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# Bitcoin | An Introduction to Cryptocurrencies and Exchange Traded Bitcoin

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Written by ETC Group

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# Confused about Cryptocurrencies? Baffled by Bitcoin?

This primer explains what bitcoin is, where it comes from and how it is evolving to capture the attention of sophisticated, professional investors through trading on regulated securities exchanges.

## Back-to-Basics: Currencies

The introduction of gold coinage by the Lydian King Croesus in 6th Century BC changed the way goods were valued and exchanged by replacing the age-old barter system. Gold was something rare, tangible, beautiful and could store value in a small, portable and almost indestructible form.

The introduction of paper money in 11th Century China was the next evolution of currency.

Paper has little to no intrinsic value; but a bank note obtains value because it can be exchanged for a specified amount of gold held by the government or central bank – a system known as the 'gold standard'. This system lasted until the 1970's when President Nixon severed the relationship between the Dollar and gold and ushered in the age of 'fiat' currencies.

Most modern currencies are fiat, including the US Dollar, British Pound and Euro. Fiat currencies are issued by a government and not backed by gold, but instead have value because of the faith that individuals and governments have that other parties will accept that currency.

However, the age of central-bank-issued fiat currencies is being challenged. In 2008 a new idea was introduced an unknown person or group using the name "Satoshi Nakamoto" – bitcoin.

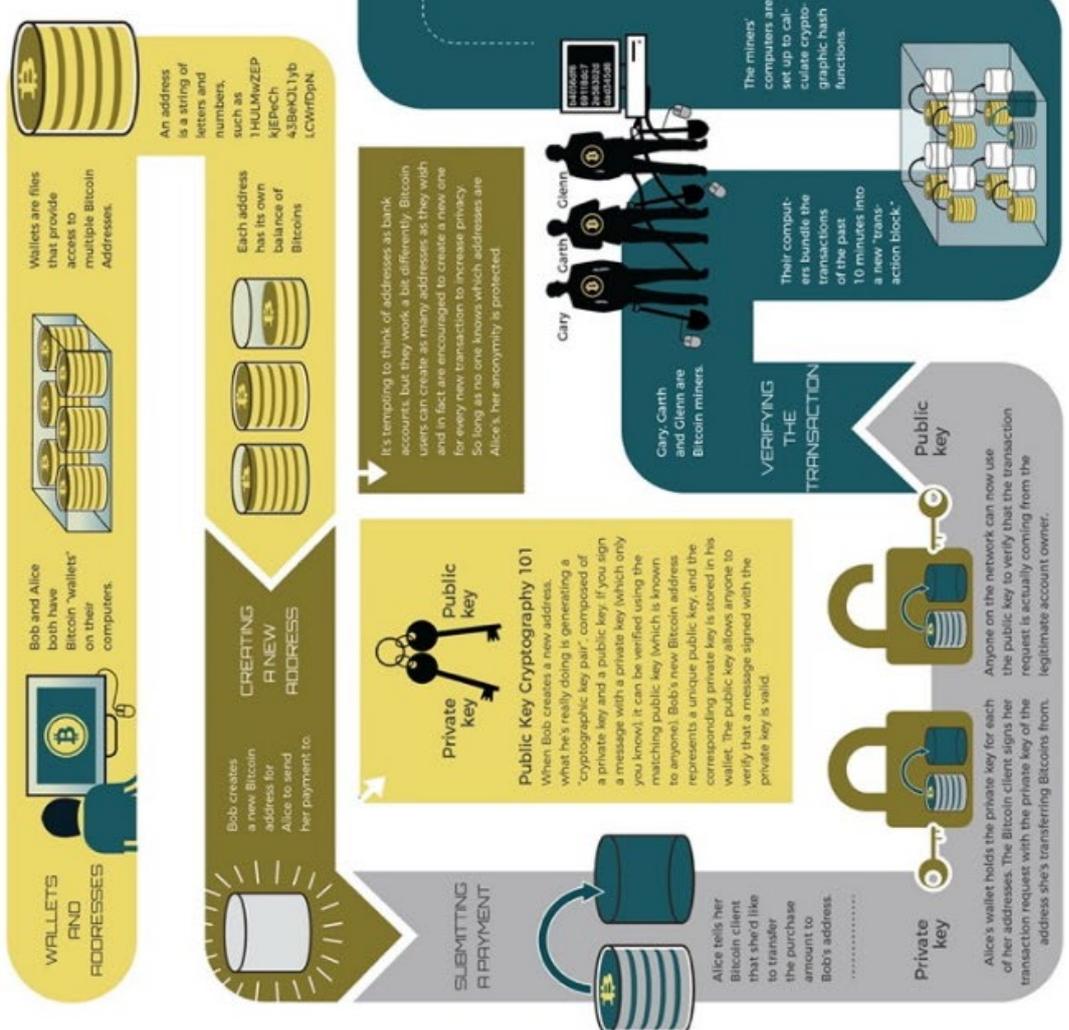
Bitcoin is a decentralized digital currency without a central bank or government backing it. bitcoin can be sent between users on the bitcoin network without the need for intermediaries.

Bitcoin relies on a technology called blockchain - a list of records (blocks) that are linked by cryptography – hence 'crypto' currency.

Each block contains a timestamp, a cryptographic tag of the previous block and transaction data. Blockchain is highly secure, fast and hard to tamper with as changes to a block must be validated by a majority of users within the system. This makes it great for transferring sensitive data, including contracts, shareholder details, medical records or money transfers.

# How a Bitcoin Transaction works:

Bob, an online merchant, decides to begin accepting Bitcoin as payment. Alice, a buyer, has Bitcoin and wants to purchase merchandise from Bob.



# Overview of The Cryptocurrency Market

Since the launch of bitcoin, cryptocurrencies have rarely been out of the headlines, prompting increased investor interest and a raft of competing currencies. Estimates vary on the number of cryptocurrencies - research site CoinMarketCap tracks over 5,000 - but few of these have ever come close to bitcoin's meteoric popularity.

The cryptocurrency market may sound crowded, but it's also extremely top-heavy with the majority of the investor adoption, capitalization and liquidity concentrated in the top 10 largest coins. Even among the heavy weights, bitcoin is by far the dominant cryptocurrency with well over half of all market capitalization and greatest acceptance by users.

Rank	Name	Symbol	Market Cap
1	Bitcoin	BTC	\$763,562,479,679
2	Ethereum	ETH	\$140,244,524,482
3	XRP	XRP	\$14,360,058,102
4	Litecoin	LTC	\$11,522,182,967
5	Cardano	ADA	\$9,348,594,532
6	Polkadot	DOT	\$8,268,869,266
7	Bitcoin Cash	BCH	\$8,113,774,678
8	Stellar	XLM	\$6,599,083,111
9	Chainlink	LINK	\$6,209,977,968
10	Binance Coin	BNB	\$6,148,765,646

Source: <https://coinmarketcap.com/>; Values as of 8 January 2021

## Where Do Bitcoins Come From?

In the same way that previous generations would swing a pickaxe in a mine for gold and silver to make coins, it takes effort to get a bitcoin. Bitcoin mining is the way in which new bitcoins are added to the available supply and involves very powerful computers called 'miners' solving complex mathematical problems to confirm and validate changes to the blockchain ledger. Miners who succeed in solving these problems are given bitcoins, but it becomes harder to solve these problems over time and there is **a finite number of bitcoins to be mined**.

There are rules built in to limit the total supply to 21 million bitcoins making it a 'hard' currency compared to fiat currencies controlled by central banks that can devalue their currency by simply printing more money at will.

Once mined, a bitcoin can be used in peer-to-peer transactions over the bitcoin network, spent on ecommerce sites (and in some physical stores) or withdrawn as fiat currency from one of the estimated 7,000 Bitcoin ATMs worldwide.

## What Determines Bitcoin's Value?

As with all currencies, bitcoin's value is determined by supply and demand and trust and acceptance in the system.

A successful currency needs to meet standards of scarcity, divisibility, transferability and utility. Bitcoin's value comes from the fact that it meets and often surpasses traditional currencies in delivering these features, and is therefore accepted by users as a useful tool for transactions and trading.

### 1. Scarcity

Key to the maintenance of a currency's value is its supply. A money supply that is too large could cause prices of goods to spike, resulting in economic collapse. A money supply that is too small can also cause economic problems.

Bitcoin is actually a hard currency, with a defined and finite supply hardwired within its codebase - unlike fiat currencies where governments or central banks have the power to increase the money supply at will.

When bitcoin was launched in 2009, its developer(s) capped the supply of tokens at capped at 21 million. The current supply of bitcoin is around 18 million, meaning there are about 3 million bitcoins left to mine. The rate at which bitcoin is released is halved roughly every four years, meaning the last Bitcoin is not on track to be mined until ~2140.

### 2. Divisibility

Successful currencies are divisible into smaller incremental units. In order for a single currency system to function as a medium of exchange across all types of goods and values within an economy, it must have the flexibility associated with this divisibility. The currency must be sufficiently divisible so as to accurately reflect the value of every good or service available throughout the economy.

21 million bitcoins is vastly smaller than the circulation of most global currencies. However, to address this imbalance, bitcoin is divisible up to 8 decimal points. The smallest unit, equal to 0.00000001 bitcoin, is called a "Satoshi" after the alleged creator of the cryptocurrency. This allows for quadrillions of individual Satoshis to be distributed throughout the global economy.

### 3. Utility

A currency must have utility in order to be effective. Individuals must be able to reliably trade units of the currency for goods and services. This is a primary reason why currencies developed in the first place: so that participants in a market could avoid having to barter directly for goods. Utility also requires that currencies be easily moved from one location to another. Burdensome precious metals and bulky commodities don't easily meet this stipulation.

One of the biggest selling points of bitcoin has been its use of blockchain technology. Blockchain is a distributed ledger system which is decentralized and trustless, meaning that no parties involved in the bitcoin market need to know or trust one another in order for the system to work properly. A complex system of checks and verifications is key to the maintenance of the ledger and the mining of more bitcoins. This means bitcoin can't be manipulated by individuals, governments or central banks.

### 4. Transferability

Currencies must be easily transferred between participants in an economy in order to be useful. In fiat currency terms, this means that units of currency must be transferable within a particular country's economy as well as between nations via exchange. With cryptocurrency exchanges, wallets, ATMs and other tools, Bitcoin is easily and securely transferable between parties.

In fact, when compared to Gold and Fiat currencies, bitcoin is more like 'money-like' than money.

Traits of Money	Gold	US Dollar	Bitcoin
Fungible	High	High	High
Non Consumable	High	High	High
Portable	Mid	High	High
Durable	High	Mid	High
Divisible	Mid	Mid	High
Secure / Anti Counterfeit	Mid	Mid	High
Easily Transactable	Low	High	Mid
Scarcity	Mid	Low	High
Government Issued	Low	High	Low
Decentralised	Low	Low	High
Smart / Programmable	Low	Low	High

Source: <https://cryptonews.com/guides/difference-of-bitcoin-from-traditional-currencies.html>

## The Investment Case for Bitcoin

The first bitcoin transaction occurred in 2010 when two pizzas were bought for 10,000 BTC – at the time worth \$30. Records make no mention of the toppings or if there was a stuffed crust.

Since then cryptocurrencies have rarely been out of the headlines, prompting increased investor interest and a raft of competing currencies. Estimates vary on the number of cryptocurrencies - research site CoinMarketCap tracks over 5,000, but few of these have ever come close to bitcoin's meteoric success. Given the growing institutionalization of the bitcoin market and acceptance of the long-term viability of Bitcoin as an alternative digital currency, there are compelling arguments for investors to consider adding a bitcoin allocation to their portfolio:

- High growth potential vs traditional asset classes;
- Low correlation to other asset classes and diversification;
- Potential for improved risk-adjusted returns in a multi-asset portfolio.

However, please remember:

- Bitcoin can be a volatile product
- The price of bitcoin can go down as well as up and your capital is at risk

## Performance and Growth Potential

The performance of bitcoin has been strong against main indices over 1, 3 and 5-year periods, providing a new source of potential returns. Due to its finite supply, bitcoin can also act as a useful store of value in countries that are experiencing extreme currency fluctuations or inflation. However, these impressive growth numbers come at a cost of high volatility meaning investors could lose a significant portion of their allocation if they bought in at the wrong time. Analysts expect bitcoin volatility to reduce as the market becomes more regulated and further institutionalised.

	1 month	3 months	1 year	3 years	5 years
<b>Bitcoin</b>	<b>49.6%</b>	<b>170.8%</b>	<b>305.1%</b>	<b>102.6%</b>	<b>6,610.4%</b>
S&P 500	3.7%	11.7%	16.3%	40.5%	83.8%
US Bonds	0.5%	0.9%	5.9%	15.8%	23.9%
Gold	5.7%	-1.0%	20.2%	37.9%	67.5%
Oil	0.7%	3.2%	1.7%	17.0%	32.4%
FTSE 100	3.8%	10.8%	-13.8%	-15.4%	4.2%
Eurostoxx	2.0%	12.1%	-4.4%	2.2%	9.6%

Past performance is not a guarantee of future returns.

Source: Bloomberg. All data as of 31.12.20

## Demand is Rising, But the Supply is Strictly Limited

Key to the maintenance of a currency's value is its supply. A money supply that is too large could cause prices of goods to spike, resulting in economic collapse. A money supply that is too small can also cause economic problems.

Bitcoin is actually a hard currency, with a defined and finite supply hardwired within its codebase - unlike fiat currencies where governments or central banks have the power to increase the money supply at will.

When bitcoin was launched in 2009, its developer(s) capped the supply of tokens at 21 million coins.

The current supply of bitcoin is around 18 million and importantly, it's becoming harder and harder to mine as the rate at which bitcoin is released is halved roughly every four years.

When a halving occurs, it means the bitcoin reward that miners receive for solving a mathematical problem / adding a block to the blockchain is halved. This makes it increasingly difficult to mine bitcoins and increases the cost of mining and the scarcity value of bitcoin. The last halving just occurred in May 2020. Historically, bitcoin halvings have been followed by a long-term increase in the value of bitcoin.

## Bitcoin Historical Price (\$)



For illustrative purposes only

Past performance is not a guarantee of future returns. Data as of 31.12.20, Source Bloomberg.

## Correlation and Diversification:

One of the most compelling arguments for a bitcoin allocation is its low correlation to other widely held asset classes both in periods of market calm and turbulence. Bitcoin's independent behaviour means that it has the potential to be a powerful diversification tool in a multi-asset portfolio.<sup>1</sup>

	<b>S&amp;P 500</b>	<b>US Bonds</b>	<b>BTC</b>	<b>Gold</b>	<b>Oil</b>	<b>EM ccy</b>	<b>FTSE 100</b>	<b>Euro stoxx</b>	<b>EUR/USD</b>	<b>GBP/USD</b>
<b>S&amp;P 500</b>	1.00	0,88	0,89	0,77	0,95	0,90	0,16	0,31	0,40	-0,55
<b>US Bonds</b>	0,88	1,00	0,78	0,94	0,88	0,84	-0,17	0,05	0,19	-0,56
<b>BTC</b>	<b>0,89</b>	<b>0,78</b>	<b>1,00</b>	<b>0,71</b>	<b>0,83</b>	<b>0,83</b>	<b>0,11</b>	<b>0,27</b>	<b>0,54</b>	<b>-0,41</b>
<b>Gold</b>	0,77	0,94	0,71	1,00	0,74	0,77	-0,34	-0,06	0,26	-0,42
<b>Oil</b>	0,95	0,88	0,83	0,74	1,00	0,86	0,12	0,15	0,34	-0,66
<b>EM ccy</b>	0,90	0,84	0,83	0,77	0,86	1,00	1,00	1,00	1,00	1,00
<b>FTSE 100</b>	0,16	-0,17	0,11	-0,34	0,12	0,25	1,00	0,69	0,16	-0,26
<b>Eurostoxx</b>	0,31	0,05	0,27	-0,06	0,15	0,32	0,69	1,00	0,15	0,12
<b>EUR/USD</b>	0,40	0,19	0,54	0,26	0,34	0,48	0,16	0,15	1,00	0,08
<b>GBP/USD</b>	-0,55	-0,56	-0,41	-0,42	-0,66	-0,54	-0,26	0,12	0,08	1,00

For illustrative purposes only  
Source: Bloomberg. Data as of 31.12.20.

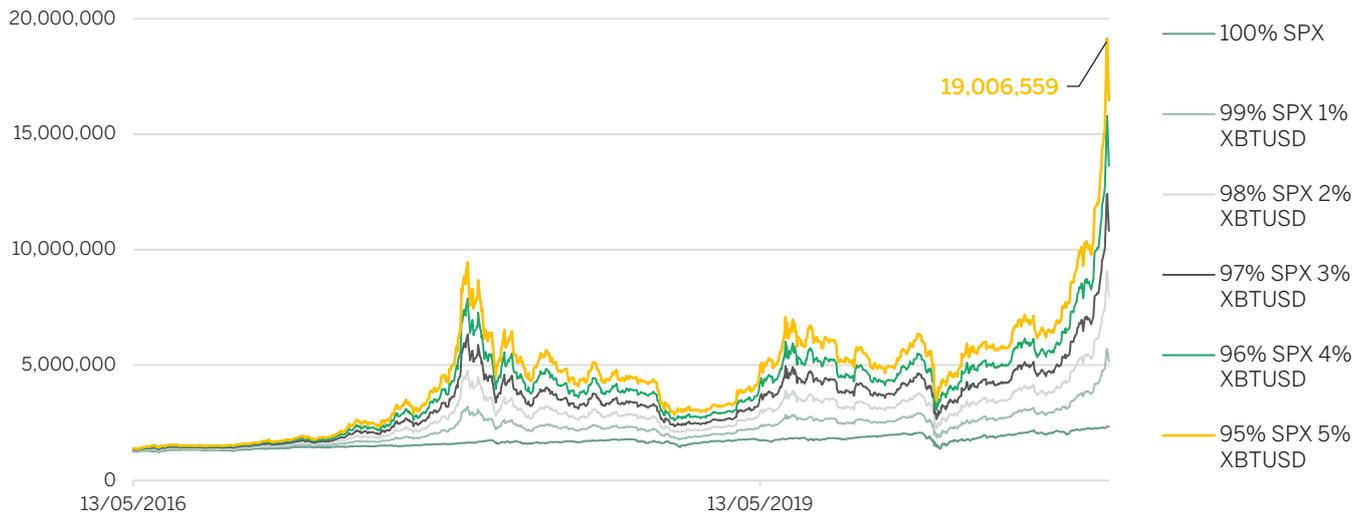
<sup>1</sup> Source: Bloomberg. Data as of 31<sup>st</sup> December, 2020

Due to its powerful diversification characteristics, bitcoin can play an effective role boosting portfolio efficiency. In the two following charts we show the impact of adding a small bitcoin allocation to a US equity portfolio.

The first chart illustrates a basic buy and hold strategy whereby an investor replaced between 1% and 5% of their equity allocation with bitcoin.

Historically, investors would have seen significant benefits of holding even a small quantity of Bitcoin, with returns improving in line with the size of the allocation. An investor in this scenario with a 5% bitcoin allocation would have made nearly 3x more over the period than an investor with no allocation.

### Impact of Bitcoin: No rebalancing



For illustrative purposes only. Past performance is not a guarantee of future returns. Data as of 13th May, 2020, Source Bloomberg.

Many investors will regularly rebalance their portfolios back to target weights for specific assets. If the given bitcoin allocation was reset on a monthly basis, historically, investors would have lost out on a significant amount of performance resulting from the compounding effect of the bitcoin allocation.

In addition, investors would also have incurred substantial trading costs to perform the rebalance that would further detract from performance and which are not captured in this chart.

### Monthly Rebalancing



For illustrative purposes only. Past performance is not a guarantee of future returns. Data as of 11.01.21, Source Bloomberg

# Why Don't More Investors Utilise Bitcoin?

Despite these many desirable characteristics, many investors still perceive bitcoin as an unstable, risky asset that is complicated to trade and open to abuse.

Stories of crypto frauds and failures and the collapse of high-profile crypto exchanges like Mt Gox still loom large in many investors' minds. Additionally, the complexity of managing a bitcoin wallet, trading on largely unregulated crypto exchanges, local regulatory restrictions and lack of availability of bitcoin on broker and wrap platforms has impeded adoption from traditional asset and wealth managers.

The future of bitcoin as legal tender and as an investment asset will depend on a number of factors. A solid regulatory framework will help create a more transparent market and if more protections are offered to investors, more will be attracted to the market.

In turn, this will build confidence in the cryptocurrency market and lead to greater pricing efficiencies. The treatment of capital gains from investments in bitcoin will also catalyse the further development of the market. Lastly, confidence in the bitcoin market will be improved if two disadvantages are properly addressed—namely, complexity and insecurity.

Solutions are now becoming available that can provide access to the powerful diversification and return potential of bitcoin in a regulated, transparent and exchange-listed structure that is as easy to trade as any share of ETF.



# Introducing BTCetc: Bitcoin Exchange Traded Crypto (Primary ticker: BTCE)

BTCetc Bitcoin Exchange Traded Crypto (BTCE) is an exchange traded cryptocurrency (ETC) that tracks the price of bitcoin. The ETC is 100% physically backed by bitcoin, it trades on Deutsche Börse's electronic trading system XETRA, and is centrally cleared providing investors with a transparent, safe, and liquid way to gain exposure to bitcoin. Each unit of BTCE gives the holder a claim on a predefined amount of bitcoin.

## An Easier Way to Invest in Bitcoin

Investing in BTCE is as simple as buying shares through your broker or bank. Unlike investing directly in bitcoin, there is no need to engage with the technical challenges of setting up a cryptocurrency wallet to store bitcoin. Your units of BTCE are safely held with your broker or bank, thus removing the risk of losing your investment due to a lack of knowledge of how cryptographic keys work.

## First Centrally Cleared Bitcoin ETC

BTCE was the world's first centrally cleared Bitcoin ETC. Clearing through the Deutsche Börse CCP system reduces the counterparty risk market participants are exposed to and provides anonymity. Using a CCP also reduces risks related to late settlement or legal disputes if one party breaches the contract.

## Invest in Bitcoin on a Regulated Exchange

BTCE is traded on XETRA, one of the largest exchanges in Europe. As Deutsche Börse is a regulated exchange, this means that investors can trade with confidence knowing that all market participants are strictly vetted and carefully monitored to prevent market abuse. The alternative is to buy bitcoin on cryptocurrency exchanges, most of which are unregulated or do not have as strict security and compliance standards.

## Ample Liquidity

The issuer has partnered with world-class liquidity providers and authorised participants (APs) to ensure ample liquidity, resulting in tight spreads on-exchange and the ability to create or redeem units of BTCE on the primary market.

## Redemption for Bitcoin

BTCE can also be redeemed directly for bitcoin. As an additional layer of protection for investors, every transaction must be confirmed by the issuer and a reputable third-party administrator to ensure that no bitcoin can be misappropriated due to misconduct or negligence on behalf of the issuer.

## Safe Custody

The issuer stores the bitcoin backing all units of BTCE in circulation with BitGo Trust Company, a secure, regulated custodian, purpose-built for holding digital assets. Strict KYC and AML standards ensure that the provenance of all cryptocurrency in custody has been vetted.

BTCE is issued by ETC Group and marketed and distributed by HANetf. Past performance is not an indicator of future performance, and when you trade ETCs your capital is at risk.

## Advantages of BTCE and Exchange Traded Bitcoin:

- ✓ Bitcoin exposure simplified: exchange-listed, regulated and secure;
- ✓ Buying and selling BTCE is as simple as trading any normal share;
- ✓ You trade through your regulated broker, on regulated exchanges with a central clearing mechanism;
- ✓ You don't need to manage a crypto wallet or trade on unregulated crypto exchanges;
- ✓ You don't need to manage cryptographic keys or blockchain technology.

## Risks of Investing in BTCE:

- Like equities, an investor's capital is fully at risk and you may not get back the amount originally invested;
- Exchange rate fluctuations can also have both a positive and negative effect on returns;
- Past performance of bitcoin is no guarantee of future performance;
- The product may not be a suitable investment for all investors and each investor should determine the suitability of its investment in light of their own circumstances;
- For a full, list of risks associated with the BTCE product, please consult the prospectus.

## Bitcoin Trading vs Exchange Traded Bitcoin

Buying and storing bitcoin has not always been easy, and many investors have been sceptical or scared of getting involved given teething problems within the cryptocurrency market infrastructure.

Here's how BTCE provides a safer, easier and more familiar experience for mainstream investors:

Issue	Bitcoin Trading	BTCE: Exchange Traded Crypto Currency
<b>Accessibility</b>	<p>Buying bitcoin requires the investor to set up an account with a so-called 'bitcoin exchange', which can be a lengthy and time-consuming process.</p> <p>Such 'exchanges' are mostly unregulated entities and investors face increased risk of money laundering and market manipulation. Money laundering is not really a risk to the investor, market manipulation definitely is.</p>	<p>BTCE can be purchased on Deutsche Börse (XETRA), one of the largest stock exchanges in Europe in terms of both market capitalization and monthly trading volume. Virtually every broker in the world should have the ability to buy products traded on XETRA for its clients. Trading is constantly monitored by sophisticated software to detect and prevent market abuse.</p>
<b>Technical and Complex</b>	<p>Setting up a cryptocurrency wallet isn't easy and preventing theft or loss of value due to other reasons (e.g. losing the keys) even harder. Blockchain wallets are not like credit cards or bank accounts, users of bitcoin can't chargeback fraudulent transactions or show up with their ID at the bank desk to recover access - what is lost is usually lost forever.</p>	<p>BTCE keeps bitcoin backing the product at the reputable, safe, regulated and insured depository called BitGo Trust Inc. It is virtually impossible to store bitcoin in any safer way than how it is done through BitGo. Deposits are insured by Lloyds of London against hacking and white-collar crime up to the value of \$100 million. BitGo is a regulated trust and all bitcoin is stored air-gapped in cold storage in their vaults.</p>

**Liquidity Concerns**

Firstly, the bitcoin market is very fragmented; it does not have a single recognized pool of liquidity or place of price discovery. Investors interested in purchasing big volumes of bitcoin face access problems described above multiplied by the number of 'bitcoin exchanges' they need to connect to in order to tap into an acceptably big pool of liquidity.

Secondly, IT systems of many 'bitcoin exchanges' are technologically inferior to the systems operated by established stock exchanges, and this fact makes top-notch liquidity provision very difficult or even impossible.

Finally, not every professional market-maker is participating on 'bitcoin exchanges'. Market-makers face the same technical, access, legal and regulatory challenges and issues alongside with investors. For that reason, some market-makers are willing to provide liquidity only on regulated stock exchanges.

BTCE shares many benefits with traditional ETFs/ETPs - as it is exchange listed and supported by an ecosystem of market makers and APs (many of which would not be willing to provide liquidity in bitcoin itself), there is guaranteed two-way pricing available throughout the trading day. The team behind BTCE have contracted multiple professional market-makers to translate fragmented bitcoin liquidity into concentrated on-Exchange BTCE liquidity. Through direct connection to the underlying asset via the create /redeem mechanism, BTCE can provide liquidity for both very large and very small trades, levelling the playing field between investors. Today, BTCE is by far the highest on exchange liquidity on any Bitcoin or Cryptocurrency ETP in Europe.

**Legal Restrictions**

Some investors might not be allowed to buy or hold bitcoin, due to restrictions imposed by the regulator or investment mandate.

BTCE was approved for all investor types but there are many countries and jurisdictions where BTCE is available and where regulation may differ. It is always best to check with your broker or AP on these questions.

**Regulatory Capital Restrictions**

Bitcoin holdings might not qualify to be accepted as part of capital required by the regulator for various reasons (e.g. due to the fact that bitcoin does not have any recognized closing price on stock exchange which allows to mark to market such holdings).

BTCE is a security and is traded on Deutsche Börse (XETRA). It is much easier to qualify holdings of BTCE as regulatory capital than holdings of bitcoin.

**Money Laundering Concerns**

Bitcoin is a relatively new asset class, and it is difficult (but not impossible) to conduct due diligence and establish sources of funds. It is challenging for investors willing to invest in Bitcoin to establish with the necessary certainty that the Bitcoin they are buying is not proceeds of crime.

Only bitcoin screened with market leading chain analysis makes it into BTCE custody backing the issued instruments. BTCE is a fully fungible product (which ensures superior liquidity), but investors wishing to create units of BTCE in exchange for bitcoin (instead of purchasing it on regulated exchange) have either to be a regulated Authorised Participant ('AP') themselves or have such AP represent them as an agent. APs are licensed and regulated financial intermediaries, and as such are under very strict anti-money-laundering

		obligations. This means that investors buying BTCE securities can be sure that any Bitcoin they are getting exposure to (and which they can receive should they want to do so due to fungibility of the product) is clean.
<b>Settlement &amp; Post Trade Risk</b>	Parties buying bitcoin are exposed to counterparty (settlement) and post-trade price risks. Your counterparty can go insolvent after receiving the investor's part of the settlement (e.g. A 'bitcoin exchange' going out of business while the investor has cash of bitcoin deposit with it) or it may not honour the favourable price of a trade. Delivery-versus-payment arrangements for bitcoin trades are not common, and central clearing of trades to eliminate the price risk is virtually non-existent. This risk is particularly evident in transactions involving frequent large volume bitcoin settlements (e.g. lending using cryptocurrency as a collateral or lending of cryptocurrency itself).	BTCE is a security, which is eligible for central counterparty clearing by Eurex Clearing. You can settle trades in BTCE using the Delivery-versus-Payment mechanism of Clearstream system, which effectively eliminates any counterparty risk. Investors can also use well-established business-processes for securities lending or using BTCE as collateral in order to facilitate, streamline and considerably de-risk any lending operations involving bitcoin.
<b>Banking and Investment Platforms</b>	Most banks and platforms lack the infrastructure or desire to settle any money related to Bitcoin transactions.	BTCE is a security, and investors can expect considerable ease with their banks when dealing with BTCE instead of the underlying Bitcoin directly.

## Summary:

In twelve short years, bitcoin has fundamentally altered the way we think about currencies and financial institutions, governments and businesses have accepted it as more than just an experiment. Bitcoin now facilitates real-world transactions every day and is beginning to be accepted by retailers both online and offline for payments. While no one can predict the future, bitcoin has proved its utility and seems likely to find more supporters and applications as the market further matures. Now investors have the option to invest in Bitcoin, with the security of trading it on a recognised and regulated securities exchange.

Your capital is at risk. For professional investors only.

## Trading Information

Exchange	BBG Code	RIC	ISIN	Valoren	SEDOL	Currency	TER
Deutsche Boerse Xetra	BTCE GY	BTCE.DE	DE000A27Z304	-	BMWSLR9	EUR	2.00%
SIX Swiss Exchange	BTCEUSD SW	BTCEUSD.S	DE000A27Z304	55503260	BLB3S55	USD	2.00%
SIX Swiss Exchange	BTCEGBP SW	BTCEGBP.S	DE000A27Z304	55503260	BLB3S66	GBP	2.00%
SIX Swiss Exchange	BTCECHF SW	BTCECHF.S	DE000A27Z304	55503260	BLB3S77	CHF	2.00%

### About HANetf



HANetf is an independent ETF specialist founded by two of Europe's leading ETF pioneers, Hector McNeil and Nik Bienkowski, to challenge conventional approaches to ETF product development and create distinctive opportunities for investors. HANetf's UCITS ETF range is the result of close collaboration with leading asset managers that leveraged HANetf's full-service white-label ETF platform to simplify the setup, launch and distribution of their investment ideas.

### About ETC Group



ETC Group brings together financial services professionals, with experience spanning both the worlds of digital assets and regulated markets with a single goal: to make investing in cryptocurrencies easy, transparent and safe.

United within ETC Group is one of the world's largest electronic market makers, two London-based FCA-regulated brokers and a team of experienced financial services professionals all bringing network and know-how to the venture.

The company's vision is to create the most liquid cryptocurrency-backed exchange traded products, enabling regulated exchanges where its ETCs are traded to become the source of price discovery for Bitcoin and other cryptocurrencies alike.

For additional information please visit [www.etc-group.com](http://www.etc-group.com).

## Important Information

The content in this document is issued by HANetf Limited, an appointed representative of Mirabella Advisers LLP, which is authorised and regulated by the Financial Conduct Authority ("FCA"). This communication has been prepared for professional investors, but the Exchange Traded Cryptocurrency ("ETC") is available in some jurisdictions to any investors. Please check with your broker or intermediary that the ETC is available in your jurisdiction and suitable for your investment profile.

ETC's are a highly volatile digital asset and performance is unpredictable. Past performance is not a reliable indicator of future performance. The price of the ETC may vary and does not offer a fixed income. The value of any investment may be affected by exchange rate and underlying price movements.

This document may contain forward looking statements including statements regarding our belief or current expectations with regards to the performance of certain assets classes. Forward looking statements are subject to certain risks, uncertainties and assumptions. There can be no assurance that such statements will be accurate and actual results could differ materially from those anticipated in such statements. Therefore, readers are cautioned not to place undue reliance on these forward-looking statements.

The content of this document does not constitute investment advice nor an offer for sale nor a solicitation of an offer to buy any product or make any investment. An investment in an ETC is dependent on the performance of the underlying cryptocurrency, less costs, but it is not expected to match that performance precisely. ETCs involve numerous risks including among others, general market risks relating to underlying adverse price movements and currency, liquidity, operational, legal and regulatory risks.

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