

# Invesco Physical Bitcoin



**This marketing communication is exclusively for use by professional investors as specified in the Important Information section and sophisticated investors in Israel. It is not intended for and should not be distributed to, or relied upon, by the public. Investors should read the legal documents prior investing.**

This factsheet contains a summary of the Invesco Physical Bitcoin, an exchange traded product (ETP), and is for discussion purposes only. Please consult the legal offering documents and note the additional important information overleaf.

## Investment objective

Invesco Physical Bitcoin is a physically backed Exchange Traded Product (ETP). Each Bitcoin ETP is a certificate which is secured by holdings in Bitcoin held offline in cold storage by Zodia Custody, a UK-based subsidiary of Standard Chartered Bank. The Bitcoin holdings are valued at the Coinshares Bitcoin Hourly Reference Rate - 4pm Fixing.

## Key product characteristics

- Transparent fees and costs
- Efficient tracking of the spot price
- Bitcoin exposure in a securitised structure (trades like an equity)
- Objective reference price for daily valuation

## Risk warnings

Investing in cryptocurrencies is high risk. You should only invest in this product if you understand the risks associated with it. Any decision to invest should be based on the information contained in the relevant prospectus. Prospective investors should consult their professional advisers to ascertain the suitability of this product as an investment to their own circumstances. Investment Risk: The value of the product depends on the performance of the underlying investment. Cryptocurrencies do not have any intrinsic value and may become worthless. Volatility Risk: Cryptocurrencies are subject to extreme price volatility as evidenced by the large daily movements in the price of Bitcoin since its inception. Cryptocurrency markets do not close and so sudden price swings could occur at any time. Risk of Hacking: A hack of a depositary wallet could result in the loss of the main body of the underlying cryptoassets backing one or more series of certificates. Such a hack could result in a loss of value of the certificates for all the certificateholders of the affected series. Certificateholders of the affected series would risk losing their entire investment. Liquidity Risk: The product may be adversely affected by a decrease in market liquidity which may impair the ability to exchange cryptocurrencies into fiat currencies. Regulation Risk in the Market of Cryptocurrencies: The price of cryptocurrency can be affected by factors such as global or regional political conditions and regulatory or judicial events.

## About the spot Bitcoin price

The ETP aims to provide the performance of Bitcoin, as measured by the CoinShares Bitcoin Hourly Reference Rate 4pm fixing. The reference rate is computed and published each hour based on the traded Bitcoin price across the most liquid and recognised exchanges. The 4pm fixing is based on the traded prices between 3pm and 4pm London time and is quoted in US dollars per Bitcoin. The index is calculated by Compass Financial Technologies, a BMR-registered benchmark provider.

## Benchmark composition



Portfolio weightings and allocations may change.

## Performance

ETP performance is in the base currency, and is based on Net Asset Value after management fees. It does not consider commissions or custody fees payable when buying, holding or selling the ETP. Historical index performance prior to the index launch date of 1 Jul 2021 is simulated and has been calculated by the index provider using the index rules. The ETP does not charge entry or exit fees. Each period starts at the end of the indicated month. The first indicated month may not represent a full month and may start only on the launch/restructuring date indicated in this factsheet. **Past performance does not predict future returns.**

	31/07/12	31/07/13	31/07/14	31/07/15	31/07/16	31/07/17	31/07/18	31/07/19	31/07/20	31/07/21	31/12/18	31/12/20
	31/07/13	31/07/14	31/07/15	31/07/16	31/07/17	31/07/18	31/07/19	31/07/20	31/07/21	31/07/22	31/12/21	31/12/21
<b>ETP</b>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Index<sup>2</sup></b>	n/a	n/a	n/a	n/a	n/a	178.80%	29.06%	12.29%	248.18%	-38.29%	1,173.47%	67.40%
<b>Difference<sup>1</sup></b>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

*n/a if displayed indicates insufficient data history. Returns may increase or decrease as a result of currency fluctuations.*

## Trading information

Exchange	Deutsche Börse Xetra
Trading currency	EUR
ISIN	XS2376095068
Bloomberg Exchange	BTIC GR SIX Swiss Exchange
Trading currency	USD
ISIN	XS2376095068
Bloomberg Exchange	BTIC SW

## Index Information

Index <sup>3</sup>	Coinshares Bitcoin Hourly Reference Rate - 4pm Fixing
Currency	USD

## ETP Information

Replication method <sup>4</sup>	Physical
Base currency	USD
Ongoing charge <sup>5</sup>	0.99% p.a.
Dividends	NOT APPLICABLE
Issuer	Invesco Digital Markets plc
Custodian	Zodia Custody Limited
Domicile	Jersey
ETP inception	22 Nov 2021

## Available at [etf.invesco.com](http://etf.invesco.com)

Prospectus, Holdings & NAV (Net Asset Value)

<sup>1</sup>  $(ETP + 1) / (Index + 1) - 1$

<sup>2</sup> Data: Bloomberg

<sup>3</sup> Index calculated by Compass Financial Technologies

<sup>4</sup> Please see section "How does the ETP achieve its investment objective?" on the second page for further information

<sup>5</sup> Includes management fee, custody and administration costs but excludes transaction costs such as swap costs. Costs may increase or decrease as a result of currency and exchange rate fluctuations. Consult the legal documents for further information on costs.

## Contact us

invest@invesco.com  
[etf.invesco.com](http://etf.invesco.com)

## What are Invesco Digital Asset ETPs?

Through Invesco Digital Asset ETPs, investors can gain exposure to cryptoassets, without taking physical delivery of them. Invesco Digital Asset ETPs are certificates that can be bought and sold on a stock exchange. Note that certificates are a type of debt security, where the Issuer agrees to pay the investor a specified return, they are not regulated funds. Invesco Digital Asset ETPs are secured by a physical amount of the relevant underlying, held by the Custodian. If the Issuer cannot pay the specified return, the underlying held will be used to repay investors. However, investors have no claim on other assets of the Issuer (limited recourse).

## How does the ETP achieve its investment objective?

For each certificate that is issued, a pre-determined amount of Bitcoin must first be transferred to the issuer's wallet. This ensures that every certificate is fully backed by an identical amount of Bitcoin, all of which is held in cold storage at the custodian, and valued daily at the CoinShares Bitcoin Hourly Reference Rate 4pm fixing.

## About Invesco

At Invesco, we want to help you get more out of life by striving to deliver a superior investment experience. Our range of exchange-traded products are designed to help you make the most of your portfolio, with low cost products tracking established benchmark indices and a range of products that offer something a bit different. In fact, we've built a reputation for innovation and factor investing, so many of the exposures we offer are not available from any other provider. We have the market knowledge to help you trade our products efficiently today, plus the stability, resources and broader expertise that are needed to meet your objectives for the long term.

## Buying and selling our ETPs

To buy or sell our ETPs, please consult your broker or financial adviser.

## Glossary

**Benchmark** An index serving as a reference; a means of comparing securities' valuations.

**Cold Storage** The bitcoin and private keys are stored entirely offline in the custodian's physical data centres, rather than being connected to the internet.

**ETCs** Exchange traded commodities, listed debt instruments backed by a commodity.

**ETF** Exchange traded fund. A type of fund that is traded on the stockmarket like ordinary shares. ETFs can be bought and sold during trading hours, like ordinary shares, whereas other types of funds are priced once a day only.

**Hedged** Foreign exchange forward contracts are used to hedge asset classes, i.e., to protect them against currency fluctuations. The objective is to achieve a performance that is just as great as the performance of the underlying currency.

**Spot market** A spot market is where supply and demand are matched by spot or forward transactions. These are standardised financial instruments on certain underlying assets that must be filled no more than two trading days after the transaction is concluded through payment (purchase) and delivery (sale).

**Spot price** The spot price is the current date's price for securities, currencies, gold or other assets traded on that date. The spot price is in contrast to the futures price (i.e., a future price agreed today).

## Important information

This marketing communication is for discussion purposes only and is exclusively for use by professional investors in Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the UK, as well as sophisticated investors in Israel. It is not intended for and should not be distributed to, or relied upon, by the public.

By accepting this marketing communication, you consent to communicate with us in English, unless you inform us otherwise. This marketing communication is not intended as a recommendation to buy or sell any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication. Where individuals or the business have expressed opinions, they are based on current market conditions, they may differ from those of other investment professionals and are subject to change without notice. This material should not be considered financial advice. Persons interested in acquiring the products should inform themselves as to (i) the legal requirements in the countries of their nationality, residence, ordinary residence or domicile; (ii) any foreign exchange controls and (iii) any relevant tax consequences. All investment decisions must be based only on the most up to date legal offering documents. The legal offering documents (Base Prospectus and annual & semi-annual reports) are available free of charge at our website [etf.invesco.com](http://etf.invesco.com) and from the issuers. Costs may increase or decrease as result of currency and

exchange rate fluctuations. Consult the legal documents for further information on fees and other charges.

CoinShares and the CoinShares Astronaut are trademarks and/or service marks of CoinShares (Holdings) Limited and are licensed for use by Invesco UK Services Limited. The CoinShares Group owns the proprietary rights in the CoinShares Hourly Reference Rates. The Product(s) are not sponsored, endorsed, sold, promoted or managed by CoinShares or its affiliated entities. Compass Financial Technologies uses its best efforts to ensure that the index is calculated correctly. Notwithstanding its obligations towards CoinShares, Compass Financial Technologies SA has no obligation to point out errors in the index to third parties including without limitation to investors and/or financial intermediaries. The calculation, the publication and the dissemination of the index by Compass Financial Technologies SA does not constitute a recommendation by Compass Financial Technologies SA to invest capital in the securities nor does it in any way represent an assurance or opinion of Compass Financial Technologies SA with regard to any investment therein. Purchasers of the CoinShares are made aware, and accept, that index calculations are based on large quantities of data provided by third parties and are thus susceptible to errors, interruptions and delays.

For professional investors in Spain:

This product is difficult to understand. The CNMV in Spain considers that, in general, Invesco Physical Bitcoin ETP is not appropriate for retail investors.

For sophisticated investors in Israel:

This communication has not been approved by the Israeli Securities Authority and will only be distributed to Israeli residents in a manner that will not constitute "an offer to the public" under sections 15 and 15A of the Israel Securities Law, 5728-1968 ("the Securities Law"). The product is being offered to a limited number of investors (35 investors or fewer during any given 12 month period) and/or those categories of investors listed in section 15A(b) of and/or the First Addendum ("the Addendum") to the Securities Law, ("Sophisticated Investors") each as defined in the said Addendum, as amended from time to time, and who in each case have provided written confirmation that they qualify as Sophisticated Investors, and that they are aware of the consequences of such designation and agree thereto; in all cases under circumstances that will fall within the private placement or other exemptions of, the Securities Law and any applicable guidelines, pronouncements or rulings issued from time to time by the Israeli Securities Authority. This communication may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent. Any offeree who purchases a product is purchasing such product for its own benefit and account and not with the aim or intention of distributing or offering such product to other parties (other than, in the case of an offeree which is a Sophisticated Investor by virtue of it being a banking corporation, portfolio manager or member of the Tel-Aviv Stock Exchange, as defined in the Addendum, where such offeree is purchasing product for another party which is a Sophisticated Investor). Nothing in this communication should be considered Investment Advice or Investment Marketing defined in the Regulation of Investment Counselling, Investment Marketing and Portfolio Management Law, 5755-1995 ("the Investment Advice Law"). Investors are encouraged to seek competent investment counselling from a locally licensed investment counsel prior to making the investment. Neither Invesco Ltd. nor its subsidiaries does not hold a licence under the Investment Advice Law, nor does it carry the insurance as required of a licensee thereunder. As a prerequisite to the receipt of a copy of this communication a recipient may be required to provide confirmation that it is a Sophisticated Investor purchasing the product for its own account or, where applicable, for other Sophisticated Investors. This communication does not constitute an offer to sell or solicitation of an offer to buy any securities other than the product offered hereby, nor does it constitute an offer to sell or solicitation of an offer to buy from any person or persons in any state or other jurisdiction in which such offer or solicitation would be unlawful, or in which the person making such offer or solicitation is not qualified to do so, or to a person or persons to whom it is unlawful to make such offer or solicitation.

This material has been communicated by Invesco Management S.A., President Building, 37A Avenue JF Kennedy, L-1855 Luxembourg, regulated by the Commission de Surveillance du Secteur Financier, Luxembourg. Invesco Asset Management Deutschland GmbH, An der Welle 5, 60322 Frankfurt am Main, Germany. Invesco Asset Management (Schweiz) AG, Talacker 34, 8001 Zurich, Switzerland. Invesco Asset Management Limited, Perpetual Park, Perpetual Park Drive, Henley-on-Thames, Oxfordshire, RG9 1HH, United Kingdom. Authorised and regulated by the Financial Conduct Authority.