



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



Charles-Edouard Bilbault
Global Equities Portfolio Manager

“Global, frictionless and free” - Jeremy Allaire, Circle’s co-founder and CEO

In September, global financial markets stabilized last month events, encouraged by Fed’s dovish 50 bps rate cut¹ and massive Chinese monetary and fiscal stimulus announcements, alleviating concerns about an upcoming economic recession. Net investment flows into digital assets products rose to US\$1.2bn this month, bringing YTD net inflows into this asset class to a bit more than US\$23.7bn².



Klara Sok
R-co Thematic Blockchain Global Equity Co-Portfolio Manager

In this context, fund outperformed in September. The positive move was led by Digital Assets / Fintech category, pulled up by investment bank Galaxy Digital, namely supported by successful products developments with, this month, the launch of three digital assets products in partnership with State Street Global Advisors. Audit Trail/Industrial Applications category stood as second best contributing category, as it still stands as a laggard in terms of YTD performance. Web3/Metaverse and Blockchain Infrastructure were, in relative terms, worse contributors this month.

Our private portfolio company, Circle, issuer of the leading US dollar-backed stablecoin USDC, keeps rolling out partnerships with large distribution networks. Leading payment operator Worldpay reported it processed US\$1.3bn worth of stablecoins so far this year⁴, with volumes already up 30% compared with full year 2023³. Circle also announced USDC integration with Brazilian and Mexican Central Banks’ payment applications. The Brazilian Central Bank solution, PIX, was launched in 2020 and now counts 168 million users⁴. Its

Mexican equivalent, SPEI, is active for 20 years and processes around 3.3 million daily transactions⁵. Cross-border payment facilitation and access to US dollar exposure are key use cases for stablecoins in emerging markets. In September, USDC was also integrated into Sony's blockchain protocol Soneium.

We took advantage of market strength to take marginal profit on outperforming companies Galaxy Digital and JD Logistics and marginally strengthened our holdings in Coinbase and LVMH. At the end of the month, equity exposure was 97.6%⁶.

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:

[Visa](#) launches the Visa Tokenized Asset Platform (VTAP) to assist banks issue fiat-backed tokens in blockchain networks. BBVA will use VTAP and expects live pilots in 2025. Visa highlight the ease of its solution integration, the possibility to add programmability features and its interoperability.

[Circle's CEO](#), Jeremy Allaire, in conversation with the World Economic Forum on how digital dollars will reshape economic activity, humanitarian aid and more.

[S&P Global](#) issues a report on intersection of AI and crypto.

Meer informatie over de fondsen

R-co Thematic Blockchain Global
Equity



Bekijk dit document op onze website



[1] Bloomberg, october 2024.

[2] Source: Coinshares, Digital Asset Fund Flow, data as of September 27th 2024.

[3] Source: Ledger Insights, 26/09/2024.

[4] Source: Crypto News Flash, 18/09/2024.

[5] Source: Coindesk, 17/09/2024.

[6] Source: Rothschild & Co Asset Management, 30/09/2024.

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SRI risk indicator 6/7

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Meer informatie op: www.am.eu.rothschildandco.com

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

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