SQR
SNOWBALL QUANTITATIVE RESEARCH

SQR Snowball Portfolio

SQR Team

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- 5+ years in Crypto Finance

Systematically Harvest Risk Premium in Options Market

A multi-strategy portfolio designed to deliver optimal risk-adjusted returns by leveraging a diverse array of trading strategies. _Returns BTC or Stable Token_

SQR Snowball Portfolio

[Investment Objective]

The Snowball Portfolio seeks focuses primarily on cryptocurrency options trading (e.g. Bitcoin options, Ethereum options) through systematic investment process to provide retail and institutional investors with a net return on 30% to 60% per annum. The Portfolio seeks to capture the risk premia and inefficiencies across crypto markets by buying and selling (i.e. writing) call and put options to investors and market makers.
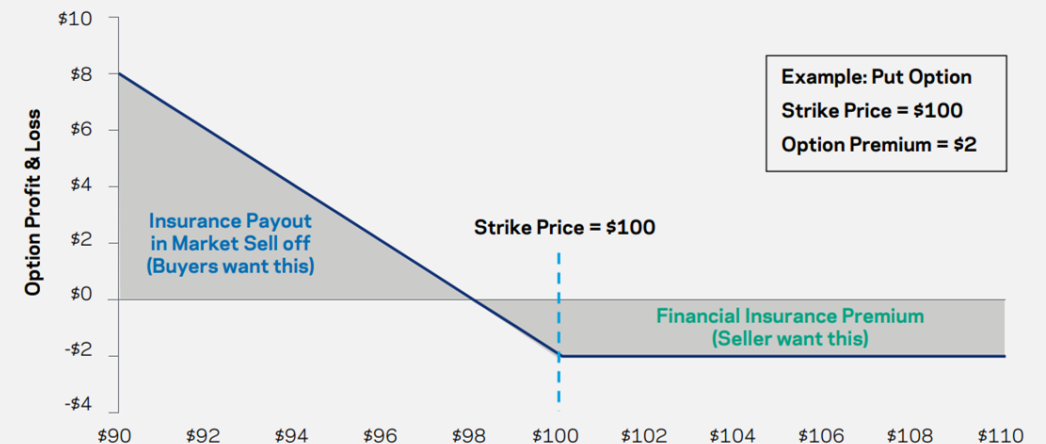
[Execution Details]

- **Trading Instruments**: Engages in both futures and options trading to maximize profitability.

- **Proprietary Signals**: Employs unique, proprietary signals to accurately gauge market conditions and enhance strategy effectiveness.

Premium Harvesting Strategy Example

- There is a demand for protective puts to shield portfolios against downturns.

- There is payment of a Volatility Risk Premium (VRP) to option sellers.

- Options are being sold systematically to monetize the premiums.

Option Contracts Provide Access to the VRP
Put Option Payoff: Right to Sell Security

Example: Put Option
Strike Price = $100
Option Premium = $2

Insurance Payout in Market Sell off (Buyers want this)

Strike Price = $100

Financial Insurance Premium (Seller want this)

SQR Snowball Portfolio (Returns in BTC #)

Monthly Performance Comparison

Disclaimer: Past performance is not an indicator of future performance. Please refer to the disclaimer statement page.

Back Tested Monthly Return												
YR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
'23	18.96%	0.85%	4.22%	3.03%	0.62%	3.61%	1.59%	0.83%	0.27%	6.12%	4.35%	7.05%	51.49%

Live Trading Monthly Return												
YR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
'24	-1.74%	9.01%	-0.89%	5.95%	0.29%	5.75%							14.63%

Strategy Statistics	
Monthly Return	3.88%
Annualized Return	46.62%
Sharpe Ratio	2.98
Max Drawdown	6.29%
Monthly Turnover	74.6x

Strategy Details

• **Risk Premium Harvesting**: Exploits existing market risk premiums to generate consistent returns.

• **Mean Reversion**: Aims to profit in markets with no clear directional trends through reversion strategies.

• **Trend Following**: Capitalizes on established market trends to achieve gains.

• **Seasonality**: Utilizes recurring market patterns to enhance performance.

SQR Snowball Portfolio (Returns in BTC #)

Daily Cumulative Returns

All Season Strategy

► Steady returns, resulting linear growth

Option Market Exposure

► Diversifying your portfolio

Quant Strategy

► Profiting from data-driver patterns

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SQR Snowball Portfolio (Returns in ETH #)

Monthly Performance Comparison

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Back Tested Monthly Return												
YR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
'23	12.78%	3.05%	-2.80%	3.65%	1.04%	-2.15%	-0.48%	2.01%	-0.65%	-0.82%	3.16%	-3.11%	15.69%

Live Trading Monthly Return												
YR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
'24	4.33%	8.14%	-2.10%	1.64%	3.32%	4.25%							18.15%

Strategy Statistics	
Monthly Return	1.96%
Annualized Return	23.54%
Sharpe Ratio	3.40
Max Drawdown	9.19%
Monthly Turnover	66.1x

Strategy Detals

• **Risk Premium Harvesting**: Exploits existing market risk premiums to generate consistent returns.

• **Mean Reversion**: Aims to profit in markets with no clear directional trends through reversion strategies.

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SQR Snowball Portfolio (Returns in ETH #)

Daily Cumulative Returns

All Season Strategy
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► Diversifying your portfolio

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SQR Snowball Portfolio (Returns in USDC/USDT #)

Monthly Performance Comparison

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Back Tested Monthly Return

YR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
'23	19.23%	1.38%	3.75%	3.08%	0.75%	4.38%	1.97%	1.40%	0.43%	7.03%	5.04%	8.56%	57.00%

Live Trading Monthly Return

YR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
'24	-1.04%	10.25%	1.18%	5.74%	3.53%	6.81%							21.97%

Strategy Statistics

Strategy Statistics	
Monthly Return	4.64%
Annualized Return	55.70%
Sharpe Ratio	2.88
Max Drawdown	4.69%
Monthly Turnover	74.6x

Strategy Detals

•**Risk Premium Harvesting**: Exploits existing market risk premiums to generate consistent returns.

•**Mean Reversion**: Aims to profit in markets with no clear directional trends through reversion strategies.

•**Trend Following**: Capitalizes on established market trends to achieve gains.

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SQR Snowball Portfolio (Returns in USDC/USDT #)

Daily Cumulative Returns
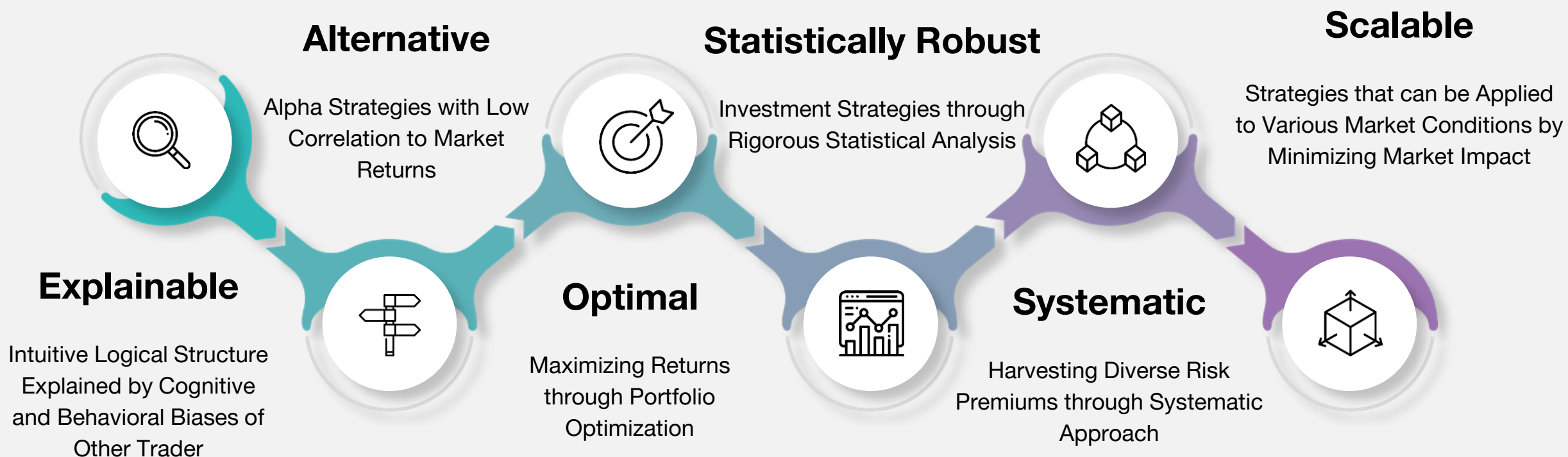
All Season Strategy

► Steady returns, resulting linear growth

Option Market Exposure

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Quant Strategy

► Profiting from data-driver patterns

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Core Values of SQR's in-house trading system

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Alternative

Alpha Strategies with Low Correlation to Market Returns

Statistically Robust

Investment Strategies through Rigorous Statistical Analysis

Scalable

Strategies that can be Applied to Various Market Conditions by Minimizing Market Impact

Explainable

Intuitive Logical Structure Explained by Cognitive and Behavioral Biases of Other Trader

Optimal

Maximizing Returns through Portfolio Optimization

Systematic

Harvesting Diverse Risk Premiums through Systematic Approach

Thorough Preparation for Various Risk Scenarios

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Operational risk (system/human error)
► Pre-trade risk checks
► Risk monitoring dashboard

Market risk
► Delta hedge for market neutrality

Security risk
► Multiple security procedure, IP whitelisting, Key permission, ISO Acquisition

Liquidity risk
► Stress tests

Regulatory risk
► Acquired license and registered Fund (Cayman)

Data mining/modeling risk
► Scientific validation process

Investment Terms

Minimum Investment | $200,000 USD
5 Bitcoin

Fee Structure | 0% Management Fee
30% Performance Fee

High Water Mark | Established Quarterly

Lock-up Period | None

Thank you.

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