



# What's the fair value of Bitcoin?

Désirée Müller, SwissRex AG @ Krypto-Lunch

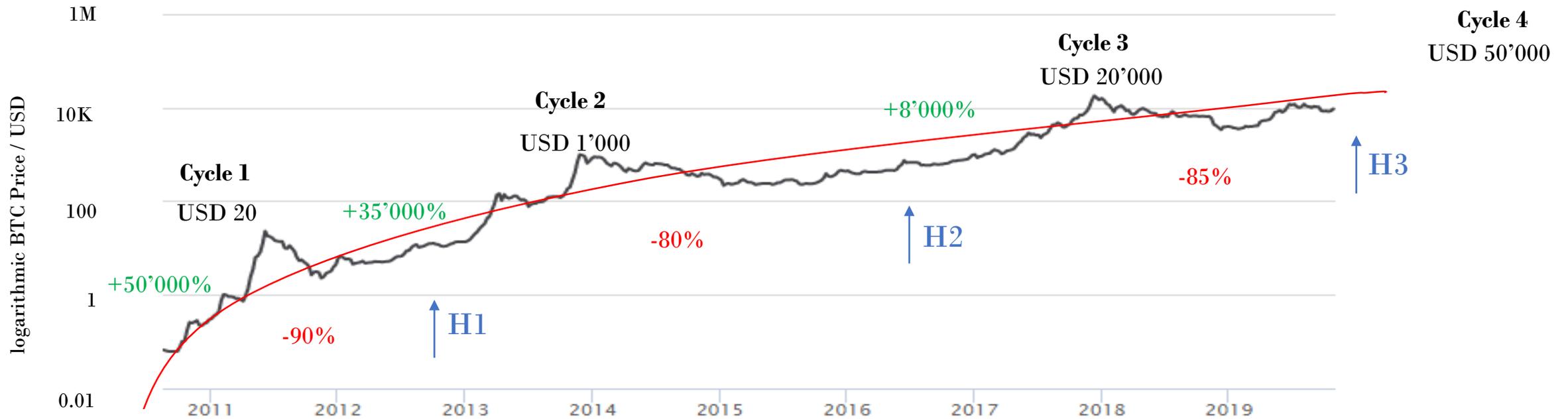
December 6, 2019

# Token Classification



<b>Token Classification</b>	<b>Traditional</b>	<b>Crypto</b>	<b>Valuation</b>
<b>STORES OF VALUE</b>	Gold	Bitcoin	Capped stock to flow model
<b>CURRENCIES</b>	USD	Chainlink	Quantity model, S-curve
<b>SECURITIES</b>	Equity	Nexo	DDM and P/E models

# Bitcoin Cycle



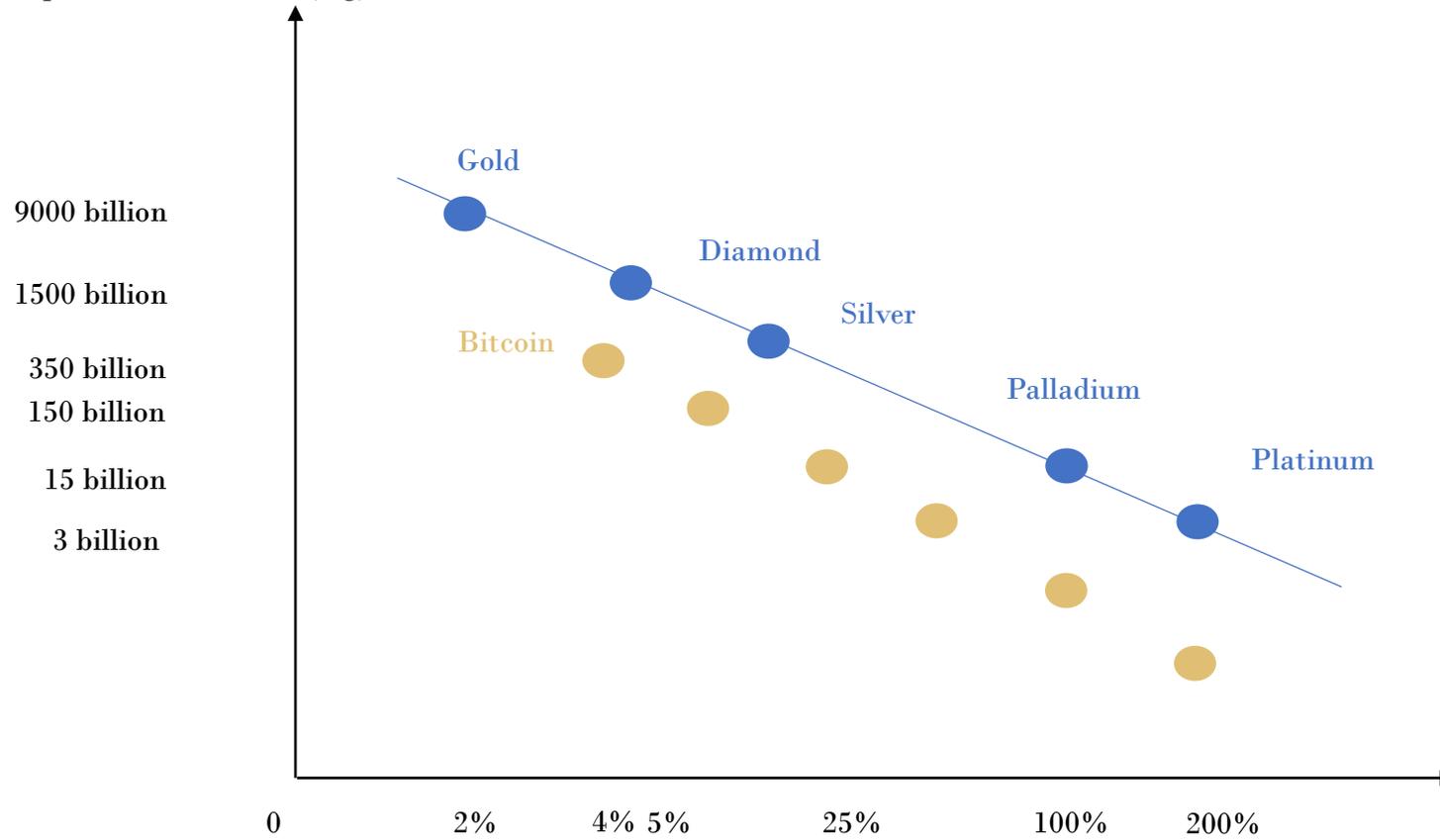
logarithmic trend

H = BTC halving

# Digital Gold Challenges Physical Gold



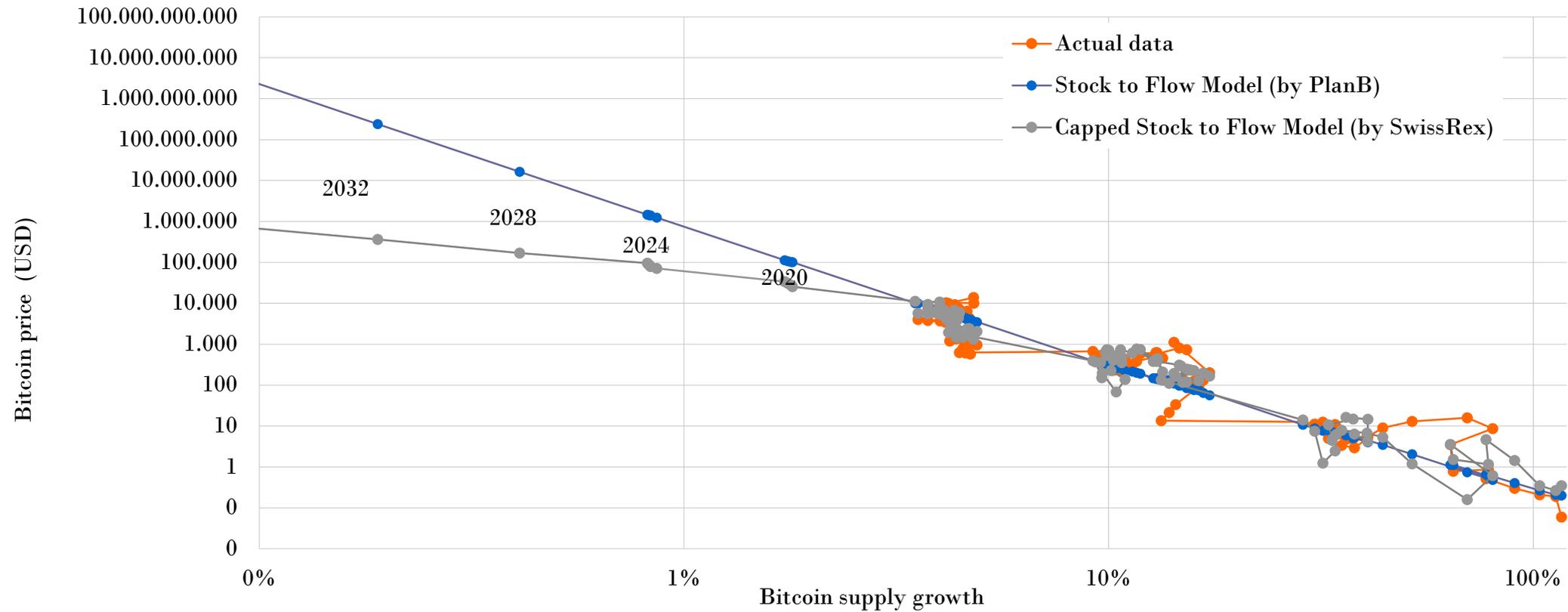
Market capitalization in USD (log)



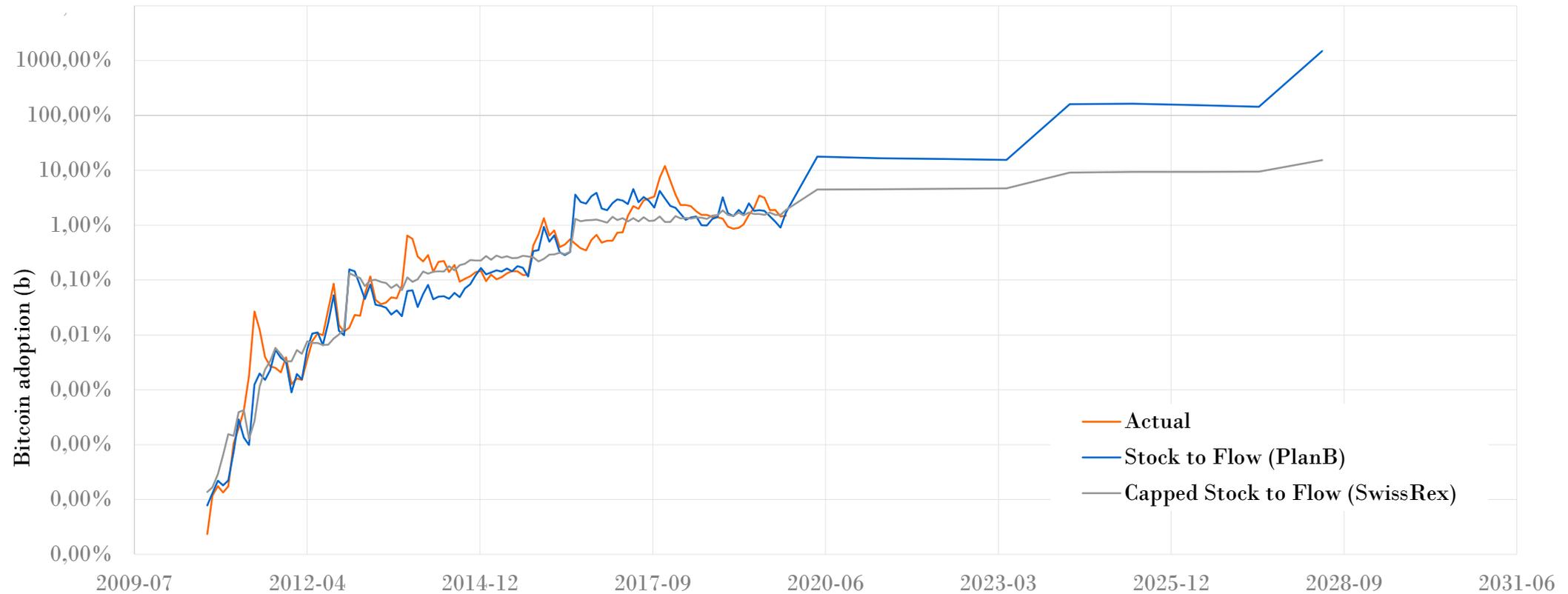
Precious metals

- 1) scares
- 2) unforgeable
- 3) easy storage
- 4) efficient use

# Capped Stock to Flow Model: Price



# Capped Stock to Flow Model: Adoption



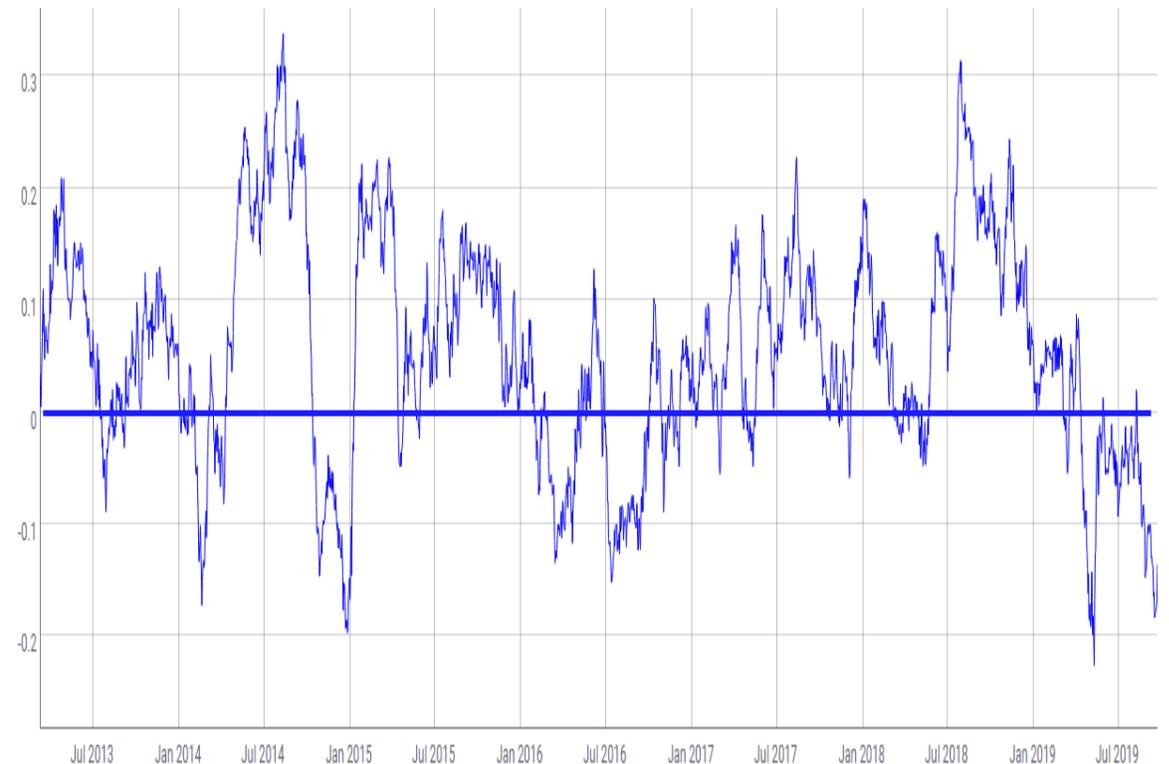
# Diversification with Crypto: Risk



Correlation BTC / Gold, 90 days moving average



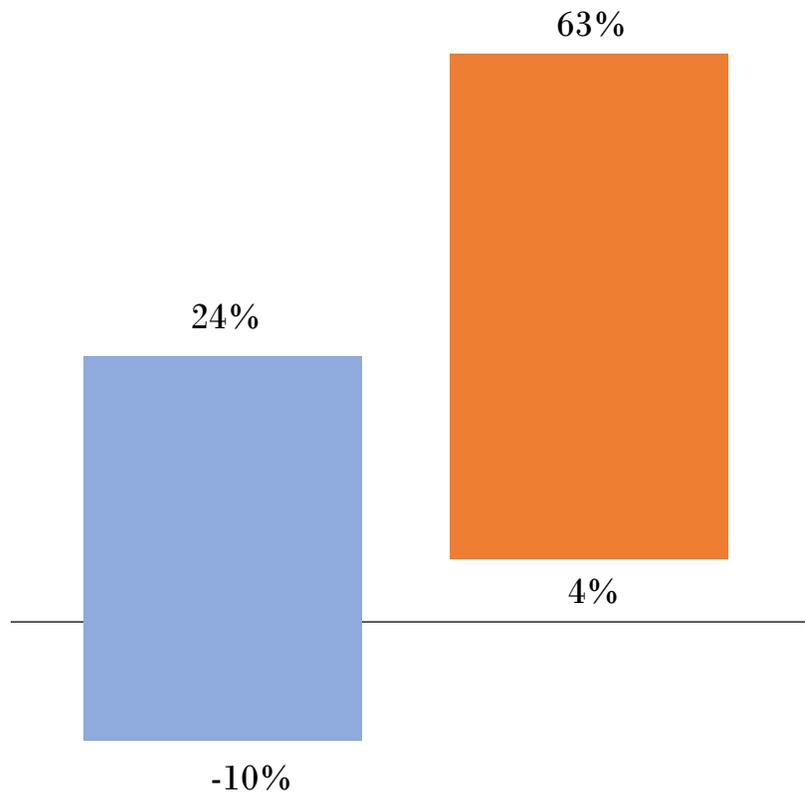
Correlation BTC / S&P500, 90 days moving average



# Diversification with Crypto: Return

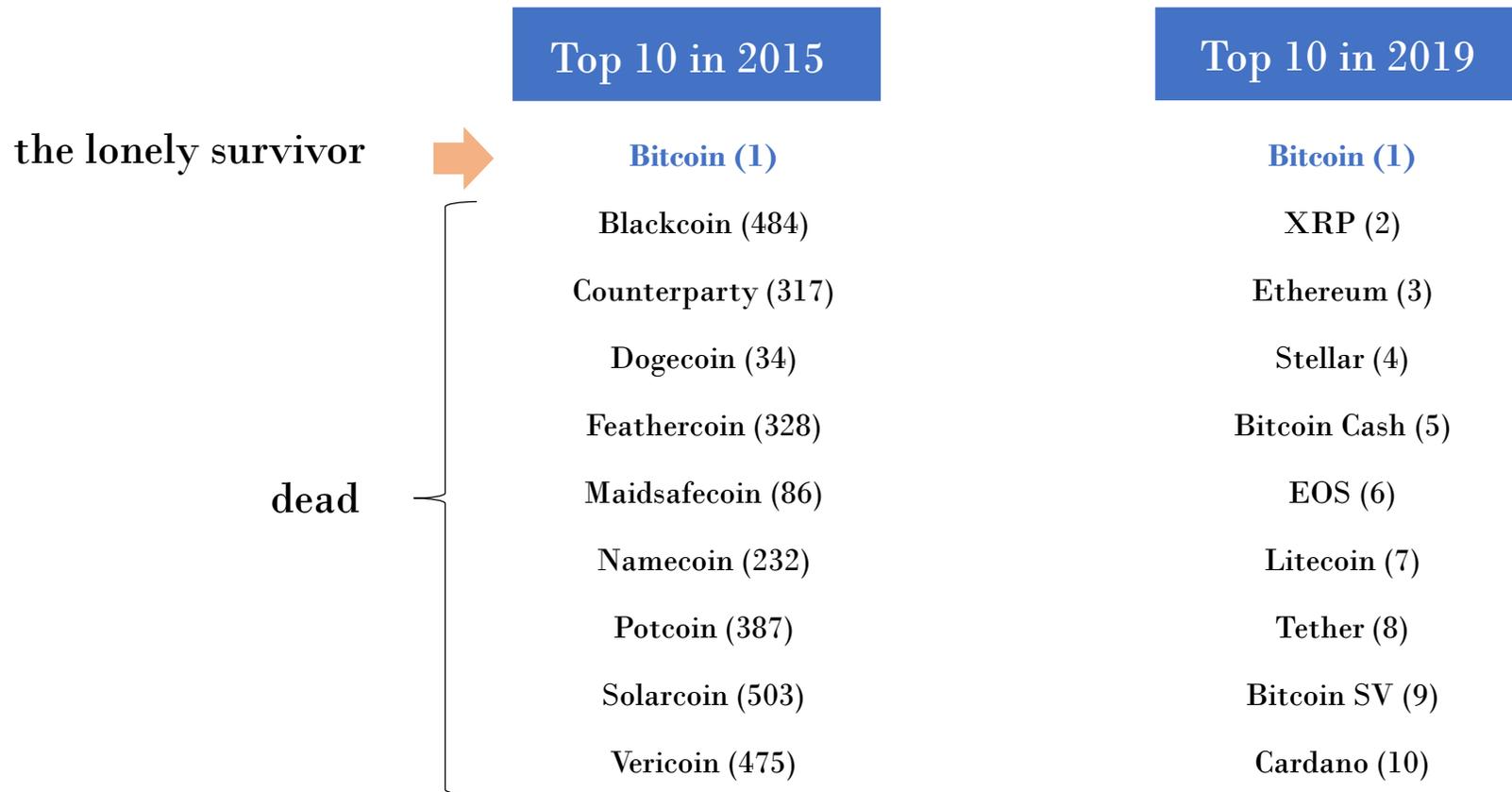


Average 2-year rolling returns since 2009



Portfolio	Annual return
70% equities + 30% bonds	10.7%
70% equities + 30% bonds + 2% bitcoin	19.9%

# Active vs. Passive Portfolio Management



# Contact



## **SwissRex AG**

Bangarten 10

9490 Vaduz, Liechtenstein

Website: [www.swissrexag.com](http://www.swissrexag.com)

Twitter: [@SwissRexAG](https://twitter.com/SwissRexAG)

Linkedin: [www.linkedin.com/company/swissrex-ag/](http://www.linkedin.com/company/swissrex-ag/)

## **Désirée Müller**

Founder & Chief Executive Officer

m: [desiree.mueller@swissrexag.com](mailto:desiree.mueller@swissrexag.com)

p: +41 79 306 75 65

## **Reto Stiffler**

Founder & Chief Investment Analyst

m: [reto.stiffler@swissrexag.com](mailto:reto.stiffler@swissrexag.com)

# Important Notes and Disclaimers



These publication materials (collectively, this “publication”) have been provided in order to provide a high-level overview of SwissRex Crypto Fund, certain of the operational and advisory programs and processes, and certain of their key personnel. This publication is an informational document. It does not constitute an offer and therefore may not be relied upon in connection with any offer or sale of securities. Any offer or solicitation may only be made pursuant to a Subscription Agreement (or similar document) for the Fund, which will only be provided to informed offerees and should be carefully reviewed by any such offerees prior to investing. Important disclosures are included throughout this publication and these should be carefully reviewed. This communication is provided for informational purposes only. In addition, because this communication is only a high-level summary, it does not contain all material information pertinent to an investment decision, including important disclosures of conflicts and risk factors associated with an investment in a Fund. This publication in and of itself should not form the basis for any investment decision. This publication should be read in conjunction with, and is qualified in its entirety by, information appearing in the Subscription Agreement (or similar document) for the Fund and the organizational documents for such a Fund (e.g., limited partnership agreements, articles of association, etc.), which should be carefully reviewed prior to investing. An investment in the Fund is speculative and entails substantial risks, including the fact that such an investment would be illiquid and subject to significant restrictions on transferability. No market is expected to develop for interests in the Fund. Financial instruments and investment opportunities discussed or referenced herein may not be suitable for all investors, and potential investors must make an independent assessment of the appropriateness of any transaction in light of their own objectives and circumstances, including the possible risk and benefits of entering into such a transaction. An investor in the Fund could lose all or a substantial amount of his or her investment. Returns generated from an investment in any of the Funds may not adequately compensate investors for the business and financial risks assumed. The products and strategies in which the Fund expects to invest involve above-average risk.

This publication and the material contained herein are confidential and may not be distributed in whole or in part to anyone other than the intended recipients. By accepting receipt of this publication, the recipient will be deemed to represent that they possess, either individually or through their advisers, sufficient investment expertise to understand the risks involved in any purchase or sale of any financial instruments discussed herein. Unauthorized reproduction or distribution of all or any of this material or the information contained herein is strictly prohibited. Notwithstanding anything set forth herein, each recipient of this document (and each of the employees, representatives, or other agents of such recipient) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of (i) the Funds and (ii) any of their transactions, and all materials of any kind (including, without limitation, opinions or other tax analysis) that are provided to each recipient relating to such tax treatment and tax structure. Certain information contained in this publication constitutes “forward-looking statements”, which can be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “participate”, “target”, “project”, “estimate”, “intend”, “continue”, or “believe” or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual policies, procedures, and processes of the Advisor and the performance of the Funds may differ materially from those reflected or contemplated in such forward-looking statements and no undue reliance should be placed on these forward-looking statements, nor should the inclusion of these statements be regarded as the Advisors’ republication that the Funds will achieve any strategy, objectives or other plans. Such information is believed to be reliable and has been obtained from sources believed to be reliable, but no republication or warranty is made, expressed, or implied with respect to the fairness, correctness, accuracy, reasonableness, or completeness of such information. In addition, there is no obligation to update, modify, or amend this publication or to otherwise notify a reader in the event that any matter stated herein changes or subsequently becomes inaccurate.

# Important Notes and Disclaimers



The Advisors are not acting and do not purport to act in any way as a fiduciary capacity vis-a-vis any investor in the Funds. Therefore, it is strongly suggested that any prospective investor obtain independent advice in relation to any investment, financial, legal, tax, accounting or regulatory issues discussed herein. Analyses and opinions contained herein may be based on assumptions that if altered can change the analyses or opinions expressed. Nothing contained herein shall constitute any republication or warranty as to future performance of any financial instrument, credit, currency rate or other market or economic measure. The distribution of this document in certain jurisdictions may be prohibited or restricted by law; therefore, people in whose possession this document comes should inform themselves about and observe such restrictions. Any such distribution could result in a violation of the law of such jurisdictions. The terms summarized above are provided for informational purposes only and do not constitute a complete overview of the terms of any Fund.

Notice to investors in Switzerland: This publication and any accompanying supplement does not constitute an issue prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issue prospectuses under article 652a or article 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under article 27 ff. of the SIX Swiss Exchange Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. The units will not be listed on the SIX Swiss Exchange Ltd. or on any other stock exchange or regulated trading facility in Switzerland. The units will not be distributed in or from Switzerland as defined by the Swiss Federal Act on Collective Investment Schemes (CISA) (and neither this publication nor any other offering materials relating to the collective investment scheme will be made available from this time through distribution in or from Switzerland). The units may only be acquired by (i) licensed financial institutions, (ii) regulated insurance institutions and (iii) other investors in a way which does not represent a distribution within the meaning of the CISA. Acquirers of units (investors) do not benefit from protection under the CISA or supervision by the Swiss Financial Market Supervisory Authority (FINMA). Neither this publication (including any accompanying supplement) nor any other offering or marketing material relating to the offering, the collective investment scheme or the units have been or will be filed with, registered or approved by any Swiss regulatory authority. In particular, the collective investment scheme has not registered, and will not register itself with FINMA as a foreign collective investment scheme.

This publication is strictly confidential, is personal to each specific offeree and does not constitute an offer to any other person. This publication (and any other offering or marketing material relating to the units or the offering) may only be used by those persons to whom it has been handed out in connection with the offer described therein and may neither be copied nor be distributed or otherwise made available to other persons, directly or indirectly, without the express consent of the collective investment scheme.