



## [CryptAM's Monthly Newsletter](#)

We round up the events of October and provide a little insight into the fairly stagnant market. We will look at some interesting movements in some particular assets, finishing up by touching upon some key regulatory changes in the global regulatory environment, including in the SAR of Hong Kong. Finally, CryptAM was proud to be a part of HK's Fintech Week where we are able to provide education to the wider community.

### [Quiet and Sideways Market](#)

The drought in meaningful market pricing volatility, upon which to trade, has persisted through October, effectively a continuation of September. Bitcoin iterated within a cap and collar of around 6,800 USD and 6,200 USD respectively. We remain cautiously positioned in this market given the shrinking volatility and lower trade volumes, suggesting the risks to an outsized move could come soon. A significant swing one way or another may result in a breakout.

There is some talk of the market finding support of the current floor at present, though the hubris which overran the market earlier in the year with respect to price floors had widely diminished prior confidence. As such, we remain cautious, reviewing internal investment models to derive insight as to next steps whilst gathering further information

before wading back out into the market in earnest.

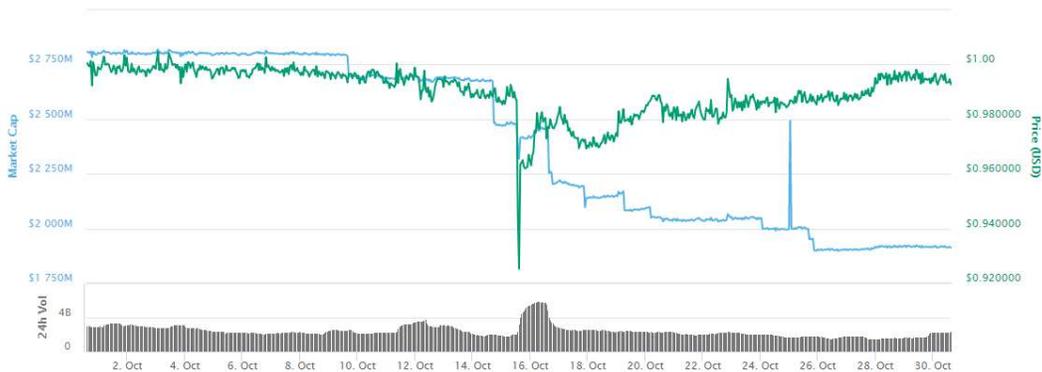
Beginning the month at 225bn USD, the market gently declined to hold around the mid-teens for a week before sliding lower on the 11<sup>th</sup> of October, though this large sell order failed to spark an up or downward trend, this movement was rectified some four days later on the 15<sup>th</sup>, to bring the market largely back to where it had been prior to the movement. The 15<sup>th</sup> to the 29<sup>th</sup> likely had its tightest two-week period of the last year and a half, moving between \$213bn and \$207bn USD before falling to a tick above \$200Bn to close out the month.

### Digital Asset Market Capitalisation (\$bn)



Source: Coinmarketcap.com, 31 October 2018

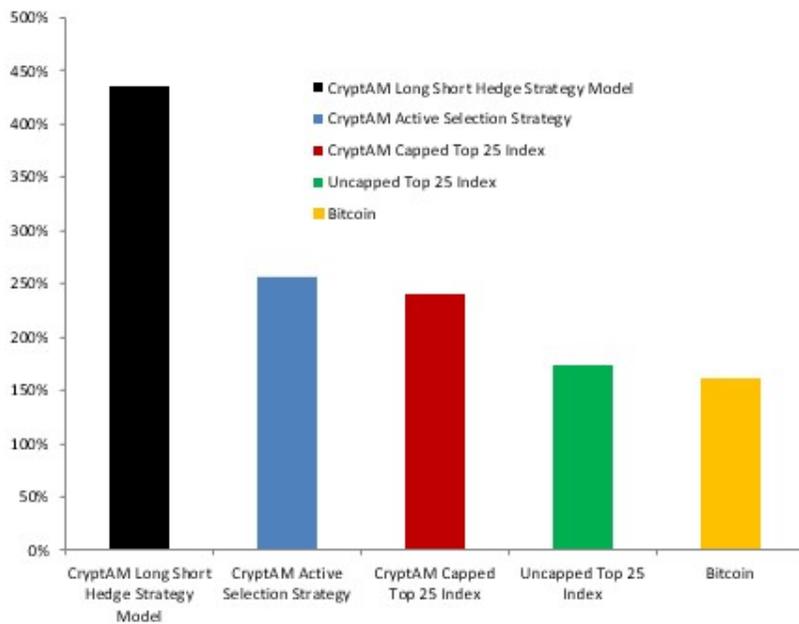
There have been some interesting points of remark this month: a general bloat in the market dominance of Bitcoin, moving from 51% up to over 54%. Whilst this may be a slight change, it hints towards a general lack of comfort in the market; signaling a move to liquidity and away from more sensitive pairs. This upward movement may have been spurred by perhaps the only interesting market event of the month, a collapse in the value of USDT. The stable coin market reached down to 94 cents on the dollar in mid October however on some exchanges, like Kraken, the USD/USDT pair was trading as far down at 91 Cents.



Source: Coinmarketcap.com, 31 October 2018

## CryptAM Active Selection Performance Update

### Cumulative Performance



Source: CryptAM, October 2018

Our models are inherently positioned to exploit upward or downward momentum in the crypto markets, diminishing market volatility and volume inherently reduces the

effectiveness of our model. We take the view point that the market will return to higher volume/higher volatility in the future as it has done in the past.

CryptAM has maintained a strong record of performance since establishment in 2017, we show a combination of our track record and model performance, whilst the market has significantly drawn down from the year to date; there remains some strongly positive news over the medium term.

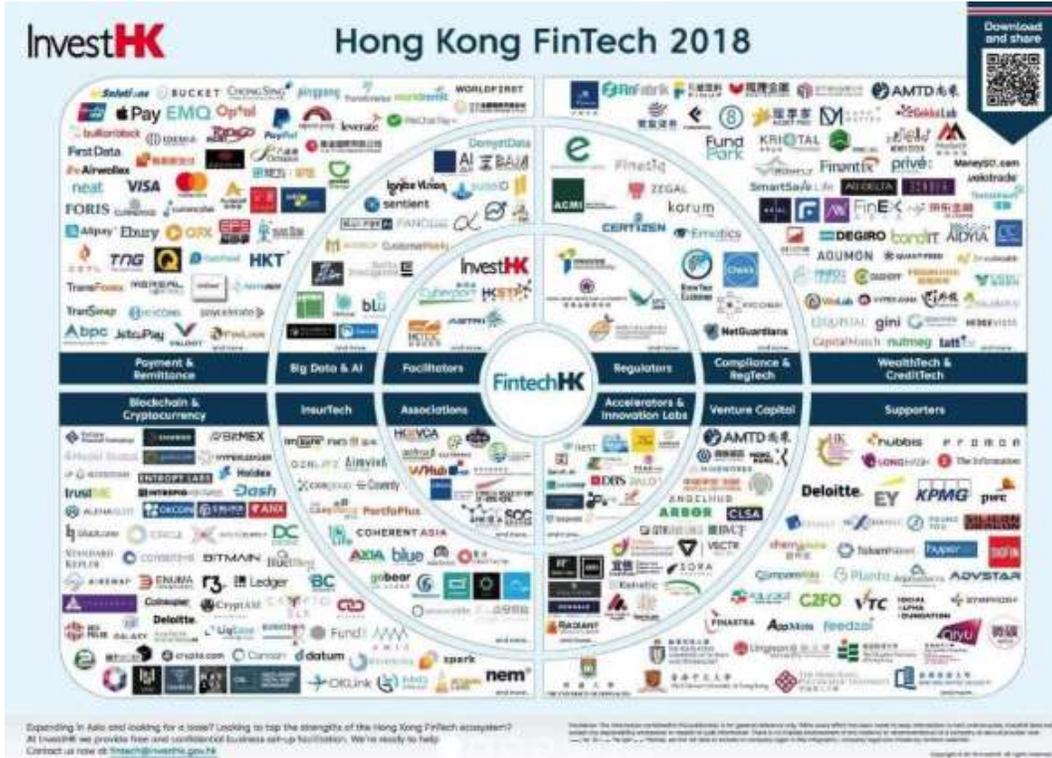
It is worth considering that across other asset classes, the year cycle has been equally challenging, in fact, digital assets remain on par with their value at this similar point last year. As with any investment, market timing can be an influence on short-run returns, we continue to argue that investors should take the longer-term perspective when allocating to any new and diversifying asset class.

### Global Regulatory Update

As expected, keeping in line with other global regulatory frameworks, such as Japan's FSA, Korea's FSS, the US's SEC, the Hong Kong SFC has finally taken a relative stance to help regulate their local growing crypto and blockchain industry. We view these announcements positively. An established framework will allow the industry to grow in a fit and proper manner. Further, this again vindicates and showcases CryptAM's view and decisions to be a professional crypto asset manager for the longer term.

### Recent Events

CryptAM was proud to be a part of the HK Fintech Week. The FinnovAsia event was an amazing show case of what this ecosystem has to offer. Lots of new and welcomed announcements to guide the regulatory space around digital assets. One of our corporate entities (CryptAM Services) are blessed to be well supported by Cyberport and HK as it aims to re-establish itself as a global tech & financial center.



Source: InvestHK, Hong Kong FinTech Week, November 2018.

CryptAM remains excited to engage with the FinTech and Digital Asset Community, whilst working together with governmental institutions to help secure coherent and sensible regulatory norms to foster and encourage the development of a sustainable digital asset industry, globally.



[Find Out More](#)

## Disclaimer

The following information relates to this newsletter provided to you by CryptAM Limited ("CryptAM"). Please read and acknowledge the information provided in this Disclaimer. This newsletter is for information purposes only and may not be considered as an offer of any kind by CryptAM. Consequently, this newsletter and the information shall only be treated as general guidance and cannot be relied upon. This newsletter is not an offer to buy any interest in CryptAM and/or to participate in any particular trading strategy. Citizens and residents of some countries are legally disallowed from using CryptAM's services and products and it is upon you to check if you are legally allowed to use CryptAM's services and products and engage in any kind of relationship with CryptAM. All content, information, trademarks, services marks, trade names, logos, charts and icons are the property of CryptAM or its affiliates or agents and are protected by copyright laws and international treaties and provisions. The information provided to you in this newsletter is not to be construed as investment advice or any kind of advice on legal, tax, financial or other issues, nor does it constitute an offer and/or recommendations for the purchase or sale of investment funds. The information herein is subject to change at any time. The accuracy, reliability or completeness of the information in this newsletter is neither explicitly nor implicitly warranted nor guaranteed. Past performance is not a guide to what may happen in the future. CryptAM is not licensed, registered, authorized and regulated by any Monetary Authority of any jurisdiction and/or any government body of any jurisdiction in the conduct of financial services activities, investment business and fund services business. CryptAM is not subject to the same regulatory requirements as SEC-registered exchange traded funds, private funds and/or mutual funds, including the requirement to provide certain periodic and standardized pricing and valuation information to investors. This newsletter does not constitute a prospectus within any regulatory or legal meaning or any other meaning.

