



Fund Performance

Portfolio All-Time Return	-72.24%
Benchmark All-Time Return	-70.09%
All-Time Underperformance	-2.15%
Beginning AUM	\$10,636.09
Current AUM	\$2,952.59
Best Performer	\$GMX, 0.15%
Worst Performer	\$JEWEL, -98.05%

Fund Composition (Largest 8 Core)

Ethereum	5.67%
BTRFLY	18.27%
API3	16.18%
GMX	12.04%
Audius	10.58%
Ren	9.58%
Lido DAO	7.83%
Trader Joe	6.07%

Position Performance Q2 (Largest 8 Core)

\$ETH Return	-69.07%
\$BTRFLY Return	-28.57%
\$API3 Return	-65.12%
\$GMX Return	0.15%
\$AUDIO Return	-71.18%
\$REN Return	-77.08%
\$LDO Return	-89.18%
\$JOE Return	-72.44%

Macro Statistics (7/1/22)

Total Market Capitalization	\$875 B
\$BTC Dominance	41.94%
\$BTC 1 Yr Return	-42.41%
\$ETH 1 Yr Return	-50.35%
\$BTC Q3 Return	-58.19%
\$ETH Q3 Return	-69.07%
\$ETH/\$BTC	0.055

President:

Aaron Rudder – arudder@uoregon.edu

Director of Asset Management:

Ronan Broadhead – ronanb@uoregon.edu

Fund Overview & Theses

History

[The Oregon Blockchain Group \(OBG\)](#) is a community-oriented, student-led organization working to provide a broad platform for students to be empowered within their local communities since 2018. We collaborate with organizations all over the world to educate, encourage and empower student innovators, along with our broader community, through an infrastructure of distributed-ledger and Web3 technologies.

Our Crypto Fund I was launched on November 11th, 2021. The Fund’s initial capital of 3.01 ETH tokens was generously provided by University of Oregon Finance Professor and OBG Advisor, Dr. Stephen McKeon. On April 15th, 2022, McKeon injected an additional 1.0 ETH into the fund. The Fund’s assets are wholly owned by McKeon. Investment decisions are at the discretion of McKeon in accordance with OBG members’ pitches. The Fund’s assets are held in a multi-signature wallet jointly controlled by McKeon and OBG Management. Our fund quarterly reports are consistent with the University of Oregon’s fiscal year, and not the calendar year.

Q3 Performance

OBG Crypto Fund I performance is measured on a relative and absolute basis. Relative performance (alpha) is calculated using ETH token performance as a benchmark. The Fund has underperformed on both a relative and absolute basis to date; down 2.15% and 72.24%, respectively. Q3 has been one of the worst bear markets in crypto’s history, and many of our positions are reflecting the negative impact of numerous macroeconomic factors. However, we remain optimistic on the future of Fund I and are staying true to our original investment thesis of supporting the efficiencies that Web3’s offers. In the long term, the markets will re-evaluate the crypto market as a whole.

Fund Position Performance for Q3 (1/1/22 - 4/1/22)

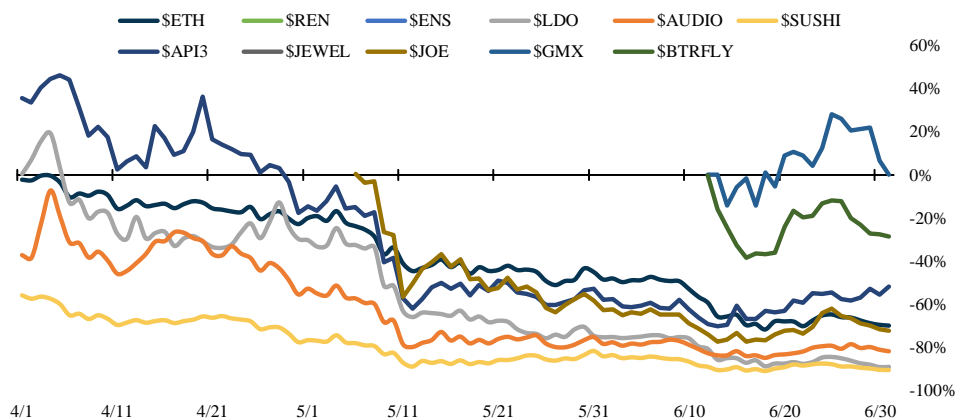
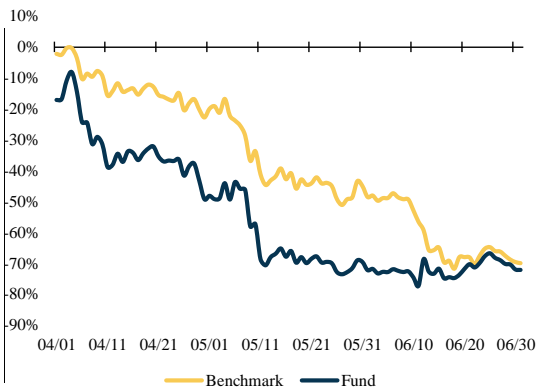


Figure 1: Fund Performance vs. Benchmark Q3



Source: Crypto Fund & Cryptowatch API

Figure 2: Total Crypto Market Cap & 24h Volume (billions) Q3



Source: CoinMarketCap



Whereas most technologies tend to automate workers on the periphery doing menial tasks, **blockchains automate away the center**. Instead of putting the taxi driver out of a job, blockchain puts Uber out of a job and lets the taxi drivers work with the customer directly.

- Vitalik Buterin



Going into Q4, our ethos for Fund I remains the same - we will seek out and support smaller capitalization projects (<\$500m) that have yet to realize their full potential. Many projects can exist in the market for months if not years before the crypto market as a whole understands their use case, and hence corrects their prior undervaluation. Therefore, an opportunity to be an early supporter of these smaller projects is available for those who can identify how DLT tech can circumvent Web2 issues. Our goal will be to identify projects that occupy a niche to which there is no mainstream Web3 incumbent.

With this said, “hopping on the bandwagon” is not our investment strategy. Rather, our decision making process will be set on a foundation of understanding the underlying mechanics of the narrative, through which the value of specific projects will become evident. Let's look at an example...

ETH L2 Scaling Solutions

Ethereum has notoriously high gas prices, and low TPS. As such, its scalability has been one of the hottest topics in crypto for the past year. However, there are many varying ways to approach providing this scalability.

Polygon

uses a Plasma-based scaling solution to off-load transactions onto its sidechain. However, this comes at a cost. It uses its own PoS consensus mechanism, with its own relatively small number of validators to confirm transactions. As of this writing, [Polygon's largest 5 validators confirm over 50%](#) of the network's blocks – which may indicate centralization risks.

Optimism

uses Optimistic Roll-ups to confirm transactions. All submissions to the chain are treated as true, unless someone disputes a transaction. While there are bonding/slashing tokenomic models present, it is far from a perfect system. Transactions are not “finalized” until up to a week after submission, to allow time for disputation. However, this technology is very easy to implement with smart contracts, and its popularity is seen by its [\\$1 billion + TVL](#).

ZK Space

uses Zero-Knowledge Roll-ups that leverage SNARKs as cryptographic proofs to help confirm transactions. ZK Space boasts an in-house DEX and NFT marketplace with 6 different types of novel “mining” techniques to align incentives and facilitate the network. Using zk-snarks leverages the security that Ethereum already provides, and is typically cheaper per transaction than other roll-up technologies. However, implementing this technology in smart contracts is still very difficult, and is not yet EVM compatible.

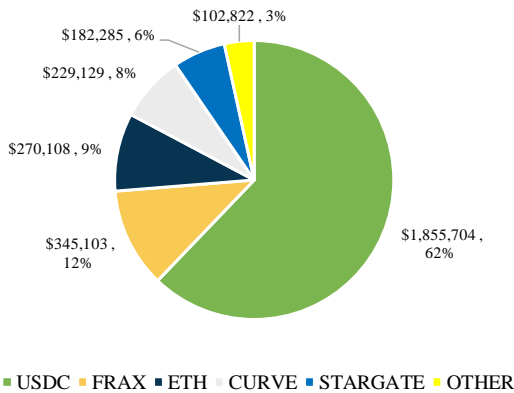
Just from briefly examining the differences between these three ETH L2 scaling solutions, we see that each would require a unique rationale upon which to make an investment decision. Blindly investing in “scaling solutions”, for example, is not our strategy. Rather, fully understanding the mechanics of the underlying narrative and assets is our strategy for Fund I.

We are excited for what next quarter brings - we expect lunar opportunity for Fund I, and the Oregon Blockchain Group!

- Aaron Rudder, President

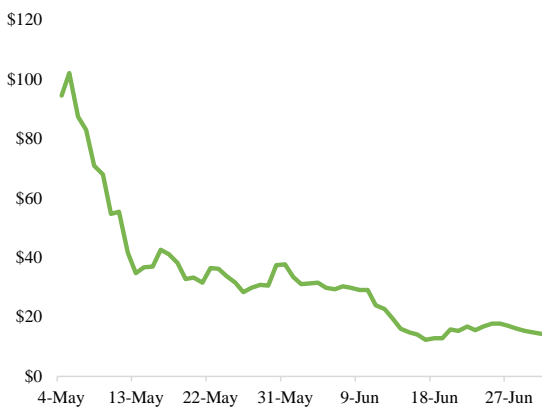


Figure 3: BTRFLY Treasury Breakdown (Largest 5 Positions)



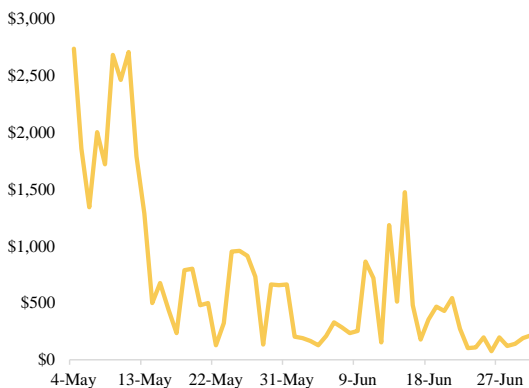
Source: Etherscan

Figure 5: BTRFLY Token Price



Source: Nomics

Figure 4: BTRFLY Trade Volume (Thousands)



Source: Nomics

BTRFLY

Overview

The Redacted Cartel is a metagovernance layer which offers a suite of products to return value back to BTRFLY holders. They have two flagship products today:

- Hidden Hand is a generalized bribe marketplace, connecting bribers and holders of ve-Tokens in a one stop shop. HH will soon enable permissionless markets, enabling anyone to create a bribe marketplace around their token. The cartel has teased that they will be launching their newest marketplace around Abacus – an NFT appraisal solution.

- Pirex is a liquid wrapper that allows for auto-compounding and the tokenization of future yield/vote events. Pirex enabled holders of CVX to wrap for pxCVX which already has \$6.9M in TVL. Pirex enables 3 different “modes” for users:

- Standard mode: deposit CVX in exchange for the liquid wrapped pxCVX

- Easy mode: Users deposit pxCVX into a ERC-4626 pxCVX Pounder vault operated by a partnership between Llama Airforce and Pirex and receive uCVX.

- Expert mode: Allows for the tokenization and exchange of future bribe/yield.

The cartel also migrated to v2, which moves away from their bootstrapping phase of bond and rebasing. V2 sets a cap on BTRFLY emissions, and allows users to share in the revenue generated by HH and Pirex

Performance

This quarter we have seen the launch of both Hidden Hand and Pirex. HH found an 8x increase in volume from their newest market, FloorDAO. Pirex has quickly amassed \$6.5M in TVL, even with the depressed price of CVX. Overall, the BTRFLY token depreciated 28%, outperforming our benchmark by 41 percentage points.

Catalysts

Redacted aims to make themselves a market leader in this niche as the “MetaFi” narrative grows stronger. Hidden Hand has seen substantial growth across markets, increasing volume—and thus revenue. We expect volume in Hidden Hand markets to increase in Q3 with growth of Aura, and the introduction of Abacus markets. Pirex TVL should only increase as users see the value proposition in a liquid version of their v1CVX, as well as the enabling of tokenization of future bribe/yield.

Outlook

We remain bullish on the cartel, and think that the market is soon to realize the value proposition in not only a metagovernance layer but the impact bribes and conviction staking have over defi/NFTs.

- *Ronan Broadhead, Director of Asset Management*



Figure 6: GMX Daily Profit & Loss (Hundred Thousands)



Figure 7: GMX Daily Open Interest (Millions)

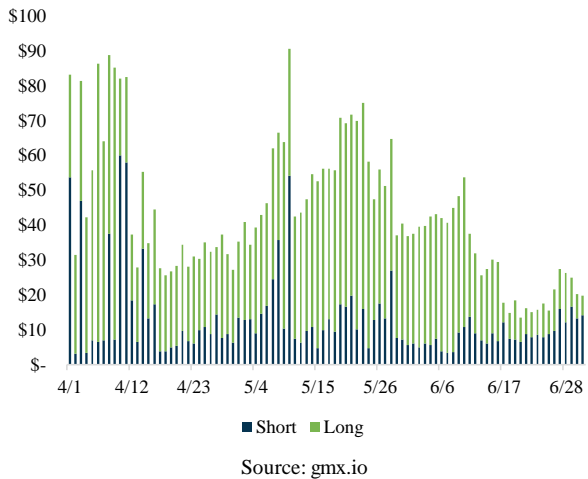
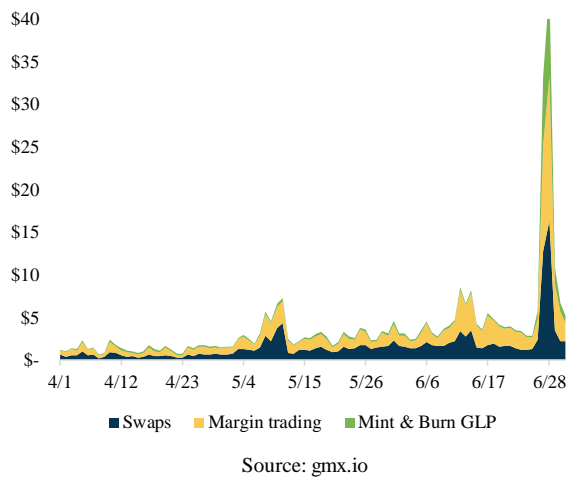


Figure 8: GMX Daily User Actions Value (Thousands)



GMX

Overview

GMX is a decentralized (crypto) spot and perpetual exchange that allows up to 30x leverage on trades. And uniquely, there is no KYC requirement. GMX is available on AVAX and ETH (on Arbitrum L2). Between these two Dapps you can trade; ETH, BTC, AVAX, LINK, UNI, and a variety of stablecoins. To get between these chains, GMX integrated Synapse as their cross-chain tech. What sets GMX apart for other AMMs is their use of oracles to pull pricing data from CEXs like Binance & FTX to leverage more accurate price data, thereby significantly mitigating slippage of asset prices. GMX's tokenomics are also unique and exciting. Though the specifics are complicated, they use multiplier points and a token called esGMX to promote long-term staking incentives, with low inflation for the GMX token.

Without the need for traditional liquidity pools, GMX only has one pool called the GLP pool with its own token \$GLP. This token works as an index fund of high-quality assets that also pays depositors through fees generated by traders. \$GLP is given as a receipt to those who deposit one of the pool's assets. This pool is another way GMX differentiates itself from other AMMs (mitigating the impermanent loss issue).

Performance

The OBG purchased and staked 22.87 GMX tokens at a price of \$15.53 on June 12, 2022. Since we acquired our position, it has recovered to almost exactly the same value (absolute basis). It's important to keep in mind that this performance is mainly due to the overall market turnaround. In comparison to other DEXs, GMX has significantly outperformed. Due to its high staking rate (86% staked) and its unique tokenomics, it has been able to hold a steady resistance at the \$15 mark. The volume of users continues to rise on GMX, and over \$38 billion in assets have been traded using GMX, leading to over 50 million in fees being generated by the platform.

Catalysts

GMX is young: it launched last September, and accordingly there are still a lot of possibilities for expansion. Acknowledging this, the GMX team has said that they have plans to expand into more chains, assets, and trade aggregators. Furthermore, they are updating their AMM to GMX x4 which gives pool creators and projects full control over the functions of customized pools. This customization will act as an incentive for users looking for specific functionality in pools.

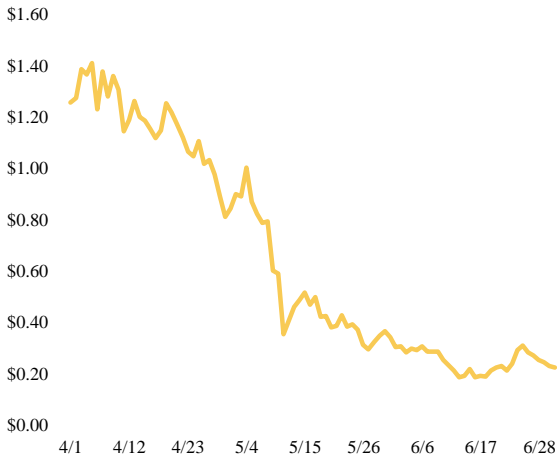
Outlook

In 2021 the crypto perpetual market grew by 358% and we don't expect this trend to stop. With a such distinguishing traits from other AMMs, GMX seems to be in the perfect position to capitalize on this growth. We also see similar potential out of DEX spot exchanges. GMX is one of the most efficient DEX's given their novel LP mechanism. In fact, 35% of trades from swap aggregators route through GMX, making it the most commonly routed-to DEX in this respect. With all of this being the case, the OBG sees a bullish potential in GMX.

- Royce MacArthur, Assistant Fund Manager

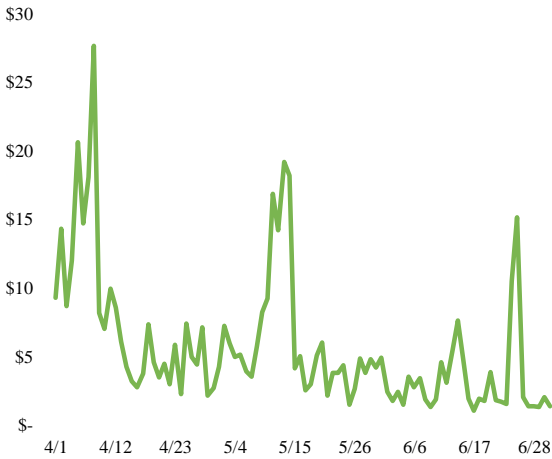


Figure 9: Joe Token Price



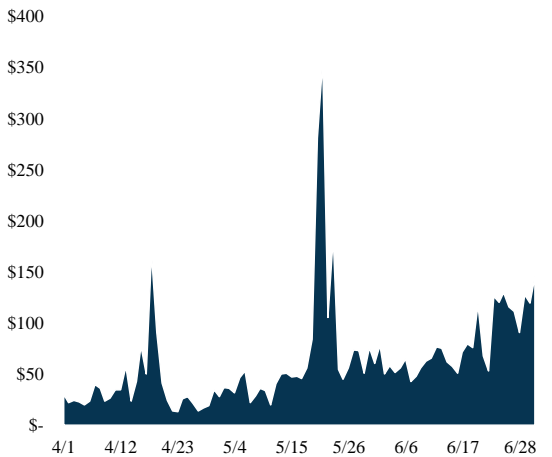
Source: Nomics

Figure 10: Joe Token Volume (Millions)



Source: Nomics

Figure 11: Trader Joe DEX Trading Volume (Millions)



Source: Coin Gecko

Trader JOE

Overview

Trader Joe is a decentralized trading hub on the Avalanche blockchain. The hub has 4 main platforms: Trader Joe - an AMM for token swaps, Banker Joe - a money market for borrowing and lending, Rocket Joe - a platform for new projects to raise liquidity, and Joepegs - a full-service marketplace for launching and trading NFTs. Through these platforms, founders can launch and bootstrap their protocols, and users can trade across a wide variety of assets as well as provide liquidity to earn passive income. Through innovative dApp offerings and a narrative brand, Trade Joe aims to become the economic center of the Avalanche network.

Performance

On May 6th, 2022, the OBG purchased (and staked) 793.88 JOE tokens (using the sJOE staking option) at a price of \$0.31. Since its inception to the Fund I, the absolute value of the JOE position has depreciated by about 72%, and accrued an additional 9% of USDC in staking rewards. In the face of the overall market downturn we saw this quarter, Trader Joe has performed about par for the course. However, its success and failure is closely tied to the key role it plays in the larger Avalanche ecosystem.

Catalysts

Trader Joe overhauled its token design earlier this year due to concerns about utility for the native token \$JOE. The new model unifies the core platforms through a unique staking mechanism. One of the staking choices is vote escrow Joe, a model pioneered by Curve Finance. Analogous to the curve/convex ecosystem, veJoe has led to the creation of many vertical protocols such as Yield Yak. Between a high utility token and a strong product suite, Trader Joe is well positioned to capitalize off adoption of the Avalanche network. Catalysts that bode well for AVAX get indirectly parlayed to JOE in many circumstances.

Outlook

Trader Joe's full product suite is relatively new. Rocket Joe launched at the beginning of 2022 and Joepegs has only been on mainnet for a couple months. For the rest of the year, Trader Joe plans to upgrade its AMM with a structured liquidity model, and eventually offer leveraged and derivatives markets. This could bolster even more DeFi adoption in the Avalanche ecosystem as a whole. Furthermore, Trader Joe has solidified itself as a core protocol ranking 4th in TVL and 1st in DEX volume amongst all Avalanche protocols. As a result, Trader Joe is likely to benefit from the hundreds of projects that have chosen to launch on the high performance Avalanche network.

- Joe Andersen, Director of Education



Figure 12: Daily Tx Fees on Ethereum (in ETH)

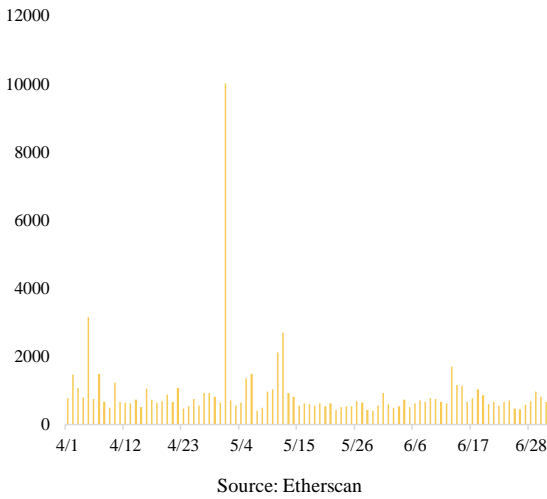


Figure 13: Ethereum Network Hashrate (GH/s)

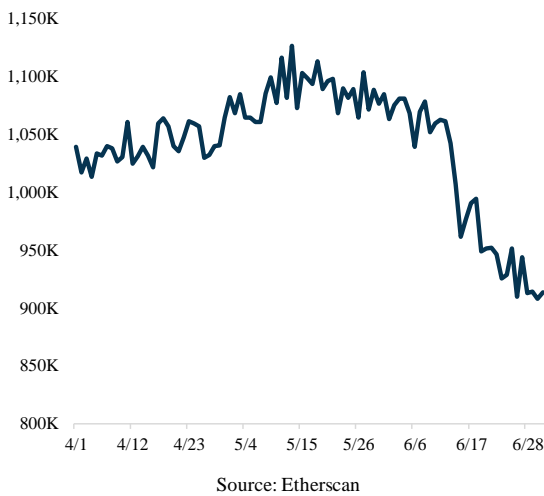
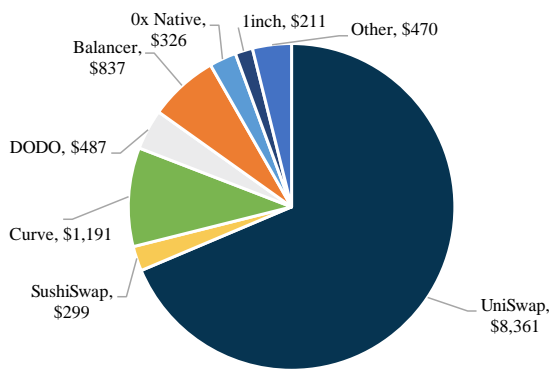


Figure 14: 7 Day Volume by Major DEXs (Millions)



Source: Dune Analytics

Ethereum (Fund Benchmark)

Overview/Performance

Ethereum is a POW (Proof of Work) blockchain that's home to digital money, global payments, and applications. Ethereum tackles the idea of a fully decentralized system of digital money, being the first blockchain to support and run application code. Over time it has become a truly community-run technology powering the cryptocurrency ether (ETH) and thousands of decentralized applications. Over Q3, ETH declined 69% (\$3445 to \$1066), and thus set such a benchmark for our fund.

Catalysts

The domino effect of Terra Luna's collapse had devastating affects on the markets as a whole, not least of which was the ETH ecosystem. Furthermore, to prepare for future upgrades that can combat Ethereum's high gas fees, the move to the POS system has been infamously slow, but steady. When this does eventually happen, ETH will be able to better satisfy investors' ESG mandates and will set the scene for more important upgrades.

Outlook

The Ethereum merge is expected to complete before 2023, and would be the first time a blockchain has changed its sybil control mechanisms. However, any snafus during this process could be disastrous for the ETH ecosystem. Despite this, the community is very optimistic about a successful merging.

- Dhru Patel, Director Technology

SushiSwap

Overview / Performance

SushiSwap is an AMM built atop the Ethereum blockchain. Sushi supports a wide array of DeFi services. Sushi underperformed our ETH benchmark by 8% and by 77% ABS in a difficult 3rd quarter. Much of this can be attributed to ongoing inflation concerns and market-wide turmoil in the aftermath of the Terra collapse, not negative sentiment surrounding the protocol itself. Sushi is down nearly 95% off of highs reached in the spring of 2021.

Catalysts

In April, Sushi announced a collaboration with OpenMEV to release "Sushi Guard", which will offer free MEV protection to anyone making a swap on the platform. The newest version of MISO has released - a fully permissionless multi-chain token launchpad. MISO facilitates the onboarding of creators looking to enter the Web3 space. The team also released a proposed outline for Sushi2.0, which aims to remediate the internal issues the team faced in 2021.

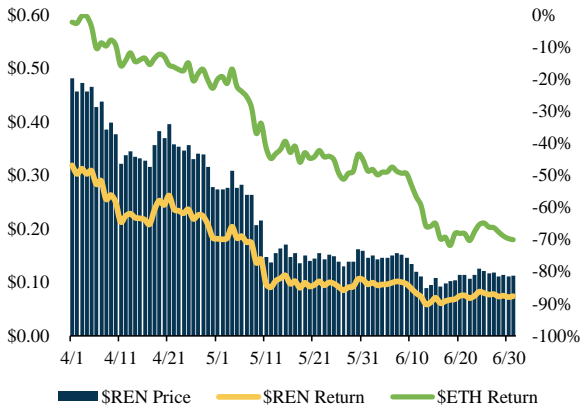
Outlook

With an impressive suite of products, a team dedicated to restoring former glory, and a powerful partner backing, Sushi is poised to make a strong recovery. The protocol will quickly look to fill key leadership roles and is hoping to deliver essential upgrades to the project's organizational framework. If Sushi's outline is delivered, they could reclaim their former market share.

- Eli Pearson, Director of Communications

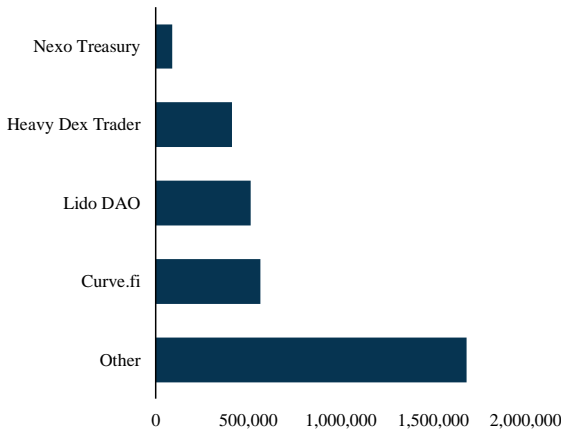


Figure 15: \$REN Price & Return vs. \$ETH



Source: Crypto Fund & Cryptowatch API

Figure 16: Top stETH Wallet Balances (ETH)



Source: Nansen

Figure 17: LDO Token Price



Source: Cryptowatch API

RenVM

Overview / Performance

Ren is a decentralized protocol that facilitates blockchain interoperability. Ren allows users to bridge a wide-array of assets across its supported blockchains, facilitating cross-chain DeFi without barriers. The protocol is continuing to layout its roadmap for the year ahead as it transitions into its own layer-1 network. It has been a harsh quarter for Ren, underperforming ETH by %. Ongoing inflation concerns and other macroeconomic factors have continued to prompt a market-wide selloff in risk-on assets, with cryptocurrency markets taking an extended hit.

Catalysts

In April, the Greycore went live on testnet, marking yet another important milestone on the protocol's road to full decentralization. The RenBridge V3, had its mainnet launch, offering added support for stablecoins, direct bridging between host chains, and newly added tokens. Finally, Ren has continued to work closely with Catalog Finance to support the release of their zero-fee, cross-chain DEX. Catalog will be the first dApp built on top of the Ren L1.

Outlook

Ren continues to add support for new assets and blockchains, helping cement its position at the heart of DeFi with a growing list of integrations and collaborations. Despite the promising news, we remain cautious in light of a weary outlook for the wider economy as recession concerns loom.

- *Elijah Pearson, Director of Communications*

Lido DAO

Overview / Performance

Lido is a liquid staking solution, and is most known for its Ethereum 2.0 use case. Clients can use Lido to stake their Ether while also participating in on-chain activities such as lending. The LDO token lost 89% of its dollar value in Q3, thereby underperforming the benchmark by 20 percentage points.

Catalysts

Lido's TVL decreased this quarter due to the collapse of Luna. Lido now holds <30% of all staked Ether. This raised questions in the community about self-limiting their stake, however many prominent members of the community noted that liquid staking dynamics have serious winner-take-most effects. In other news, Dragonfly Cap. proposed a purchase of 1% of the token supply with no lockup, at a discount. The community did not favor these terms and a new proposal was put forth with a 1 year lockup and a slight premium to market price which recently passed.

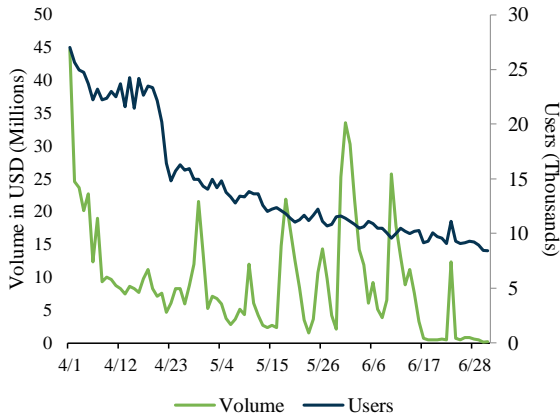
Outlook

Looking towards the rest of 2022 and the Ethereum merge, we can expect increased commentary on Lidos share of Eth stake. We expect Lidos share to only grow as the Ethereum validator queue grows longer, and a successful merge will validate Lidos value proposition.

- *Ronan Broadhead, Director of Asset Management*



Figure 18: DFK Volume vs Users



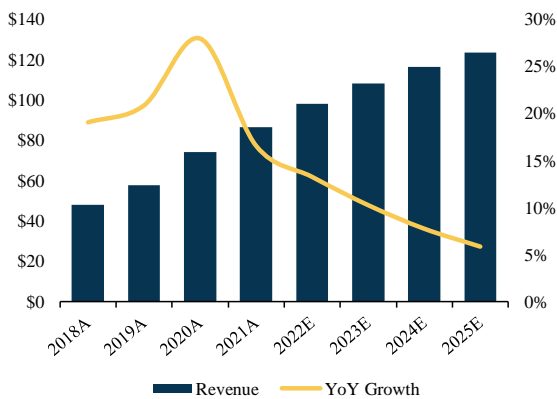
Source: DappRadar

Figure 19: \$AUDIO Price & Return vs. \$ETH



Source: Crypto Fund & Cryptowatch API

Figure 20: Music Streaming Industry Revenue (Billions)



Source: Statista

DeFi Kingdoms

Overview / Performance

DeFi Kingdoms is a cross-chain, play-to-earn MMORPG built on the Harmony blockchain and available on the Avalanche subnet, DFK. The finance side of the game is focused around liquidity pools, staking, and a DEX, while the MMO aspect focuses on unique, utility-driven NFTs, such as land, equipment, and heroes. On March 13th, 2022, the Oregon Blockchain Group purchased 75.88 JEWEL and entered the JEWEL-One liquidity pool, which has a current annual yield of ~300%. In Q3, JEWEL has dropped 98% in ABS value and has underperformed the benchmark by 29%.

Catalysts

The introduction of PVP functionalities and more land use cases remain may be promising features. The continued work of fleshing DeFi Kingdoms out to be a more robust gaming experience, as opposed to a gamified DEX, and the transparent commitment from the dev team has kept the core community optimistic about its future.

Outlook

GameFi is going to be a prevailing source of crypto adoption in the future. DeFi Kingdoms will likely come to fruition once the mass markets have been onboarded. That being said, GameFi competition is already fierce, and will only get tougher. We believe that DeFi Kingdoms has carved out a niche within this market and will continue to deliver upon its roadmap promises.

- Jordan Combs, Director of Finance

Audius

Overview / Performance

Audius is a Web3 native music streaming platform whose mission is to give compensation back to artists, help artists cater to their communities in a new, token enabled capacity, and to align the incentives between artist and consumer. This is accomplished by distributing 90% of an artists revenue directly to them, integrating social token functionality, and enabling artists to run their own content node in the network. This quarter, the \$AUDIO token depreciated 71%, underperforming our benchmark by 2 percentage points.

Catalysts

This quarter, Audius has focused on having a strong presence at various events such as Coachella, NFT NYC, Consensus, and others. Through its public outreach, it has been steadily onboarding new artists and users to the platform. It also has support for both Ethereum and Solana, and is quickly integrating music NFTs into their platform (songs, stems, remixes, etc.).

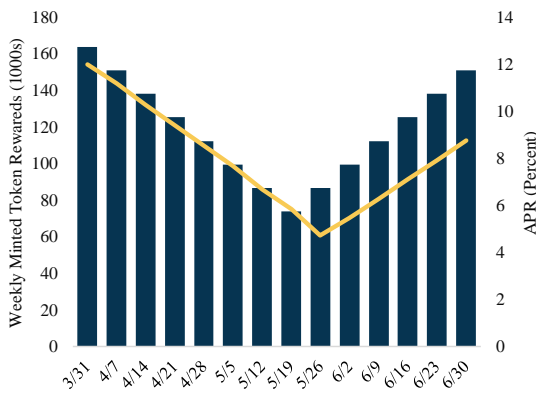
Outlook

Though this was a brutal quarter for the markets as a whole, our fundamental investment thesis has not changed for Audius. Doing the grunt work during the bear markets and building out their artist/user bases will likely start to come to fruition next up-cycle as a more polished and UI friendly product.

- Aaron Rudder, President

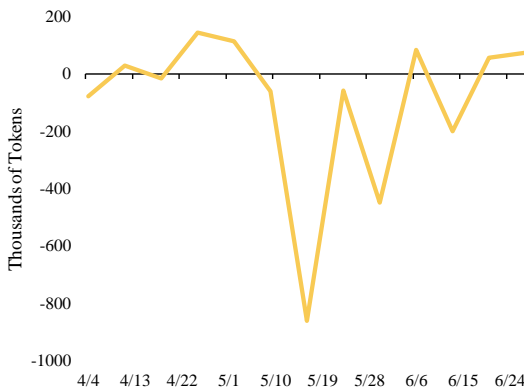


Figure 21: API3 Weekly Minted Rewards and APR



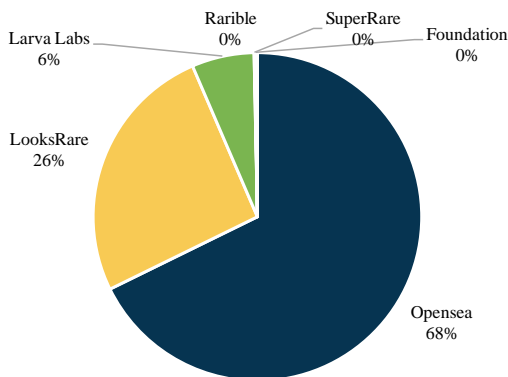
Source: Dune Analytics

Figure 22: Net Change in API3 Stake Over Time



Source: Dune Analytics

Figure 23: NFT Marketplace Marketshare by Volume



Source: Dune Analytics

API3

Overview / Performance

API3 connects standard Web 2 APIs to the blockchain ecosystem via transparent 1st party oracles which provide numerous benefits over the incumbent 3rd parties. This is accomplished by their “Airnode” technology and tokenomically efficient DAO structure. The OBG purchased and staked 256.82 API3 tokens on 1/27/22, at a price of \$3.85 each. This quarter, the API3 token is down 65%, outperforming our Ethereum benchmark by 4%.

Catalysts

During this downturn, API3 is seeking to expand its presence across chains by launching its “dAPI” service on chains like Polygon, BNB, and Avalanche, thereby positioning itself for growth following the next industry expansion.

Outlook

The crypto market is currently in a “winter”, but developers are hard at work. Increasingly, more applications of this technology are coming to the space. Whether reinventions of Web 2 applications or crypto native, the space is seeing a boom in development. For many of these applications to run, they need real-time, cheap, and verifiable APIs. We believe that API3 provides the best solutions for developers who are building in the space.

- *Chris Garcia, Director of Operations*

GAMA NFTs

Overview / Performance

Gama is a novel NFT-based project created by the Web3 platform Cyber Manufacturing Co. Gama boasts a plethora of segments to its project including: high quality comics and storytelling, a beautiful built out proprietary gamified metaverse for NFT holders, digital identities, merchandise, IRL and virtual community events, plans to launch a crypto-mining satellite to power a carbon negative token and others. Gama closed a \$6 million pre-Series A funding round with many notable VC’s. The Gama team is constituted by industry experts from Marvel, Lucas Films, and various tech giants.

Catalysts

This quarter, Gama launched its Access and Collectors’ Passes which give holders a variety of impending benefits, along with instant access to the first several editions of the Gama comic series. Gama also has held lots of IRL community events, such as at NFT NYC which has evidenced their commitment to the community, and disregard for pump-n-dump tactics.

Outlook

The Gama team is very ambitious and has – for lack of a better word - a crazy roadmap. Specifically, in Q4, we are very excited about the growth of Gama Studios – the segment responsible for creating their comic style entertainment experiences and other novel creative works on the blockchain.

- *Aaron Rudder, President*





Onward and Upward, to the moon! #WAGMI

- *Oregon Blockchain Group*

