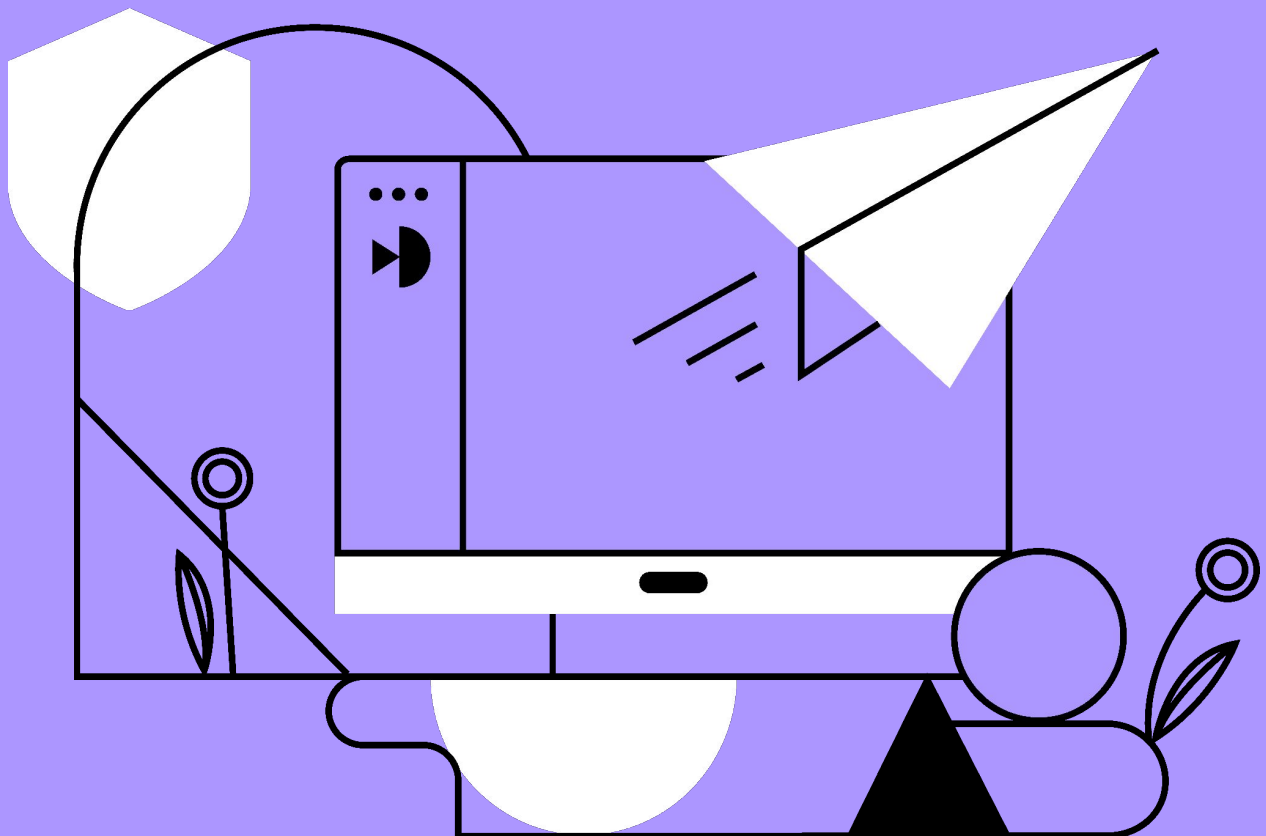




CASE STUDY

# How Deep Q Scaled External Fund Management with Porto's Institutional-Grade Infrastructure



## Introduction

### TradFi rigor meets digital asset innovation

Deep Q Digital was established in 2022 by a team of high-frequency market-making veterans with a clear mandate: apply the rigorous standards of traditional finance (TradFi) to the quantitative digital asset space. By pairing proprietary AI-driven models with a safety-first approach to capital management, the firm found its niche of delivering institutional-grade yield.

For the first three years, Deep Q operated as a proprietary trading firm. In April 2025, Deep Q reached a pivotal milestone by taking on external funds from limited partners (LPs). This expansion necessitated a transition from bespoke “prop shop” tools to a robust, enterprise-grade infrastructure. Managing third-party capital introduced a new level of fiduciary responsibility, necessitating a wallet solution that could offer the security, transparency, and reliability required by LPs.

## The challenge

### Scaling beyond the “prop shop” infrastructure

As Deep Q scaled its external fund management, the requirements for their operational infrastructure, or self-custody needs, evolved significantly. The team identified several mission-critical requirements for scaling:



#### **Institutional-grade security:**

Managing third-party capital required a security partner that met the rigorous expectations and fiduciary requirements of LPs.



#### **Operational resilience:**

During periods of high market volatility, the ability to move funds between venues instantly and reliably was a necessity.



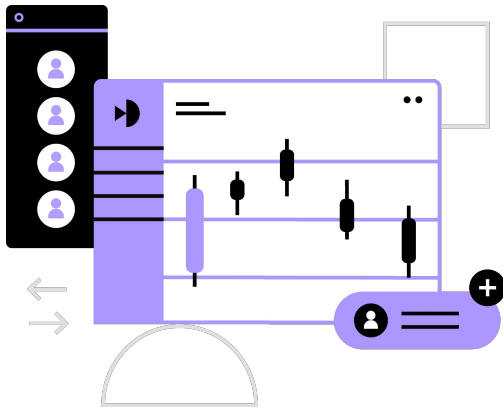
#### **Cost predictability:**

Many providers utilize complex pricing models with unpredictable overage fees, making it difficult for a high-frequency firm to project overhead while scaling AUM.

## The solution

### Porto as the institutional standard for self-custody

Deep Q evaluated the leading wallet providers in the market, but ultimately selected Porto by Anchorage Digital. The decision was driven by Porto's ability to combine the agility of a self-custody wallet with the rigorous security and policy controls expected by institutional fund management.



### Granular policy management and role-based access

To fulfill their fiduciary obligations, Deep Q utilized Porto's sophisticated policy engine to move beyond basic multi-signature setups. The firm leveraged role-based access controls, allowing them to define granular permissions at the smart contract level. This ensured that even for algorithmic trades, the movement of funds followed a strictly governed, multi-user approval process. By setting quorum-based approvals and configurable allowlisting, Deep Q established trusted rails for all fund movements.



### Hardware-based security vs MPC

Deep Q required a security model that surpassed standard multi-party computation (MPC) solutions. Porto leverages air-gapped hardware security modules (HSMs), ensuring that Deep Q's private keys are never exposed to the internet during the transaction lifecycle. By isolating keys in certified, tamper-resistant hardware, Porto offered Deep Q a foundational advantage over traditional MPC solutions that distribute less isolated key shares, providing the absolute security required when managing external capital.



### No blind signing and transaction risk simulation

To mitigate the risk of potentially malicious smart contracts, Deep Q leveraged Porto's transaction risk simulation through an integration with Blockaid. By simulating transactions before execution, Porto provided Deep Q with a comprehensive, no blind signing view of every authorization. This real-time analysis allowed Deep Q to interact with any exchange or smart contract confidently, knowing exactly what an operation will do before it is executed.



### Predictable economics with transparent pricing

Unlike competitors that charge overages on transaction volume, Porto's transparent flat-fee structure provided Deep Q with cost certainty. This predictability allows the firm to scale its trading volume without the administrative burden of unpredictable overhead.

## The results

### Proven resilience while the industry stalled

Deep Q's decision to partner with Porto was validated on October 10, 2025, during a period of extreme market volatility. While multiple industry infrastructure providers faced widespread outages, Porto remained 100% operational. This stability was mission-critical for Deep Q, as the team was able to move funds between venues and manage protocol-level risk in real-time—while other market participants were unable to access their funds. Beyond the technical resilience, Deep Q cited the exceptional responsiveness of the Porto team, who remained accessible via direct communication channels.

Furthermore, Porto's superior signing speeds have enabled Deep Q to execute high-frequency strategies with confidence. Whether interacting with perpetual exchanges and DEXs like Hyperliquid and Lighter, or leveraging protocols like Aave to manage yield, Deep Q relies on Porto to authorize sensitive on-chain operations rapidly and securely.



We selected Porto because Anchorage Digital builds products at the same level of professional quality we are accustomed to in traditional finance. Our core ethos is to provide institutional-grade yield, and that requires an infrastructure partner that approaches the space with a similar institutional mindset."

**Carlos Zendejas**  
CEO & Co-Founder  
Deep Q Digital

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## Looking ahead

### Scaling the frontier of quantitative DeFi

As Deep Q enters its next phase of growth, the firm is focused on deepening its partnership with Porto to further enhance its operational workflow. By centralizing their DeFi interactions within Porto, Deep Q aims to streamline the management process for fund administrators and LPs, moving towards a more efficient and transparent reporting environment.

This partnership is also built for technical expansion. Deep Q's selection of Porto was a strategic investment in a "future-proof" roadmap, designed to support the firm's entry into new DeFi ecosystems. As Deep Q continues to scale its sophisticated DeFi operations, Porto's wallet architecture will serve as more than just a secure foundation—it will be the high-performance engine that powers Deep Q's mission to set the standard for institutional-grade yield in the digital asset era.



## About Anchorage Digital

Anchorage Digital is a global crypto platform that enables institutions to participate in digital assets through custody, staking, trading, governance, settlement, and the industry's leading security infrastructure. Home to Anchorage Digital Bank N.A., the first federally chartered crypto bank in the U.S., Anchorage Digital also serves institutions through Anchorage Digital Singapore, which is licensed by the Monetary Authority of Singapore; Anchorage Digital New York, which holds a BitLicense from the New York Department of Financial Services; and self-custody wallet Porto by Anchorage Digital. The company is funded by leading institutions including Andreessen Horowitz, GIC, Goldman Sachs, KKR, and Visa, with its Series D valuation over \$3 billion. Founded in 2017 in San Francisco, California, Anchorage Digital has offices in New York, New York; Porto, Portugal; Singapore; and Sioux Falls, South Dakota. Learn more at [anchorage.com](https://anchorage.com), on Twitter [@Anchorage](https://twitter.com/Anchorage) and on [LinkedIn](https://www.linkedin.com/company/anchorage-digital).

## About Deep Q Digital

Founded in 2022, Deep Q Digital is an AI-driven technology firm specializing in digital asset trading. Leveraging expertise in data science and machine learning, the firm automates high-performance strategies across decentralized and centralized crypto markets. Its DeFi-native, AI-centric approach integrates smart contract-enabled infrastructure and a custom node network, replicating blockchain states in real-time to identify and exploit market inefficiencies. Learn more at [www.deepqdigital.com](https://www.deepqdigital.com).

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