

PROTEIN CAPITAL FUND SLP

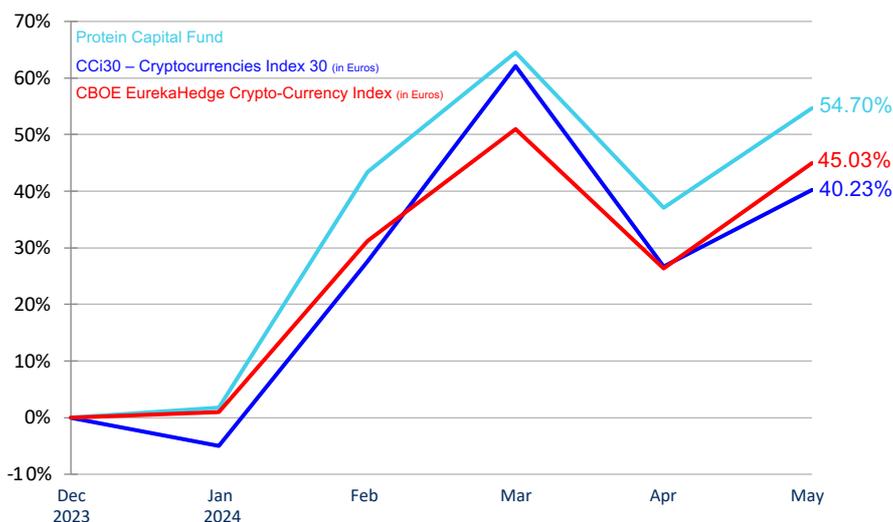
 NAV
EUR 1,279.392

FUND OBJECTIVE

Protein Capital Fund SLP specializes in Blockchain and Cryptoassets, providing investors with active management strategies. We diversify our positions within the top 50 cryptocurrencies by market capitalization, regularly rebalancing our assets. Our approach prioritizes cryptocurrencies exhibiting higher relative strength while safeguarding against bearish markets through liquidity positioning in EUR/USD, guided by our algorithmic model. Our goal is to maximize profits while minimizing downside risk.

MONTHLY PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2024	+1.80%	+40.85%	+14.74%	-16.65%	+12.81%								+54.70%
2023	+33.39%	+2.39%	+16.55%	+1.09%	-3.07%	+7.12%	-4.73%	-9.77%	+5.37%	+22.10%	+5.49%	+10.37%	+115.14%
2022	-17.77%	+10.15%	+8.18%	-13.49%	-20.37%	-37.46%	+27.45%	-11.51%	-3.25%	+6.69%	-20.52%	-7.14%	-63.73%
2021			+14.30%	+1.64%	-21.28%	-5.06%	+15.98%	+15.32%	-6.70%	+37.96%	-6.18%	-19.34%	+13.12%



RETURNS

	PCF	CCI30 (in Euros)	EUREKA (in Euros)
Cumulative Returns 6 months	70.74%	69.37%	66.01%
Cumulative Returns 12 months	113.40%	107.29%	108.37%
Annualized YTD Returns	131.28%	96.55%	108.06%

RISK/RETURN (last 12 months)

	PCF	CCI30 (in Euros)	EUREKA (in Euros)
Annualized Volatility	48.89%	52.66%	40.42%
Sharpe Ratio	2.11	1.81	2.54
Sortino Ratio	5.64	3.85	4.88

COMMENTARY FROM THE CIO

May was a historic month for digital assets, as the industry suddenly became the focus of an intense political battle ahead of the US elections. In theory, crypto should be apolitical, as expanding access to sophisticated financial products for the unbanked, leveraging the power of communities to disrupt physical networks like storage, compute, and connectivity, and allowing citizens to self-custody their own assets should not be partisan issues. However, crypto does not exist in a vacuum, and as these networks grow and risk overtaking the current leaders in these industries, politics are frequently used to create a protective moat for the incumbents via regulatory capture.

Throughout the year, we have seen how the current administration in the US has adopted an openly hostile approach towards crypto through multiple SEC enforcement actions, Operation Chokepoint 2.0, and Elizabeth Warren announcing she is building an "anti-crypto" army. What was surprising in May was the sudden surge of pro-crypto messaging coming from the Republican Party, bashing the Democrats as the "anti-innovation party," Trump calling himself the "crypto President," and even going as far as promising to pardon Ross Ulbricht (the founder of the Deep Web illegal marketplace, "Silk Road"). Like a sudden storm, crypto has been brought front and center to the political discourse.

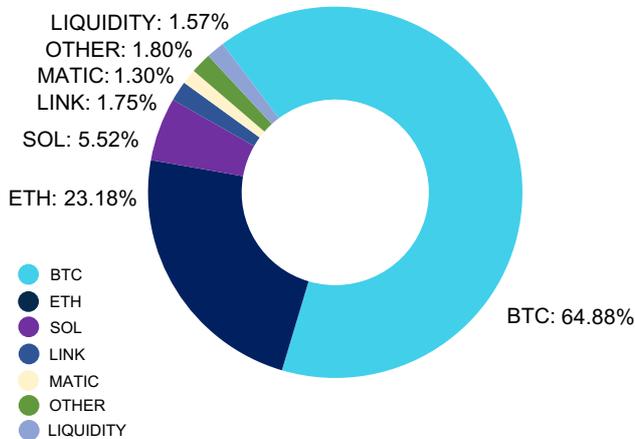
A Harris poll, paid for by Bitcoin ETF issuer Grayscale, estimated that 33% of voters will consider a candidate's crypto views before voting, and 77% think the President should understand crypto.

According to Coinbase, 52 million Americans use crypto, representing roughly one in five Democrats, Republicans, or independent voters. In what seems like a potentially tight race, it appears politicians are looking at crypto as the issue that will win them the swing states. Given this turn of events, pro-crypto Democrats have voiced their support for the industry in an attempt to not surrender these votes to the Republicans. Democratic senators from key swing states like Michigan, Pennsylvania, and Arizona, as well as Senate Majority Leader Chuck Schumer, voted pro-crypto against SAB-121, which makes it very difficult for banks to hold digital assets.

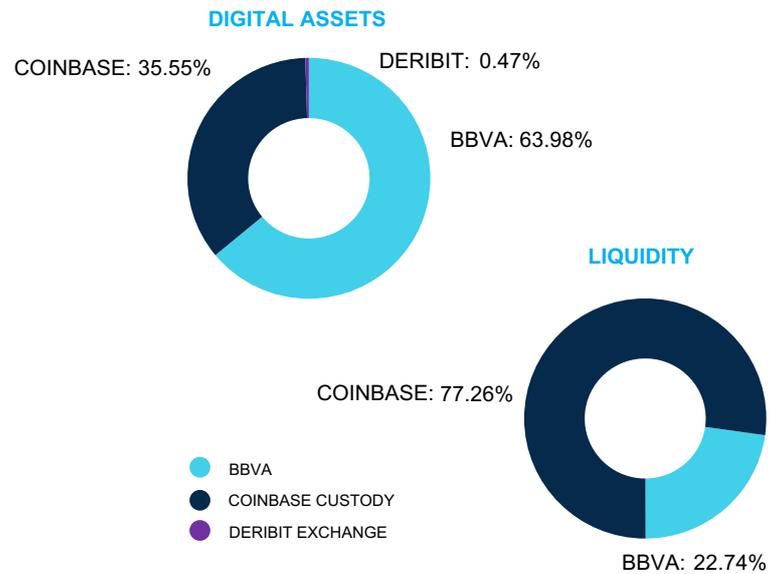
All of this background brings us to May 20, when the SEC, in a surprise turn-around, approved the ETH spot ETFs. For context, the previous consensus by experts was that the probability of approval was just 10%. It is, of course, speculation, but it seems extremely likely that this surprise decision was politically motivated to prevent Democrats from further losing the crypto vote. However, this sudden appearance of support from the Democrats was short-lived, as Biden vetoed the appeal of SAB-121 on May 31. Needless to say, each of these political events caused a lot of volatility in the markets.

We dislike the idea of crypto being used as a political tool and wish it would remain neutral. However, unfortunately, we expect to continue seeing it showcased as a partisan issue in the coming months, which will undoubtedly cause a lot of volatility, both to the upside and to the downside.

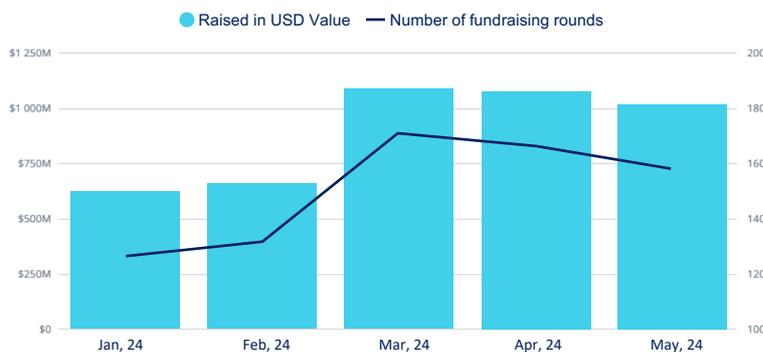
FUND POSITIONS



ASSET CUSTODY



GRAPH OF THE MONTH



Venture Investing Stays Strong

Regardless of the political noise and regulatory uncertainty in the US, VC funds continue to invest strongly in the crypto and Web3 sector. May marked the third straight month of fundraising above \$1B, for the first time since Oct-Nov 2022 at the peak of the last bull cycle.

Source: Cryptorank

KEY INFORMATION

Name: Protein Capital Fund SLP
Manager: Protein Capital Management
Bank: BBVA
Auditor: ACSe
ISIN: LU2325727878
Currency: EUR
Jurisdiction: CSSF Luxembourg

Fund Structure: Open-ended
Management Fee: 2%
Performance Fee: 20%
Investor Class: Qualified Investor
Minimum Investment: 50,000 EUR
Platforms: Allfunds
Custody: BBVA / Coinbase

MANAGEMENT TEAM PROTEIN CAPITAL FUND SLP

Alberto Gordo Goya (CTF'e/CBP): CEO / Partner
Ricardo Osorio Jones-Parra: CIO / Partner
Enrique López de Ceballos: CLO / Partner

Winners of the Best Emerging Hedge Fund

Award for Digital Assets

by Digiassets 2023



This document does not constitute an offer of investment advisory services by Protein Capital Management S.a.r.l. nor does it constitute an offering of limited partnership interests in the Fund; any such offering will be made solely pursuant to the Funds private placement memorandum. An investment in the fund is suitable only for qualified investors that fully understand the risks of such investment and only in jurisdictions in which such an offer is lawful. Interests in the Fund are speculative and involve a high degree of risk. You should be aware that you could lose all, or a substantial amount, of your investment in the Fund. Crypto-currencies can be extremely volatile and subject to rapid fluctuations in price, positively or negatively. Investment in one or more crypto-currencies may not be suitable for even a relatively experienced and affluent investor and independent financial advice should be sought where applicable. The domicile of the Fund is Luxembourg. The distribution of Units of the Fund in Luxembourg must be made exclusively to Qualified Investors.