



Liquidity

24/7 tradable on Trakx.io
Third party liquidity providers



Safety

Institutional grade
Secure storage



Diversification

Low correlation to
other asset classes



100% Asset-backed

Fully auditable
Collateralised assets

For professional investors only

Trakx Balanced

as of 03 Sep 2024

About Trakx

Trakx is a global fintech company creating new standards for digital asset investments. Through our trading platform, we offer thematic Crypto Tradable Indices (CTIs) and customised solutions, providing sophisticated investors a high degree of compliance, custody and liquidity. Trakx is registered with the French regulator (AMF).

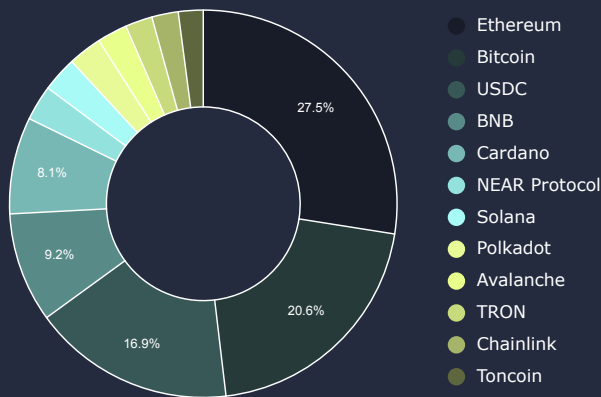
About the CTI

This instrument is designed to replicate a balanced risk profile crypto basket, rebalanced monthly, and composed of the following crypto-asset indices:

- 50% Trakx Top Blockchains, which gives exposure to the 10 largest smart contract platforms.
- 25% Trakx Bitcoin Control 15, a dynamic exposure to Bitcoin and USDC with a volatility control mechanism set to maintain the volatility around 15%.
- 25% Trakx Bitcoin Ether 50/50, giving an exposure to the top 2 crypto-assets. The value proposition resides in the complementary value proposition of store-of-value and blockchain adoption.

As Bitcoin and Ether are in 2 indices, you will find below the computed allocation with the final constituents.

New Asset Allocation as of 03 Sep 2024



Benefits

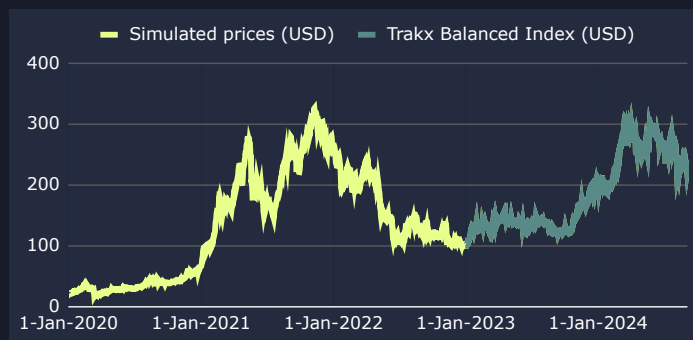
The balanced risk-profile crypto basket assumes more crypto risks than a conservative one.

It targets investors comfortable taking higher risks with the aim of generating higher returns.

The instrument offers a good balance between safer assets represented by the stablecoin (USDC) and the top 2 crypto-assets (Bitcoin and Ethereum), jointly counting for more than 50% of the total exposure, and less than 50% to other crypto assets through the Trakx Top Blockchains CTI, that are further diversified within the largest smart contracts crypto assets.

Historical Performances

Index returns and statistics are for illustration only. Prior to the inception on the 1st Jan 2023, all data were calculated from the historical data of the constituents. Past performance does not guarantee future results. Source: Coingecko



	1 month	Year to date	Since ** 01 Jan 2020
Index Returns (USD)	-14.0%	14.2%	1025%
Annualized Volatility	50%	47%	53%
Index Sharpe Ratio	-3.00	0.45	1.27
Bitcoin Sharpe Ratio	-1.62	1.12	0.89
Max. drawdown	-19%	-30%	-70%
Correlation to S&P 500	0.35	0.13	0.30
Correlation to a 60/40 pfi*	0.45	0.11	0.25

*simulated portfolio of 60% Equities (S&P500) and 40% of bonds (Long Term US Treasury bonds ETF)
**includes simulated performances

Key Facts

CTI (investment instrument)

Sponsor	Trakx SAS
Product Ticker	Ilbalanced
Investment Objective	Capture the evolution of a balanced basket of crypto-assets
Eligible Investors	Professional investors in EEA and Switzerland Not to be offered to US clients or in the US
Currency	USDC
Management Fee	2%
Performance Fee	0%
Inception Date	31 December 2022
Expiry Date	Open-Ended

Underlying Index

Name	Trakx Balanced Index
Nb of constituents	12
Leverage	1
Rebalancing	Monthly
Weighting	50% Trakx Top Blockchains 25% Trakx Bitcoin Ether 50/50 25% Trakx Bitcoin Control 15
Data source	Kaiko, Coingecko
Custodians	Coinbase Custody, Fireblocks



Risk Factors of the Product

Prospective investors should ensure they fully understand the nature of this product and the extent of their exposure to certain risks. They should consider the suitability of this product as an investment based on their own personal circumstances and financial situation, investment experience, and investment objectives. This product could involve a high degree of risk. Potential investors should be prepared, in certain circumstances, to sustain a total loss of their invested capital. Prospective investors should also consider the following important risk factors below and discuss this investment with their trusted advisors to help verify this product is suitable for their portfolio. Note, the terms and conditions of this product are subject to change during the lifetime of the product.

Market Risks

The general market performance of this instrument is dependent on various endogenous and exogenous factors. Market disruptions such as trading or exchange interruptions, the discontinuation of trading, or other unforeseeable occurrences concerning the respective instrument and/or its underlying assets, the exchanges, market participants, and other factors may take place during the life of this product. Such occurrences can influence the timing of redemption and/or on the market value of this product. Past performance is not a reliable indicator of future performance.

No Dividend Payment

Investors should have no expectation of influence over Trakx's shareholders' general meetings as well as no rights to Trakx's earnings nor other interests in the company, such as dividends.

Termination Risk

Trakx may terminate the product if it doesn't meet the requirements of our clients. In any case, Trakx will announce the delisting thirty (30) days prior to the end date. On the last day, all relevant customer positions on 'to-be' delisted CTI will be sold at their NAVs and converted to USDc onto the customers' wallets.

Liquidity Risk

At rebalancing, Trakx only includes constituents that meet minimum liquidity requirements. Trakx is not responsible for the liquidity shortage on the platform, if there is insufficient liquidity on certain constituents, customers may choose to redeem their CTI at a lower price than the NAV. Digital assets may have limited liquidity which may make it difficult or impossible for you to sell or exit a position when you wish to do so. This may occur at any time, including at times of rapid price movements.

Tax Implication

There may be a tax implication on investing in this product. Trakx does not provide any tax opinion. Any investors should consult with their own tax advisor prior to investing in the product. In addition, investors should be aware that taxation, with respect to the underlying(s) and therefore this product, may (adversely) change over the lifetime of this product.

Foreign Exchange Risk

The investor in the product is exposed to foreign exchange rate risk if the currency of the underlying and settlement currency are not identical.
Volatility of Crypto-Assets

The value of crypto-assets may change significantly, even on an intraday basis. As the volatility of crypto-assets may currently be higher than traditional assets, changes and advances in technology, increases/decreases in fraud, theft, cyberattacks, regulatory changes, and other factors, further stress the potential of exaggerated investment gains or losses in this product. In addition, crypto-assets lack the historical track record of other traditional financial assets, thus increasing performance uncertainty.

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Investment in digital currency carries a high degree of risk and volatility and is not suitable for every investor; therefore, you should not risk the capital you cannot afford to lose.

Risks include loss of all capital, liquidity, absence of regulations, execution, counterparty and many more as these are still very experimental technologies. Please consult an independent professional financial or legal advisor to ensure the product meets your objectives before you decide to invest.

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