



OPALESQUE

new managers

ISSUE 73, May 2018

OPALESQUE'S EMERGING MANAGER MONITOR

www.opalesque.com

IN THIS ISSUE

EDITORIAL	02
LAUNCHES	03
• Gelband set for biggest hedge fund launch ever	
• Tradecraft Capital launches actively managed long crypto fund with a medium-term time horizon	
BULLETIN	06
• Oregon based Blockchain hedge fund manager up 259.65% net through April	
EUREKAHEDGE	08
• Key Trends in Latin American Hedge Funds	
SEEDERS & PLATFORMS	10
• Artivist and RBC Wealth Management launch alternatives platform for HNW Investors	
PROFILES	11
• Synchronicity	
• Eterna Capital	
• OC Horizon	
PERSPECTIVES	14
• Investors eye capacity constrained strategies	
MARKETING CHALLENGE	15
• Diane Harrison: Manager Selection Through a 'Welkian' Lens	

OC Horizon taps the Asian fintech and digital assets market

Asian investors have been quick to adopt cryptocurrencies. Already used to slick digital payment methods like Alipay and others, the use of digital currency has been easy to integrate. Now, Singapore-based OC Horizon hopes to make it easier for Asian investors to gain broad exposure to digital currencies as well as the fintech companies leading the next digital revolution.



Justin Chan

OC Horizon is part of Overseas China Investment Management, the Singapore subsidiary of Hangzhou-based Overseas China Fund Management.

“We think there’s a big opportunity in the Asian market. Asian investors are very interested in digital assets but there aren’t as many funds available as there are in other areas. We are filling that need,” says Justin Chan, Chief Investment Officer at OCIM.

With OC Horizon, the investment team is taking an interdisciplinary approach to evaluating fintech companies, including those using blockchain technology and cryptocurrencies. Chan says it is

important to recognize how these technologies impact a broad range of industries as well as daily life. “It isn’t enough to simply understand the technology,” he contends. “We need to study how things have evolved to decipher their implications. That is where our major gains have come from, and that is where they will continue to come from.”

The fund itself invests primarily in liquid fintech related securities and digital assets as well as fintech funds with strong performance. Chan and his team are also developing proprietary tools to improve company research and make more informed trading decisions.

OC Horizon will invest in digital tokens, but Chan is quick to point out that they aren’t another ICO investment fund. The investment team finds the most value in so called ‘utility tokens’ which offer future access to a company’s product or service. Depending on how the token offering is structured, utility tokens typically aren’t treated like securities. At the most basic level, you can think of utility tokens as coupons for use at the grand opening of a company.

Examples of utility token offerings include Siacoin, VeChain or the Basic Attention Token. Siacoin is a cloud services company that plans to leverage unused hard drive space across its network of users to decentralize cloud storage and make it more secure. VeChain is a partnership with the Chinese

government that purports to use blockchain technology to make supply chain operations more transparent. The Basic Attention Token has been developed on the Ethereum network as a digital advertising platform where users get tokens for watching ads and effectively setting the market for ads on the network.

According to Chan, opportunities like those listed above not only offer use cases for tokens, but they are also companies that could potentially disrupt incumbent players in their sector. The firm’s position in Asia gives them proximity and insight into new developments that are happening in markets with some of the largest holders of digital assets.

“There is a lot of interest and innovation in both fintech and digital assets right now, the key is strong research,” he says. Initially, OC Horizon will be working with Asian investors but plans to expand its reach to include a global investor base.

[B. McCann](#)