



Teroxx Quarter 1 Report 2020:

In order to create a suitable picture of the past quarter, we refer in this report to the entire market capitalization of the crypto market, as well as to the Bitcoin price development representative for the development of the dollar values in the crypto market.

Dear Teroxx Community,

The first quarter of the new decade is behind us and it was an unusually exciting one. Not only the crypto market experienced ups and downs, but also the global economy had to leave its positive developments behind due to the "Corona Pandemic" and public life has been at a standstill for several weeks in many parts of the world. The crypto market started the quarter with a positive rally. At the end of last year, the market had tended to be negative, but at the turn of the year it recovered.

After the market fell in the last quarter of 2019 from ~\$10,000 in Bitcoin and a market capitalization of ~\$250 billion to ~\$6900 and ~\$180 billion respectively, which corresponds to a dip of ~28-30%, many investors saw the turn of the year and the favourable buying opportunity as an opportunity to invest in the market.

Following this we saw a crypto market, which gave Bitcoin as well as almost all Altcoins a positive push. Due to this rally the whole market rose without any significant setbacks or dips until mid-February. During this time, Bitcoin was able to break the "magic" line of \$10,000 and reached a local high for the year of ~\$10,500 - an increase of ~50% in the Bitcoin price within 45 days, and the market capitalization climbed to a local high of ~\$303 billion. Also the market capitalization could register an increase of ~58%. In these 45 days since the beginning of the year, the



crypto market showed positive signs and the outlook due to the upcoming "Bitcoin Halving" in May was still very rosy after the first profit taking after the rally and a small dip to ~\$8500 in Bitcoin.

After a small rebellion at the end of February we saw the biggest daily dip in the crypto market and in the Bitcoin price ever. Within a few days the Bitcoin price dropped ~50% to ~\$4700, with a short term low of ~\$3750 and a fallen market capitalization of ~\$170 billion. This was due to the correlation of the crypto market to the global stock markets, their collapses due to the global "Corona Pandemic" and the resulting negative suction. Subsequently, the crypto market recovered quite quickly. Within a few days, support was established permanently at over \$6000, which means that at the end of the quarter we are only just below the value at the beginning of the year.

It can thus be seen that the crypto market has shown two opposing faces in an eventful first quarter of 2020. After a 45-day rally, the market has almost exclusively gone up, but within a few days it has also returned to its initial levels.

We at Teroxx have recently made this quarter positive despite the difficult market situation. Thanks to the encouraging performance in the first few months of the year, we were able to build up long-term positions in many crypto-currencies, so we sold a few positions here after the first small correction in mid-February in order to realise the profits. During this upswing, further daytrades (trades that are closed within a few hours or days) were therefore also executed positively, so that we were able to make the pleasing development profitable.

When the market saw the first dip at the end of February to the beginning of March, we closed our long term positions to realize profits and temporarily stopped day trading as we did not see any positive elements in the market.

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To visualize this we take the following example:

\$8,000,000 capital, which loses 30% in negative markets, would need a 43% return in positive markets to return to baseline.

Here it becomes obvious that high risk cannot be profitable in the long run and constantly. We at Teroxx will therefore never take such a risk.

With classic investment products such as equities, we are currently seeing annual general meetings being postponed, sales and growth forecasts being revised, dividends being completely suspended and share buybacks being put on hold for the long term. In contrast, we have merely minimised our risk and waited for positive developments in the market without any active risk.

Since our philosophy is to trade the funds in a risk-minimized and optimized way and to generate constant and long-term profits and not to maximize short-term profits with increased risk, our strategies have enabled us to come through this market phase with above-average positive results.



We have thus secured our funds and are going into the new quarter stronger from this dip. The dip has made it possible to evaluate low-cost positions after successful stabilisation and to trade these profitably in the next upswing.

It was also possible to increase the number of Bitcoin shares held due to falling markets.

Overall, this quarter was positive despite the hectic pace and uncertainty in the market. Thus we are going into the coming quarter with optimism and strength, which will be trend-setting for the market and wish successful and healthy weeks.

Your Teroxx Team