Apophis DeFi

A NON-CUSTODIAL DEFI FUND

by BUILD Finance

LIVE NOW

Apophis is the Ancient Egyptian deity of primordial chaos, represented in art as a giant serpent.

DeFi is formless, unpredictable, and always in motion.

DeFi capital follows the flow of liquidity, with no borders, no constraints, and no rest.

Launch Partners

BUILD Finance

administered & managed
by **BUILD DAO**
community members

www.build.finance

x

enzyme

powered by **Enzyme**'s
asset management
platform

www.enzyme.finance

x

UNSLASHED

premium access to
Unslashed insurance &
smart contract cover

www.unslashed.finance
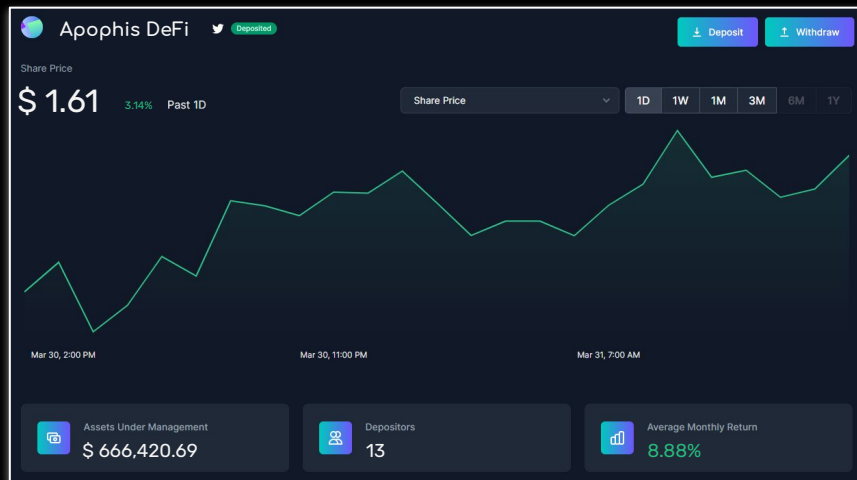
Why 'Apophis DeFi' Runs on Enzyme

SIMPLE INTERFACE

100% ON-CHAIN

24 / 7 NAV
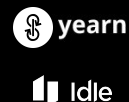
TRANSFERABLE SHARES

NON CUSTODIAL

NO LOCK-UPS

Apophis DeFi Deposited

Deposit Withdraw

Share Price

$ 1.61   3.14% Past 1D

Share Price   1D 1W 1M 3M 6M 1Y

Mar 30, 2:00 PM   Mar 30, 11:00 PM   Mar 31, 7:00 AM

Assets Under Management
$ 666,420.69

Depositors
13

Average Monthly Return
8.88%

ONE-STOP ACCESS TO ALL OF DEFI

UNISWAP   Balancer   Curve   SYNTHETIX   kyber network   yearn   ALPHA HOMORA   LIDO

paraswap   AAVE   Compound   0x   RARI CAPITAL   Idle   StakeHound

Portfolio Management & Control

Investment Strategy
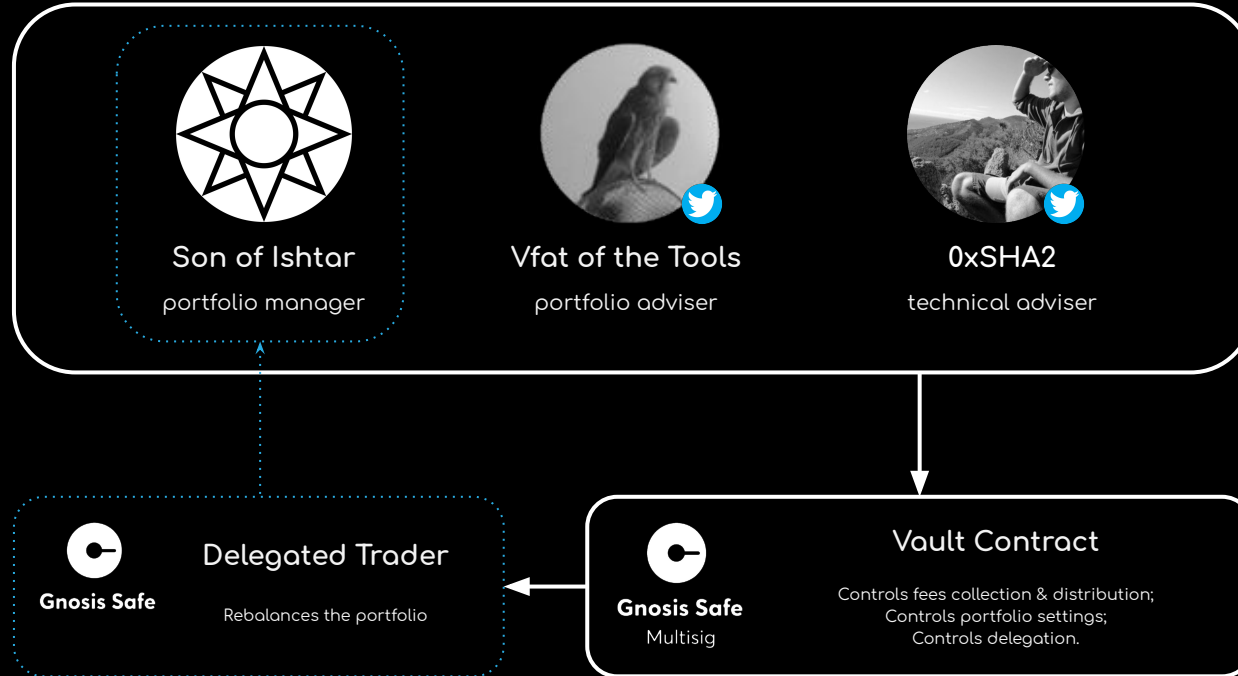
THESIS

- **Every era** has a story to tell. This era is about decentralisation of money and the rise of the Financial Internet. DeFi is the real Great Reset, where value is programmable and labour is self-organised (DAOs).
- **Ethereum** is the OS for the Financial Internet. Bitcoin is digital gold, ETH is money. Both ETH and BTC are pristine collateral and reserve assets for DeFi.

REWARD

- **Apophis DeFi** provides exposure to the DeFi ecosystem by utilising a mix of capital appreciating & yield generating strategies. It is a bet on the DeFi protocols shaping the world of tomorrow.
- **Apophis DeFi** is an actively managed portfolio. It is heavily reliant on fundamental & sentiment analysis; TA is supplementary. Decisions are made at the portfolio manager's discretion.
- **Risk/Reward** is asymmetric and highly skewed to the upside.

RISK

- DeFi has **idiosyncratic systemic risks** and **unique market dynamics**. It trades round the clock, new projects & updates are released daily. DeFi is in permanent state of conflict: there are protocol and liquidity wars, hostile takeovers, forks, vampire attacks, hacks & exploits... It is important to delegate portfolio management to those who live and breathe DeFi 24/7.
- WARNING! DEFI IS EXPERIMENTAL - YOU MIGHT LOSE YOUR FUNDS.

Investment Strategy 2/2

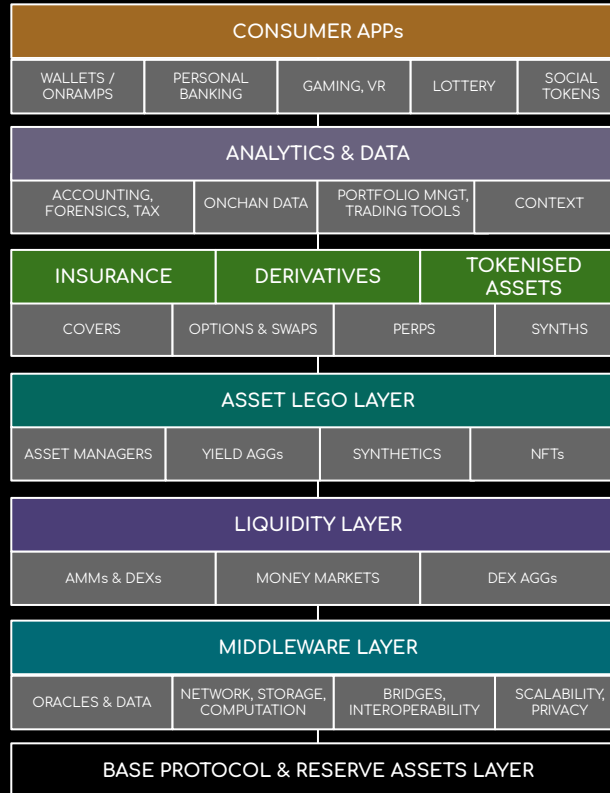Broadly, the ecosystem can be split into two categories:

1.Financial Protocols: money markets, derivatives & insurance platforms, AMMs, DEXs & DEX aggregators, funds management infrastructure, yield aggregators, etc.

2.Middleware: oracles, data indexing, interoperability bridges & wrappers, scalability, privacy & security, data analytics, etc.

You want to invest in both.

CONSUMER APPs				
WALLETS / ONRAMPS	PERSONAL BANKING	GAMING, VR	LOTTERY	SOCIAL TOKENS

ANALYTICS & DATA			
ACCOUNTING, FORENSICS, TAX	ONCHAN DATA	PORTFOLIO MNGT, TRADING TOOLS	CONTEXT

INSURANCE	DERIVATIVES	TOKENISED ASSETS	
COVERS	OPTIONS & SWAPS	PERPS	SYNTHS

ASSET LEGO LAYER			
ASSET MANAGERS	YIELD AGGs	SYNTHETICS	NFTs

LIQUIDITY LAYER		
AMMs & DEXs	MONEY MARKETS	DEX AGGs

MIDDLEWARE LAYER			
ORACLES & DATA	NETWORK, STORAGE, COMPUTATION	BRIDGES, INTEROPERABILITY	SCALABILITY, PRIVACY

BASE PROTOCOL & RESERVE ASSETS LAYER

Value enters the DeFi multi-layered self-reinforcing perpetual yield-generating machine.

Value flows freely & unrestrained within the DeFi ecosystem. Capital in DeFi can take any form - this is the land of **opportunistic liquidity & superfluid collateral.**

Application layer is thin and acts as an entry point.

The more complex **protocols sink** to the bottom of the tech stack, pulling capital deeper into the ecosystem, thus capturing every bit of the transacted value.

These lego pieces of DeFi are continuously putting capital to work & thus maximising capital efficiency.

Portfolio Construction

7 PILLARS of APOPHIS DEFI

INVESTING STYLE
Discretionary. Actively managed. High risk tolerance.

PORTFOLIO SIZING
To hold between 15-18 positions.
10% in cash & 10% in reserve assets.

DIVERSIFICATION
will focus on representing different DeFi sectors. No more than 25% per sector.

DENOMINATION
& benchmark: DAI (USD).
Cash positions will exclude USDT, sUSD and BUSD.

HEDGING
Shorting when correction is expected. Use of leverage & derivatives when available.

YIELD FARMING
Yield bearing assets preferred. Yield is continuously compounded & reinvested. No dividends.

REBALANCING
Weekly rotation with ad hoc maintenance (black swans, new releases).

CONCENTRATION LIMITS

- **No cap**: cash & reserve assets.
- Capped: volatile assets will be limited to 30% of the portfolio.

ROTATION

- **Run the winners longer, cut the losses early. Sell on the way down, buy on the way up.**
- **Cutting losses** - if no change in fundamentals and global markets, losers will be added to. Otherwise, losses will be cut at ~45% drawback.
- **Taking profits** - winners will be run and added to until concentration cap is reached.
- **Selldown** of positions will be into cash and/or reserve assets, or a direct swap into other positions.
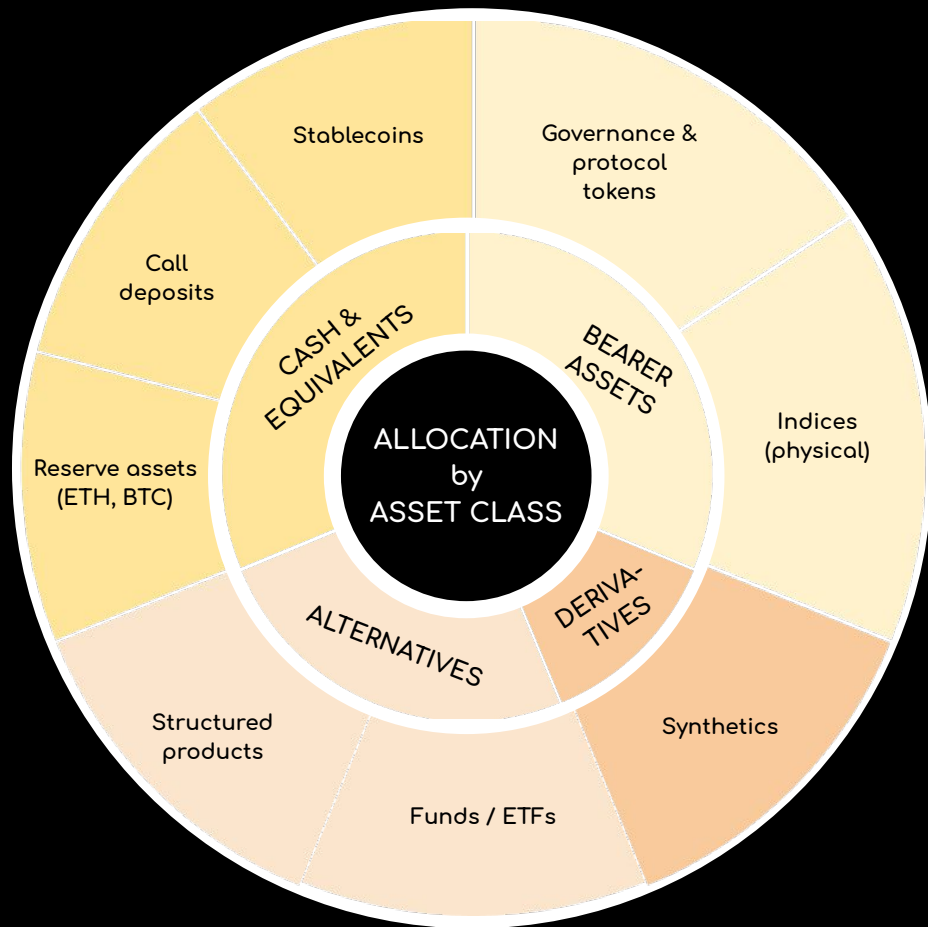- Decision-supporting tools employed:

nansen   CryptoQuant
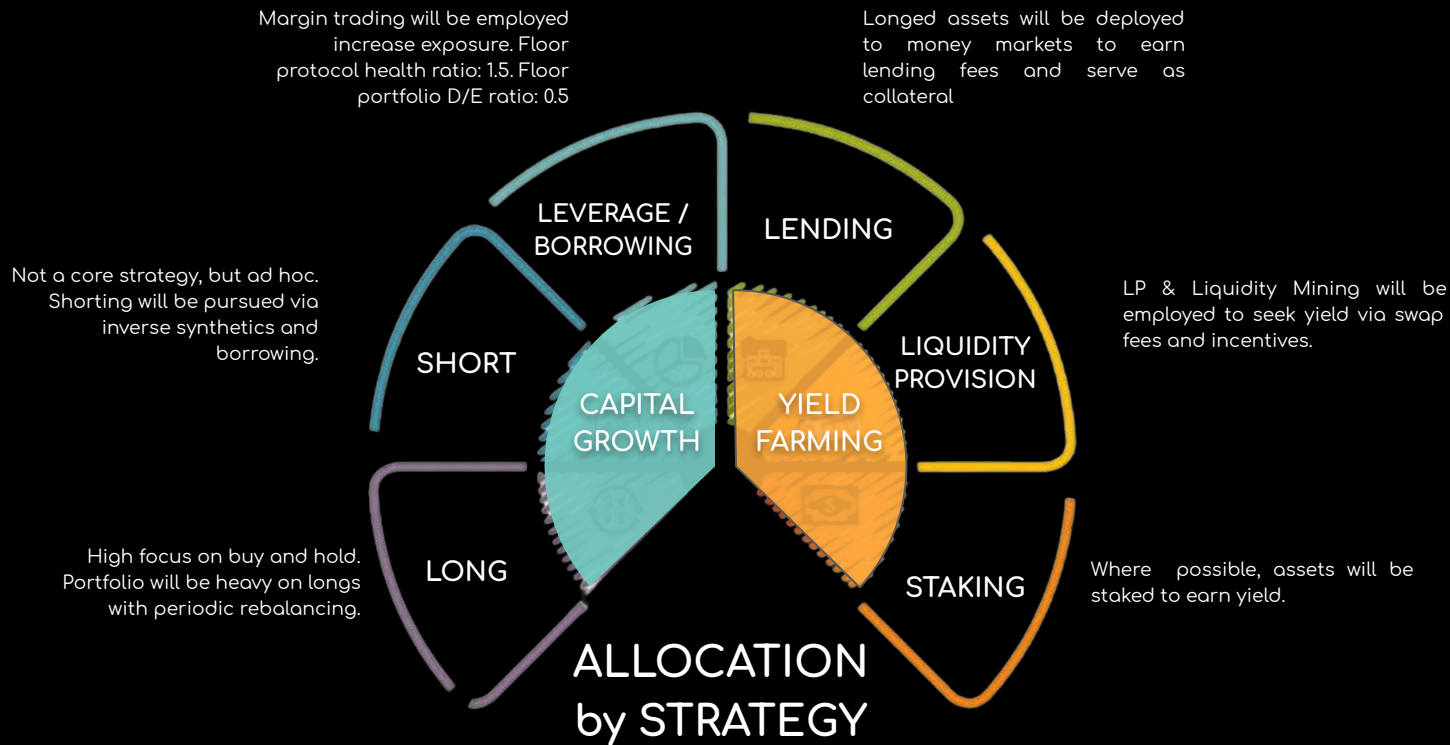
Token Terminal_   NYCTALE

Additionally, the portfolio may seek allocation to instruments that are currently unavailable (or available with limited functionality) on Enzyme, but are on the roadmap:

- **Alternatives**: insurance pools;
- **Debt**: ZCBs, tokenised yield, tranched debt;
- **Derivatives**: futures, swaps, & options.

No allocation to NFTs, social tokens, elastic supply algorithmic tokens, and synthetic/tokenised stocks, commodities, or real estate. Exceptions might be made for short-term speculation.

ALLOCATION by ASSET CLASS

CASH & EQUIVALENTS
- Stablecoins
- Call deposits
- Reserve assets (ETH, BTC)

BEARER ASSETS
- Governance & protocol tokens
- Indices (physical)

DERIVATIVES
- Synthetics

ALTERNATIVES
- Structured products
- Funds / ETFs

Margin trading will be employed increase exposure. Floor protocol health ratio: 1.5. Floor portfolio D/E ratio: 0.5

Longed assets will be deployed to money markets to earn lending fees and serve as collateral

Not a core strategy, but ad hoc. Shorting will be pursued via inverse synthetics and borrowing.

LP & Liquidity Mining will be employed to seek yield via swap fees and incentives.

High focus on buy and hold. Portfolio will be heavy on longs with periodic rebalancing.

Where possible, assets will be staked to earn yield.

LEVERAGE / BORROWING

LENDING

SHORT

LIQUIDITY PROVISION

CAPITAL GROWTH

YIELD FARMING

LONG

STAKING

ALLOCATION by STRATEGY

Asset Allocation

THESIS FIT

Projects that build DeFi primitives, middleware & tools that underpin the ecosystem and become critical pieces of DeFi.

DEFI PRINCIPLES

Open-source & composable with other DeFi. Permissionless access by anyone, anywhere, anytime. Non-custodial, no key/control handover. Significant degree of decentralisation.

NETWORK EFFECT

Product/market fit validated by vibrant and growing community of users & active governance participants. S-curve adoption potential. Lindy effect matters.

CORE CONTRIBUTORS

Passionate and incentivised teams that have variety of skills and demonstrated ability to build, execute, & commercialise. Team chemistry matters, identity doesn't.

SELECTION CRITERIA

TOKENOMICS & EARNINGS

Sensible token economy: circ supply, inflation schedule, treasury, incentives, value capture & rev share. Acceptance as DeFi collateral matters. Metrics matter: revenue growth, MCap vs FDV, TVL, P/E, etc.

LA FUTURE

Sensible roadmaps with plans for scalability and continuous innovation.

SECURITY AUDITS

Verified and audited smart contracts (done or in progress). Admin keys & opsec policies are known.
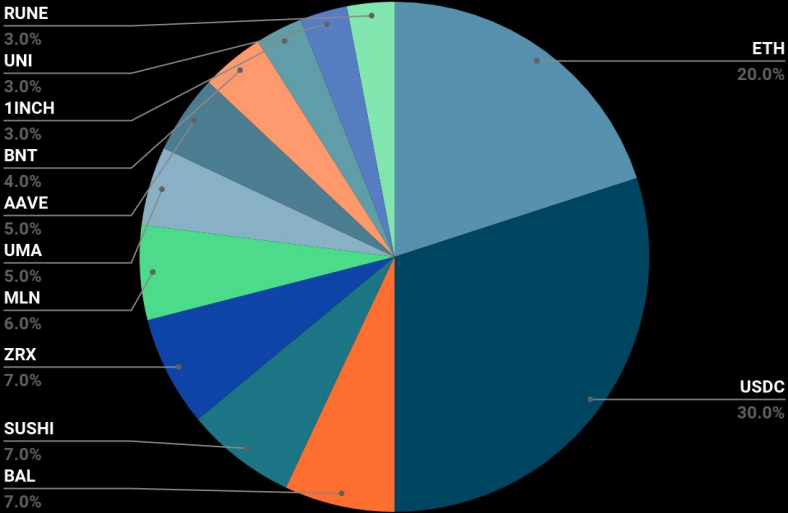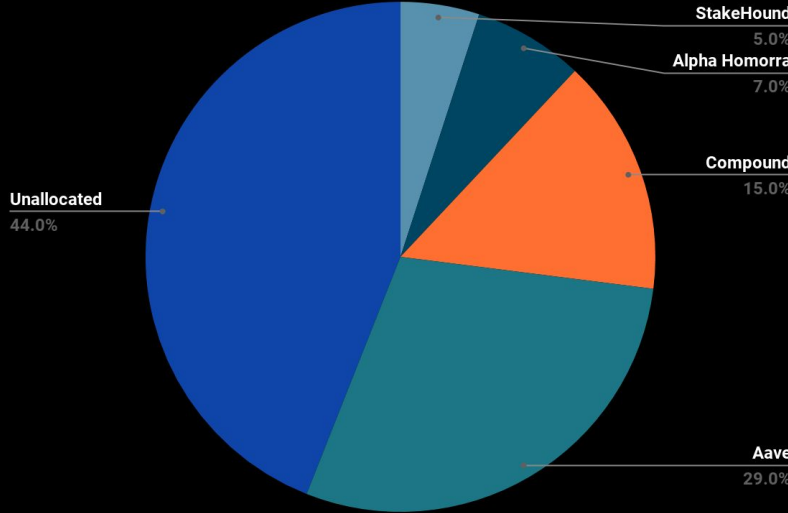
Indicative Allocation At Launch

Exact assets and weights may differ. A short-list of other DeFI assets, which are currently available via Enzyme, include: ALPHA, COMP, KNC, PERP, BADGER, MANA, SNX, LINK, LRC, YFI, ENJ, DPI.
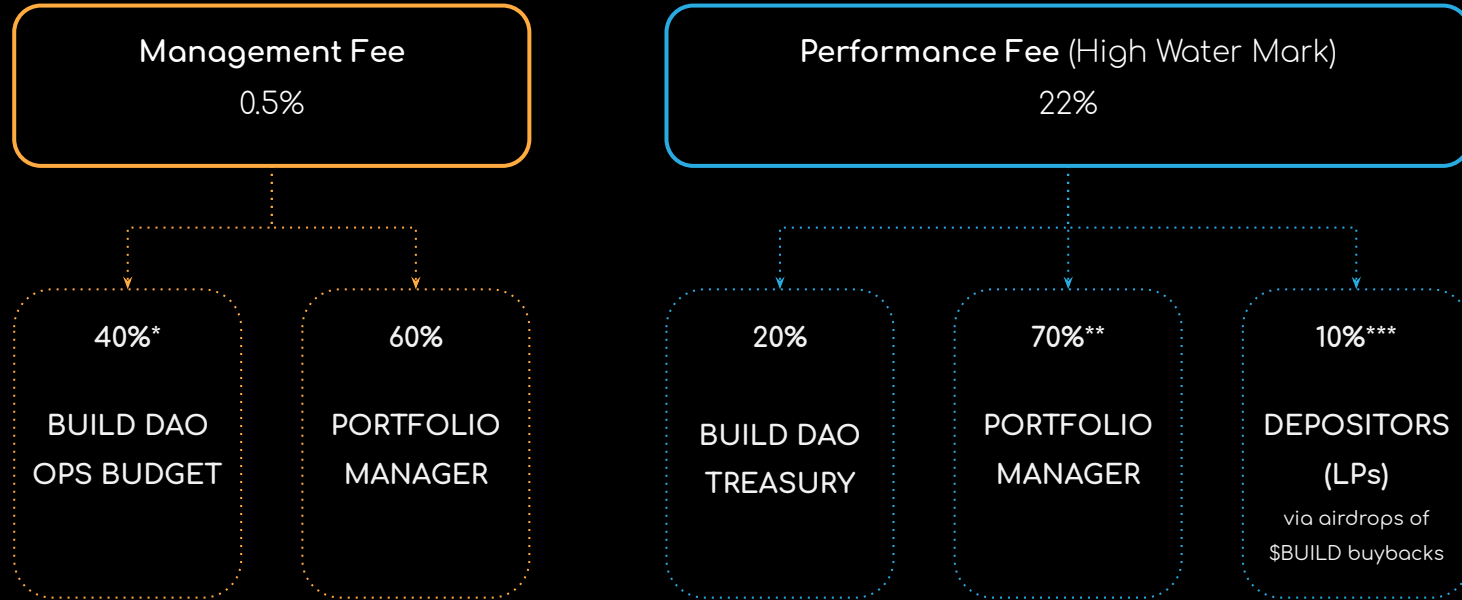
Exact protocol and weights may differ. Enzyme has pending integration with Curve, Yearn, Balancer, and other protocols, which might or might not be available at launch.

Allocation by Underlying

RUNE 3.0%
UNI 3.0%
1INCH 3.0%
BNT 4.0%
AAVE 5.0%
UMA 5.0%
MLN 6.0%
ZRX 7.0%
SUSHI 7.0%
BAL 7.0%
ETH 20.0%
USDC 30.0%

Allocation by Protocol

StakeHound 5.0%
Alpha Homorra 7.0%
Compound 15.0%
Aave 29.0%
Unallocated 44.0%

Launch Details*

	PHASE 1		PHASE 2	PHASE 3	PHASE 4
	DEPOSIT 10 Apr	**LAUNCH** 14 APR			
Start	DEPOSIT 10 Apr	LAUNCH 14 APR	12 May	23 Jun	4 Aug
Duration	1 week	4 weeks	6 weeks	6 weeks	ongoing
Ceiling	$1mil ($500k by seed partners + $500k open to community)		$4mil	$10mil	unlimited
Min Deposit	$20k		$10k	$1k	
Max Deposit	$50k for community; $100k for seed partners		$500k	$1mil	
Note	No rebalancing	Rebalancing commences			

Preliminary. Dates and specs may change.

Contacts

FOR ALL INQUIRIES, PLEASE CONTACT/FOLLOW VIA:

APOPHIS DEFI

BUILD FINANCE