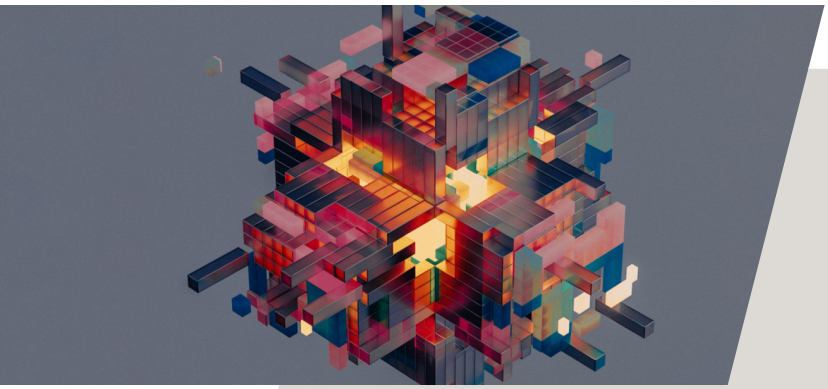
Rothschild & Co
Asset Management



# Fund update: R-co Thematic Blockchain Global Equity — July 2024

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## AI training incrementally relies on Blockchain infrastructures

In June, investment into digital assets products softened, as bitcoin monetization by German and US governments weighted on price action. On the positive side, regulatory environment is also gaining clarity, as the SEC pulled back on a few ongoing charges and spot ether ETF ought to get greelinght for a launch expected this summer.

Fund enjoyed positive news flow from Blockchain infrastructures portfolio companies. Crypto miners, experts in energy optimization and high-performance calculation (HPC), are getting intensively coveted. Growing AI training data centers demand relies on the capacity to secure HPC equipment and high intensity power and cooling management infrastructures, combined with the ability to sustainably secure low-cost energy sources. As such, portfolio company Core Scientific secured a US$3.5bn HPC hosting agreement with AI hyperscaler Coreweave, after rejecting a US$1bn unsolicited equity purchase proposal. Hut 8 received US$150m funding from Coatue to support further infrastructure development[2].

In this context, the fund outperformed this month, pulled up by Blockchain infrastructure and more specifically data centers. The Digital assets / Fintech pocket comes as second contributor to portfolio performance. Galaxy Digital's Asset Management branch sealed an institutional partnership with State Street Global Advisors. Coinbase keeps enriching its product line and announced pre-launch markets services for international derivative and advanced exchanges. This new service will provide eligible users access to perpetual

futures trading prior to underlying asset launch. Privately-held portfolio company Circle was awarded the highly sought-after European MiCA license at the end of the month making it the first global compliant stablecoin issuer.

We realized some small adjustments to the portfolio this month and took some profits on Galaxy, Core Scientific and Nvidia and marginally added Lufax, Nike and Northern data on weakness and Tesla. At the end of the month, equity exposure was 98.1%[3].

## Industry news to watch

Announcements made this month by established companies of blockchain based innovations continued to pertain to various sectors of the economy and enterprise use-cases. Among many others:

Global media brand Time joins Fox Corporation for the development of blockchain-based content verification and licensing protocol Verify's next phase, which will include Zero-Knowledge Proofs (ZKP). As of June 18 2024, 300k pieces of content have been signed using this blockchain software.

SBI and Kyobo Life Insurance partnered to explore digital finance opportunities, namely on tokenization.

Chainlink will provide onchain NAV to Fidelity's tokenized money market fund, adding transparency and automation to the process.

*Ulteriori informazioni sui fondi*

R-co Thematic Blockchain Global Equity

*Consulta questo documento sul nostro sito web*

[1] The synthetic risk indicator shows the level of risk of this product compared to others. It indicates the probability that this product will suffer losses in the event of market movements or our inability to pay you. Risk scale from 1 (lowest risk) to 7 (highest risk); the lowest category does not mean a "risk-free" investment. The risk category associated with this UCI is not guaranteed and may change over time.
[2] Source: Coinshares, data as of 28/06/2024.
[3] Source: Rothschild & Co Asset Management, 28/06/2024.

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**R-co Thematic Blockchain Global Equity**
**SRI risk indicator 6/7**

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Ulteriori informazioni su : www.am.eu.rothschildandco.com

(1) Fonte: Rothschild & Co Asset Management, 31/07/2026.


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