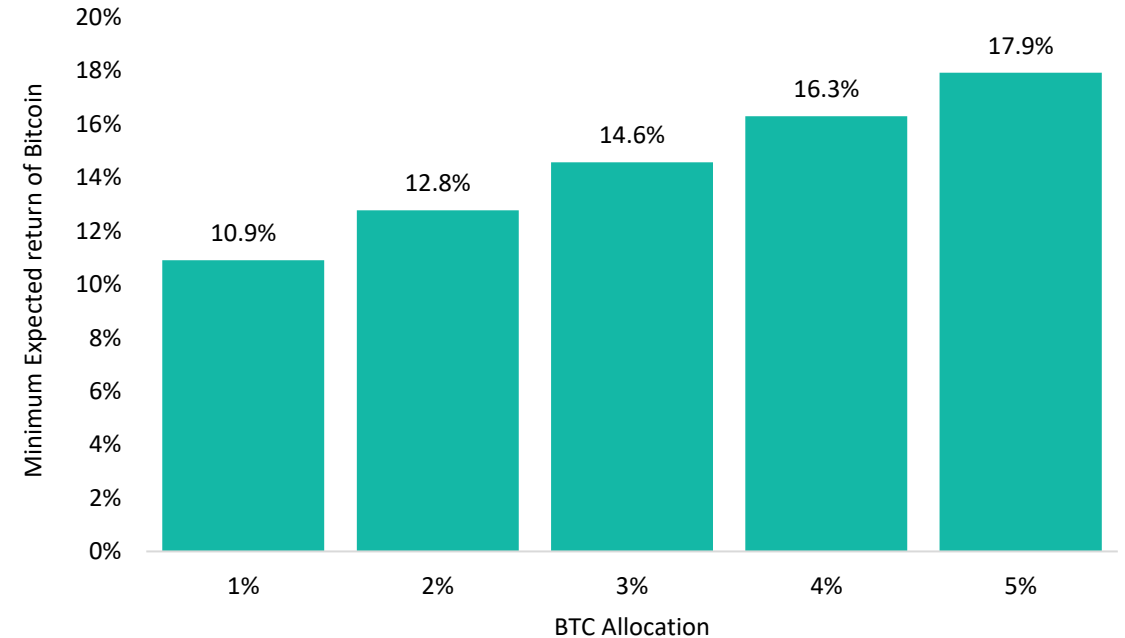
## Significant increase in Sharpe ratio

Efficient Frontier (Bitcoin Historical Expected Return)



Change in expected portfolio return and risk by adding Bitcoin to a traditional portfolio consisting of equities (MSCI All Country World Net Total Return Index USD), bonds (Barclays Global-Aggregate Total Return Index Value Unhedged USD) and commodities (Bloomberg Commodity Index Total Return) . The portfolio is denominated in USD.

## Breakeven returns



Breakeven return is the minimum return that BTC needs to generate so that the Sharpe ratio of the portfolio with BTC equals the Sharpe ratio of the balanced portfolio (without BTC). The breakeven return is proportional to the BTC allocation in the portfolio.

# ...However, Price Volatility is the Number-1 Barrier to Bitcoin Investing



A survey conducted by Fidelity in 2023 found that the industry overcame several challenges throughout the year, ranging from widespread volatility to negative media coverage in response to bad actors. However, the market still demonstrated year-to-year growth despite these hurdles



Over 50% of surveyed investors agreed the asset class is here for the long term; more than one-quarter feel their perception of digital assets changed positively over the past year



65% of investors plan to buy or invest in digital assets in the future; 54% of investors said that limited access to banking make them less interested in crypto



Within the US, regulatory concerns are the most prevalent obstacle cited. However, since the survey was completed before the approval of spot bitcoin ETPs, we believe the recent approvals may help provide more clarity.



**Globally, price volatility is the most cited barrier to investment reported by investors surveyed (48%), which is consistent with prior years of the study.**

“ I see huge opportunities in a digitized crypto blockchain-related currency

- Larry Fink, BlackRock CEO



# AMINA CoinDesk Bitcoin Momentum Strategy



## Strategy

- Weekly Rebalancing
- Signals are generated based on 4 moving-average pairs:

Moving Average Pair (MAP)	Short-Term EMA	Long-Term EMA
1	1 day	5 days
2	2.5 days	10 days
3	5 days	20 days
4	10 days	40 days

- If the Shorter-Term EMA (Exponential Moving Average) >= Longer-Term EMA; then Signal of “1” is generated for that pair else “0”.
- Final Signal is average of all the 4 signals generated by the Moving Average Pairs. Therefore, 4 kinds of signals are generated by this strategy: **1.0** (Significant Uptrend): 100% is invested into Bitcoin; **0.5** (Uptrend): 75% is invested into Bitcoin; **0.0** (No Trend): 50% is invested into Bitcoin; **-0.5** (Downtrend): 25% is invested into Bitcoin; **-1.0** (Significant Downtrend): 0% is invested into Bitcoin

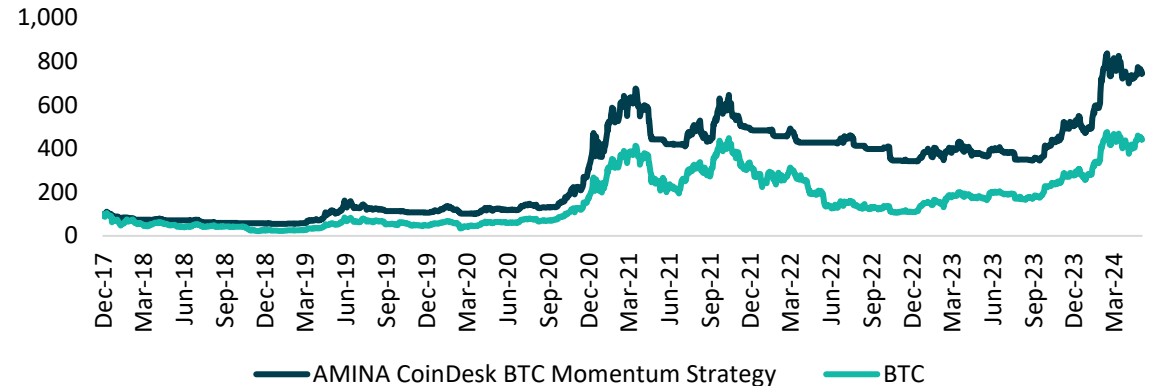
## Benefits

- Generate a higher risk-adjusted return (“Sharpe-Ratio”)
- Lower drawdowns compared to underlying crypto currencies
- Reduces mental biases associated with Bitcoin investing
- Strategy is implemented in a fully transparent manner

## Drawbacks & risks

- Expected to underperform the underlying crypto currencies during sharp uptrend
- High Turnover compared to buy-and-hold strategy

## Performance<sup>1</sup>



Performance Metrics (27.12.2017-31.05.2024)	AMINA Coindesk BTC Momentum Strategy <sup>1</sup>	BTC
Annualized Return	36.6%	26.0%
Annualized Volatility	42.1%	66.6%
Sharpe Ratio	0.87	0.39
Max Drawdown	-50.5%	-79.8%
Annualized Turnover	23.6x	n.a.
2020	214.4%	301.9%
2021	46.3%	66.3%
2022	-29.8%	-65.5%
2023	47.1%	155.4%
2024 <sup>1</sup>	47.8%	59.5%

Source: Source: AMINA Bank, Deribit

1. Based on historical data series from 27 December 2017 to 31st May 2024





## Key Facts

ISIN	CH1338343010
Valor	33834301
SVSP Category	Tracker Certificate (1300)
Underlying	AMINA CoinDesk BTC Momentum Index
Issue Currency	USD
Initial Valuation	Date TBD
Minimum Trade Size	USD 10'000
Settlement Type	Cash
Issuer	SA1 Issuer SPC Limited
Custodian	AMINA Bank AG, Zug, Switzerland
Swiss Withholding Tax	Product is not subject to the Swiss withholding tax
Secondary Market	Daily on best effort basis
Eligible Investors	Professional investors (not eligible for retail investors)

The financial instruments mentioned in this document are derivative instruments. They do not qualify as units of a collective investment scheme pursuant to art. 7 et seqq. of the Swiss Federal Act on Collective Investment Schemes (CISA) and are therefore neither registered nor supervised by the Swiss Financial Market Supervisory Authority FINMA. Investors do not benefit from the specific investor protection provided under the CISA.

## AMINA CoinDesk BTC Momentum Index

### Achieve higher risk-adjusted returns

#### About the AMINA CoinDesk BTC Momentum Strategy

The strategy seeks to mitigate the significant drawdowns and high volatility commonly linked to Bitcoin investments. It employs fully transparent, systematic, momentum-based signals.

#### The Product is aimed at investors who...

- want to reduce sharp drawdowns relative to Bitcoin
- want to reduce mental biases associated with investing into Bitcoin
- want to achieve higher risk-adjusted return vs. investing directly into Bitcoin

#### Main risks

- Expected to underperform a pure buy-and-hold strategy during sharp uptrend
- Higher Turnover within the strategy



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@AMINA Bank AG, Kolinplatz 15, 6300 Zug