

Monthly Report (January 2020)

Monthly analytics

In January 2020 AMFEIX fund generated a total return of **7.77%** (after fees), during the same period, the Standard and Poor's 500 index (S&P 500) generated a negative return of 0.27% therefore the difference between both investments is of about 8.04%. For this month Bitcoin had done a significant performance of 29.30% return.

Table 1

AMFEIX PERFORMANCE vs S&P500 and Bitcoin

January 2020	AMFEIX Daily Return	S&P500 Daily Return	Bitcoin Daily Return
1			0.06%
2	0.95%	0.84%	-3.10%
3	0.30%	-0.71%	5.41%
4			0.03%
5	0.07%		0.07%
6	0.13%	0.35%	5.34%
7	0.96%	-0.28%	5.05%
8	-0.09%	0.49%	-1.39%
9	0.20%	0.67%	-2.37%
10	1.49%	-0.29%	4.59%
11			-1.99%
12			2.01%
13		0.70%	-0.98%
14	1.57%	-0.15%	8.41%
15	-0.37%	0.19%	0.37%
16	0.25%	0.84%	-0.99%
17	0.46%	0.39%	1.78%
18			0.18%
19	0.40%		-2.22%
20			-0.64%
21	0.19%	-0.27%	1.11%
22		0.03%	-0.80%
23	0.33%	0.11%	-3.01%
24		-0.90%	0.52%
25	0.12%		-1.11%
26	0.41%		3.21%
27	0.53%	-1.57%	3.37%
28	-0.26%	1.01%	5.41%
29	0.15%	-0.09%	-0.95%
30	0.09%	0.31%	2.24%
31	-0.11%	-1.80%	-1.86%
Total	7.77%	-0.27%	29.30%

^{*}Days where there is not return on S&P500 correspond to days where there is no market activity (i.e weekends or festivities). Nevertheless, AMFEIX operates everyday as the cryptocurrency market is always active.



Table 2

AMFEIX Net Return in Different Currencies

Currency	Net change January 2020
Bitcoin (BTC)	07.77%
USD(\$)	37.07%

^{*}USD net returns are given by the following function: [USD (\$) = Fund net return + BTC net price change]

The fund successfully continued to perform ahead of traditional investments without any major change from previous periods.



The cumulative returns graph represents the overall return (%) in BTC during the month of January 2020, the trend shows exponential increasing returns from the beginning of the month.

Forecast

The forecasted returns for future periods can be found in table 3 below. The statistics performed for the next period, February 2020s, have been made taking into consideration historical data and three possible scenarios with a 95% confidence interval.

Table 3 Expected Values of Returns for AMFEIX

Possible Outcomes	Probability (1)	Returns (2)	Weighted Value [(1) x (2)] (3)
Pessimistic	0.25	4.00%	1.00%
Most likely	0.50	7.77%	3.88%
Optimistic	0.25	9.00%	2.25%

Expected Return 7.13%

The Standard Deviation it is a measure that is used to quantify the amount of variation or dispersion of a set of data value.



Table 4

Calculations of the Standard Deviation of Returns for AMFEIX

Possible Outcomes	Rj	R	Rj-R	(Rj-R)^2	Prj	(Rj-R)^2x Prj
Pessimistic	4.00%	7.13%	-3.13%	9.79%	0.25	2.44%
Most likely	7.77%	7.13%	0.64%	0.41%	0.50	0.20%
Optimistic	9.00%	7.13%	1.87%	3.49%	0.25	0.87%
					Standard	Deviation 3.51%

^{*}Standard Deviation considering three scenarios [Pessimistic, Most likely, Optimistic]. This forecast takes into consideration historical data of the fund, nevertheless past performance does not ensure future performance therefore statistic should not be taken as financial advice.

As seen in the table 4, the standard deviation of the different outcomes is large, this has to do with the operational strategy used by the fund to generate returns. In traditional investments, the standard deviation (std) is usually lower, but given that AMFEIX's returns come from day trading, the represented scenarios report very distant values and cover all possible outcomes.

Market Update

The new year is well underway for cryptocurrency enthusiasts. After the significant Bitcoin pump that took place early in January, where the price of BTC increased close to 20% in the space of a few days, it seems the market has now stabilized.

Let's take a look at how Bitcoin has outperformed this first month of 2020.



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From a macroeconomic perspective, Bitcoin's performance for January 2020 is good news for the crypto industry. After the fall of the cryptocurrency market in 2019, indicating a significant decline from July to October, BTC recovered quickly at the beginning of November (see November report). An uprising trend that is comparable to the performance of January.

Bitcoin is on an upward path since the beginning of the new year, surpassing all of its EMAs (Exponential Moving Averages) in recent weeks, after a major adjustment that raised digital assets from under \$7,000 to over \$8,600 in mid-January. Since the second half of the month, the price of Bitcoin has increased by 17.18%.



A performance that is meant to be positive in addition to the absence of significant volatile movements in the core of this period, that makes BTC's return even brighter.

At the end of the month, the digital asset is still around 30% higher than the start of the year.



Besides, Bitcoin's volume continues to grow. On January 27th, BTC was showing signs of having fully recovered from the drop in November and December 2019 and is now between 30 and 40% higher than last month.

Moreover, the beginning of the year for cryptocurrency acceptance is improving. The authority figures are on the side of Bitcoin this 2020. The expanded acceptance of crypto derivatives indicates institutional players are gradually entering the space. The Chicago Mercantile Exchange group Managing Director and Global Head of Equity Index Alternative Investment Products, Tim McCourt, said: "CME Bitcoin futures have surpassed \$100 billion in total notional value traded since their launch in December 2017." Bank of Japan deputy governor Masayoshi Amamiya said in a seminar that the central bank should be ready to issue a central bank digital currency if the public demand for it increases. This shows that several major economies are exploring the possibility of launching a CBDC. The growing popularity of the world's most traded digital asset makes investors enthusiastic to participate fully.

By looking at BTC's financial performance in the first month of 2020, cryptocurrency proves to us that it is on the right track for the rest of this year.

Year	Q1	Q2	Q3	Q4
2014	-39.39%	40.00%	-39.52%	-17.25%
2015	-23.73%	7.72%	-10.27%	82.40%
2016	-3.21%	61.58%	-9.45%	58.06%
2017	11.21%	131.47%	74.89%	226.28%
2018	-50.74%	-8.17%	2.63%	-43.21%
2019	10.34%	161.50%	-25.11%	-10.30%
2020	29.30%	-	-	-

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The impressive stats come amid renewed faith in Bitcoin's long-term potential. As AMFEIX reported, Bitcoin futures data suggests institutions truly are engaging with the cryptocurrency on a new level as more products hit the market. Volume across Bitcoin markets is also on the increase. "Volume tells all," trader Scott Melker summarized as he hailed encouraging progress for BTC price versus volume in 2020.

At the beginning of January, AMFEIX observes crypto has been particularly sensitive to the news. The price of an asset class is determined by its fundamentals and the sentiment towards it. At times of panic or exuberance, fundamentals take a back seat and sentiment dictates the price action. As ever, a crisis is an opportunity for cryptocurrency enthusiasts. In the past, they've seized upon everything from a banking collapse in Cyrpus to social breakdown in Venezuela and Brexit as a rational explanation to buy Bitcoin. Clearly, Cornavirus was not going to be different.

But how have they squared the logic this time around?

Over the past several days, Bitcoin has broadly correlated with stocks. Such behavior is reminiscent of what many perceived as a reaction to another global event: the Iran crisis earlier this month. "China coronavirus-driven risk-off blanketing Chinese equities... and Bitcoin. Iran correlation, now Chinese equities," @LightCrypto commented on Twitter as the Financial Times highlighted it.

"Coronavirus is good for Bitcoin," a Financial Times (FT) column said Monday. The world's best-known crypto-money had finished January at nearly \$9,000, up about \$600 in the last two days. Bitcoin was experiencing an outbreak of fever concomitant with the spread of the coronavirus epidemic in China. Crypto investors found a causal link and proof that Bitcoin was making progress during times of international tension as it would have become a haven. However, these assumptions have yet to be closely verified in the coming months.



Trade History

1st January 2020

0%

2nd January 2020



3rd January 2020

Starting Capital	Ending Capital	Profit (To nearest BTC)	AMFEIX 20%	Investors 80%	New Starting Capital	Percent Increase:
4325	4341	16	3	13	4338	0.30
Starting Capital	Ending Capital	Loss (To nearest BTC)	AMFEIX 0%	Investors 100%	New Starting Capital	Percent Decrease:
0	0	0		0	0	THE MARKET
Starting AUM:	4325		MONTHLY REPORT		Ending AUM:	4341
	Pair	Starting AUM	PNL	Ending AUM	Pe	rcentage change
	BTG: USD	1721	16	1737		0.94
	XRP : BTG	212	0	212		0.00
	ETH: BTC	212	0	212		0.00
	BNB : BTC	94	0	94		0.00
	LTC: BTC	71	0	71		0.00
	ADA: BYC	24	0	24		0.00
	NEO: BTC	12	0	12		0.00
	XMR : BTC	12	0	12		0.00
	BTC : BTC	1968	0	1968		0.00



0%

5th January 2020









8th January 2020







10th January 2020



11th January 2020

0%

12th January 2020

0%



0%

14th January 2020







16th January 2020



17th January 2020



18th January 2020



19th January 2020



20th January 2020

0%

21st January 2020





22nd January 2020



23rd January 2020



24th January 2020

0%





26th January 2020









29th January 2020







31st January 2020

