

## OCTOBER 2021 PERFORMANCE

The Fort Stable Fund generated a positive return of 2.49% for October with the YTD total at 10.7%. This month's returns were aided by the strong performance of ETH in addition to higher yields as borrowing demand returned for USD.

As part of the road to Ethereum 2.0, the Altair Beacon chain upgrade occurred in late October. The upgrade was a test run to ensure that the transition to a Point of Stake (PoS) consensus mechanism is possible. The upgrade occurred smoothly and has bought forward expectations of the full merge occurring by Q2 2022. We expect to see speculation on the roll out increase through late Q4 2021/Q1 2022 putting upward pressure on the price of ETH.

In addition to upgrading the Beacon Chain, Altair also implemented two key changes to the network: It added support for "light clients," or lower-powered devices like mobile phones that can verify transactions, which furthers the decentralisation of Ethereum, and it increased penalties for validators who are inactive or frequently offline, among other things.

Whilst not directly related to the world of De-Fi, Facebook's announcement to rebrand themselves as "Meta" (Meta Platforms Inc) has sparked a plethora of questions around what is the metaverse? We interpret the metaverse to represent the amount of time each day people spend on the internet or connected via digital devices.

Post pandemic research has shown that the

average person now spends 40-50% of their working day connected to the internet.

Mr. Zuckerberg and his Meta comrades are looking to increase that percentage and find ways to capture that remaining 50% of your life currently spent offline. The evolution of the amount of time we spend connected to the metaverse has slowly grown over time. From the days of being solely connected watching TV, to the inception of the internet, smartphone introduction to today's world that includes wearable devices, the amount of time we are digitally connected continues to rise rapidly.

What value Facebook/Meta adds to society is a well debated topic, but they cannot be ignored as they spearhead greater adoption of the internet into our daily lives. In the world of money & finance they were the first company to attempt to launch a private Digital Currency via the Diem permissioned blockchain payment solution. Whilst the project has failed to launch through legal and regulatory challenges it is imperative to watch how one company is attempting to control our eyeballs, attention span and spending behaviour in the new online universe.

The digitalization of money and finance is one part of the broader trend of people's lives moving further into the metaverse. A trend we believe is entering an accelerated phase through blockchain technology and the introduction of further invasive wearable technology.

### TOTAL NET RETURN

Post management, performance and entry fees

PERIOD	FUND RETURN
1 Month	+2.49%
YTD 2021	+10.7%

**WE THANK YOU FOR THE OPPORTUNITY TO STEWARD YOUR CAPITAL INTO THE FUTURE OF FINANCE**