

Manager Comment and Outlook

May 2025 marked a significant acceleration of a paradigm shift that had been developing recently in cryptocurrency markets: institutional capital flows, rather than retail speculation, drove Bitcoin to its new all-time high of \$112,000. This ongoing development in market conditions points to a significant turning point for the digital asset sector. Spot Bitcoin ETFs, notably BlackRock's IBIT, recorded robust capital inflows totaling an additional \$6.7 billion, although the momentum of these inflows moderated towards the conclusion of the month. While the tech sector's strength, particularly Nvidia's strong AI-driven earnings announcement, provided broader market support, the crypto market's decreasing correlation with tech stocks (now at a three-year low of 0.3) suggests that digital assets are likely establishing their own market identity.

As the House of Representatives in the US approved a comprehensive taxation and expenditure bill submitted by Donald Trump's Administration, it highlighted a crucial paradox: while traditional safe-haven assets struggled with U.S. fiscal concerns, Bitcoin increasingly attracted institutional capital as a hedge against sovereign credit risk. This dynamic was patent in the US 10-year Treasury bond yield, which climbed above 4.6%, creating a unique environment where Bitcoin and bond yields rose simultaneously – a pattern that challenges conventional risk-asset correlations. The recent Moody's downgrade of the US credit rating also fueled investors' concerns about the country's debt load. With this downgrade by Moody's from Aaa to Aa1, the U.S. lost its last triple-A rating.

The Global Crypto Fund achieved a robust return of 15.75% in May, rebounding from the policy-induced volatility experienced in the preceding months. Notably, all digital asset allocations within the fund contributed positively to this overall performance. Bitcoin, the fund's largest holding at 82% of assets, appreciated by 12% during the month, contributing 10.42 percentage points to the fund's total return. Ethereum recorded a significant 45% gain, adding 3.16 percentage points to the overall performance. This strong showing was supported by factors including the Pectra upgrade implemented on the Ethereum network in early May, and a clarification from the U.S. Securities and Exchange Commission (SEC) indicating that staking activities on blockchains like Ethereum or Solana do not inherently classify their native tokens as financial securities. Among other portfolio constituents, AAVE was a standout performer, rallying 55% due to the accelerating adoption of its GHO stablecoin, which contributed 54 basis points to the fund. Solana advanced by a more modest 10%, contributing 68 basis points. Lastly, Uniswap appreciated by 16% in May, adding 20 basis points to the fund's performance. Currency fluctuations had no material impact on the fund's performance during May. The EUR/USD exchange rate exhibited minimal movement, opening the month at 1.1325 and closing at 1.1345.

Digital asset investment products continued to experience record inflows throughout May, with investors allocating approximately \$6.7 billion. Bitcoin-focused products attracted the majority of these funds as usual, securing \$5.7 billion, while Ethereum-based products garnered a notable \$896 million. BlackRock's IBIT remains the preeminent Bitcoin Exchange-Traded Fund (ETF) in terms of Assets Under Management (AUM), which currently exceeds \$72 billion. This valuation reflects a rapid and considerable institutional expansion since IBIT's launch in January 2024, when it was among the initial U.S. spot cryptocurrency ETFs. In May, IBIT attracted more than \$5 billion, marking another record monthly inflow for the fund and positioning it among the most rapidly expanding ETFs in history, across all asset classes.

These institutional flows tell only part of the story. What's particularly noteworthy is how the market is absorbing this institutional capital without the extreme price volatility characteristic of previous bull runs. The 90-day rolling realized volatility for Bitcoin has been declining, particularly since the implementation of a 90-day tariff suspension, reaching its lowest recorded level of 46% volatility on an annualized basis in May. This price stabilization suggests institutional capital is creating more efficient price discovery mechanisms, potentially setting the stage for Bitcoin's emergence as a macro hedge. All in all, these developments strongly indicate that the institutional investment landscape has reached a significant turning point in its engagement with digital assets. A clear illustration of developing avenues for additional institutional participation in public market cryptocurrency exposure is the rise of Digital Asset Treasury companies (DATs). These entities are emulating the strategic framework of MicroStrategy (MSTR), offering access to digital assets via publicly traded permanent capital vehicles. JP Morgan, for example, will allow trading and wealth-management clients to use Bitcoin as collateral for loans, starting with BlackRock's iShares Bitcoin Trust.

Meanwhile, Bitcoin's market dominance, excluding stablecoins, exceeded 72% this month, establishing a new eight-year high, not observed since March 2017, when its price was in the \$1,000 range. This notable increase in market share has occurred despite recent price volatility, wherein Bitcoin experienced a retraction from over \$100,000 to approximately \$80,000 before recovering. Such resilience indicates a sustained outperformance relative to alternative cryptocurrencies.

Looking ahead, we see three key trends emerging: First, the emergence of DATs as a new institutional access point is likely to accelerate capital flows into the space. Second, Bitcoin's declining volatility could finally address investors' key concerns, potentially paving the way for increased broader adoption. Finally, the unusual decoupling from traditional risk assets suggests Bitcoin likely entered a new phase as a legitimate macro hedge. These developments point to a maturing asset class increasingly relevant to institutional portfolios, rather than just another crypto bull run.

Overview

Fund Strategy and Objective

The Global Crypto Fund actively manages exposure to leading digital assets by directly holding the most representative cryptocurrencies by market capitalization, providing investors with a secure and regulated vehicle to access this asset class without the use of leverage or short selling.

Investor Profile

This Fund caters to experienced investors with knowledge of complex financial instruments. Suitable for those seeking long-term capital appreciation (5+ years) in a new, high-risk asset class. Requires tolerance for share price fluctuations and potential capital loss.

Risk Factor



Fund Detail

Investment Manager	3 Comma Capital SCR, S.A.
Inception Date	Share Class A: April 11th, 2024 Share Class B: April 22nd, 2024
Domicile	Portugal
Fund Custodians	Digital Assets: Gemini Trust Company, LLC FIAT: Bison Bank
Fund Base Currency	EUR
Fund Size	2M
Number of Holdings	5
Unit Pricing	Daily
Unit Price	Share Class A: 1,167.33 EUR Share Class B: 1,225.77 EUR

Fees & Expenses

Management Fees	Share Class A: 1.00% p.a. Share Class B: 1.50% p.a.
Performance Fee	20%
Custodian Fees	0.20% p.a.
Supervisory Fee	0.0026% monthly Min. 200 EUR - Max. 20,000 EUR

Purchase Details

Min. Initial Subscription	Share Class A: €500,000.00 EUR Share Class B: €100,000.00 EUR
Entry Costs	0%
Redemptions	Daily Cut off time: 11 a.m. London time
Redemptions	Daily Cut off time: 11 a.m. London time

For all withdrawals initiated within the first six months following the initial subscription, a 1.5% early exit fee will be incurred

Codes

ISIN	Share Class A: PT3CMCHM0004 Share Class B: PT3CMDHM0003
Bloomberg	Share Class A: 3CCGCF PL Share Class B: 3CCGCFB PL
Lipper	Share Class A: 68806268 Share Class B: 68806269

Fund Performance

Return	Global Crypto fund	BTC	ETH	SOL
1 Month	15.75%	11.78%	45.10%	10.06%
3 Months	11.64%	14.71%	5.79%	-1.80%
6 Months	-9.05%	0.63%	-35.58%	-39.48%
Year To Date	-7.06%	0.34%	-31.80%	-27.79%
Since Inception*	16.82%	41.32%	-31.42%	-14.40%



Monthly Returns

	January	February	March	April	May	June	July	August	September	October	November	December
2024	-	-	-	-12.90%*	14.07%	-8.24%	4.06%	-17.32%	6.02%	9.28%	40.97%	-2.14%
2025	8.04%	-22.94%	-7.75%	4.56%	15.75%	-	-	-	-	-	-	-

Asset Allocation

Bitcoin	81.60%	
Ethereum	8.90%	
Solana	4.03%	
Cash	3.64%	
Aave	1.13%	
Uniswap	0.71%	

Contact Information

Investment Manager: 3 Comma Capital SCR, S.A.

Headquarters: Avenida Duque de Loulé 106 - 6 piso, 1050-093 Lisboa

Tel: +351 213 622 464

Email: hello@3commafunds.com

Web: www.3commacapital.com

*Fund Inception: April 11, 2024

3 Comma Capital SCR, S.A. is a Portuguese regulated venture capital company, registered with CMVM authorization number 182126 and VAT number 516 965 476. Share Capital 125.000 Euros. 3 Comma Capital SCR, S.A. is the Investment Manager for the 3CC Portugal Golden Income Fund (PGI) (CMVM Fund Authorization Number 2108). 3 Comma Capital SCR, S.A. is the Responsible Entity and the issuer of shares for the 3CC Portugal Golden Income Fund. The KIID and the Fund's Prospectus are available at <https://3commacapital.com> and should be considered prior to investing. This information is general in nature and does not consider any person's individual objectives, financial situation, or needs. In deciding whether to invest in the 3CC Portugal Golden Income Fund and before investing, investors should read the KIID and Prospectus, and with the assistance of a financial adviser, consider if the investment is appropriate for their circumstances. Past performance is not indicative of future returns.