

# Investment Account Report

APRIL 2022

## Month-End Ethereum Investment Account

Token	Units	Price	Value (\$)
bb-a-USD	3,999,964.85	1.01	4,039,912.36
fG-UNI-DAI-F EI-8	554,466,760.71	0.002	1,148,276.77
fG-UNI-FEI-U SDC-8	15,459.16	100.15	1,548,237.38
G-UNI-icETH- WETH	9,866.57	41.10	405,553.92
ETH	153.99	2,738.17	(421,650.80)
WETH	7.84	2,734.58	21,445.80
USDC	-	1.00	-
<b>Total</b>			<b>6,741,775.43</b>

## Commentary

The funds in the investment account are now fully deployed. The two investment themes are earning BAL rewards to support future products Liquidity Mining (LM) and providing collateral to support an ETH loan which is providing Index Coop's first fully hedged Protocol Owned Liquidity (POL) position, icETH.

The current composition of the Investment Account deployment is as shown below.

1. Balancer Boosted Pool that utilize Aave v2 mannet deployment as a source of yield, swap fees and BAL rewards.

Total estimated BAL earning accrued and not claimed since deployment = **\$33,354\*\***  
2,289.22 BAL up from 1,213.78 BAL in March

Net additional earnings since last reporting date (April) = **\$15,669.23**

*Annualized (estimated return) = 4.75% without Boosting*

2. FEI-USDC & FEI-DAI Uniswap V3 pool. The LP tokens were then deposited to FeiRari Pool 8 which receives incentives from Tribe DAO in the form of TRIBE tokens.

Estimated earning accrued and not claimed = **\$46,981.87\*** 123,991.18 TRIBE up from 65,105.95 TRIBE in March

Net additional earnings since last reporting date (March 22) = **\$22,312.38**

*Annualized (estimated return) = 10.39%*

\*\*Estimated accrued earning/return was calculated based on accrued tokens (both pending and claimable) and token price as of May 4, 2022.

Using the weighted average annualized return of 7.01%, the annual estimated earnings will be \$472,063. Do note, the yield on the FEI-USDC & FEI-DAI positions are currently yielding 17.7% in TRIBE rewards, plus some swap fees and the POL income is exceeding the costs of capital. The Balancer strategy ROI is also understated due not being fully invested during all of April and Boosted rewards have not yet started as no BAL has been locked to date.

## Outlook and Next Steps

Both the long term (>6 months) Balancer Boosted Pool and the medium term (<6 months) Tribe FEI-USDC/DAI pool strategies are expected to continue generating yield and supporting POL for the duration of May. The next transaction will most likely be claiming and locking the BAL rewards to attain Boost on the Balancer Boosted Pool position. Otherwise, it will be when the Arrakis DAO launches the SPICE token or if we need to change the POL position to support launching FIXED.

When Arakkis launches the SPICE token, we hope Index Coop receives an initial allocation from the genesis distribution. The icETH/wETH POL position, is not only our first hedged POL but also expected to feature in how Arrakis calculates each partners SPICE allocation. These SPICE tokens will be retained and then used to direct LM rewards to Index Coop product pools.

With Liquidity being a major financial outlay for IC the ability to use other protocol incentives for future products could drive significant cost savings.

## Performance Benchmark

The benchmark for performance comparison for the investment account is an equal weighted allocation of USDC across Compound and Aave which we recognise as the lowest risk and most liquid markets lending markets.

	Weight	Return	Weighted Return
Aave USDC Market	0.5	2.12%	1.06%
Compound USDC Market	0.5	2.23%	1.12%
Total			2.18%

## Investment Account Key Results

OKR	Results
% of assets deployed productively	100%
% of assets that are liquid	100%
Nominal (estimated) annualized ROI	7.01%
Performance relative to Benchmark	4.83%