



ALGO CAPITAL

QUANTITATIVE ENSEMBLE STRATEGIES
SINCE 2003

COMPANY PRESENTATION

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Experience in numbers



23 years

in the markets: since 2003 — first on the Moscow Exchange, then on global venues

\$250 million

under management at the peak; average client account of \$5 million

since 2010

our method: ensembles of weakly correlated trading systems

59

BarclayHedge awards in 2017–2022, including 8 first places

19 exchanges

86 futures contracts in the strategy (2020)

24/7

digital assets since 2022: Binance, BingX, Bybit

Company history

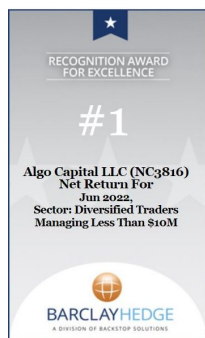


2003	Company founded. Moscow Exchange and the full range of products for high-net-worth clients	2018	Start of operations in Switzerland
2003–2010	Prize-winning places in Moscow Exchange trading contests	2019	Own funds launched; 85 futures on 19 exchanges; top of the Moscow Exchange managers ranking
2009	Quantitative methods; a team of quants with PhDs in physics and mathematics	2020	BarclayHedge top 10 for the year in five categories
2010	Algorithmic trading; the ensemble method is developed	2021	Trading software registered with the Russian patent office
2011	International exchanges: 50 algorithms, 24 instruments on 7 exchanges; National Rating Agency “A+”	2022	Digital assets and launch of BIT ENERGY; BarclayHedge first places in May and June
2015	Investor Awards laureate	2026	A new generation of strategies; a partner in Switzerland serving clients in Europe
2017	First BarclayHedge awards		

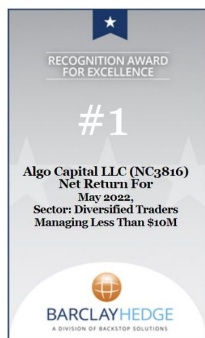
Industry awards



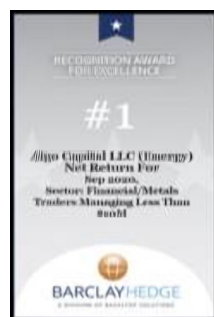
59 BarclayHedge awards in 2017–2022. BarclayHedge is an independent database of hedge funds and CTAs that ranks managers by net return for the month, the year or several years. Below are all eight first places.



#1
NC3816 · Jun 2022
Diversified Traders
Managing Less Than
\$10M



#1
NC3816 · May 2022
Diversified Traders
Managing Less Than
\$10M



#1
Energy · Sep 2020
Financial/Metals Traders
Managing Less Than
\$10M



#1
NC3816 · Jun 2019
Diversified Traders
Managing More Than
\$10M



#1
NC3816 · Nov 2018
CTAs Managing More
Than \$10M



#1
NC3816 · Nov 2018
Diversified Traders
Managing More Than
\$10M



#1
NC3816 · Nov 2018
Short Term



#1
NC3816 · Nov 2018
Systematic Traders

By year: 2022 — 18 · 2020 — 10 · 2019 — 7 · 2018 — 20 · 2017 — 4. Names on the certificates: Algo Capital LLC (Energy, NC3816), Scarabaeus (QI ART 3x Index).

59 certificates and other rankings



- Top of the Moscow Exchange managers ranking (2019)
- Top 10 in the EurekaHedge December report (2019)
- Top 15 and top 20 futures market leaders by turnover, Moscow Exchange (2019–2020)
- Investor Awards laureate (2015)
- National Rating Agency “A+” (2011), later “AA-iv”; NAUFOR member



Method: under- and over-reaction



Markets are efficient to a first approximation, not to a second. Prices either **under-react** to new information — and the move continues — or **over-react** and return to fair value. Each of our systems exploits one such effect.

Under-reaction

The market has not yet absorbed the news. The system recognises the start of a move and trades **with** it.

Over-reaction

The crowd and forced liquidations pushed the price too far. The system recognises exhaustion and trades **against** the move.

Ensembles and diversification



A single system is weak. Dozens of systems whose results are only loosely related behave like several independent strategies. No single signal decides — the ensemble does.

Signals N	Correlation $\bar{c}$	Independent strategies	Ensemble Sharpe
10	0.30	2.7	$1.6 \times \bar{s}$
25	0.20	4.3	$2.1 \times \bar{s}$
50	0.10	8.5	$2.9 \times \bar{s}$
100	0.05	16.8	$4.1 \times \bar{s}$

FORMULA

$$S = \bar{s} \cdot \sqrt{N / (1 + (N - 1) \bar{c})}$$

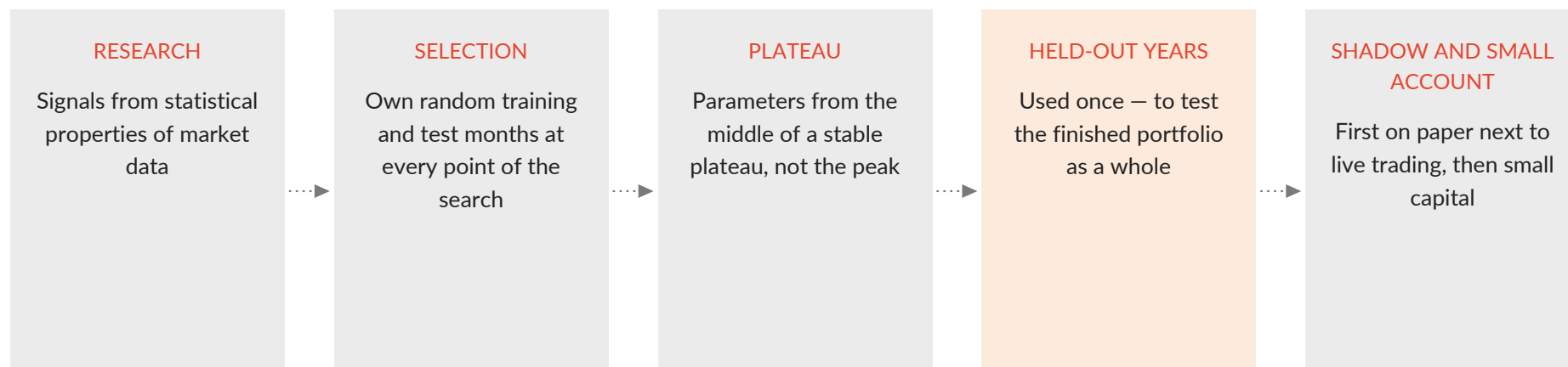
$\bar{s}$ — average Sharpe ratio of one system, $\bar{c}$ — average pairwise correlation between systems.

The main lever is not the strength of one signal but **low correlation** between signals. The same law works a second time — across the instruments in the portfolio.

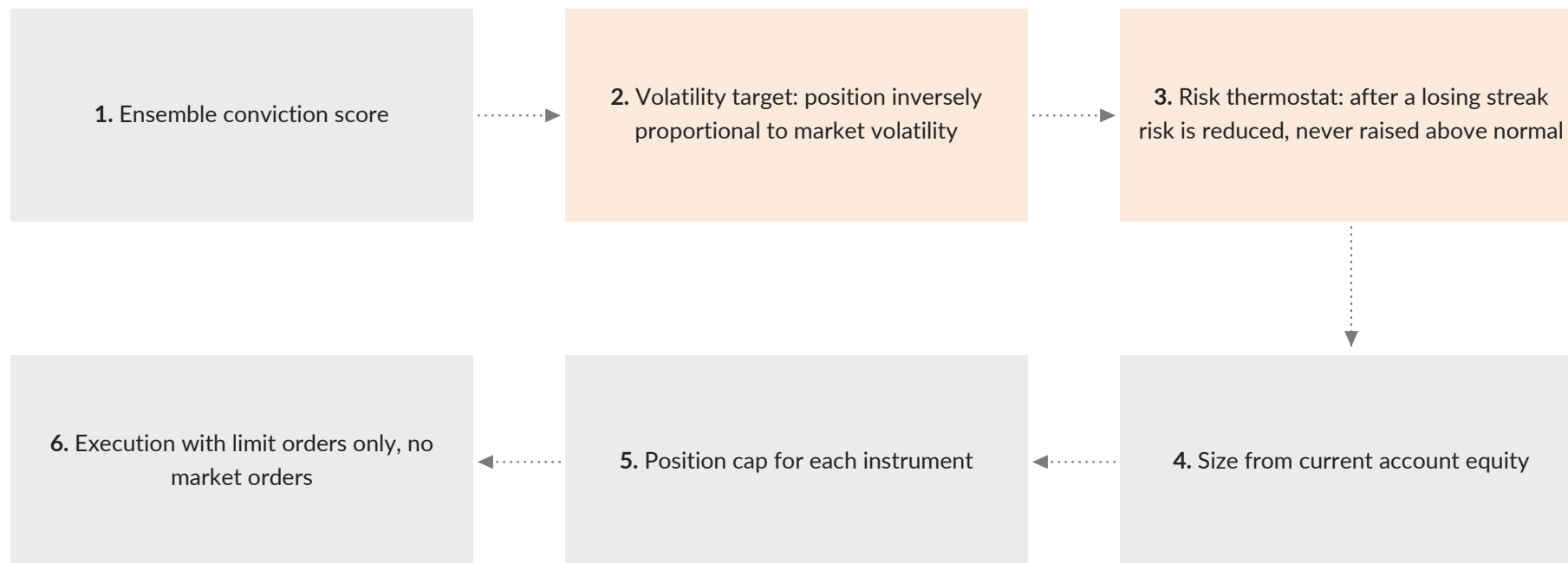
How we validate strategies



The main danger of a quantitative strategy is over-fitting: a model that explains the past perfectly may fail tomorrow. Every strategy goes through five steps.

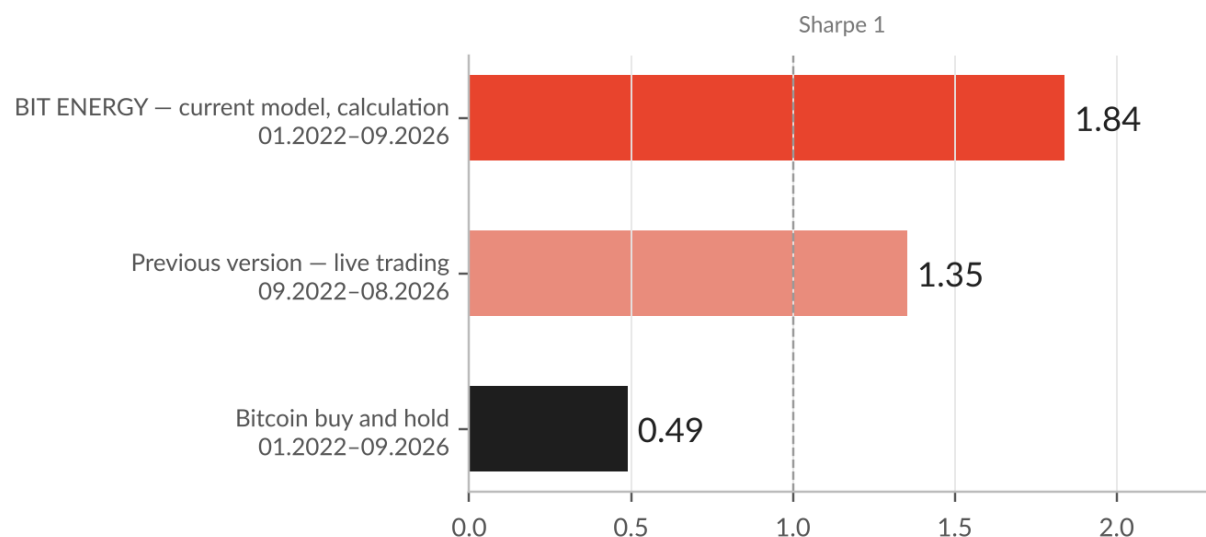


Risk management



The volatility target is the main lever for fitting the product to the client: the same ensemble trades with different position strength, and return and drawdown scale almost proportionally.

Sharpe ratios achieved



INDUSTRY CONTEXT

For reference: according to Société Générale, in 2022 — the best year for CTAs since 2000 — trend followers delivered a Sharpe ratio only slightly above 1.

Our models: **1.35** in live trading and **1.84** in the calculation of the current version — against **0.49** for bitcoin over the same years.

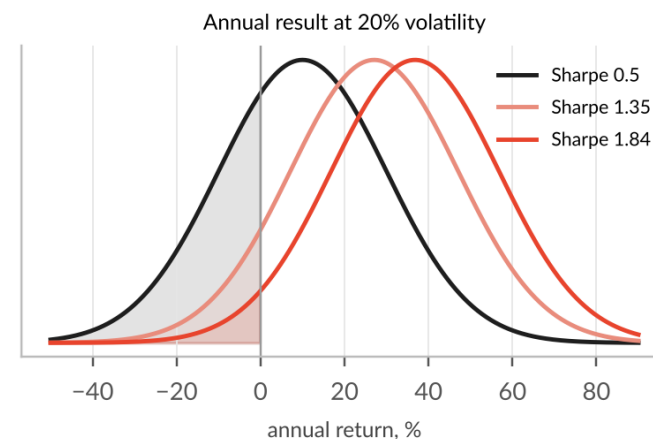
Sharpe on monthly data for all series, as is standard in the industry (Morningstar), the teasers and the track Excel file: average monthly return $\times 12$ / volatility, no risk-free rate. Live trading is scaled to 50% annual volatility by one constant factor. 2021, the selection period of the current model, is excluded.

What a high Sharpe gives you



Sharpe	Return per year	Losing year	Losing month	Bad year (1 in 20)	Typical year ($\pm 1\sigma$)
0.5	+10%	31%	44%	-23%	-10% ... +30%
1.0	+20%	16%	39%	-13%	+0% ... +40%
1.35*	+27%	9%	35%	-6%	+7% ... +47%
1.5	+30%	7%	33%	-3%	+10% ... +50%
1.84**	+37%	3%	30%	+4%	+17% ... +57%
2.0	+40%	2%	28%	+7%	+20% ... +60%

At 20% annual volatility. Return $\approx$ Sharpe $\times$ volatility. Probabilities assume normally distributed results; real markets have fatter tails. * live trading of the previous version; ** calculation of the current model since 2022. Shading shows the share of losing years.



Returns matched to your risk



The client chooses a **target volatility**. The ensemble stays the same — position strength changes, and expected return and drawdown scale with it.

Target volatility	Profile	Return at Sharpe 1.35	Return at Sharpe 1.84	Largest drawdown guide	Bad year (1 in 20) at Sharpe 1.35
10%	Conservative	+14%	+18%	−4% ... −5%	−3%
15%	Moderate	+20%	+28%	−6% ... −8%	−4%
20%	Balanced	+27%	+37%	−8% ... −11%	−6%
30%	Active	+41%	+55%	−12% ... −16%	−9%
40%	Aggressive	+54%	+74%	−15% ... −21%	−12%
50%	As BIT ENERGY live	+68%	+92%	−19% ... −27%	−15%

Return is the arithmetic annual average, before the manager's fee. The drawdown guide is the largest month-end drawdown of our series rescaled to the risk level: $0.39 \times \sigma$ in the current model calculation and $0.53 \times \sigma$ in live trading of the previous version. Over longer histories drawdowns can be deeper: the trend CTA index (SG Trend Index) has had a largest drawdown of about two annual volatilities since 2000. A “bad year” is a result worse than which occurs on average once in twenty years, under a normal distribution.

A product built for the client



Three decisions the client makes together with us. Everything else — the model, execution and control — is the same for every account.

1 Volatility

- From 10% to 50% a year
- Sets the leverage and expected return
- Can be changed along the way

2 Instruments

- Digital assets: perpetual futures on ETH, SOL, DOGE and more
- Regulated CME futures via Interactive Brokers
- A custom set for a dedicated mandate

3 Account

- Account in the client's name: Binance, BingX, Bybit or Interactive Brokers
- API key for trading only, no withdrawals
- Every trade is visible to the client

Digital assets: BIT ENERGY



Live trading, 09.2022–30.09.2026 (scaled to 50% annual volatility)

ANNUAL RETURN

+69%

calculation: +135% · bitcoin: +42%

SHARPE

1.33

calculation: 1.98 · bitcoin: 0.93

MAX DRAWDOWN

–26%

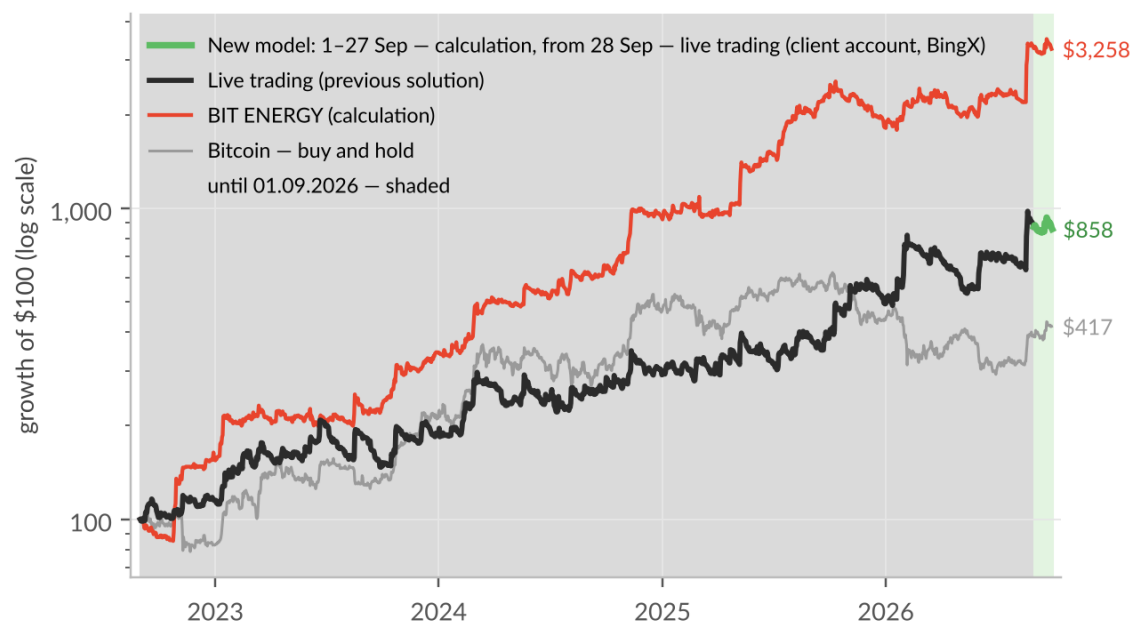
calculation: –19% · bitcoin: –49%

POSITIVE MONTHS

63%

calculation: 69% · bitcoin: 59%

Ensemble on ETH, SOL and DOGE on Binance, BingX and Bybit, in the client's account, from \$100k. Shaded — live trading of the previous solution; from 01.09.2026 — the new model (light green): 1–27 Sep — calculation, from 28 Sep — live trading (client account, BingX). Metrics as in the teaser and the track Excel file. Regulated version — CME futures on ETH and SOL via Interactive Brokers.



All lines start at \$100 at the start of the track, 09.2022–30.09.2026. Live trading and the new model are scaled to 50% annual volatility; the BIT ENERGY calculation is at the client risk level, fees included, reinvested. Metrics on monthly data, before the manager's fee (25% of profits above the high-water mark).

Your account, your money



Client account

- Funds stay on the exchange or with the broker, in the client's account
- API key for trading only, no withdrawals
- Every trade is visible to the client
- Access can be revoked at any moment

No risk of losing the deposit through an intermediary — funds are never transferred to the manager.

Market risk

- Account value moves with the market
- Drawdowns are inevitable and can be deep
- Risk level is set by the target volatility

Largest drawdown on a month-end basis:
–18.5% in the current model calculation (daily –30.2%) and –26.0% in live trading of the previous version (daily –35.0%), at 50% volatility.

Contacts and important information



CONTACTS

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Results of the current BIT ENERGY model are a **calculation on historical data** (Binance prices, BingX from 12 Sep 2026, 01.2022–09.2026, costs included, reinvested), not live trading. 2021 was the portfolio selection period and is excluded; 2026 was the model calibration period. Live trading of the previous version (09.2022–08.2026) is scaled to 50% annual volatility with one constant multiplier; in September 2026 the strategy was substantially reworked while keeping the core principles of the method.

All figures are **before the manager's fee** (25% of profits above the high-water mark). Tables of returns by risk level and metrics at different Sharpe ratios are formula-based illustrations under a normal distribution, not a promise of results. BarclayHedge awards were given in 2017–2022 to the Energy, NC3816 and QI ART 3x Index strategies for net return over the stated periods.

Futures and digital assets are highly volatile, leveraged instruments; the value of an account can fall, including significantly. **Past and calculated results do not guarantee future returns.** This material is for information only and is not an offer, a personal investment recommendation or an offer of financial services.

