



QUANTIA
CAPITAL

Blockchain Services LLC

01 Bitcoin

Bitcoin is a **peer-to-peer digital currency**, created and held electronically. There is no central bank or institution controlling it. Bitcoins aren't printed, like dollars or euros – they're produced by people, and increasingly businesses, running computers all around the world, using software that solves mathematical problems.

Bitcoin's most important characteristic, and the thing that makes it different to conventional money, is that it is **decentralized**. No single institution controls the bitcoin network.

It is independent of any central authority, transferable electronically, instantly and with very low transaction fees. It is not based on trust, but based on mathematical proof.



The price of a Bitcoin is determined by what people will pay for it. The protocol established by Satoshi Nakamoto dictates that only 21 million bitcoins can ever be mined - about 17.3 million have been mined so far - so there is a **limited supply**, like with gold and other precious metals. In 2009, each Bitcoin was quoted around \$0.06 and reached almost \$20,000 in late 2017.

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Famous opinions on Bitcoin

“Bitcoin is a technological tour de force.”

Bill Gates American business magnate, investor and co-founder of the
Microsoft Corporation

“I’m a big fan of Bitcoin. Regulation of money supply needs to be depoliticized.”

Al Gore, Former US Vice President and Winner of Nobel Peace Prize

“Bitcoin is a remarkable cryptographic achievement. The ability to create something which is not duplicable in the digital world has enormous value. Lot’s of people will build businesses on top of that.” **Eric Schmidt**, Executive Chairman of Google

“I think the internet is going to be one of the major forces for reducing the role of government. The one thing that’s missing but that will soon be developed, is a reliable e-cash.” **Milton Friedman**, Economist, Nobel Memorial Prize in Economic Sciences.

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Motivation

Quantia is a project that began in early 2014 not only to spread the word for Bitcoin and Cryptocurrencies in Argentina, but also to provide a trading solution to all the crypto market participants that lacked the technical and financial knowledge that is required in such a risky market.

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Our Goal

Our goal is to provide **returns** not in fiat currency (United States Dollars or Argentine Pesos) but **in units of Bitcoin**, minimizing market risk and therefore, probability of loss.

Earning and accumulating Bitcoin is our priority, regardless of the current market price, as we target medium and long term investment horizons. We do this by trading an **arbitrage strategy** in the most liquid and secure Bitcoin exchanges world wide.

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Quantia Introduction

A rapid growth of cryptocurrency market has become one of the trends of 2017. The numbers are truly mesmerizing: in one year the capitalization of the industry has increased from 13 billion to over 850 billion US dollars.

In the early days, when Bitcoin was worth just a few cents, it was only traded in MtGox. As the virtual currency gained popularity and caught the attention from the media, its market price skyrocketed and its ecosystem grew very rapidly as well. Eventually we had dozens of exchanges where people could buy Bitcoins or sell it for fiat currency at market price.

The interesting thing was that due to the extreme market volatility, in some of those exchanges Bitcoin sometimes traded slightly higher than average, and in other slightly below the average, but always following the same trend.

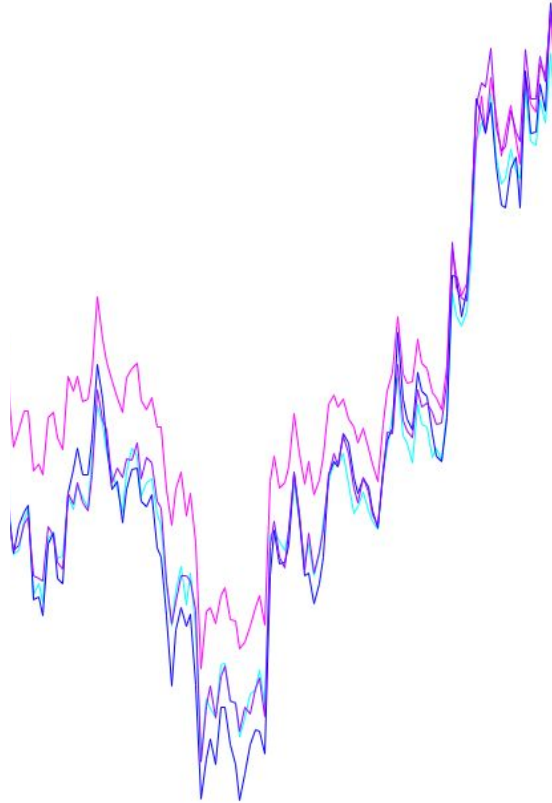
This level of volatility as well as the diversity of exchanges, paired with different liquidity on each of them, creates fertile ground for one of the most attractive trading strategies – **arbitrage**. With the right approach to calculation and implementation it implies a small controlled risk, which eventually becomes minimal or completely absent.

Quantia's Bitcoin Hedge Fund uses an **algorithmic arbitrage trading strategy** that makes the most of these market inefficiencies, entering a long position where price is lower, and a short position where price is higher. Our algorithm evaluates not only the spread across the exchanges but also **market depth and liquidity** for entering these positions at the right time.

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Arbitrage process

Inter-exchange arbitrage is a trading strategy that is based on the price difference of the same asset(s) on various exchanges. Arbitrage opportunities are in fact inefficiency of the market, expressed, for example, in the backlog of the reaction of certain exchanges to a drastic change in the value of an asset, or a big difference in spread at different exchanges. In addition, arbitrage opportunities open in the event of a price difference on an asset obtained through a chain of purchases and sales via intermediate assets. In this case, the difference in prices during the passage of the entire chain accumulates and becomes a significant amount, which at the crypto-currency market currently reaches up to a few percent (1-3%).



Arbitrage opportunities exist for a second, the process involves a number of complexities that **require a well-considered technical and program implementation** to achieve a stable positive result:

- Having deposits on several leading exchanges
- Availability of specialized software that monitors arbitrage opportunities
- Having specific hardware (specially allocated and properly configured servers, with a minimum ping, etc.) and software that integrates exchanges interacting with them.

It is important to note that all transactions must occur with a **minimum delay** in relation to each other. Also, the risk of technical errors, failures and delays should be minimized, as it can destroy the profit from the arbitrage transaction.

Quantia's algorithm is able to analyze hundreds of pairs of cryptocurrencies and find the most profitable chains, earning up to 1.5 - 2.5% monthly on average.

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Fund Terms

AUM: \$ 20.480.000 USD

Minimum ticket: \$ 50.000 USD

Lockup Period: No

Redemptions: 30 day notice

Success fee: 30%

Management fee: 0%

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Past
performance

	2015	2016	2017	2018
Gross RoR	33.25%	44.21%	40.51%	*21.65%
Average	2.92%	3.10%	2.88%	*1.80%
Highest	4.54%	4.48%	4.51%	*3.11%
Lowest	0.84%	1.11%	0.80%	*0.79%

	J	F	M	A	M	J	J	A	S	O	N	D
2015	-	-	4.24%	2.68%	0.84%	3.81%	1.27%	4.54%	1.72%	3.60%	2.79%	3.70%
2016	2.50%	1.11%	1.80%	4.48%	2.75%	3.78%	4.02%	3.55%	4.34%	1.71%	4.19%	3.01%
2017	4.51%	2.33%	3.17%	2.51%	4.45%	3.62%	3.01%	1.16%	3.16%	0.80%	3.69%	2.16%
2018	2.08%	3.02%	1.18%	1.57%	1.74%	1.06%	3.11%	1.38%	0.79%	1.65%	2.22%	

10 Fees

Quantia charges 30% of the Bitcoin Hedge Fund's total return. This means clients will keep **70% of the revenue** generated with their capital.

Earnings are assigned to clients every 30 days, usually the last labour day of the month.

Settlements are done on the same day, after earnings are assigned.

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Subscriptions & Redemptions

Subscriptions and redemptions are processed within the last 5 days of the month.

Both are **only processed in Bitcoin** (BTC). We do not support fiat nor other cryptocurrencies other than Bitcoin.

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Risk

The purchase of Cryptocurrency carries with it significant risk. Prior to purchasing any digital coin or token, the purchaser should carefully consider the risks listed below and, to the extent necessary, consult a lawyer, accountant, and/or tax professional.

Users funds will be uniformly distributed and stored in the major, **most secure and liquid Bitcoin exchanges** worldwide, accesible only by Quantia's risk management team.

These exchanges include Bitfinex (www.bitfinex.com), Okex (www.okex.com), Huobi (www.huobi.pro) and Bitmex (www.bitmex.com).

Any malfunction or unexpected functioning of these cryptocurrency exchanges may adversely affect the results of Quantia's Bitcoin Hedge Fund.

However, due to fast-changing cryptocurrency market conditions Blockchain Services LLC reserves the right to cease operations with any of the previously listed exchanges or migrate to a more suitable exchange platform.

New registered users depositing to Quantia's Bitcoin Hedge Fund will do it to a unique public address and distribution of funds across exchanges will be performed internally.

Any registered user on Quantia acknowledges and understands that **cryptocurrency transactions are irreversible** and any error in the deposit/withdrawal address will result in a total loss of the funds. In such case, Blockchain Services LLC, officers and employees, shall not be liable for the loss by any reason.

If a registered user of Quantia does not maintain an accurate password protection and it is cracked or learned by somebody else, this may also lead to the loss of funds. As a result, purchasers must safely store their password in one or more backup locations that are well separated from the primary location.

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Disclaimer

To the maximum extent permitted by the applicable laws and regulations Blockchain Services LLC, officers and employees, shall not be liable for your loss by any reason including but not limited to your failure to maintain or backup an accurate record of your password or password cracking by somebody due to your poor maintenance of your password.

Regulatory authorities are carefully scrutinizing businesses and operations associated to crypto tokens in the world. In that respect, regulatory measures, investigations or actions may impact Blockchain Services LLC business and may limit or prevent it from developing its operations in the future.

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