

A decorative graphic consisting of a grid of squares. The grid is 5 squares wide and 8 squares high. The top two rows are entirely grey. The third row has the first square grey and the second square grey. The fourth row has the first square grey, the second square red, and the third square blue. The fifth row has the first square grey, the second square yellow, the third square orange, and the fourth, fifth, and sixth squares grey. The sixth row has the first square grey, the second square grey, and the third, fourth, and fifth squares grey. The seventh row has the first square grey, the second square grey, the third square grey, the fourth square grey, and the fifth square grey. The eighth row has the first square grey, the second square grey, and the third, fourth, and fifth squares grey. The text 'SIFT Monthly Report' is positioned to the right of the grid, between the third and fourth rows.

SIFT Monthly Report



SMART INVESTMENT FUND
Smart **Blockchain** Trading and Managed Investment Portfolio

Website: SmartIFT.com
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December 2019

Monthly Summary

They key financials for this month are (in USD unless otherwise stated):

Total Profit		15,787.53		
Fees		1,918.18		
Dividend		5,434.86	0.007523 per sift	
Tax		2,999.63		
	At start month	Start new month		
Fund value	1,596,442.84	1,601,877.70	+5,434.86	+0.34%
Drawdown Forex	160,037.32	146,312.31	-13,725.01	-8.58%
DD Crypto pos	319,594.07	317,037.99	-2,556.08	-0.80%
AUM	1,116,811.45	1,125,204.24	+21,715.94	+1.94%
Per sift	1.5460	1.5760	+0.0301	+1.94%

Profit breakdown		vs fund value	vs aum	Vs allocation	Vs equity
Crypto	0.00	0.00	0.00%	0.00%	0.00%
Forex	15,787.53	0.99%	1.41%	3.60%	5.66%
Total	15,787.53	0.99%	1.41%		

This puts the fund in the following position (in USD unless otherwise stated):

Profit (Total)	351,186.66
ROI¹ (Total)	24.44%*
Dividend per sift	0.2273

Report includes:

- Market and trading update.
- Development update.
- Banking update.
- Communication changes and refinements.
- Reporting statement, refinements, and expansion.
- Business update.
- Profits exceeded target again despite less trading and a slowing down of market activity as the year closed.

¹ Assumes investment during ICO and excludes the 15% fee taken post-ICO for operating costs

- Bot trading has been disabled but some trades were left running erroneously by the system. They are being managed manually.

Details

Welcome to our December Business Report.

We have had some significant changes since the last report. Markets were a bit more controlled after *some* finalisation around Brexit. Asia has also calmed down. There are some new issues coming possibly with the crisis in the Middle East, we'll see how that plays out in early January. We were able to trade a bit more in December as most issues with our main systems are corrected and did not require the same level of testing as was needed in prior months. This is reflected in the trading results and it is important to note these results occurred despite year end slowdown of market activity and also because there was no trading the latter part of the month at all. I will continue to take smaller trades on Crypto and ramp up the forex trading as funding is increased in January.

The developer is away for the first week or so of the new year. We have made a tremendous amount of progress in a very short time and we fully expect to finish several items needed on the development side in similar fashion going forward.

One of the main banking issues appears to be fixed. This was hinted in the channel, however there was possibly a slight issue that needed clarification. Therefore, there was no confirmation one way or the other in the channel yet and we apologize for that. We are confident, issue withstanding; that funds can now be moved safely. This will begin in January. We will update on the remaining issue if needed in the broadcast channel.

Since there is not much discussion going on in the discussion channel it is a bit unnecessary and cost us a bit to run, we discussed it and like the original channel it will be closed for posting for most of the month and open a few days after each monthly report for questions and discussion. There isn't really any value to investors to keep it open as we already have a broadcast channel and are available directly. You can contact us directly via website support, or Telegram if you have any questions that are not already mentioned in our broadcast channel or reports.

Monthly reporting has always been based on the full value of the fund of course, but due to position building and automation failures early on, the full fund value has never been fully utilized. The reporting has been expanded to better reflect our actual results. We now report profits (and losses) vs. the actual amounts available for trading in addition to the full value. We exceeded our targets again this month. The new reporting makes it much easier for everyone to see how we are *actually* doing in regard to performance targets. One additional note regarding position building that comes up quite a bit in direct messages I wanted to reiterate again in this month's report. We closed out the complete position we were holding in BTC a while back. I wanted to revisit this trade as it illustrates how we can "trade out" of the position building disaster at a profit. As you likely know, Guy purchased some BTC for the position building around 18k and even though BTC never again hit 18k, we were able to close these positions at a profit using combinations of smaller trades back and forth as well as scaling in at lower levels. The longer term/position building trades do *not* need to go back to the original level purchased in order to profit. That is a question I get quite a bit where people are concerned and confused about how we'll get out of those positions. I felt using BTC as an example since we've done that shows how this is possible.

Since we are shuttering the channel, we are transitioning our channel moderator Jelle into more of an advisory and administration role where he will continue to provide the company with his expertise, and guidance / advice, on a wide range of topics.

Now that a fair amount of development and banking issues are resolved, we will move focus on resolving our tax burden and the RAIF situation. We will look at a number of options to reduce our tax burden for both the company and its clients and also to recover funds lost by the original founder when setting up the RAIF initially. Full accounting will be done the first quarter of the new year and once completed will be reported in the broadcast channel.

Looking forward we expect to continue to grow the value for our clients both near term, and longer term. At this time, we do not anticipate the need for additional employees and are interested in instead, reducing expenses by moving towards near full automation of the trading, reporting, and accounting systems.

We have a few new proposals regarding how the fund is managed that we feel will better serve our clients in the near term as we shift focus from

correcting, to building, and growing. A simple benefit we would like to propose is to increase dividends with the held capital, for a time. Currently the profit, after taxes and fees, is split 50%/50% in dividend and fund growth. We propose a 75% / 25% split for the time being until we hit a set milestone or trigger to switch back. Another proposal is to switch from monthly dividends to quarterly so that we can reach milestones such as the one proposed a bit faster. For this second proposal, there is a risk that any rise in ETH would not be participated in for those that prefer to hold monthly dividends in eth. That is something to consider. We could opt back to the original structure at any time or after an agreed milestone such as a date, or capital level.

As reported previously, automated trading on crypto and forex is completely disabled but older trades are still open. These will retain the auto trader status when closed.

Profit Breakdown Goes Here

* The total profit and profit percentages, dividends, etc for this month include the new reporting values in addition to the full values. The 5.66% listed in the table above comes from the profit vs the actual amount available to trade. Total profit this month \$15,787.53 (Reinvested 5,434.86, fees 1,918.18, tax 2,999.63, and 5,434.86div)