

## Overview

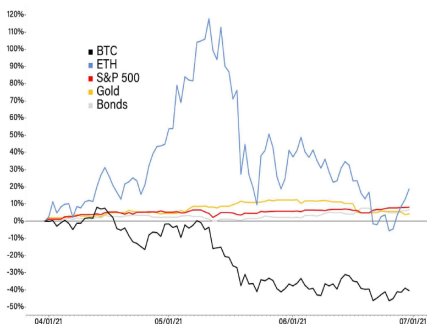
Palladium LLC, is a Registered Investment Adviser and was founded in October 2011.

As of December 2020, \$805 Million Assets Under Management.

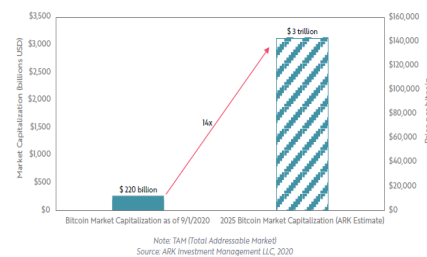
Independent, employee-owned firm.

Palladium acts as a fiduciary investment advisor and investment manager.

## Bitcoin & Ether Diverged



## Bitcoin's Growth Opportunity?



## Key Attributes

Low Equity Correlation

Liquidity & Transparency

Managed Volatility

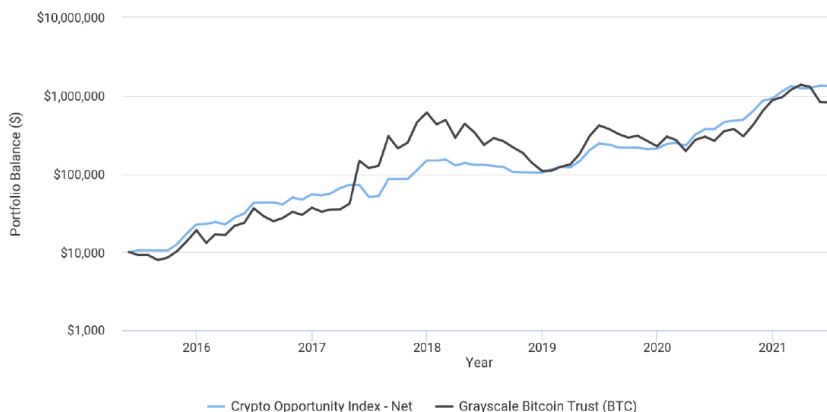
Proprietary Trading Strategy

Source: *IDX Insights and Grayscale Bitcoin Trust*

## Strategy Description

- The IDX Crypto Opportunity Index (IDXCOIN) seeks to provide tactical upside participation to the Grayscale Bitcoin Trust (GBTC) while limiting drawdowns and downside volatility.
- The objective of the COIN strategy is to opportunistically deploy risk capital to GBTC when the risk –return profile of bitcoin is favorable. The strategy also seeks to preserve capital when the risk/reward profile is unfavorable through an allocation to a risk-free asset represented by the iShares Short Treasury Bond (SHV) ETF.

## Crypto Opportunity Index vs GBTC (Grayscale BitCoin Trust) as of 06-30-2021 Growth Chart



Source: *IDX Insights and Grayscale Bitcoin Trust*

"Please see important disclosures at the end of this report"

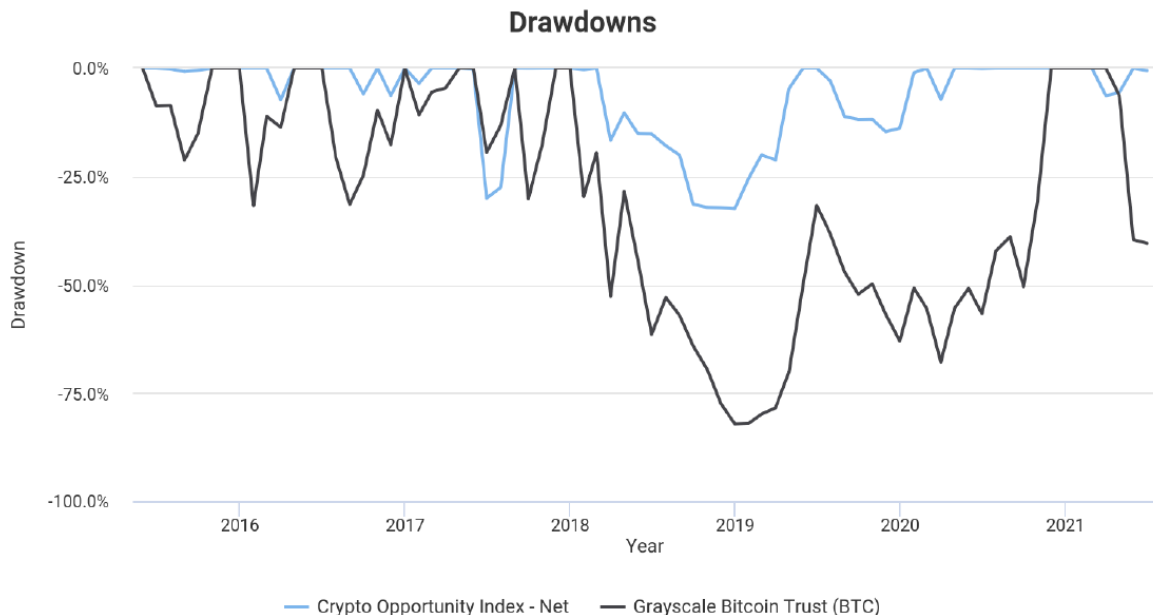
The chart represents the growth of a hypothetical investment of \$10,000 in the strategy since inception. The chart does not represent an actual investment and is not intended to imply future results.

## Bitcoin and Macro Asset Correlation



Source: *CoinDesk*

## Managing Volatility of Crypto Assets – Drawdown Capture (as of 06-30-21)



Source: IDX Insights and Portfolio Visualizer

### Drawdown Statistics vs. Benchmark Returns for greater than 1 year are annualized.

Drawdowns for Crypto Opportunity Index - Net (worst 10)							
Rank	Start	End	Length	Recovery By	Recovery Time	Underwater Period	Drawdown
1	Mar 2018	Dec 2018	10 months	May 2019	5 months	1 year 3 months	-32.44%
2	May 2017	Jun 2017	2 months	Aug 2017	2 months	4 months	-30.01%
3	Jul 2019	Nov 2019	5 months	Feb 2020	3 months	8 months	-14.66%
4	Mar 2016	Mar 2016	1 month	Apr 2016	1 month	2 months	-7.27%
5	Mar 2020	Mar 2020	1 month	Apr 2020	1 month	2 months	-7.17%
6	Mar 2021	Mar 2021	1 month	May 2021	2 months	3 months	-6.31%
7	Nov 2016	Nov 2016	1 month	Dec 2016	1 month	2 months	-6.26%
8	Sep 2016	Sep 2016	1 month	Oct 2016	1 month	2 months	-5.93%
9	Jan 2017	Jan 2017	1 month	Feb 2017	1 month	2 months	-3.50%
10	Jul 2015	Aug 2015	2 months	Oct 2015	2 months	4 months	-0.79%

Drawdowns for Grayscale Bitcoin Trust (BTC)							
Rank	Start	End	Length	Recovery By	Recovery Time	Underwater Period	Drawdown
1	Jan 2018	Dec 2018	1 year	Nov 2020	1 year 11 months	2 years 11 months	-82.10%
2	Apr 2021	Jun 2021	3 months				-40.43%
3	Jan 2016	Jan 2016	1 month	Apr 2016	3 months	4 months	-31.75%
4	Jul 2016	Aug 2016	2 months	Dec 2016	4 months	6 months	-31.41%
5	Sep 2017	Sep 2017	1 month	Nov 2017	2 months	3 months	-30.15%
6	Jun 2015	Aug 2015	3 months	Oct 2015	2 months	5 months	-21.21%
7	Jun 2017	Jun 2017	1 month	Aug 2017	2 months	3 months	-19.43%
8	Jan 2017	Jan 2017	1 month	Apr 2017	3 months	4 months	-10.81%

Source: IDX Insights and Portfolio Visualizer

## Performance Statistics

As of 06-30-2021

### Crypto Opportunity Index - Net Returns

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2015						5.06%	-0.17%	-0.62%	0.31%	20.44%	37.29%	30.49%	125.59%
2016	1.26%	6.34%	-7.27%	22.55%	12.90%	36.76%	0.76%	0.35%	-5.93%	23.44%	-6.26%	17.33%	143.99%
2017	-3.50%	5.98%	17.05%	10.05%	-0.16%	-29.90%	3.54%	62.96%	-0.02%	0.36%	30.41%	32.76%	170.26%
2018	-0.32%	3.48%	-16.64%	7.59%	-5.37%	-0.05%	-3.18%	-2.69%	-14.17%	-1.04%	-0.16%	-0.31%	-30.31%
2019	10.44%	7.18%	-1.46%	20.95%	38.29%	21.14%	-3.01%	-8.44%	-0.70%	0.04%	-3.26%	0.96%	103.63%
2020	14.86%	2.57%	-7.17%	37.75%	17.35%	-0.07%	23.60%	4.40%	3.00%	28.96%	34.67%	7.77%	339.47%
2021	22.33%	17.03%	-6.31%	0.77%	7.61%	-0.55%							44.65%

### Grayscale Bitcoin Trust (BTC) Returns

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2015						-8.73%	0.10%	-13.76%	7.73%	21.03%	32.74%	40.00%	90.91%
2016	-31.75%	30.23%	-2.86%	31.80%	8.93%	53.07%	-20.54%	-13.68%	9.76%	19.89%	-8.71%	23.50%	93.10%
2017	-10.81%	6.00%	0.97%	18.59%	251.53%	-19.43%	7.69%	139.29%	-30.15%	18.00%	83.62%	32.54%	1,557.21%
2018	-29.63%	14.37%	-41.17%	51.10%	-22.52%	-30.54%	22.16%	-8.83%	-16.42%	-15.11%	-25.96%	-20.54%	-82.10%
2019	0.63%	11.78%	7.17%	38.28%	67.32%	36.80%	-9.85%	-14.08%	-9.64%	5.00%	-13.94%	-14.42%	106.56%
2020	33.09%	-9.63%	-27.72%	38.62%	10.33%	-11.80%	33.42%	5.58%	-18.92%	40.20%	50.81%	37.97%	290.72%
2021	8.41%	24.53%	15.83%	-6.37%	-35.50%	-1.36%							-6.84%

### Risk and Return Metrics (Jun 2015 - Jun 2021)

Metric	Crypto Opportunity Index - Net	Grayscale Bitcoin Trust (BTC)
Arithmetic Mean (monthly)	7.98%	11.59%
Arithmetic Mean (annualized)	151.20%	272.81%
Geometric Mean (monthly)	6.94%	6.23%
Geometric Mean (annualized)	123.75%	106.43%
Volatility (monthly)	15.48%	41.58%
Volatility (annualized)	53.62%	144.05%
Downside Deviation (monthly)	4.89%	13.09%
Max. Drawdown	-32.44%	-82.10%
US Market Correlation	0.17	0.14
Beta (*)	0.21	1.00
Alpha (annualized)	67.22%	0.00%
R Squared	30.34%	100.00%
Upside Capture Ratio (%)	34.52	100.00
Downside Capture Ratio (%)	23.56	100.00

(\*) Grayscale Bitcoin Trust (BTC) is used as the benchmark for calculations.

Source: IDX Insights and Portfolio Visualizer

Disclosures: Unless otherwise noted, performance information is hypothetical and NET of all associated fees and sales and trading expenses that an investor might incur (1.85%). It's not possible to invest directly into an index. Hypothetical or model performance results have certain limitations including, but not limited to: hypothetical results do not take into account actual trading and market factors (such as liquidity disruptions, etc.). Simulated performance assumes frictionless transaction costs and no lag between signal generation and implementation. Simulated performance is designed with the benefit of hindsight and there can be no assurance that the strategy presented would have been able to achieve the results shown. There are frequently large differences between hypothetical performance results and actual results from any investment strategy. While data was obtained from sources believed to be reliable, IDX Insights, LLC and its affiliates provide no assurances as to its accuracy or completeness.

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