Fund Performance	
Portfolio All-Time Return	-14.97%
Benchmark All-Time Return	-2.25%
All-Time Underperformance	-12.72%
Beginning AUM	$10,636.09
Current AUM	$14,210.32
Best Performer	$JEWEL, 129.53%
Worst Performer	$SUSHI, -56.05%

Fund Composition	
Ethereum	12.95%
SushiSwap	8.77%
RenVM	13.83%
Lido DAO	24.07%
Audius	12.31%
API3	15.27%
Jewel	7.96%
One	4.82%

Position Performance Q2	
$ETH Return	-8.30%
$SUSHI Return	-50.40%
$REN Return	-13.31%
$LDO Return	11.53%
$AUDIO Return	-28.73%
$API3 Return	35.73%
$ONE Return	33.19%
$JEWEL Return	129.53%

Macro Statistics	
Total Market Capitalization	$1.85T
$BTC Dominance	40.76%
$BTC 1 Yr Return	-10.20%
$ETH 1 Yr Return	45.70%
$BTC Q2 Return	-16.22%
$ETH Q2 Return	-8.30%
$ETH/$BTC	0.081

Director of Asset Management:
Ronan Broadhead – ronanb@uoregon.edu

President:
Aaron Rudder – arudder@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, Stephen McKeon. On April 15th, 2022, McKeon injected an additional 1.0 ETH into the fund. The Fund's assets are wholly owned by Stephen McKeon. Investment decisions are at the discretion of Stephen McKeon in accordance with OBG members' pitches. The Fund's assets are held in a multi-signature wallet jointly controlled by Stephen McKeon and OBG Management. Our fund quarterly reports are consistent with the University of Oregon's fiscal year, and not the calendar year.

Q2 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 2.25% and 14.97%, respectively. Towards the end of Q2, many of our newly added assets saw large recoveries. The best performer has been JEWEL and the worst performer has been SUSHI.

Fund Position Performance for Q2 (1/1/22 - 4/1/22)
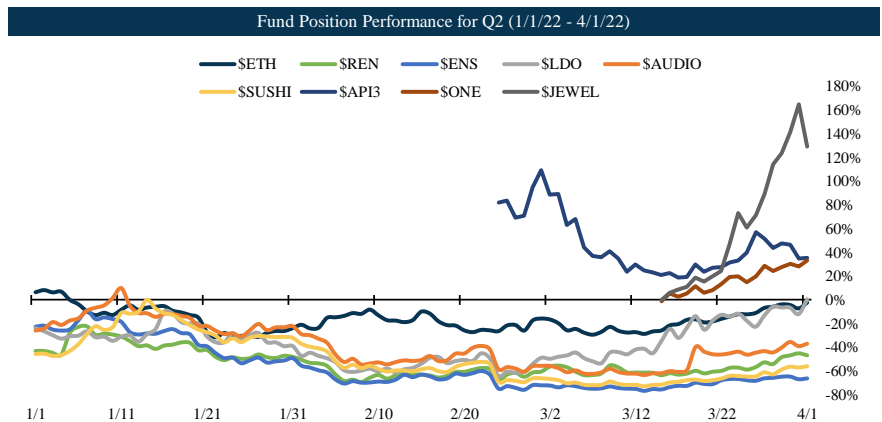
Going into Q2, our ethos for Fund I remains the same - we will seek out and support smaller capitalization projects (<$500m) that have yet to realize their

Figure 1: Fund Performance vs. Benchmark Q2
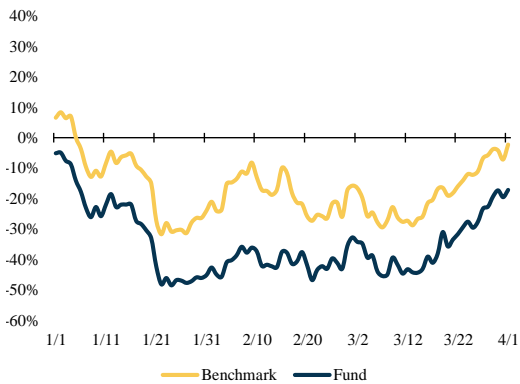
Source: Crypto Fund & Cryptowatch API

Figure 2: Total Crypto Market Cap & 24h Volume (billions) Q2

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

full potential. Many DAO's, protocols, and dApps 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" and investing in a project associated with a particular narrative that is gaining traction is not good enough. 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 55% 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 300 million + TVL.

ZK Space
uses Zero-Knowledge Roll-ups that leverage SNARKs as cryptographic proofs to help confirm transactions. ZK Space incorporates an in-house DEX (ZK Swap) and NFT market place (ZK Sea) 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.

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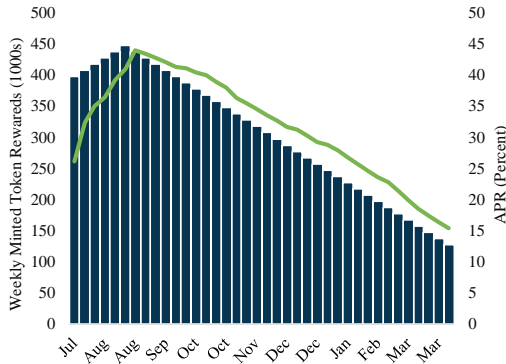
We are excited for what next quarter brings - we expect lunar opportunity for Fund I, and the Oregon Blockchain Group!
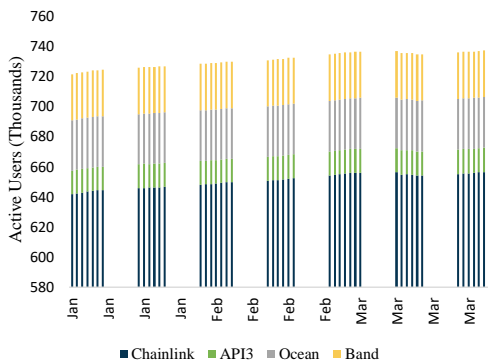
- *Aaron Rudder, President*

API3

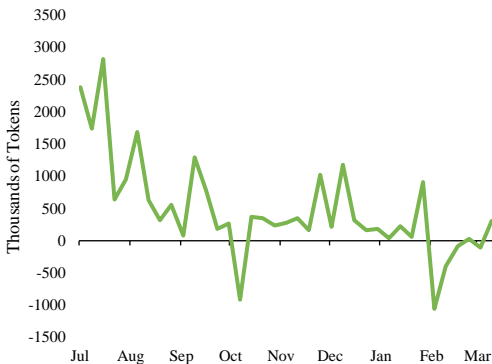Figure 3: API3 Weekly Minted Rewards and APR

Source: Dune Analytics

Figure 4: Active Users by Oracle Over Q2

Source: Dune Analytics

Figure 5: Net Change in API3 Stake Over Time

Source: Dune Analytics

Overview

API3's goal is to connect traditional Web 2 APIs to the blockchain ecosystem. As more projects start leveraging accurate real-world data, API3 plans to position itself as the most secure and efficient API provider for developers. API3 sets itself apart from other oracle projects by replacing the incumbent 3rd party oracles with transparent 1st party oracles which are cheaper and more secure. API3 facilitates the transition of Web 2 API providers to Web 3 applications through its "Airnode technology". In this way, data is directly sourced from incumbent providers without going through a matrix of 3rd parties. Airnode allows API providers to run their own Web 3 oracle in a seamless "set and forget" method that will allow for easy onboarding to the network.

The API3 token is the lifeblood of the network. Locking the token will allow developers to subscribe to API access. This money is then distributed to the API Providers as payment for providing the data and the DAO's members as a reward for building the network. Individuals can stake API3 in the DAO and receive both token rewards and governance rights over the protocol.

Performance

The OBG purchased 256.82 API3 tokens ($990) on January 27th, 2022, at a price of $3.85 each. These tokens were then staked on January 30th where we have received staking rewards since our initial buy. The API3 token is up 14.5% since we bought it, underperforming our Ethereum benchmark by 6.79%. Interestingly we have seen a lot of volatility with all-time highs being over 200% from where we bought it.

Catalysts

Recent partnerships have boosted the price of API3. The recent partnerships with Amberdata to launch their amberdata beacons and integration of API3's Airnodes on the Avalanche Network boosted the price 55% back in February. Integration is the name of the game for these API networks and increasing partnerships and integrations is what investors are looking for when looking to invest.

Outlook

Crypto development is still in its infancy. 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. There has been a lot of uncertainty in the market as of late, leading to API3 experiencing significant price fluctuations. However, in the long run, we at the OBG see API3 as a promising and necessary infrastructure project.

- *Royce MacArthur, Managing Director of Fund, Finance*

Figure 6: Weekly NFT Transaction Count Over Time

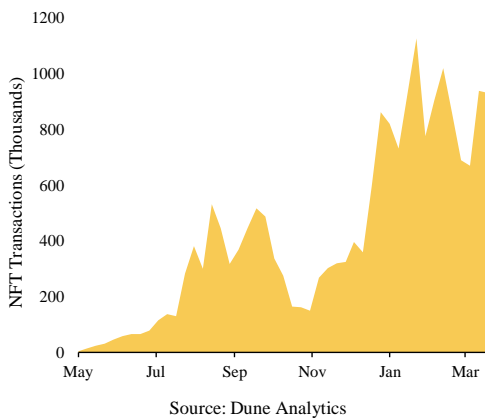Source: Dune Analytics

Figure 7: NFT Marketplace Marketshare by Volume
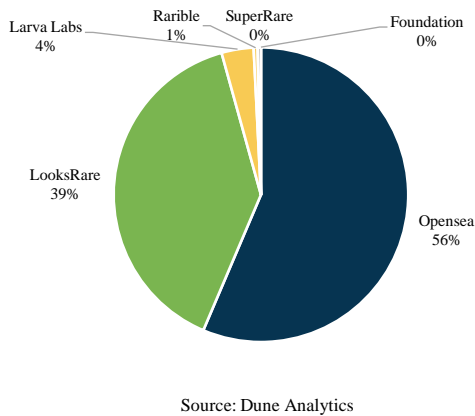

Source: Dune Analytics

Figure 8: Number of NFT Collections by Volume

3,120

NFT Collections with 100+ ETH Volume

388

NFT Collections with 5,000+ ETH Volume

Source: Dune Analytics

GAMA NFTs

Overview
GAMA is a next-generation NFT project started by narrative-based Web3 platform Cyber Manufacturing Co. GAMA NFT differentiates itself from the majority of NFT projects, by integrating elements like storytelling, gaming, community ownership, and digital identity. GAMA NFT closed its $6 million pre-Series A funding round led by Synergis and Collab+Currency. Other investors in pre-Series A round included A&T Capital, Shima Capital, Sfermion, Artist Capital, J17 Capital, Lattice Capital, FutureMoney Advisory, and Vera Li. Founder Jesse Lyu has an extraordinary track record in artificial intelligence space and his GAMA team were also key contributors for Lucas Film and Marvel. This is a very talented and well-capitalized team that is determined to set the benchmark for the metaverse.

Performance
OBG received a donation of GAMA Space Station Genesis NFT(V1) from Maxar.eth on February 23rd, 2022 and received its free corresponding GAMA Space Station NFT(V2) airdrop on March 1st, 2022. The original purchasing price of the NFT was 0.13 ETH, as of March 26th, GAMA V1 and V2's floor prices are 0.065 ETH and 0.088 ETH which is a 17.69% appreciation in ETH.

Catalysts
GAMA's stellar developer team integrated the ERC-721G contract along with GAMA Space Station NFT which broke the world record for saving gas fees. For instance, minting 10 GAMA NFTs only costs around $10 in gas which is insanely efficient compared to other Ethereum based NFT projects. During the latest AMA, Jesse stated that the source code will be released in the first week of April on GitHub and Etherscan, so people can take a look and challenge this significant milestone.

On April 14th, the 42-G room and mini-game will be released in the GAMAverse, NFT holders who own SteamVR devices will be able to access the Alpha version of the GSS.

In the latest Twitter AMA, Jesse revealed a secret plan for GAMA. He plans to launch a GAMA satellite into space, and the satellite will send back the live stream of the earth and NFT holders will be able to view it from their 42G room's window in the Gamaverse. Jesse also says the rocket will cost around $3.5 to $3.7 million, and this process will take around 2 years. This idea is revolutionary for the entire NFT space, if executed well, GAMA will be setting a new benchmark for the entire NFT industry.

Outlook
GAMA NFT is still in the very early stage of the project, with the amazing technology development done by the team and active community engagement, the true value of GAMA will eventually shine. We believe there to be significant upside after the GAMA SS reveals in June 2022 and even more upside after the release of the first carbon negative token – the GAMA token.

- *Jerry Zou, Outgoing Managing Director of Fund, Equipment*

DeFi Kingdoms

Figure 9: Number of DFK Users Over Time

Source: DappRadar

Figure 10: DFK Volume ($) Over Time

Source: DappRadar

Figure 11: DFK Transaction Count Over Time

Source: DappRadar

Overview

DeFi Kingdoms is on the Harmony blockchain and on a Avalanche subnet. Defi Kingdoms is a cross-chain, play-to-earn MMORPG built on a strong DeFi protocol. The game has several different features to attract various audiences. There are liquidity pools and staking opportunities, utility-driven NFTs ranging from land and equipment, to heroes. There are several features still in development, including player-versus-player battles. Defi Kingdoms was created as a DEX (Decentralized Exchange) so that users could hold a token that was valuable, usable, and provided returns in various ways. The team had the goal of packaging all of the elements of a standard DEX into a fun, synergistic game that provides token holders with several different benefits, which they successfully completed.

Performance

On March 13th, 2022, the Oregon Blockchain Group purchased 75.88 Jewel which was added to the Crypto Fund I. That same day, OBG entered the Jewel-One liquidity pool, which has a current annual yield of ~300%. Since purchase, Jewel has appreciated 70% in value and has outperformed the benchmark by 46%.

Catalysts

Some of the catalysts looking forward include the introduction of new utility-based NFTs, and eventually the ability to engage in PVP combat with other users on the DeFi Kingdoms platform. After the DeFi Kingdoms team finishes its integration with Avalanche to launch Crystal Vale, there will essentially be an added form of insurance for Defi Kingdoms. More users will be able to adopt the platform and play because it is on a different chain than what DFK is currently on.

Outlook

Given the recent appreciation in value of the DFK Jewel, there is a lot of potential moving forward with Defi Kingdoms. The Defi Kingdoms team has spoken of the various features that are going to be implemented as 2022 continues, and the team has continued to implement and integrate features within the timeframe that was stated when the project was initially launched. GameFi and Defi are both going to be prevailing sources of crypto adoption in both the short term and long term horizons. DeFi Kingdoms is likely going to be a long term hold that comes to fruition once the mass markets have been onboarded. That being said, some of the potential downsides looking forward include the mass adoption of other blockchain games. As competition becomes more intense and the general market begins to accept blockchain games, there is no first-mover advantage, but rather the protocol that can provide the best game experience will be the most successful. We believe that DeFi Kingdoms has carved out a niche within this market and will continue to deliver upon its promises of high quality content and long term economic growth.

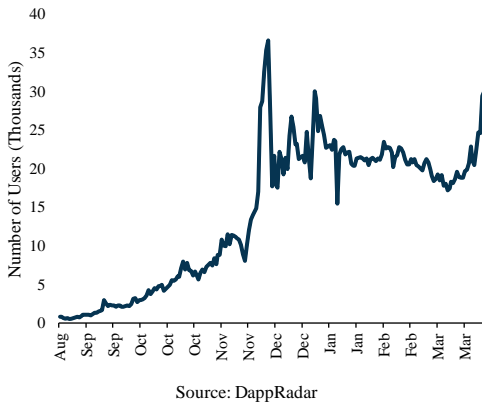- *Wyatt Swanson, Outgoing Managing Director of Fund, Finance*
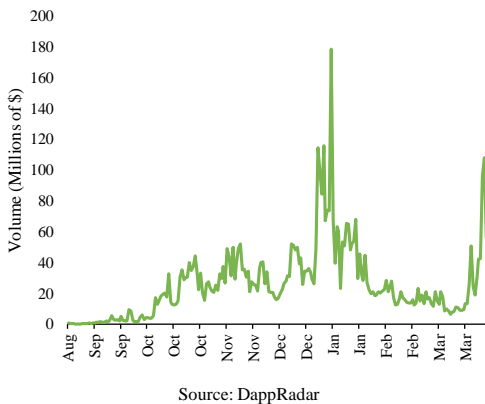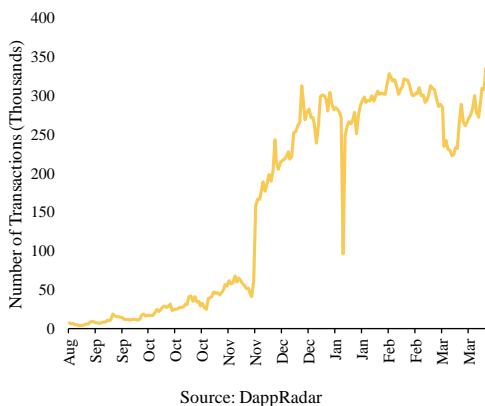
Figure 12: 7 Day Volume by Major DEXs (millions)

Balancer, $837
Other, $614
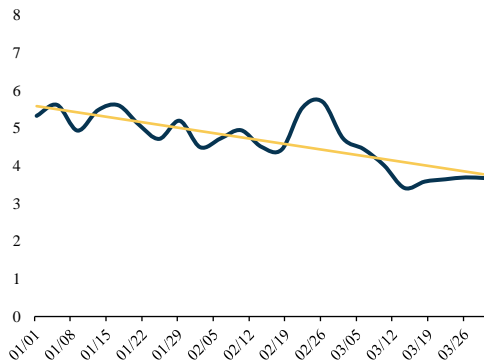DODO, $511
Curve, $803
SushiSwap, $696
UniSwap, $10,354
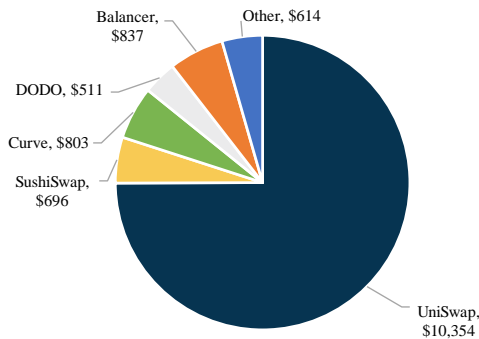
Source: Dune Analytics

Figure 13: Total DEX Trading Volume by Month (billions of $)
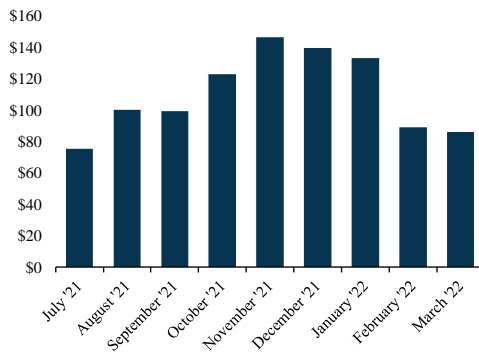
Source: Dune Analytics

Figure 14: SushiSwap TVL (billions) Q2

Source: Defi Llama

SushiSwap

Overview / Performance

The Oregon Blockchain Group purchased the Sushi token on October 12th, 2021. SushiSwap has had significant losses since purchase as a result of the Sushi's management team dismantling. SushiSwap is an automated market-making (AMM) decentralized exchange (DEX) built on the Ethereum blockchain that provides many DeFi services.

Catalysts

The Sushi token has underperformed the benchmark by 42.75%. The price on January 1st, 2022 was $9.10, and Sushi holders held a positive outlook for the coming quarter as a result of an investment firm, Arca, stating that they may take a sizable position in Sushi and facilitate regrowth. Currently, the Sushi token price is at $3.65, which is a 59.9% decrease since the start of the year.

Outlook

Sushi recently released the first phase of Trident, which is a constant product pool. A constant product pool allows a liquidity pool to stay in constant balance. Eventually, Sushi intends to release more pools, including concentrated and index pools. With more releases coming from Sushi, there is still significant potential upside despite the underwhelming YTD performance.

- *Wyatt Swanson, Managing Director of Fund, Finance*

RenVM

Overview / Performance

Ren is a decentralized protocol that facilitates cross-chain interoperability. Ren tackles the interoperability problem by allowing users to bridge a wide-array of assets across their supported network of blockchains. The protocol also has ambitions to morph into a Layer-0 network. Ren has shown mixed signs this quarter. To start the new year, it fell by more than 60%. It has since shown strong signs of recovery, gaining over 33% in the past thirty days and outperforming ETH by 24%. All time, our Ren position is down 47% against USD, underperforming our benchmark by over 39%.

Catalysts

In January, Ren teamed up with Varen, a DeFi protocol, to work on developing cross-chain infrastructure. Ethereum-based DEX, VarenX, uses Ren's interoperability solution to support cross-chain swaps. Recently, Ren officially announced Catalog Finance which will be the first application built on Ren blockchain. CF describes itself as the "DEX of the metaverse." It will allow users to make seamless, zero-fee, cross-chain swaps in a single click. The Ren L0 is expected to debut before the year ends.

Outlook

Ren's development into its own layer-0 will allow it to fulfill more interoperability use cases, and will expand its user base. We have attributed the asset's harsh performance thus far to the state of the wider economic picture – asset classes across the board have seen negative returns.

- *Elijah Pearson, Managing Director of Fund, Technology*

Figure 15: Top ETH2 Depositing Addresses (ETH)

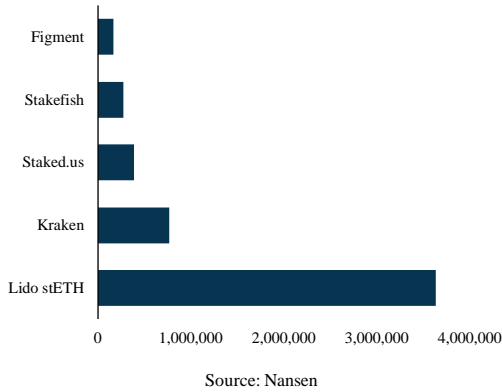Source: Nansen

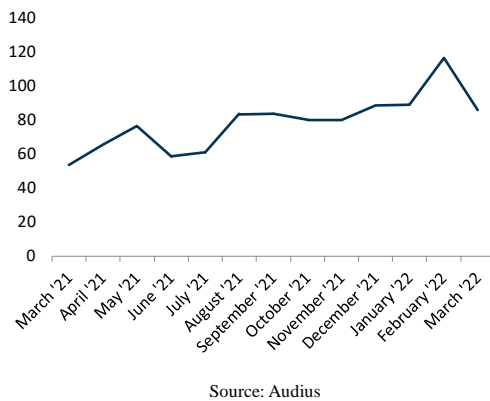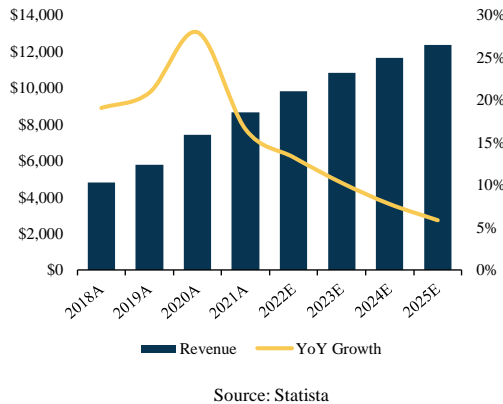Figure 16: API Calls For Audius by Month (millions)

Source: Audius

Figure 17: Music Streaming Industry Revenue

Source: Statista

Lido DAO

Overview / Performance

Lido is a liquid staking solution for Ethereum 2.0, Terra, and Solana, and is backed by industry-leading staking providers. Users can use Lido to stake their Ether while also participating in on-chain activities such as lending. Lido has attempted to improve initial Ethereum 2.0 staking, which originally locked up users assets and proved to result in illiquidity, immovability, and a lack of accessibility. The Lido token (LDO) outperformed the benchmark by 13.45% since the start of last quarter. The Lido token was unfortunately still negative for the entire quarter, with a performance of -3.7%. Since purchase, Lido has an overall performance of -13.28%.

Catalysts

Lido DAO has some of the most experienced and talented members within the crypto community. Members of various venture capital firms have recognized the lengthy tenure of the management team and have begun extensive investment into the fund. On March 3, 2022 Andreessen Horowitz (a16z) invested $70 million into Lido, making it Lido's first funding round since May of 2021.

Outlook

There is a definitive positive outlook around Lido's staking solutions for Ethereum, Terra, and Solana and it retains positive support for the transition to Ethereum 2.0, which was initiated in November of 2020.

- *Wyatt Swanson, Managing Director of Fund, Finance*

Audius

Overview / Performance

Audius is a decentralized music streaming service that attempts to align the values of the artist and the consumer while cutting out the incumbent middle men. The service allows artists to create permissioned and customizable content for their audience, while entitling them to over 90% of the revenue they generate. Audius represents the future of a more equitable music industry, while leveraging the Web3 possibilities. The AUDIO token has underperformed our ETH benchmark by 33% to date.

Catalysts

Audius is constantly releasing new updates and features. In February, Audius announced its integration with the Portal Token Bridge, allowing users to seamlessly transfer their AUDIO tokens between Ethereum and Solana. $AUDIO Rewards is a incentivization program that will distribute AUDIO tokens to those who complete challenges across the network.

Outlook

With an expansive social following, millions of active users, and proven artists signed on, Audius has continued to establish credibility across Web3. The constant stream of collaborations and features will provide upward pressure on the price of the AUDIO token going into the medium term.

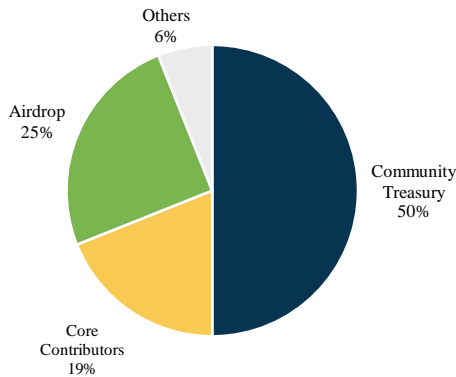- *Elijah Pearson, Managing Director of Fund, Technology*

Helium (non-core fund holding)
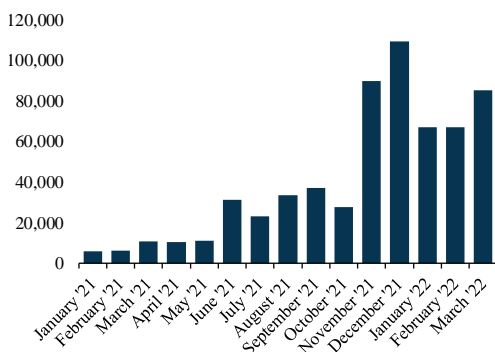
Figure 18: Yearly HNT Minted
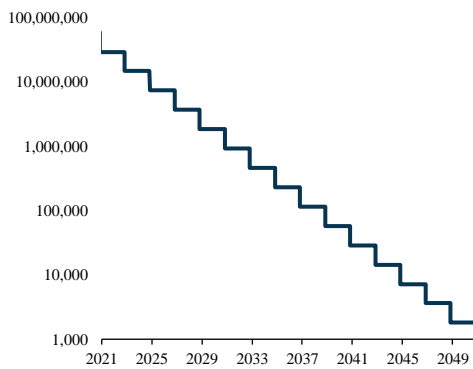
Source: Helium

Figure 19: ENS Token Distribution

Source: ENS Documentation

Overview / Performance

Helium is a global, distributed network of hotspots that creates public, long-range wireless coverage for LoRaWAN-enabled IoT devices. Hotspots are compensated in HNT, the native cryptocurrency of the Helium blockchain. It currently has over 691K mining "hotspots" online, with approximately 75K new hotspots being added monthly, in over 50K cities.

Catalysts

Helium Inc. has rebranded as Nova Labs, and it confirmed a $200 million Series D funding round led by Tiger Global with participation from Andreessen Horowitz (a16z), Deutsche Telekom and others. While Helium focusses on IOT now, they have plans to implement other types of wireless network coverage such as WiFi, Bluetooth and 5G/6G. Helium recently partenered with the city of San Jose, CA to build city infrastructure using the Helium network. Initial pilot programs will aim to improve air-quality monitoring, fire detection and climate-related opportunities. This precedent could onboard many other cities in the future.

Outlook

While our Helium miner is not part of our core Fund holdings, the project has been proven to be a successful investment for OBG so far; we remain very optimistic about the future growth of the helium network and the HNT token. We intend to rotate our Helium mining profits into other blockchain projects to strengthen the group's cryptocurrency treasury and resources.

- *Jerry Zou, Managing Director of Fund, Equipment*

Ethereum Naming Service (non-core fund holding)

Overview / Performance

The ENS (Ethereum name Service) is an open and distributed naming system akin to a username or a website domain for an Ethereum wallet address. Instead of the traditional 64-digit hexadecimal wallet address, ENS gives users the ability to add personality and a sense of ownership to their digital identity.

Catalysts

Quarter one has been a shaky quarter for the whole market. Pushbacks of the expected ETH merge, a struggling economy and unclear oversite from the Fed have pushed the market down. It has especially hit the fridges of the crypto market the hardest. Unlike the token price, the protocol's performance is doing surprisingly well considering the bear market. ENS now has 825,000 registered domains, an 8x increase from December.

Outlook

ENS is not part of the core Crypto Fund I holdings because the assets were obtained through an airdrop.

- *Royce MacArthur, Incoming Managing Director of Fund, Finance*

Figure 20: New .ETH Domain Registrations

Source: Dune Analytics

Figure 21: Global BTC Network Power Demand (TWh)

Source: University of Cambridge

Figure 22: $BTC Price in Q2

Source: Cryptowatch API

GPU Mining (non-core fund holding)

Overview / Performance

If cryptocurrency is the lifeblood of a blockchain, then mining is its heartbeat. In November 2021, Oregon Blockchain Group joined the Ethereum mining network by acquiring two pre-built gaming PCs with NVIDIA RTX 3060Ti GPUs. After some of logistical issues last quarter, our miners are back to operation. As of March 31, our miner has generated 0.00289688 BTC which is worth about $128.42.

Catalysts

The biggest risk of proof-of-work mining is the price fluctuations of cryptocurrencies. If the price of Ethereum decreases which will negatively impact the profitability of our miners. Not only are the mined coins worth less, but the value of the GPU decreases as other miners sell their GPUs. The second risk of GPU mining is Ethereum 2.0. However, there will always be GPU mining opportunities, albeit less profitable after ETH 2.0.
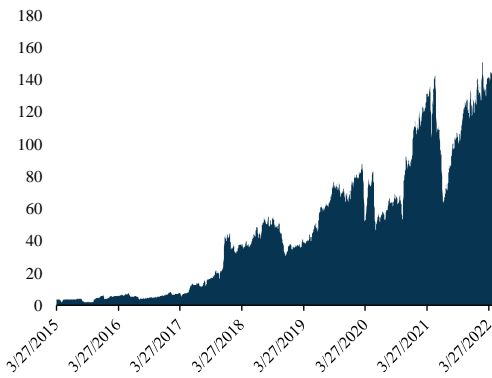
Outlook

GPU mining is at record profitability due to a significant increase in cryptocurrency prices during the past two years. Additionally, China regulators banned crypto mining which caused more than 50% of the collective of computing power to drop off the network.

Our fund remains cautiously optimistic about our investment in GPU mining for the next 12-24 months. Considering Ethereum 2.0's likely impact on the profitability of our miners, we estimated our fund will be able to recoup our initial investment within the next 12-18 months. We are also aware of impending regulation about KYC in terms of miners and the ever-changing legal definition of a "broker", and think that this will not affect mining in the short term. However, in the long term, such regulation is important to keep an eye on.
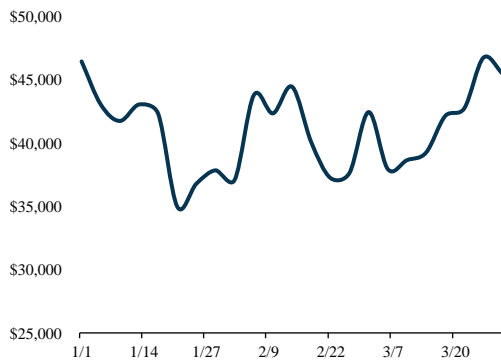
- *Jerry Zou, Managing Director of Fund, Equipment*

Onward and Upward, to the moon! #WAGMI

- *Oregon Blockchain Group*