

A decorative graphic on the left side of the page consisting of a grid of squares. The top two rows have two gray squares each. The third row has one gray square. The fourth row has one gray square, one red square, and one blue square. The fifth row has one yellow square, one orange square, and three gray squares.

SIFT Monthly Report



SMART INVESTMENT FUND

Smart **Blockchain** Trading and Managed Investment Portfolio

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December 2017

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Monthly Summary

Trading in the November 2017 period saw a **profit of \$87,297.77 after tax**. As no fees are currently due this gives a distributable profit of \$43,648.89 and a **dividend-per-SIFT of 6.038 cents**. Those that hold SIFT in their own wallet (and not in EtherDelta) as of January 2nd at 10:00 GMT will be eligible for dividend payments. The conversion rate will be based upon the value of ETHUSD at this time. Dividends will be paid over a 24-hour period and should all be paid by 10:00 GMT the following day.

The is a gain of 5.96% and was above our expectations for the month.

A YouTube **live stream** will take place at **20:00 GMT on Monday 15th January** to discuss this report. Questions submitted to ico@smartift.com before the stream if you wish them to be answered. The link to the live stream will be made available shortly before it starts via the SIFT website and Telegram chat room.

The period can be summarised as follows:

- A profit of \$82,413.06 was realised from cryptocurrency trading with an average profit of 10.9%
- A profit of 4,884.71 from November and December forex trading was added to the month's profit after the vote to include it
- The market was very strong in December and the launch of Bitcoin futures markets seemed to stabilize the market rather than cause significant price corrections
- SIFT-holders voted to extend SIFT's trading in the following ways:
 - Forex
 - Automated trade entries
 - Arbitrage
 - Position building
 - Market making
- Forex will and position building will start immediately in January whilst automated entry, arbitrage and market making will start to be added over the coming weeks
- Only a small amount of technical development occurred in December whilst James was recovering from his operation and Guy was assisting him in trading

- James was unable to trade full-time in December due to ill health so worked with Guy to keep trades going during this period
- Profits were above expectations for the month, despite the Christmas shutdown, due to a very strong market and being able to enter more trades than planned with James' health
- James is now almost fully recovered from his operation and trading hours and reporting should return to normal in January
- Grail alpha applications have been received and we will be contacting testers in January
- The RAIF is now fully incorporated as "Smart Investment Fund S.A, SICAV-RAIF" and has the registration number B219736
- Once banking facilities are established SIFT will be able to start moving trading operations to the RAIF

Statement on Trading Hours

SIFT closed for trading at the end of Friday December 22nd and remained closed during the festive period. There have been a couple of questions about SIFT's closure over this period and so we wanted to clarify our position on working hours.

As all SIFT-holders are aware the operation of SIFT is currently done by Guy and James. During the course of the year both are expected to not work during the following times:

1. On public holidays (those in the USA for James and those in the UK for Guy)
2. For four weeks each per year of holiday to be taken at any time during the year including
3. For a week-long break during the Christmas period from lunchtime on Christmas eve until January 2nd

Normal public and private holidays will have some impact on SIFT's ability to trade at times but with both Guy and James able to cover some aspects of each other's roles the fund would not see total closure. The Christmas period, however, will see a complete shutdown of the fund. This will continue even as we add staff in the future.

January Trading

January will see forex trading commencing in full as well as some arbitrage and position-building trades happening. The expectation is that January will see around the 4% profit target for the month after tax.