

Swissquote launches first actively managed Bitcoin Certificate traded on SIX Swiss Exchange

- **First-of-its-kind Bitcoin certificate reduces cryptocurrency's risks**
- **Machine learning algorithm predicts direction of Bitcoin price and manages portfolio accordingly**
- **Certificate's portfolio holds minimum of 60% in Bitcoin, allocating the rest to US Dollar, depending on expected price movements**

Gland, Switzerland, 23 November 2017 – Swissquote, the leading online bank in Switzerland, today launched the first actively managed Bitcoin certificate. It allows mainstream investors to participate in the cryptocurrency's boom through a traditional financial vehicle publicly traded on the SIX Swiss Exchange. By buying Bitcoins certificates at a regulated exchange, investors are less exposed to the risks associated with trading and holding actual Bitcoins themselves, but are still benefitting from potential profits.

Already this summer Swissquote became the first European online bank to offer Bitcoin investing on its trading platform.

The certificate's volatility, and thereby the risk of downturns, is reduced by a machine learning algorithm developed by Swissquote's Quantitative Asset Management team. The algorithm predicts the short-term direction of future returns by interpreting a variety of technical signals as well as the market sentiment expressed on social media.

The algorithm then manages the certificate automatically. Between 60% and 100% of the certificate's portfolio is allocated to Bitcoin, depending on the predicted future direction of the cryptocurrency's price. With the likelihood of a downturn rising, the cash position is increased to up to 40%, thereby reducing volatility. If prices are expected to rise, up to 100% of the certificate is invested in Bitcoin.

"Even though we believe that Bitcoin represents the future, the volatility can be very high and considered too much of a risk by the average investor. This is why our strategy focuses on reducing volatility by increasing the amount of cash in periods of uncertainties and downturns", said Peter Rosenstreich, Head of Market Strategy at Swissquote.

"With the certificate, the average investor gets a regulated and transparent gateway to Bitcoin, without needing a special Bitcoin wallet, managing public and private keys or having to fear theft or hacks. We expect that investors will be willing to accept slightly lower returns in exchange for better protection against downside risks."

The Swissquote certificate on Bitcoin is denominated in US Dollar. Minimum investment is 1'000 US Dollars, which is also in the initial price of the certificate. Management fees are 1.5% per year plus transaction costs. There is no minimum holding period.

Link to dedicated website: <https://www.swissquote.com/bitcoin-certificate>

Swissquote – The Swiss Leader in Online Banking

As a leading provider of online financial services, Swissquote offers innovative solutions and analysis tools to meet the wide range of demands and needs of its clients. As well as various online trading services, the user-friendly platform also provides solutions for eForex, ePrivate Banking and eMortgage. In addition to a low-cost service for private clients, Swissquote also offers specialized services for independent asset managers and corporate clients. Swissquote Bank Ltd holds a banking license issued by its supervisory authority the Swiss Federal Financial Market Supervisory Authority (FINMA) and is a member of the Swiss Bankers Association. Its mother company, Swissquote Group Holding Ltd, is listed on the SIX Swiss Exchange (symbol: SQN).

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