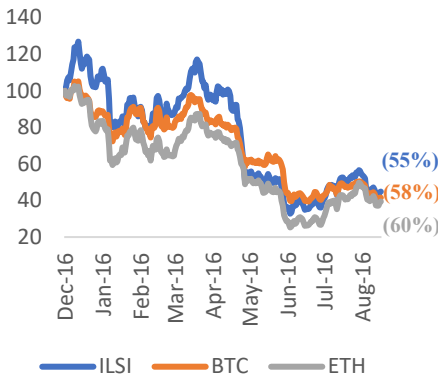


Performance at August 31, 2022	1 month	YTD	Since Inception
ILSI	(13%)	(61%)	(55%)
BTC	(13%)	(57%)	(58%)
ETH	(5%)	(58%)	(60%)

Performance Since Inception⁽¹⁾



Notes: (1) Calculated using prices from Dune Analytics via coinpaprika API. ILSI value derived from the prices of each component along with the index weightings.

Portfolio Breakdown

(as of August 31, 2022)



About Stakeborg

Stakeborg is a leading crypto hub focused on increasing the adoption of blockchain and crypto at all levels through education, community building, media and consulting activities. Stakeborg has been active in the DAO industry by establishing the Stakeborg DAO community. Fees related to Stakeborg-sponsored indexes are regularly transferred to the DAO treasury.

Investment Thesis

Invest Like Stakeborg Index is a construct which seeks to provide investors macro and diversified exposure to the main narratives that stand out as opportunities in the crypto space. The key categories that have been considered are the following: Bitcoin, Ethereum, Oracles / Web 3.0, Layer 1 infrastructure / smart contract platforms, Decentralized Finance, exchange tokens and NFTs / GameFi / Metaverse.

Name	Invest Like Stakeborg Index
Ticker	ILSI
Exchanges	TokenSets, SushiSwap
Methodology	Adjusted market capitalisation-weighting
Rebalancing period	Interval-based (3 months)
Expense ratio	0.95% (transferred to StakeborgDAO)

More details on: <https://docs.stakeborgdao.com/products/ilsi>

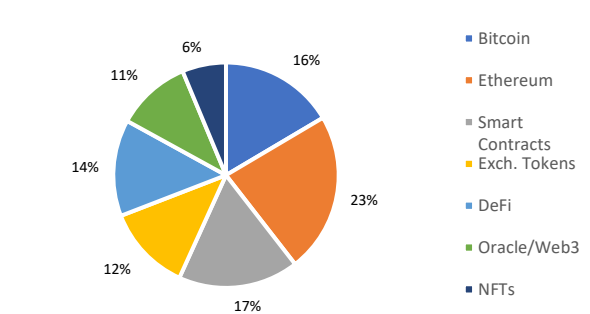
Macroenvironment Overview

Central banks' commitment to bring inflation under control, despite the risks to the growth outlook, led the market downturn in August. Powell's hawkish remarks at Jackson Hole pushed back against recent expectations of a FED pivot in H1-2023. The FED would continue hiking rates and hold them at a higher level until inflation would be under control, even at the cost of higher unemployment. The bond market has rapidly incorporated the messages, with the 2Y going as high as 3.5% and the 10Y up to 3.2%. Broad-based weakness in other currencies and their respective economies has pushed the DXY higher. At the end of August, markets have priced-in 75bps and 50bps for the upcoming rate hikes at the FED and ECB meetings, respectively, with increased pressure for a jumbo rate hike of 75bps at the latter.

Excluding Binance, Bitcoin volume sits near yearly lows from April. Binance's fee removal has made high volume trading strategies economically feasible, pushing daily volumes to \$8bn during the last week.

Bitcoin digital asset funds tracked by ByteTree had 836.375 BTC in AuM on August 31, a net decrease of 4,067 BTC to their holdings.

Key Narratives Breakdown



Portfolio Assets Updates

Bitcoin: Bitcoin dropped below \$20k for the first time since mid-July following a hawkish speech from Powell. At the same time, CME futures went into backwardation denoting an increased bearish / hedging-oriented environment, amidst growing inflows into BITI. BlackRock has partnered with Coinbase to give clients access to crypto while also announcing a spot bitcoin private trust for US institutional investors.

Ethereum: Ethereum developers firmed up September 15 as the date for The Merge. Increased activity in the derivatives market, where open interest in Ether options has overtaken OI in BTC options. Digital asset funds tracked by ByteTree had 4.3m ETH in AuM on August 31, a net decrease of 60,476 ETH.

Polygon: Fireblocks and Tokeny partnered to provide a turnkey and enterprise grade solution for tokenization on Polygon. Launched an improved version of Polygon Wallet Suite. Data from Alchemy revealed that more than 37,000 dApps have been built on Polygon.

Aave: In anticipation of The Merge (in particular forked ETHPoW) and AIP-97 passing, ETH experienced a surge in borrowing, with interest revenue jumping over 53%.

Synthetix: New release that has improved pricing in atomic swaps, allowing for lower fees. Proposal from Kain Warwick to stop SNX inflation and impose a total supply cap.

Chainlink: 70+ projects adopted Chainlink services across 10 different chains in August. Announced that 350+ projects are using Chainlink VRF as a source of secured randomness for customers.

dYdX: Re-launched Grants Program. Published detailed milestones for dYdX v4. Passed off-chain vote on more equitable LP rewards.

APE: A fourth pitch received (latest by Rarible) to establish a marketplace. Updates from Horizen Labs on the staking platform: core UX flows are complete and the focused moved on the smart contracts. It also shared insights on the staking technicalities.

FTX: Partnered with leading institutional liquidity provider Paradigm to provide seamless futures spreads trading.

Yearn Finance: Underwent a rebranding process, including new logos and reworked key principles. Announced the start of a month-long Hackathon in September.

Disclaimer

The material contained or referred to herein: (a) Is not (and is not intended to be) an offer to buy or sell (or a solicitation of an offer to buy or sell) digital assets, nor does it constitute investment, legal, tax or other advice; and (b) has been obtained, derived or is otherwise based upon sources which are believed to be reliable. However, no guarantee can be (or is) provided in relation to the accuracy or completeness of the same. To the extent permissible at law, Stakeborg does not accept: (i) any liability arising from the use, misuse or non-use of the material contained or referred to herein; or (ii) responsibility for any financial loss incurred as a result of a decision to invest in one or more digital assets.

Key Risks

Crypto assets are a highly volatile asset class. Your capital is at risk. The value of crypto assets can go down as well as up and you can lose your entire investment.

Past performance is not an indication of future performance.

Exchange rate fluctuations may affect the value of investments.