

BERKELEY BLOCKCHAIN XCELERATOR APPLICATION

11 February 2020



ABOUT US

- M3 Capital Management, the company behind Sixtant, was incorporated in May 2018.
- In 2019 we did ~\$100 million USD in traded volume.
- We are currently connected to +50 exchanges and we are actively trading on 10.
- Our annual returns from our prop trading in 2019 were 33.80%, and payed out 15.79% annual returns to our lenders.

THE TEAM

Matthew Downey



Engineering

Matt co-founded and authored the software for a high frequency trading startup (revenue USD 1M in 2017), leaving to work more directly with crypto at a private bank in Liechtenstein doing custody software and business strategy.

Mario Romero



Engineering

Mario was 4th employee at Bitso, the largest cryptocurrency exchange in LATAM, where among other projects he led the development of their APIs.

Josu San Martin



Business & Operations

Josu has previously worked as the Managing Director of Fintech Mexico and as a Director at the Ministry of Finance of Mexico where he worked on the development of the Mexican Fintech Law.

OUR STRATEGIES

ARBITRAGE. We capture risk-free profits via the simultaneous sale and purchase of the same asset at different prices. Our system processes changes to the limit order book and identifies opportunities with latency on the order of 1 millisecond.

MARKET MAKING. Market makers weigh inventory risk against the profit they earn from the mid price spread for each trade, benefit from fee rebates, and in illiquid markets face little competition.

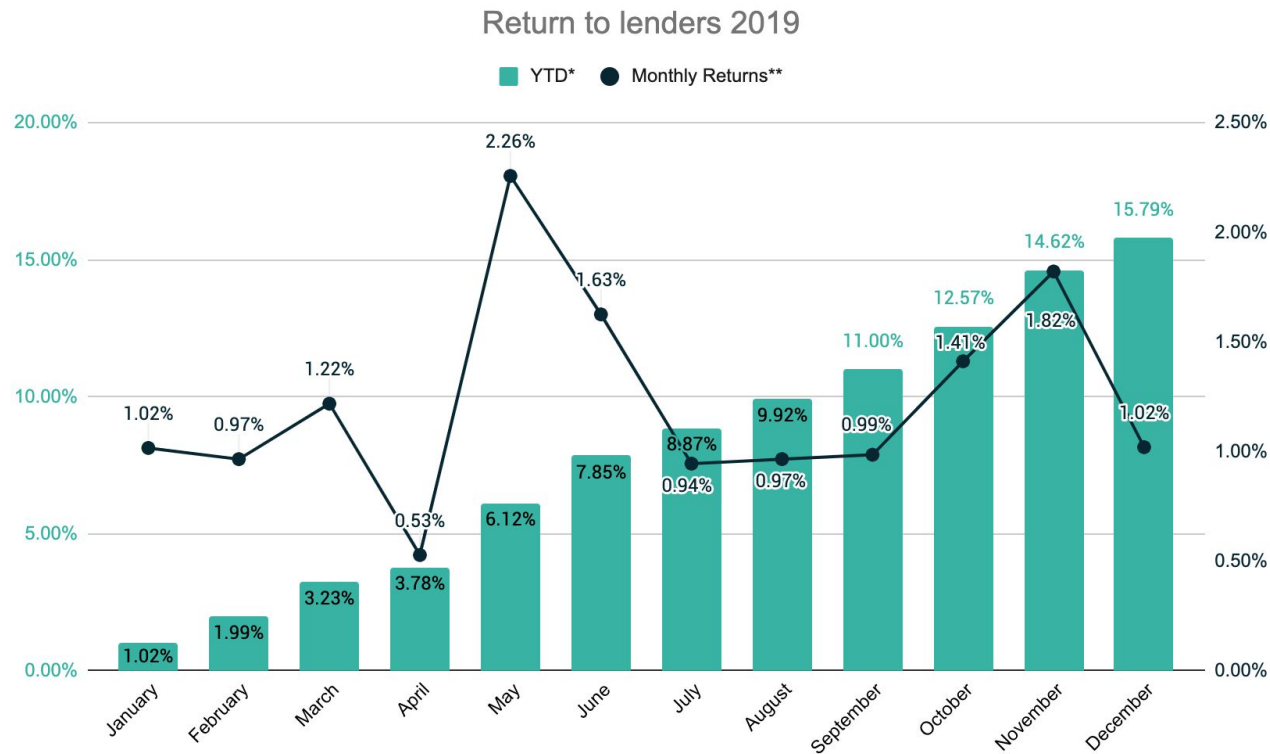
MEAN REVERSION. describes a broad category of near-arbitrage strategies — such as pairs trading, statistical arbitrage, or cash-and-carry futures arbitrage — which rely on the convergence or divergence of asset prices.

CONTRACTUAL MARKET MAKING

As contractual market makers for exchanges and cryptocurrency markets, we earn a fixed monthly fee for the provision of liquidity, using our trading system to add liquidity to the market and hedge our inventory exposure in real-time.

Contractual market making also allows us to pass on the benefit from advantageous fee structures and relationships with exchanges to our proprietary trading strategies.

OUR RETURNS



* Compounded returns

** Subject to taxation depending on the jurisdiction of the lender.

NEXT STEPS

GO DECENTRALIZED. Our current trading volume is mostly focused con CEXs (Centralized Crypto and Derivative exchanges), but we have paid close attention to the developing DEX (Decentralized Exchanges) and while the traded volume is comparatively quite low, we will be positioned to take advantage of the different types of market neutral opportunities as they grow.

NEW JURISDICTIONS. Most of our country specific trading is currently focused on Mexico. We want to start operating in new jurisdictions that according to our data appear promising. Some of the most important ones are: Brazil, Argentina, Korea, Japan, Turkey or Thailand.

BANKING RELATIONS. Part of our competitive advantage in Mexico is that we are integrated with various financial institutions. We want to keep growing these relationships, both in Mexico and abroad, so when the next bull run comes we can easily and efficiently move funds from one jurisdiction to another.