SYGNUM

From experimentation to integration:

DIGITAL ASSETS TRANSITION FROM SPECULATION TO INTELLIGENT DIVERSIFICATION

FF25

FUTURE FINANCE REPORT 2025

Global institutional crypto market survey

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Message from the Group CEO

An increasing number of institutional investors no longer consider digital assets as peripheral or purely speculative. As they become ever more mainstream and embedded in investment thinking, traditional portfolio designs are being reshaped in real-time. As our Future Finance Report 2025 shows, this shift is accelerating.

Rising institutional familiarity with digital assets and blockchain technology is expanding the available toolset. Pension funds like Aberdeen Standard Investments are experimenting with tokenized fixed-income products, hedge funds are integrating Bitcoin into their cross-asset strategies, and Abu Dhabi's ADIA sovereign wealth fund is looking into digital asset infrastructure investments.

Now, for the first time, we see portfolio diversification rivalling the digital asset megatrend narrative because digital assets are increasingly viewed as a legitimate portfolio diversifier. Global asset managers such as BlackRock and Fidelity now offer spot crypto ETFs, signalling a broad revaluation of the asset class.

This is unfolding against a dynamic and uncertain backdrop. Geopolitical tensions, tariff frictions and rising fiscal pressures in the US and Europe, alongside sticky inflation, all contribute to a fragile macro environment.

Despite this, the continued expansion of global liquidity is creating a supportive environment for risk assets like crypto. The market also continues to mature with regulated products, stablecoins, crypto ETFs and successful sector IPOs proliferating as US and European regulatory clarity sharpens. Corporate treasury adoption has broadened to include Ethereum and Solana, and many, including our Senior Policy Advisor Chris Giancarlo, believe that within six years, most issuances of financial securities will be on-chain.

There remains much important work to do, however. October 10's record crypto market liquidations highlighted the industry's vulnerability to sudden macro shocks, as well as the urgent need for more robust and resilient market infrastructure, deeper liquidity and better transparency. However, it was positive to see that despite the volatility, market structure remained intact and major tokens such as Bitcoin and Ethereum showed resilience.

Sygnum remains well positioned as these changes unfold because they further highlight the importance of global, crypto-native discretionary expertise. The ability to deliver strategies that leverage digital asset's multi-dimensional nature is essential to shaping the industry's next stage of development we call Future Finance.

Over 1,000 professional and institutional investors from 40+ countries have generously shared their insights in this, our third annual Future Finance Report. Many thanks to all who contributed, and please enjoy the read!

Mathias Imbach
Sygnum Co-Founder and Group CEO

Methodology

Sygnum's third edition of its Future Finance Report analyses the interests, investment strategies, market sentiment, and behaviour of traditional investors who are active in the crypto market.

To conduct this research, Sygnum created a quantitative online survey that was structured around six major themes: asset allocation, investment strategies, products and services, investment barriers, market outlook, and a dedicated section for High Net Worth Individuals (HNWIs). The anonymous survey was fielded in late Q3, and participation was limited to qualified investors only by invitation.

Given that terminology for investor types can vary across jurisdictions, we set clear definitions for this research to ensure consistency. HNWIs were defined as those with more than USD 1 million in investable assets, and ultra-HNWIs as those with more than USD 25 million. Professional investors were categorised as those allocating on behalf of clients, such as hedge funds, external asset managers, investment banks, trading and brokerage firms, family offices and private equity. Institutional investors were considered large capital allocators such as pension funds, insurers and mutual funds, though they represented only a relatively small share of the sample. Corporate investors, companies allocating directly from their balance sheets, were a smaller group, while a limited number of respondents were classified under "other".

More than 1000 respondents from 43 countries took part in the survey, with an average of more than 10 years of investment experience. The sample was weighted towards Europe and Asia, with strong participation from Switzerland, Germany, the United Kingdom, France, Italy, Singapore and Hong Kong.

One-quarter were Sygnum clients or prospects, and three-quarters were from independent market participants.

Research Editor's introduction

Digital assets and traditional finance are now intertwined more than ever, with 2025 proving to be another incredible year defined by progressing legislation, regulated derivatives, corporate demand and exciting new tokenization and stablecoin trends. Traditional finance institutions are now operating directly on public blockchains, as growing trust in permissionless rails further cements their position as core infrastructures in the evolving Future Finance landscape.

Global liquidity has been plentiful, allowing risk assets to rally even as Western fiscal positions worsen and macro and geopolitical risks persist, as markets across equities, precious metals and crypto, led by Bitcoin, continue to make all-time highs.

The recent rate cuts were met with disappointment following the early-October liquidation cascade after Trump's renewed tariff skirmish pushed back hopes of the highly anticipated altseason. At the same time, the Bitcoin treasury trend has slowed while long-term holders are quickly reducing exposure, raising late-stage cycle concerns and questions over where the next wave of institutional demand might come from.

Nevertheless, the market is in vastly different position then previous cycles. Powerful demand catalysts and institutional participation are at an all-time high, while growing supply and demand imbalances through ETFs and corporate acquisition vehicles culminated into upside breakthroughs. Rising on-chain volumes and a fresh list of crypto ETF filings demonstrate that genuine appetite for crypto assets is still very much intact.

MiCA is now fully in force in Europe, the GENIUS Act has been signed into law, and crypto market structure bills are nearing final passage despite the US government shutdown. Meanwhile, the SEC's sharp pivot under its new leadership was a major turning point for the world's largest capital market and its ability to unlock further institutional adoption.

New protocols with healthy tokenomic models have also come to market, stablecoin inflows are abundant and private issuers now pursuing bank charters and IPOs. Demand for more sophisticated ETF products with multi-asset and yield-bearing features is also accelerating, and with the SEC providing clarity on staking and listing standards, bulk approvals could soon follow and catalyse the next wave of institutional flows.

The purpose of this research is to understand how the current backdrop feeds into investor positioning. Many had planned to add exposure in Q4 under the assumption that the crypto market's demand trends could provide enough tailwinds to carry the next leg of the cycle. However, at time of writing, recent market events and uncertainty about 2026 may have influenced some of these plans, with far fewer positioning beyond the turn of the year as uncertainty builds.

The overall story of 2025 is one of measured risk, pending regulatory decisions and powerful demand catalysts against a backdrop of fiscal and geopolitical pressures. But investors are now better informed. Discipline has tempered exuberance, but not conviction, in the market's long-term growth trajectory.

I warmly welcome any thoughts, comments or suggestions for further research. Please contact me at lucas.schweiger@sygnum.com.

Enjoy the read!

Lucas Schweiger
Lead Crypto Asset Ecosystem Research

Executive summary

The findings of this report show how higher levels of digital asset and blockchain knowledge are reshaping investor behaviour. Portfolio diversification has now overtaken the pursuit of “megatrend” upside potential as the leading investment driver, while the asset class itself is now being treated more as a legitimate diversifier in traditional portfolios. This naturally leads investors to seek discretionary expertise in order to pursue flexible strategies that can take advantage of digital asset's multi-dimensional properties.

It is also indicative of a year where demand for Bitcoin’s store of value qualities has been far stronger than for the underperforming altcoin sector, even as gold and silver delivered strong returns in parallel.

Rising sovereign debt, inflation risks and de-dollarisation trends support the demand for safe haven assets, with many respondents supporting Bitcoin’s potential role in protecting corporate treasuries. A meaningful share view holding fiat currencies as carrying a high opportunity cost over longer horizons, however, it is worth noting that views were more divided on this particular question.

The early-October cascade erased most of the summer’s gains for altcoins, as over-leveraged positions triggered a series of liquidations across crypto exchanges and erased half a trillion in total crypto market value. The anticipated increase in Q4 allocations — before the outlook turns neutral to bearish next year — will heavily depend on the arrival of a number of market catalysts and improved market conditions.

Diversification is now the primary reason to invest

Portfolio diversification has become the top reason to invest, overtaking digital asset megatrend potential and further cementing its place as a distinct asset within traditional hybrid portfolios. Bitcoin’s safe haven appeal remains a key driver, while the demand for yield opportunities has grown on expectations that staking and restaking will soon be embedded in Ethereum and other proof-of-stake ETF products.

Q4 allocations delayed due to market uncertainty

In late Q3, Q4 allocation plans were based on anticipated catalysts, including more ETFs and market structure bills. These have not yet arrived, and Q4 to date has been marked by adverse market conditions, including the October liquidations. Some plans may have changed. Mid-Q4 sentiment may also be influenced by anticipated cooling momentum after the impact of the market catalysts, not yet in place, and uncertainty about 2026.

Actively managed and passive market exposure lead investment strategies

Single token exposure is no longer the dominant strategy, with investors now leaning more favourably towards actively managed mandates that can adapt to changing market conditions and spread risk more evenly. The cautious sentiment for 2026 stresses why discretionary mandates are being sought out in a market that is now highly event driven.

Increased ETF flows if staking is enabled

More than 150 ETF applications are pending SEC approval. Approximately 70 percent of respondents said they would allocate or increase their allocations if staking were enabled. Interest was strongest in Solana and multi-asset ETPs, the latter which many see as the next evolution of these products. While the SEC has delayed some filings, including BlackRock’s ETH staking amendment until November, any earlier approvals would likely serve as immediate catalysts.

Direct token investments and ETFs dominate product interest

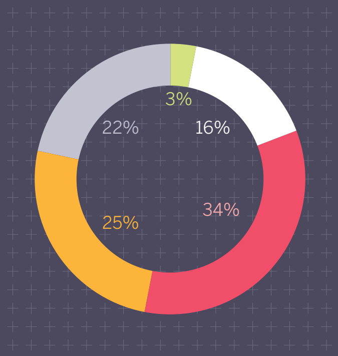
Direct token investments continue to dominate allocations, likely due to the performance of majors and the flexibility to deploy them into staking, lending and other yield-generating strategies. Demand for Ether has risen in parallel with ETF and treasury demand growth, while interest in actively managed and index-linked certificates shows that investors are looking for more ways to adjust their exposure as conditions change.

Regulatory uncertainty and asset safekeeping remain the main concerns

Regulatory uncertainty has overtaken asset volatility as the leading barrier to entry, which could indicate that investors are increasingly at ease with the market itself and are instead waiting for important legislation and frameworks to be passed. However, this is more evident in APAC and less so in Europe. The high concern for security and custody is a reminder that reliable infrastructure will always be a prerequisite for traditional investors to invest with confidence and peace of mind.

Survey respondents

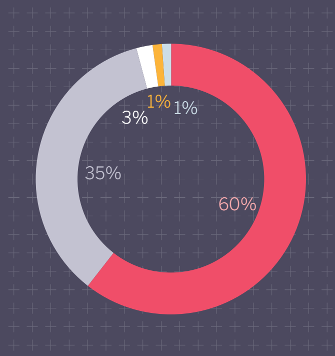
YEARS OF GENERAL INVESTMENT EXPERIENCE



- More than 2 years
- 2 – 5 years
- 5 – 10 years
- More than 10 years
- More than 20 years

Close to half of all survey respondents have more than a decade of investment experience, with nearly one-fifth active for more than 20 years. The largest cohort fall into the 5-to-10-year range, whereas only a small minority can be categorised as newcomers. The results therefore lean on seasoned professionals with deep traditional market knowledge, which helps reduce the risk of a crypto-native bias among younger investors.

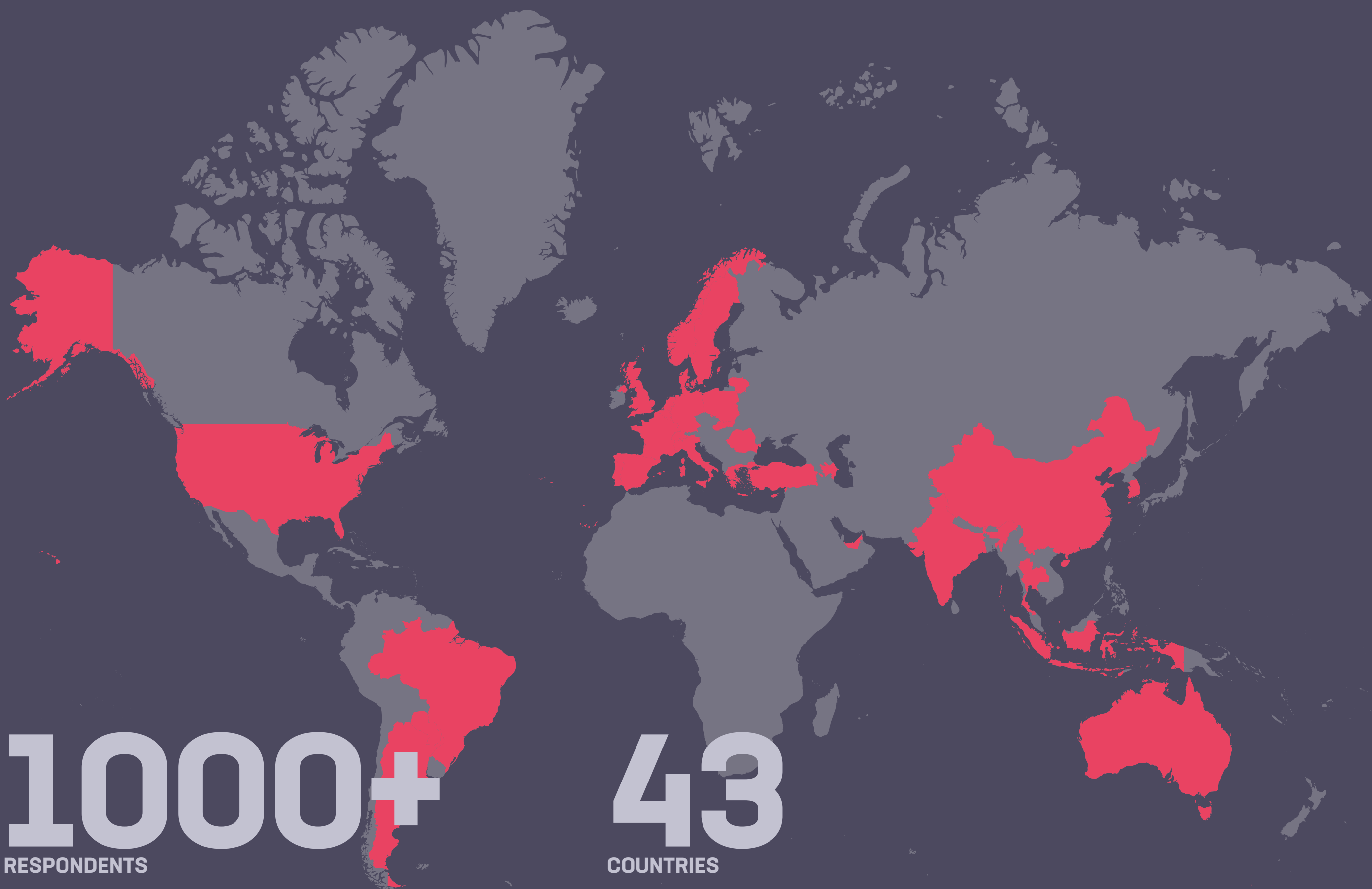
INVESTOR TYPE



- HNWIs
- Professional asset & investment managers
- Institutional investors
- Corporate investors
- Other

Respondents in this survey come from a variety of traditional financial institutions and companies, providing rich insights into how allocations are shaped by both professional mandates and personal strategies shaped by different sources of capital and distinct career backgrounds.

IN WHICH COUNTRY ARE YOU PRIMARILY BASED?



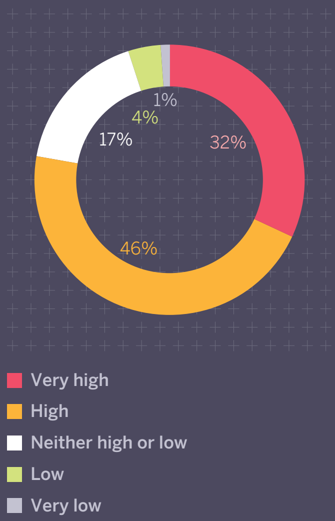
1000+
RESPONDENTS

43
COUNTRIES

78%

OF RESPONDENTS HAVE HIGH OR VERY HIGH CRYPTO AND BLOCKCHAIN KNOWLEDGE

KNOWLEDGE OF CRYPTO AND BLOCKCHAIN



78 percent of respondents report high or very high levels of knowledge in crypto and blockchain, a 6 percent increase from 2024. The fact that this year less than 2 percent invest on behalf of crypto foundations or companies shows that traditional investors are generally becoming more familiar with the asset class.

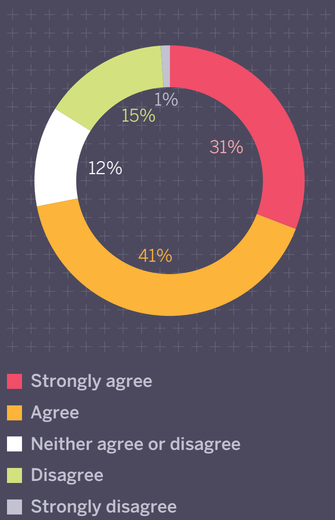
HNWIs showed the highest knowledge levels at 83 percent high or very high, likely due to the greater flexibility and faster onboarding on the private wealth side. Professional managers reported high levels at 75 percent, followed by a third of institutional investors, with most describing their knowledge levels as neutral (52 percent).

For pension funds, insurance companies and mutual funds, lower levels may simply reflect that allocations are rare, and where they exist, are largely passive through ETF products.

72%

OF ORGANISATIONS ARE OPEN TO CRYPTO ASSET INVESTING

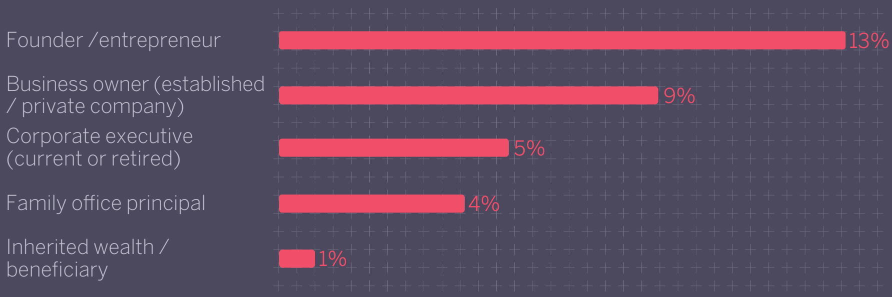
IS YOUR ORGANISATION OPEN TO CRYPTO ASSETS AS AN INVESTMENT ASSET CLASS?



Our research found that 72 percent report their organisations are open to crypto assets, a modest increase on last year's smaller sample size. Trading and brokerage firms, asset and fund managers, external asset managers, as well as multi-family offices and investment banks, showed the highest levels of openness, while banks presented the widest spread ranging from strongly open to not open at all.

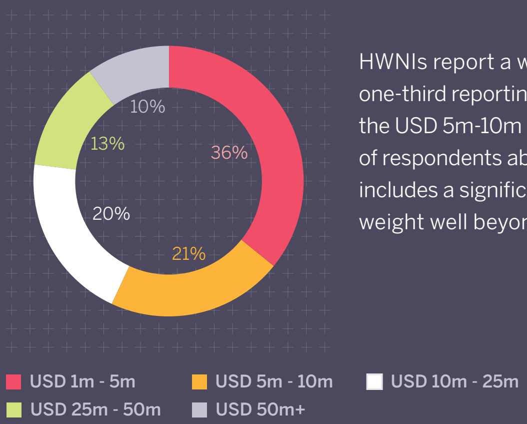
The lowest levels were concentrated in France, Italy and Singapore, where regulators have tightened rules or adopted a more restrictive stance on the crypto market this year. Openness nonetheless continues to expand across regions and organisation types.

HNWI: WHAT BEST DESCRIBES THE PRIMARY SOURCE OF YOUR WEALTH OR CURRENT ROLE?



The wealth sources of HNWIs also vary, with more than a third being corporate executives, almost thirty percent business owners, and one fifth entrepreneurs. Smaller groups include beneficiaries of inherited wealth and family office principles.

HIGH NET WORTH INDIVIDUALS: WHAT RANGE BEST REPRESENTS YOUR TOTAL INVESTABLE ASSETS?

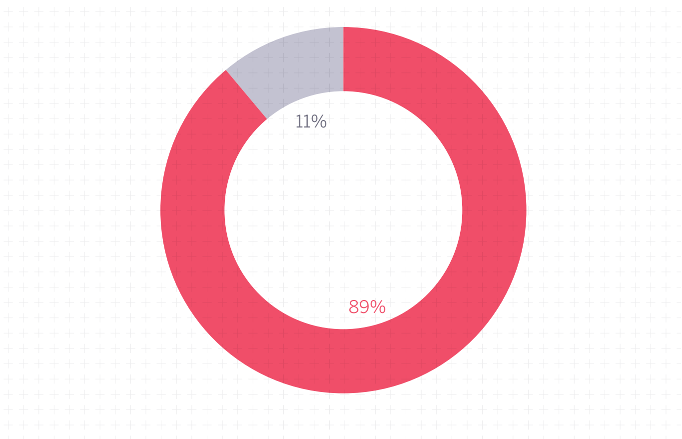


HWNIs report a wide distribution of wealth, with just under one-third reporting between USD 1m-5m, and more than one fifth in the USD 5m-10m bracket. However, the presence of nearly a quarter of respondents above the USD 25m threshold shows that the sample includes a significant proportion of ultra-HNWIs, giving the findings weight well beyond the entry level of wealth.

Crypto asset allocation

QUESTION

Do you currently invest in crypto assets?



89%
OF RESPONDENTS ARE CRYPTO ACTIVATED

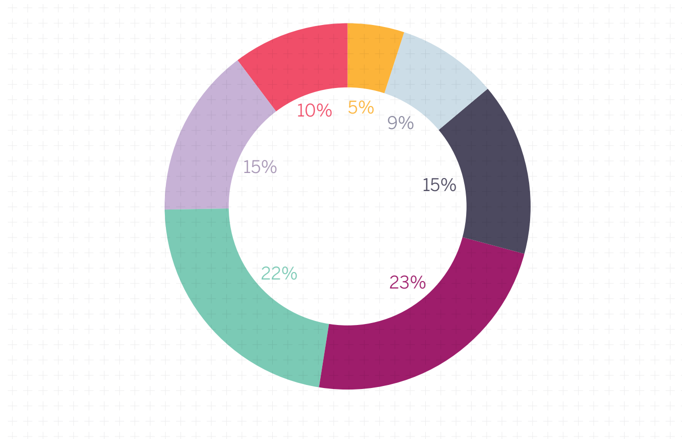
■ Yes ■ No

89 percent of respondents already hold crypto in their portfolios. The fact that three quarters joined the survey through an independent investor research panel may indicate that crypto market exposure has become far more common in traditional finance than often assumed.

Of the 11 percent not invested, more than a third intend to make an allocation, while around 44 percent remain undecided, and only a small fraction is firmly opposed to the asset class.

QUESTION

What percentage of your portfolio is currently allocated to crypto assets?



48%
OF PORTFOLIOS ALLOCATED MORE THAN 10%

■ <1% ■ 10% – 20%
■ 1% – 2.5% ■ 20% – 50%
■ 2.5% – 5% ■ >50%
■ 5% – 10%

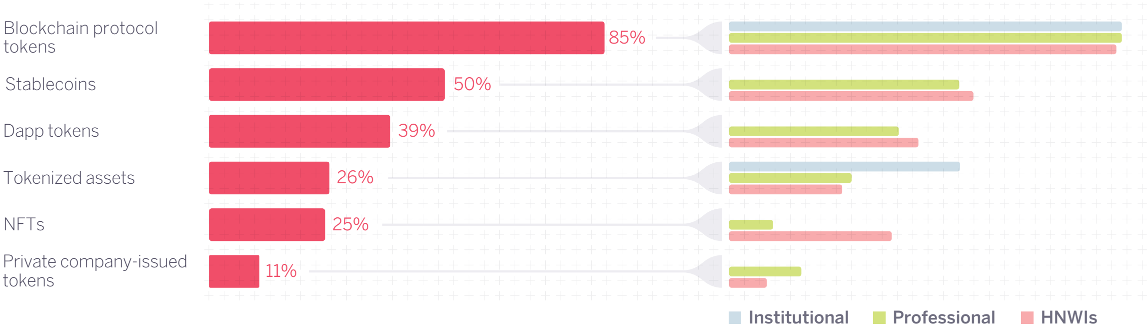
Portfolio allocations vary by investor type but cluster in the mid-to-high ranges rather than at minimal exposure levels (less than 1 percent). High-net-worth individuals account for the largest exposures, and their sizeable presence in the survey raises the overall levels observed.

Median allocations for professional managers fall into the 5-10 percent bracket, while the average is around 15 percent on a weighted basis. We could argue that these levels are typically higher than many assume for traditional firms, and they are becoming more common outside of crypto-native circles.

Median allocations for ultra-high net worth individuals (defined in this report as USD 25m+) fall within the 10-20 percent bracket, with a weighted average of nearly 28 percent.

QUESTION

What type of crypto assets do you currently invest in?



85%

INVEST IN LAYER 1 PROTOCOL TOKENS

85 percent of crypto active respondents report holdings in blockchain protocol tokens e.g. Bitcoin, Ethereum, and Solana. Their established market presence and role as core settlement layers and as the foundations for decentralised ecosystems makes them the natural core in most traditional hybrid portfolios. However, allocations also include other protocols such as BNB Chain, Tron, Sui, Sei and Cardano, among many others, which have drawn more interest on the back of pending ETF approvals.

Stablecoins are also widely held, with half of respondents leveraging their non-volatility as a market hedge and as a practical on-and off-ramp to the crypto market. With the GENIUS Act now signed into law in the US, their role is expected to increase further, not to mention their use in various DeFi yield strategies and tokenised money market funds.

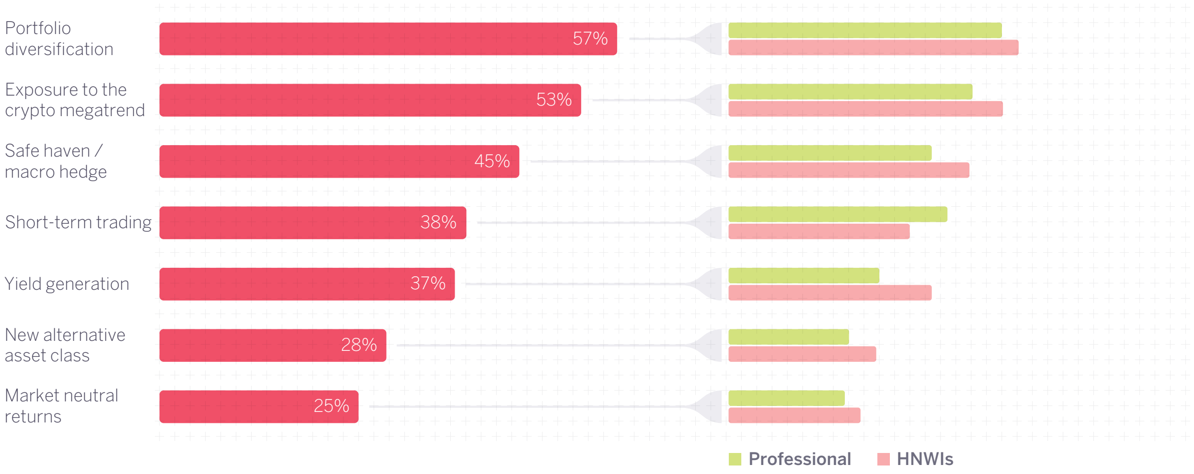
Tokenised assets increased sharply from 6 percent to 26 percent over the year, likely driven by the availability of new tokenization offerings, synthetic equity tokens, Real World Asset-focused (RWA) protocols and leading traditional financial institutions bringing capital markets on-chain.

Our research found that 73 percent of investors hold multiple token types, a decline of 14 percentage points from last year. This may indicate consolidation around majors and/or those with stronger fundamentals. Nearly 20 percent of investors hold only Layer 1 tokens.

The lower interest in private company-issued tokens is primarily due to the limited number of tokens available, while 25 percent of investors holding NFTs are predominantly HNWIs, which suggests they are rarely considered a serious investment case for professional managers.

QUESTION

Why do you invest in crypto assets?



57%

WANT TO DIVERSIFY THEIR PORTFOLIOS

57 percent of respondents named portfolio diversification as their main reason to invest, ahead of exposure to the crypto "megatrend" which topped last year's report at 62 percent (now 53 percent). This could indicate that crypto is now being used more deliberately as a core portfolio component, with its perceived diversification benefits taking precedence over chasing pure upside potential. The long-term growth story, however, is still important for more than half of respondents as confidence in the market's megatrend potential continues to drive allocations to the asset class.

45 percent allocate as a safe haven and macro hedge, with fiscal strains in Western economies, ongoing geopolitical tensions and the waning trust in fiat currencies reinforcing Bitcoin's appeal as a safe haven alternative. Endorsements from BlackRock's Larry Fink, the IMF and most recently Deutsche Bank's comment on central bank reserves also support Bitcoin's digital gold narrative.

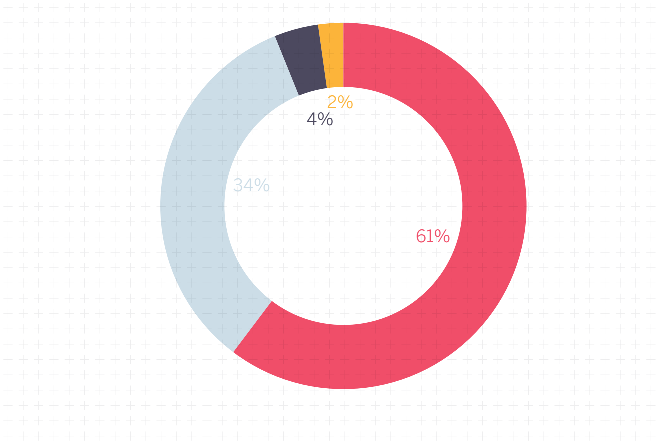
28 percent reported crypto as a "new" alternative asset class, down from 31 percent last year and 44 percent the year before. For first-time allocators the asset class still carries novelty, but for most respondents it has moved into the category of an established mainstream asset class.

Motivations naturally differ by investor type, with yield generation more prominent among HNWIs based on our survey results. This may be because private wealth has the flexibility to pursue higher risk and thereby more crypto-native and DeFi-related strategies. Professional managers, on the other hand, are more constrained by client mandates, though professional desks typically show a higher demand for short-term trading opportunities. With anticipated US rate cuts returning and regulatory clarity improving around staking, yield opportunities could soon become a compelling investment case for either group.

The smaller cohort of institutional investors leaned toward portfolio diversification (80 percent), the recognition of crypto as a new alternative asset class (55 percent) and safe haven and macro hedge interest (30 percent). Given their small sample size and limited exposure, the results were not included in the chart.

QUESTION

What are your future crypto allocation plans?



61%

OF RESPONDENTS ARE CRYPTO ACTIVATED

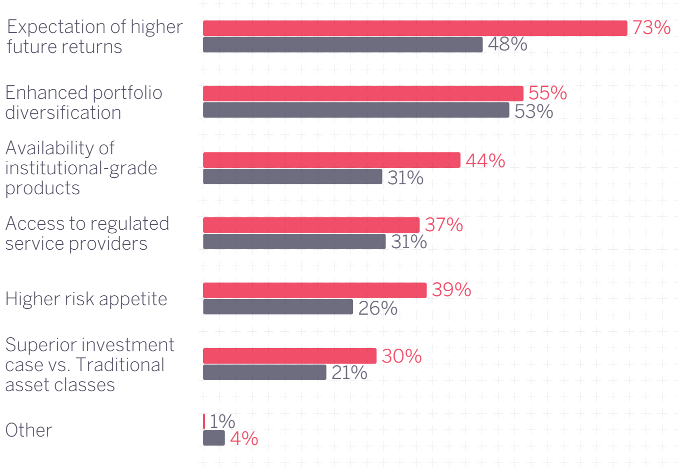
61 percent of respondents are prepared to increase allocations, encouraged by supportive catalysts such as ETF approvals, altcoin treasury demand and upcoming crypto market structure bills that could extend the cycle into 2026. The backdrop is still a constructive one, crypto reserve bills and regulatory reforms are progressing, while Ethereum's relative strength and visible supply-demand imbalances could culminate into additional upside breakthroughs should demand trends escalate this quarter.

Timing is still an open question for many, with around one fifth of respondents who plan to increase exposure remain undecided on when to act. More than a third maintain their positions and are likely waiting for market conditions to improve. Among this group, almost half lean neutral to slightly bearish in their yearly outlook, leaving room to cut back if catalysts fall through. 56 percent remain bullish, however, their positioning is also conditional.

Only a small minority plan to reduce exposure which is consistent with last year's results.

QUESTION

Why do you plan to increase or maintain your crypto asset allocation?



73%

EXPECT HIGHER FUTURE RETURNS

Expectations of higher returns are the leading reason to increase allocations, up from 60 percent last year to nearly three quarters. As previously mentioned in this report, many investors show conviction that several demand catalysts could carry the market further into the new year.

Those maintaining their exposure report diversification as the primary reason, although almost half in this group also expect higher future returns from current positions. This also demonstrates that conviction is not only limited to those increasing their crypto exposure.

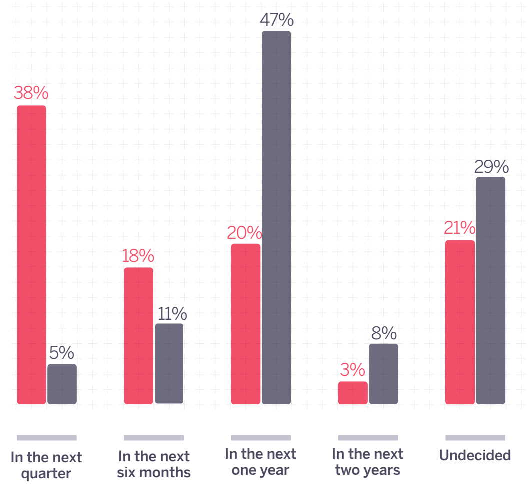
Interestingly, the availability of institutional-grade products has been the biggest change. Only 5 percent mentioned it last year, while this year the figure has risen to a substantial 44 percent among those increasing allocations and 31 percent among those maintaining. This is a very strong indication that broader, regulated product access is clearly making entry easier for traditional investors – i.e. through crypto ETFs, CME options and tokenised products, to name a few.

A higher risk appetite and access to regulated providers are broadly unchanged from last year, suggesting comfort levels for sizing risk are still relatively steady.

However, fewer investors now see crypto as a superior investment case relative to traditional assets, likely due to the strong performances in gold and equities markets this year.

QUESTION

When do you plan to increase your crypto asset allocation?



38%

PLAN TO INCREASE THEIR ALLOCATIONS IN Q4 THIS YEAR

Despite a drop in September, nearly 40 percent of crypto-active investors intended to increase their Q4 exposure. However, October's sharp correction as tariff tensions and high leverage triggered mass liquidations across crypto exchanges. The Fed's rate cut failed to rally risk assets, and Powell signalled no further additional cuts this year. Macro conditions are now mixed, but a weakening dollar may strengthen Bitcoin's store of value appeal, while increased market activity and stable yields may continue to draw inflows into the DeFi sector.

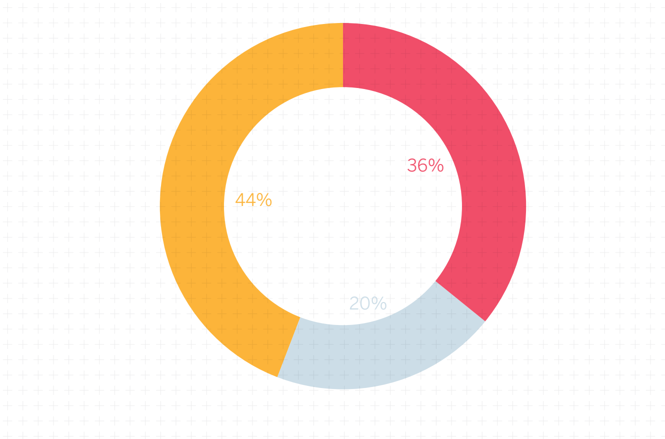
Meanwhile, supply-demand pressures via corporate treasury purchases have seen Ethereum exchange balances fall to new all-time lows, increasing the likelihood of a supply shock that could drive Ether prices higher and support a broader altcoin rally. Treasury demand has also extended to Solana and BNB.

Progressing regulation is another driver, including the SEC's Project Crypto and the recently approved generic listing standards that could fast-track more than 150 ETF approvals before the end of the year. At the same time, US senators have resumed bipartisan talks to finalise its market structure bill despite the government shutdown.

New investors remain cautious, however, with most reporting plans to allocate within the next year, but a sizeable group is still undecided and will wait to see whether or not market conditions will improve. Even among crypto active investors, a meaningful share has yet to decide on timing, leaving the market's Q4 performance as the key test for whether their intent actually becomes an allocation.

QUESTION

Do you plan to make a crypto asset allocation? (Those with no crypto assets)



44%

REMAIN UNDECIDED

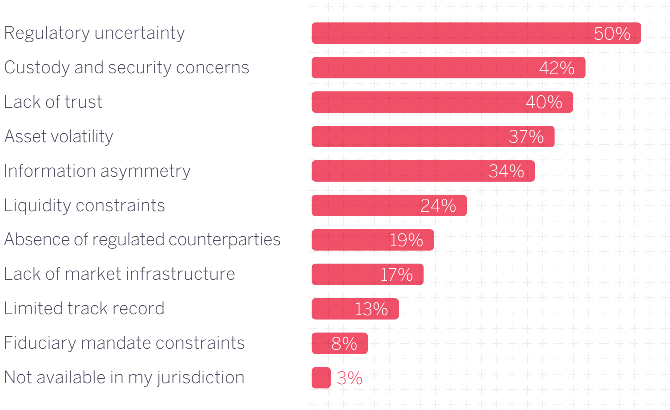
Among respondents not currently invested in crypto, 36 percent plan to allocate, 44 percent remain undecided, and 20 percent have no plans to invest at all. This group made up 11 percent of the survey sample, but it is perhaps closer to the wider "traditional market" investor base, under the assumption that many have not yet entered the market. Their eventual entry could matter more than flows from existing holders, as they represent new money and include large institutional investors with serious capital.

The survey was also conducted after a sharp correction in altcoins, but since then on-chain activity has rebounded and regulatory developments have progressed substantially, creating conditions that may sway some of the undecided cohort to consider making an allocation.

Unsurprisingly, half of these investors described their risk appetite as neutral to low, however 47 percent still plan to allocate within the next year. A similar share also showed interest in crypto ETFs beyond Bitcoin and Ethereum, which could also signal that they are not dismissing the asset class entirely, but rather waiting for the right conditions.

QUESTION

What are your primary reasons for not investing in crypto assets? (Not holding crypto)



50%

CITE LACK OF REGULATORY CLARITY AS PRIMARY REASON NOT TO INVEST

Regulatory uncertainty is the leading barrier for half of the non-crypto-activated investors. Progress has been made in the US, Europe and Asia, but traditional investors still view regulatory clarity as a prerequisite for meaningful allocation as the market grows and new products come to market. Custody and safekeeping risks follow at 42 percent, showing continued concern over secure asset ownership and institutional-grade service standard needs.

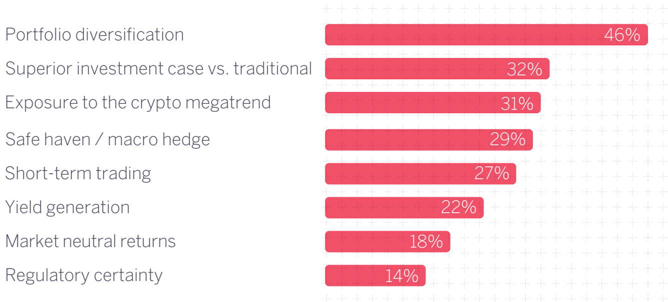
Trust is reported by 40 percent and asset volatility by 37 percent, but at lower levels than last year's survey.

This could indicate that investors are more willing to accept price swings a part of the asset class, and the entry (and endorsements) of major traditional financial institutions has likely strengthened the market's credibility.

Meanwhile, information asymmetry (and trust concerns) show that hesitation may be tied to knowledge, given that more than two-thirds of respondents said they would be encouraged to allocate if they had a deeper understanding of the market.

QUESTION

What factors could motivate you to invest in crypto assets? (Not holding crypto)



46%

WOULD INVEST TO DIVERSIFY TRADITIONAL PORTFOLIOS

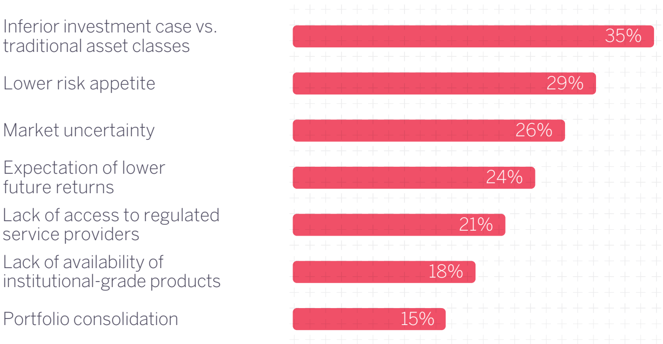
Portfolio diversification is the leading motivator for 46 percent of respondents not currently invested, despite regulatory certainty also being named as the primary barrier to entry. Investors clearly see the diversification benefits in traditional portfolios, but many are arguably holding back until of number of bills nearing final passage are finally implemented.

Nearly a third see Bitcoin as a safe haven and macro hedge, which is consistent with aforementioned fiscal pressures, currency debasement concerns and mounting geopolitical risks that continue to drive demand for store of value assets.

Others point to wanting exposure to the megatrend, yield generation and the relative case against traditional assets as motivators, while only 14 percent reported that regulatory certainty itself would motivate them to invest - in other words, regulation itself is not a deterrent.

QUESTION

Why do you plan to decrease your crypto asset allocation?



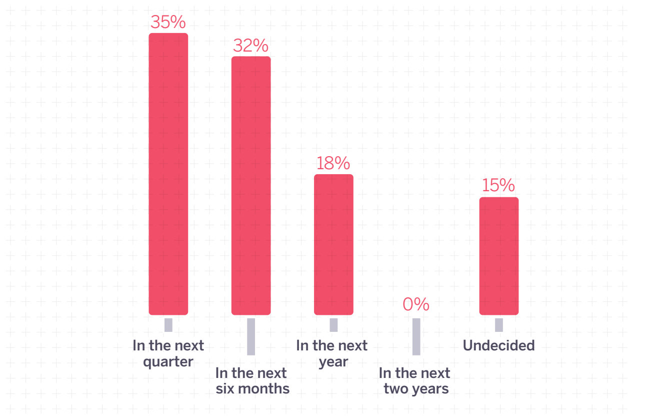
35%

VIEW CRYPTO AS INFERIOR VERSUS TRADITIONAL ASSETS

An inferior investment case relative to traditional assets was the leading reason for reducing allocations. This is understandable in a year where equities and gold markets have outperformed the crypto market strongly, while many altcoins and crypto subsectors have substantially underperformed, with many falling back and even below their cycle lows. Lower risk appetite and market uncertainty may also indicate that broader macro concerns and other external risks are being considered as we enter the later stages of the cycle.

QUESTION

When do you plan to decrease your crypto asset allocation?



67%

PLAN TO DECREASE WITHIN THE NEXT 6 MONTHS

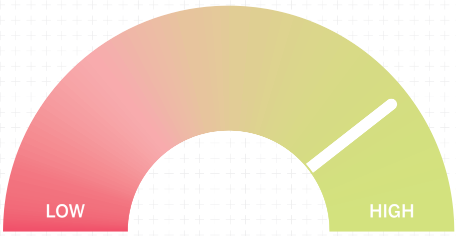
More than two thirds will decrease their allocations within the next six months, supported by the perceived inferior investment case versus traditional assets and the current market uncertainty likely weighing on risk appetite.

However, 70 percent of this group still holds a strongly bullish outlook over longer-term horizons, which may indicate that they see the present caution as only temporary and expect the crypto market to reassert its role as a driver of returns once market conditions and macro pressures ease.

Investment strategies

QUESTION

How would you describe your risk appetite? (crypto active)



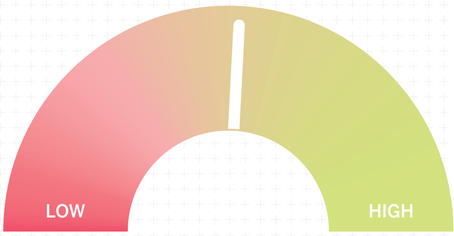
71%

HAVE A HIGH-RISK APPETITE

Risk appetite increased from 64 percent to 71 percent this year. Expectation of a Q4 rally and the presence of short-term catalysts explain much of this positioning. Mid-term views are less assertive, however, with outlooks turning neutral or bearish in 2026. Almost a third still report only neutral to low-risk appetites, which may simply reflect a tighter discipline in the perceived "later-cycle" stages rather than a lack of conviction in the market. This is also supported by the fact that only a very small share of respondents announced plans to decrease their current allocations.

QUESTION

How would you describe your risk appetite? (not holding crypto)



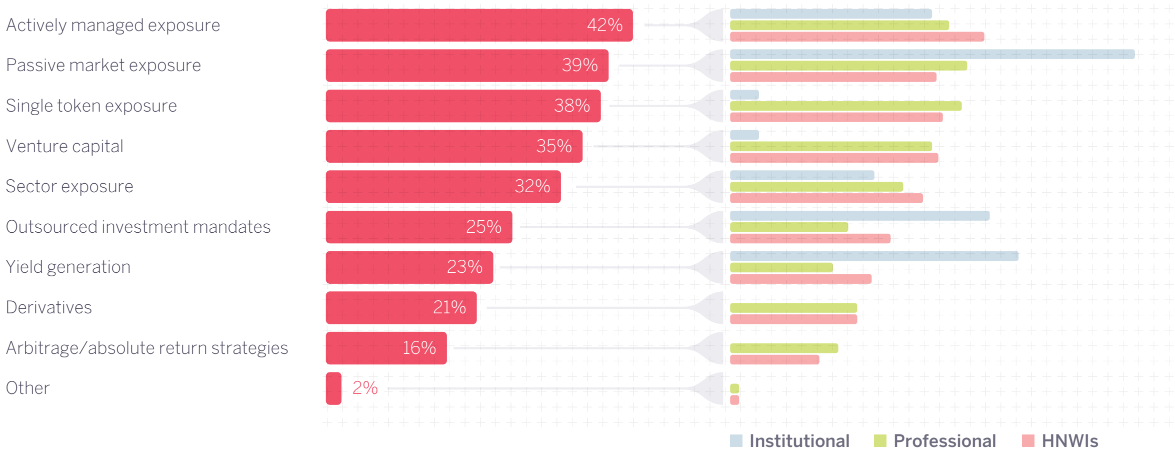
40%

HAVE A NEUTRAL RISK APPETITE

Among respondents not currently invested in crypto, risk appetite is far more mixed. About a third indicated high to very high-risk levels, but most are cautious. Neutral and low risk appetites dominate this particular group. Market uncertainty and the difficulty of timing an entry are the main reasons, so flows are only likely to arrive later next year – either in steps, or most likely once market conditions feel more stable and favourable.

QUESTION

What best describes your crypto asset investment strategy?



42%

HAVE ACTIVELY MANAGED EXPOSURE

Actively managed exposure leads at 42 percent, overtaking last year's preference for single token strategies. Investors favour discretionary approaches that allow them to adjust positioning around volatility and changing market conditions as the cycle heads into Q4.

Passive market exposure follows at 39 percent, mostly due to popularity and substantial success of the spot Bitcoin and Ethereum ETFs, which now offer traditional investors a familiar, regulated entry channel into the crypto market.

Single token strategies are still sizeable at 38 percent, concentrated heavily on Layer 1 tokens such as Bitcoin and Ethereum where supply-demand imbalances, corporate demand and staking (for Ethereum ETFs) could act as catalysts for future upside potential. Demand for high-performance alternatives and sector-specific protocols with strong fundamentals and additional crypto ETF listings may also provide additional tailwinds.

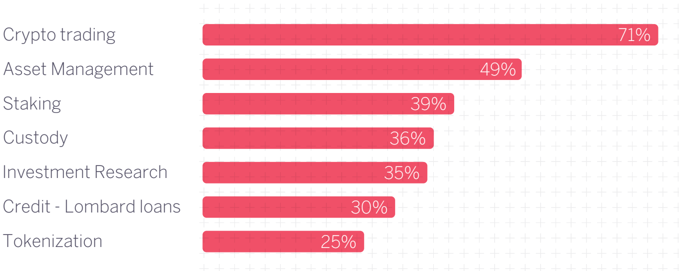
Venture capital at 35 percent and sector exposure at 32 percent indicate that investors are also targeting sector-specific use cases and early-stage startups for potential alpha and outsized returns. Positioning is most evident in Layer 1 competition and in the overlap between Web3 infrastructure and AI applications.

Data points show that only 10 percent of respondents follow a single investment strategy, whereas most combine several, while the more complex trades such as derivatives and arbitrage/absolute return strategies are largely confined to professional desks. Nonetheless, this could indicate that portfolio construction in crypto is becoming far more sophisticated and structured, and perhaps even closer to how investors manage capital in traditional markets.

Products and services

QUESTION

Which products and services are of interest?



71%

ARE INTERESTED IN CRYPTO TRADING

Crypto trading leads at 71 percent of respondents. The most common are straightforward spot exposure to majors such as Bitcoin, Ethereum and Solana, while experienced investors and professional desks may deploy active strategies that range from directional long and short positions using leverage, derivatives or short-term arbitrage to profit from the market's price swings and daily volatility. This is why trading caters to many investor types.

Asset management follows at nearly 50 percent of respondents. Demand here is less about simple exposure and more about discretion and access to new sophisticated investment strategies. As investors grow more comfortable with the asset class, this includes the interest in crypto-native and DeFi funds, structured yield solutions and hybrid investment products that directly interact with decentralised protocols.

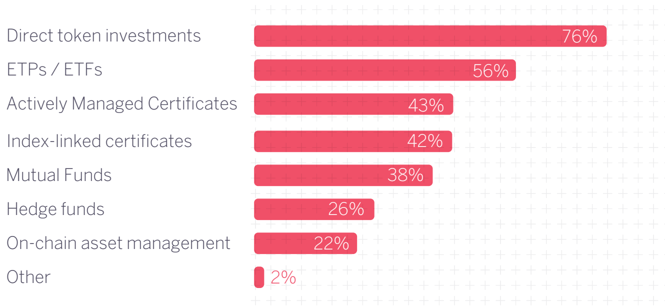
Staking attracted 39 percent of respondents and is now widely regarded as a straightforward way of generating passive yield. Its potential inclusion in ETF products could substantially accelerate inflows, while increasing clarity in the US would likely bring more traditional investors into these products via the same providers they already trust.

Custody was mentioned by 36 percent of respondents, but the lower number may simply indicate that custody is more a fundamental requirement than a product choice. This is because most traditional investors active in the crypto market already depend on regulated custodians and service providers for safeguarding their assets.

More than a third also pointed to investment research as an area of need, which includes the demand for greater access to professional interpretations of market trends, emerging catalysts, and new investment opportunities to encourage allocations. Credit and tokenization ranked lower but have both increased over the last twelve months, with new products likely to draw more interest as they come to market.

QUESTION

Which crypto asset investment products are of interest?



76%

WANT DIRECT TOKEN INVESTMENTS

Direct token investments remain the most common preference, with more than three quarters of respondents opting to own the assets outright. This also gives investors direct exposure to market upside while retaining the flexibility to deploy their tokens into various other products or yield strategies such as staking or lending.

ETPs/ETFs have grown in importance, rising to 56 percent from 47 percent last year. Bitcoin and Ethereum ETFs continue to attract strong inflows, with a wide pipeline of new crypto ETFs awaiting SEC approval. Their success among institutional investors has given passive exposure a clear role in portfolio construction, while the high interest in multi-asset and index products shows these are likely to become the next phase of crypto ETF product types.

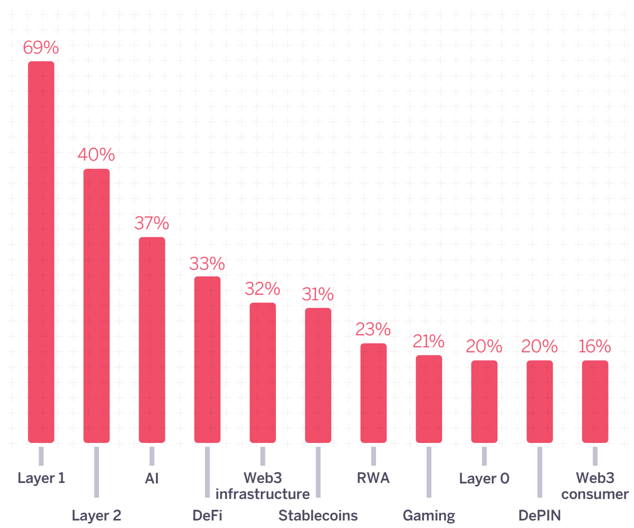
Structured products are also well represented with 42 and 43 percent of respondents reporting interest in actively managed and index-linked certificates respectively. This aligns with many sector-focused allocations and provides professional managers with more sophisticated products at their disposal.

Mutual funds were mentioned by 38 percent of respondents despite being fairly rare, if not non-existent in the current crypto market. However, the demand around ETFs and progressing regulation may provide the foundation for future launches next year.

Interestingly, professional managers showed a stronger preference for direct token holdings than HNWIs this year. This could point to growing comfort with crypto-native strategies even inside formal mandates where allocations were once limited to traditional-style vehicles.

QUESTION

Which crypto assets sectors are of interest?



69%

ARE INTERESTED IN LAYER 1

Layer 1 was the most popular sector, driven by the well-established presence of majors, however, interest is clearly growing in high-performance alternatives supported by rising on-chain and stablecoin volumes, new government pilots and partnerships with leading traditional financial institutions and payment companies.

Layer 2 was the second most popular, likely due to the proliferation of Ethereum-based scalability solutions that continue to come to market. However, much of the activity is heavily concentrated on networks without an investable token such as Coinbase's Base, and this may complicate direct allocations even if the demand is there for the time being.

AI and Web3 infrastructure report decent levels of interest, supported by the rise in resource intensive applications that require scalable networks and large amounts of data and computing power (i.e. machine learning models and decentralised storage). These are also viewed as long-term catalysts along with industry parallels in Artificial Intelligence that will complement sector growth.

One third showed an interest in DeFi, but the lower interest is likely due to another year of poor token performances weighing heavily on sentiment, apart from a few economically viable projects with strong fundamentals. Interest may improve if on-chain activity and traded volumes pick up again in Q4.

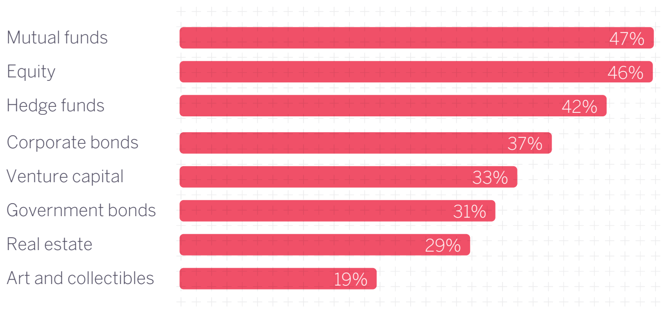
Interest in stablecoins have increased over the year, supported by regulatory progress and wider usage across DeFi, Layer 1s and tokenised traditional products such as money market funds. Their role is likely to grow as more institutions launch their own stablecoins.

Layer 0 interest dropped from 28 to 20 percent over the year due to the limited progress in addressing the gap between Layer 0 protocol adoption and the value accrual for tokenholders. This means they may continue to be largely ignored by the market.

DePIN, Gaming and Consumer Web3 drew the lowest interest. DePIN activity has grown, but tokens have not performed, and the technical complexity of the sector can be difficult for traditional investors to evaluate. Gaming has a different addressable market, but involvement by major gaming studios could raise interest in the future. Web3 consumer remains the weakest, with little evidence suggesting users are seeking decentralised alternatives to the popular Web2 social media giants.

QUESTION

What type of traditional assets when tokenised have the greatest potential?



47%

FAVOUR MUTUAL FUNDS AS HAVING THE GREATEST POTENTIAL

Mutual funds were the top choice this year, with 47 percent of respondents pointing to them as having the greatest potential once tokenised. While rare, their familiarity as pooled investment vehicles makes them a natural candidate to move onto decentralised rails.

Equities follow at 41 percent, which was roughly unchanged from last year. The earlier excitement cooled after Robinhood, Kraken and Bybit launched tokenised stock products that offer synthetic exposure without shareholder rights. However, interest in tokenised equity exposure has recently accelerated as equity markets (especially tech stocks) started to rally and outperform the crypto market.

Hedge funds at 42 percent and corporate bonds at 37 percent also scored strongly and are both areas where tokenization could deliver tangible benefits such as fractional ownership and faster settlement times.

Venture capital at 33 percent shows investors are open to applying tokenization to private markets, while government bonds at 30 percent do point to a modest interest in more efficient access to sovereign debt – though this may be distinct to investor types and mandates.

Real estate has slipped again and now almost level with government bonds at 31 percent. It continues its decline from higher levels recorded in 2023. Progress has been far slower (due to complexity of the asset class), but there is now at least some activity now emerging in the Middle East like in the United Arab Emirates.

Art and collectibles were the lowest at 19 percent, hinting that tokenization is perhaps no longer seen as novelty, but rather as a necessary technology to finally repackage mainstream financial assets for efficiency gains and cost benefits. The larger sample size this year gives more weight to these demand shifts, especially given the stronger interest in funds and fixed income assets.

Hamilton Lane

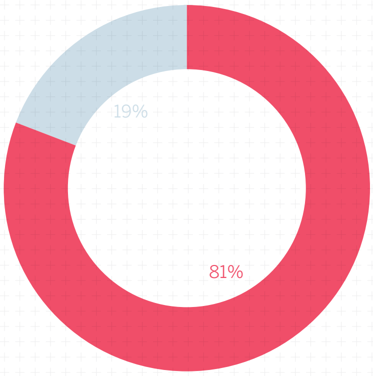
View from the market

We've seen a year of continued and significant blockchain adoption, with major institutions across financial services and asset management announcing new initiatives in this space. As an industry that has historically been slow to adopt new technology, private markets are increasingly starting to integrate these advancements as demand builds. The direction of travel is leading towards convergence – where traditional players integrate digital assets and the defi audience across their offering – it's just a matter of time. That would create an environment where digitally native investors access real world assets through modern technology, and investors who are not digitally native access blockchain-based investments. The players who are ready, and have an appetite to explode before it does, will be well positioned to take part in the new era of investment. Building on our history of identifying quality technology partners and building our own breakthrough tools, we believe blockchain technology is a key piece of delivering cheaper, better, faster access to private markets and the potential for strong returns that they offer.

Victor Jung
Head of Digital Assets,
Hamilton Lane

QUESTION

Beyond Bitcoin and Ethereum, are you interested in other crypto ETFs?



81%

ARE INTERESTED IN OTHER CRYPTO ETFS

Interest in other crypto ETFs was impressively high, with 81 percent of respondents open to additional crypto-backed products beyond Bitcoin and Ethereum. The success of US spot ETFs has cemented their role as a reliable gateway to the crypto market. Bitcoin ETFs were the most successful ETF launch in history, and Ethereum ETFs have drawn substantial flows in recent months. Demand for these products is expected to continue.

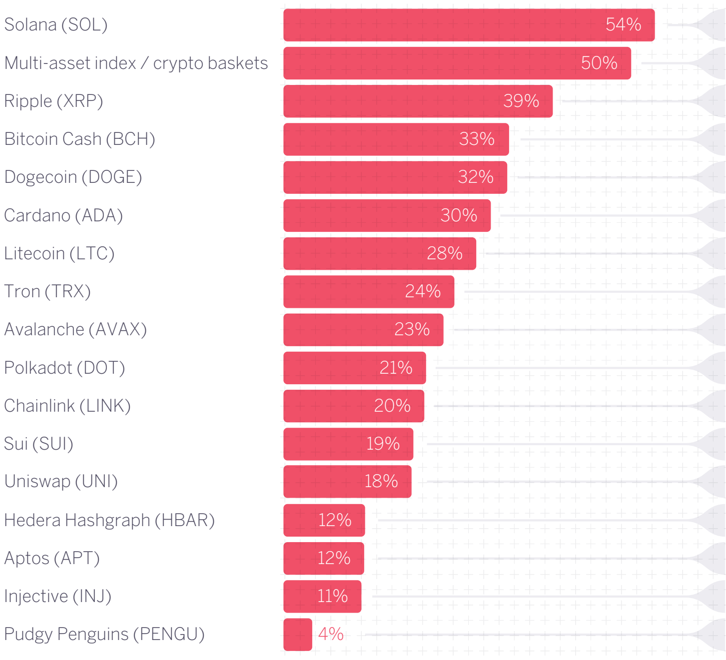
Whether new crypto ETFs can match the volumes and success of their Bitcoin and Ethereum counterparts is of course less certain. Bitcoin and Ethereum already dominate flows on the back of their established market presence.

The SEC's new listing standards will certainly fast-track approvals, but smaller assets may find it difficult to attract the same level of demand.

19 percent said they had no interest in other crypto ETFs, viewing Bitcoin and Ethereum as sufficient exposure for now. That could change, however, if classification frameworks expand the range of products, but for now the attention is firmly fixed on majors.

QUESTION

Interest in other crypto-backed ETFs (all listed are pending approval)



54%
ARE INTERESTED IN SOLANA ETFS

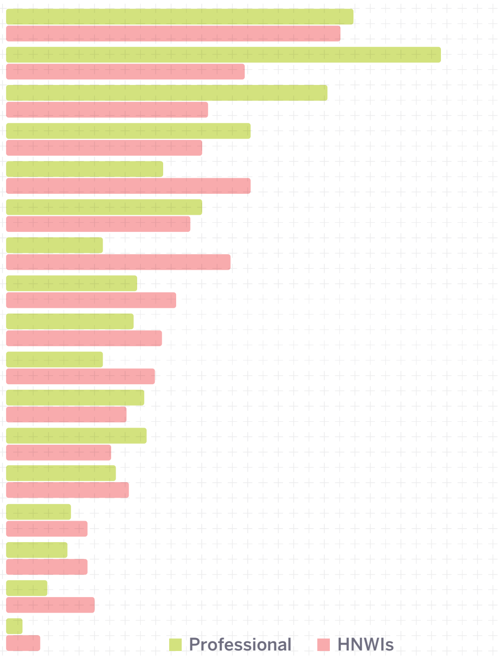
Solana leads the next wave of interest, with more than half of respondents identifying it as the ETF they would most likely allocate to. Its role as Ethereum's main rival, as well as its growing on-chain activity and stablecoin volumes makes it the most likely contender to capture a larger share of future ETF flows. However, multi-asset ETPs followed closely at 50 percent, show a parallel interest in diversified exposure across token types and sectors.

XRP was cited by 39 percent of respondents, likely supported by its "reputation" in payments and traditional financial circles, even if the token itself is not always the unit of settlement on the XRP ledger. Dogecoin's transition from a memecoin to its own Layer 1 might also sustain its profile among traditional investors looking for high-beta exposure.

Interest in Bitcoin Cash and Litecoin was surprising given the lack of development activity, so it is perhaps more likely to assume that their legacy status and pending ETF filings have kept them in the spotlight.

QUESTION

Interest in other crypto-backed ETFs (by investor type)



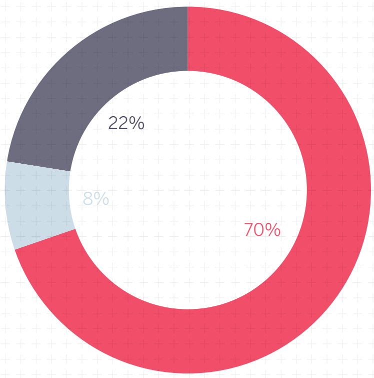
55%
OF PROFESSIONAL MANAGERS PREFER MULTI-ASSET INDEX

Professional managers showed a clear preference for multi-asset ETPs, which is consistent with mandates that emphasise diversification and index-linked exposure. High net worth individuals, by contrast, showed more interest in high-beta assets such as Dogecoin, Litecoin, Tron, Avalanche and Polkadot.

The strong appetite for multi-asset strategies could gain further traction following the SEC's recent approval of Grayscale's multi-asset ETP, the first of its kind, which may encourage additional filings and raise expectations that index-based exposure will become a core competent in the regulated crypto market.

QUESTION

Would you allocate, or allocate more, to crypto ETFs if they offered staking yield?



Yes
No
Undecided

70%
WOULD ALLOCATE IF STAKING IS AVAILABLE

Around 70 percent of respondents said they would increase their allocations if staking yield were included in ETF products. Anticipation around Ethereum staking ETFs has already heightened interest, with BlackRock's iShares amendment now postponed to November. An approval could catalyse a new wave of institutional flows into Ethereum ETFs, while clearly differentiating them from their Bitcoin counterparts (as proof-of-work protocols cannot offer staking yield).

Almost a third of respondents were either undecided or uninterested. Among professional managers, the share was higher at 37 percent compared with 18 percent of HNWIs – a gap that emphasises how much weight managers place on explicit regulatory approval before allocating client capital.

Interestingly, even among investors who reported no interest in ETFs beyond Bitcoin and Ethereum, close to a third said they would reconsider if staking yield were available. Introducing yield to crypto ETFs could therefore broaden the playing field, allowing smaller ETFs to attract flows and gradually chip away at the dominance of Bitcoin and Ethereum.

PostFinance

View from the market

The last 12 months have seen some very interesting developments in the crypto space. Starting with the launch of Bitcoin ETFs by the likes of BlackRock and others that catapulted the topic on top of every institutional investor's desk. Furthermore, the 180 degree change of the US government towards cryptocurrencies and blockchain technology provided a tailwind to the market like no other. Until then, the unclear and opaque treatment of crypto assets, and every activity involving crypto assets, had led to unwillingness to engage with the topic by banks and asset managers. This will change in the future and crypto will become part of banking in the US just as it did in Switzerland.

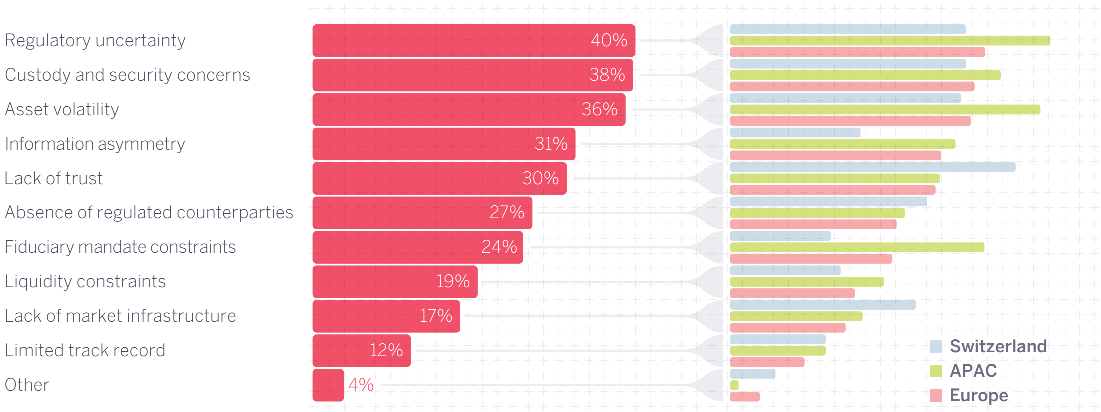
As far as PostFinance is concerned, we have reached significant milestones as well by being the first systemic important bank to offer native Ethereum staking to its clients with more currencies to follow soon. What's more is we successfully engaged in a proof of concept for an interoperable deposit token on a public blockchain with other Swiss banks. Looking ahead, we are going to have our most active year yet with great products and services launching in the coming 12 months. This will position ourselves well within this increasingly relevant market.

Alexander Thoma
Head of Digital Assets,
PostFinance AG

Barriers to entry

QUESTION

What are the biggest barriers to investing in crypto assets?



40%

LACK OF REGULATORY CLARITY IS THE BIGGEST BARRIER TO CRYPTO INVESTMENT

Regulatory uncertainty was the most frequently cited barrier, with 40 percent of respondents naming it ahead of custody and security at 38 percent, and asset volatility at 36 percent. This was surprising given the substantial regulatory progress in 2025. MiCA is now fully in force across Europe, the GENIUS Act passed in the US alongside several state-level Bitcoin Reserve bills, and the SEC has taken a more constructive stance under new leadership. The fact that regulation has now overtaken volatility since last year may indicate how investors are now closely watching whether these frameworks actually translate into meaningful adoption trends, flows, new products and market activity.

For HNWIs, the greater emphasis is still on custody and security and asset volatility risks, while professional managers put regulation far higher, which again, is consistent with the need for mandates and strategies to run only once clearer frameworks are in place. Institutional investors focused almost exclusively on regulation, fiduciary obligations and the absence of regulated service providers operating at their standards – which is why pensions, insurers, and mutual funds are still missing from the market.

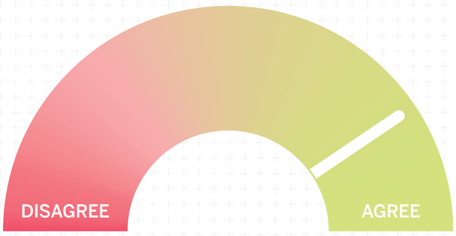
Nonetheless, asset volatility has not disappeared as an issue but its place further down the list shows that investors are perhaps learning to accept it as part of the asset class. Meanwhile, nearly a third of respondents also cited information asymmetry, showing that investors still find it difficult to know where and how to allocate with confidence.

With a broader sample size this year, and less concentration around our own client base, the stronger emphasis on regulation as opposed to volatility demonstrates how widespread the issue still is across traditional markets. The passage of classification frameworks will be decisive in narrowing this barrier.

Investor viewpoints

QUESTION

The regulatory clarity regarding crypto assets has significantly improved since 2025



80%

OF RESPONDENTS SAY REGULATORY CLARITY HAS IMPROVED OVER THE PAST YEAR, AN 11 PERCENT INCREASE

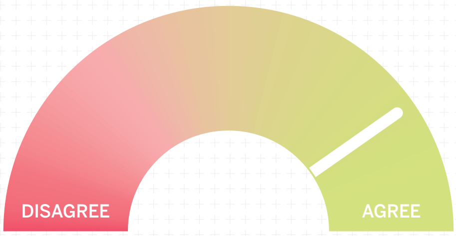
Despite being the primary investment barrier, 80 percent of respondents agreed that regulatory clarity has improved significantly over the year, an increase of 11 percent.

The backdrop includes strategic Bitcoin and crypto reserve bills, the SEC's Project Crypto under new SEC chairman Paul Atkins, and the near-final passage of crypto market structure frameworks. MiCA is now issuing crypto licences, Hong Kong launched a new licencing regime for stablecoins, while Switzerland and Liechtenstein continue to provide long-standing regulatory certainty.

We could argue that progressing regulation is finally beginning to catch up with the growth of the market.

QUESTION

The recent US policy shifts will strengthen the investment case for crypto moving forward



83%

OF RESPONDENTS SAY THAT RECENT US POLICY SHIFTS WILL STRENGTHEN THE INVESTMENT CASE FOR CRYPTO

83 percent agree that the recent US policy shifts will strengthen the investment case for crypto assets. The US remains the largest market in terms of traded volumes, institutional flows, active crypto users and exchange activity, so progressing regulation on classification rules is likely to have a substantial impact on the broader crypto market.

The same concentration also means that any setbacks could weigh heavily on sentiment, as seen during earlier periods of stalled legislation or enforcement actions against major crypto companies. However, the shift in US policy to include crypto in the financial system is likely to be a net positive for the market moving forward.

The six-year Future Finance migration

From analogue finance to digital markets

In a single political cycle, finance has shifted from tentative experimentation to real structural change. Looking ahead to 2026, policy clarity, institutional adoption, and live real-economy use cases will set the tempo. The direction of travel for digital finance will be unmistakable; six years from now, it will be irreversible.

The United States' new policy direction, led by the GENIUS Act, is the first meaningful financial reform since the Dodd-Frank Act 15 years ago, and gives the private sector the mandate to digitize the dollar. It's part of a broader US strategy to grow the economy through innovation, not austerity.

The world still spends between 1-2% of global GDP each year just moving money through legacy systems. That inefficiency will be almost eliminated through digital settlement. Redirecting that lost capital into productive use could lift growth and improve debt-to-GDP ratios worldwide. It is one of the clearest economic opportunities of the decade.

By this time next year, tokenization will no longer sit at the edge of the market. It will be central to how institutions issue, settle, borrow, and pay.

In 2026, I expect we'll start to see that efficiency translated into real-world outcomes. Clear rules for stablecoins and tokenized assets will give private firms the confidence to modernise payments, lending, and capital markets. This will result in faster cross-border trade, greater capital efficiency, and programmable payments in everyday use.

This shift is not a matter of ideology, but of efficiency. As happened with past financial reforms, other nations will follow the leader rather than wait for consensus.

Here are three pivotal areas that I believe will drive the development of Future Finance over the coming years:

First, within six years, no new security, whether equity or debt, will be issued in the US without being tokenized onchain. That means tokenization will give issuers real-time visibility into their shareholder base and enable instant transfers of ownership.

Second, collateral and settlement will move to distributed networks, cutting counterparty risk and strengthening market stability.

Third, programmable money will extend beyond finance as mainstream retailers and manufacturers deploy their own stablecoins to reclaim their customer relationships via in-network discounts, instant refunds, and programmable warranties.

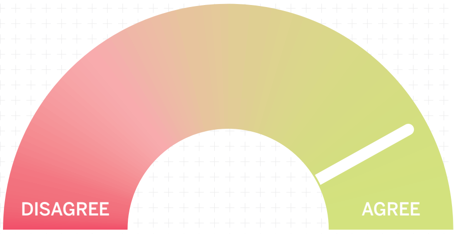
These advances collectively mark the next phase of financial infrastructure and innovation that Sygnum calls Future Finance.

2026 is all about execution. The rules are clarifying, the rails are ready, and the use cases are at hand. Our task now is to apply the rule of law to the rule of code to upgrade market efficiency without sacrificing investor protection. If we do, the gains will compound into lower friction, faster settlement, greater innovation, and stronger economic resilience.

J. Christopher Giancarlo
Former US CFTC Chairman,Sygnum Senior Policy Advisor and "CryptoDad" author

QUESTION

Will better quality information and a deeper understanding of crypto assets encourage you to start investing, or to invest more?



84%

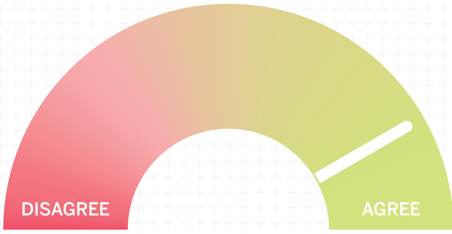
SAY BETTER INFORMATION WOULD ENCOURAGE LARGER ALLOCATIONS

84 percent of respondents agree that better information and a deeper understanding of crypto assets would encourage them to start investing, or to invest more. This is up from 81 percent last year and 73 percent the year before. Knowledge levels have risen noticeably, however, the pace of change in DeFi and experimental decentralised infrastructure makes early opportunities difficult to identify and value with confidence. But it is also clear that investors now want evidence of sustainable revenue models or clear value accrual before committing capital. The higher knowledge levels compared with last year show that the investor base itself is becoming more sophisticated.

This also fits with the demand for investment research and the rise in actively managed exposure, as investors want professional judgement to time allocations and manage changing market conditions accordingly.

QUESTION

Will better regulatory clarity motivate you to start investing, or to invest more, in crypto assets?



85%

AGREE THAT FURTHER REGULATORY CLARITY WOULD MOTIVATE THEM TO START INVESTING

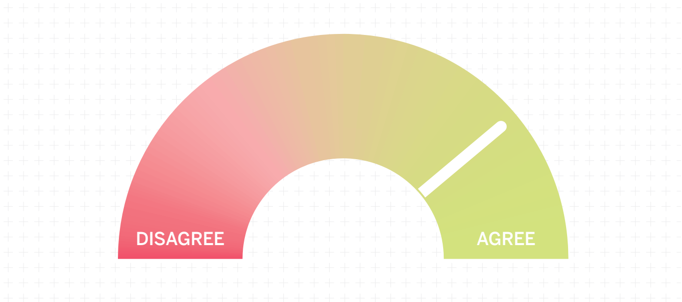
85 percent of respondents agree that further regulatory clarity would motivate them to allocate or allocate more. This aligns with regulation also being named as the leading barrier to entry, which again, shows it is more of a hurdle to overcome rather than a reason to stay away from the market.

Many investors expect that once regulatory clarity is in place, a proliferation of regulated service providers and products will come to market, giving them the necessary entry points they need to invest with confidence.

Investor viewpoints on Bitcoin

QUESTION

Bitcoin can be considered a viable treasury reserve asset

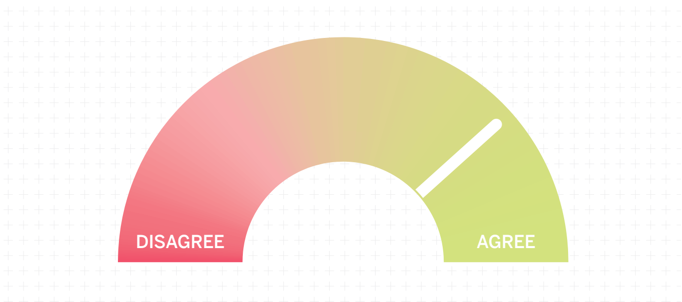


81%

SAY BITCOIN IS A VIABLE TREASURY RESERVE ASSET

QUESTION

Holding cash instead of Bitcoin will carry a high opportunity cost over the next 5 years



71%

SAY HOLDING CASH OVER BITCOIN HAS A HIGH OPPORTUNITY COST

Demand for Bitcoin continued to be supported by its perceived safe haven qualities. As state and local governments advance proposals for Bitcoin reserves, this has the potential to translate into direct demand while further cementing its role as a store of value asset.

This also leads the price of Bitcoin to be influenced by macro trends that inspire growing demand for safe haven assets overall – such as mounting sovereign debt reaching unpayable levels or heightened geopolitical risks.

On the back of this, Bitcoin as a treasury reserve asset has developed into a major theme but has been met with both progress and pushback throughout the year. Several US states have passed their own Bitcoin reserve bills, while others have rejected or vetoed them. The US Bitcoin Act, which would establish a federal stockpile still remains far from certain, while Switzerland, Japan, Germany and Brazil are showing progress.

However, adoption is largely dominated by Michael Saylor's Strategy approach, which turned its treasury into a leveraged acquisition vehicle. The approach has been widely imitated by other small-cap companies but widely contrasts with the more cautious approach of corporate treasures, whose mandate is to protect the financial stability of company assets. This may explain why interest in Bitcoin as a treasury reserve asset is growing, but has not yet been adopted more widely by large corporate treasurers.

Nonetheless, the survey shows strong support for Bitcoin in a reserve role, with 81 percent of respondents agreeing it can be considered a viable reserve asset. The 19 percent that are either hesitant or disagree aligns with the reality that corporate treasurers are tasked first and foremost with safeguarding the balance sheet and financial stability of the company – even as Bitcoin gains wider recognition as a store of value. At the same time, caution is also tied to concentration risks due to the fact that Strategy now controls more than 3 percent of the total Bitcoin supply. Perhaps this is why shareholders from major tech companies like Microsoft, Meta (formally Facebook) and Amazon have publicly rejected reserve allocations.

When asked about the opportunity cost of holding cash instead of Bitcoin over the next five years, 71 percent agreed that cash would carry the greater risk. Disagreement was higher here, with 10 percent firmly opposed and 20 percent neutral, suggesting greater caution at this point in the cycle.

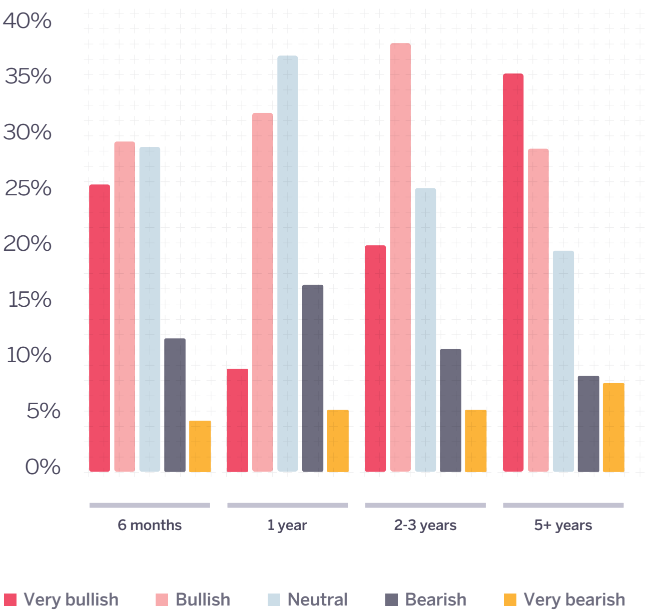
Ethereum is now firmly appearing in corporate treasuries, with public companies collectively holding more than 6 million ETH, equivalent to 5 percent of the total circulating supply, while corporate allocations are now extending to Solana and BNB. However, these follow the same leveraged acquisition playbooks pioneered by Strategy.

Meanwhile, central banks have been quiet on the subject, but any re-emergence would be a powerful demand catalyst for Bitcoin and the broader crypto market. Deutsche Bank recently suggested that Bitcoin could one day join gold on central bank balance sheets, but the prospect remains speculative at best. Nonetheless, the topic has entered mainstream financial debates, which shows how far the conversation has already moved.

Market outlook

QUESTION

What is your outlook for the crypto market over the following timescales?



BULLISH SHORT-TERM, CAUTION TO BEARISH MID-TERM, AND LONG-TERM VERY BULLISH

In late Q3, investor sentiment heading into Q4 was heavily bullish, with more than half of respondents leaning positive and a quarter reporting strong conviction. This was supported by favourable liquidity conditions, visible supply-demand pressures in Bitcoin and Ethereum, and a number of short-term catalysts that could provide the necessary tailwinds needed for an end-of-year market rally.

By the start of November, these catalysts had not yet arrived, and the quarter to date has been marked by adverse market conditions, including record liquidation levels on October 10. Some investor plans may have subsequently changed, also influenced by anticipated cooling momentum after the impact of the market catalysts (not yet in place) and uncertainty about 2026.

However Q4 ends, investor confidence looks set to fade within the year, and sentiment flips towards neutral and bearish. Very bullish responses fall sharply to just 10 percent. This may reflect the tendency for profit-taking at the start of the business year and growing doubts over whether liquidity on its own can extend the bull cycle should the aforementioned catalysts fail to materialise.

The heavy neutral-to-bearish outlook could also turn into de-risking if the current drivers disappoint and may shift investor confidence quickly at this stage of the cycle.

Over a longer horizon, sentiment turns decisively bullish, and by the 2-3-year outlook (and even more clearly after 5 years), the majority of respondents expect a new bull cycle supported by deeper integration with traditional markets and greater institutional participation. Expectations may also be linked to the growing parallels with rapidly expanding industries such as AI, where advances in computing and scalable data infrastructure may shape the next generation of decentralised protocols and token models.

Market view from the CIO

The past twelve months have shown that volatility is still an inherent feature of the crypto market, with tariff trade tensions, a temporary fiscal stimulus, inflation spikes and exogenous shocks in US dollar and oil prices unsettling the backdrop – even as global liquidity continued to rise.

Further rate cuts and the rise of private credit support the demand for risk assets, but escalating geopolitical tensions, mixed policy signals and signs of a late-stage cycle are keeping investors alert to risk.

The crypto market nonetheless continues to show positive growth trends, with rising stablecoin volumes, Real World Asset (RWA) tokenization growth and stronger demand for lending and borrowing. Progressing regulation with the CLARITY Act, as well as the SEC's Project Crypto and Crypto Sprint, are giving confidence that clearer rules for long-term adoption are finally coming into place.

We are also seeing a shift in investor behaviour, in line with the higher knowledge levels reported in this survey. Allocations are now made with greater discretion and purpose, while the heavy concentration of flows in Q4 shows conviction that current catalysts, combined with growing liquidity, may be enough to support a rally in crypto assets. However, caution heading into the new year signals that investors are prepared to de-risk.

The rise in actively managed exposure makes sense in this environment. Investors know that disruptions can alter market conditions quickly, and they are turning to discretionary expertise to protect their positions while capturing value accrual where it emerges.

Sygnum's Asset Management team sees its principal role as providing the flexibility to hold exposure through uncertain conditions while giving investors the confidence that opportunities can be accessed safely and with discipline.

Fabian Dori
Sygnum Chief Investment Officer

Fidelity INTERNATIONAL

View from the market

Institutional engagement with digital assets has accelerated over the past year, supported by clearer regulatory direction, enhanced market access, and the distinctive investment characteristics of crypto assets such as Bitcoin. As ETFs, listed derivatives, and balance sheet adoption by institutions proliferate, the market structure is becoming increasingly sophisticated. The availability of crypto ETFs in particular has removed significant infrastructure barriers and regulatory hurdles, providing investors with regulated and convenient access.

For many traditional investors, this remains an exploration. Bitcoin is often the first entry point, valued for its limited supply, longevity, and market leadership. Interest from private wealth and investment advisors is rising, reflecting growing end investor demand. That said, portfolio construction discussions with pensions, insurers, and asset allocators are evolving, with crypto assets like Bitcoin now considered as potential sources of diversification. Many are looking to partner with experienced managers like Fidelity International to navigate market trends, and risk management.

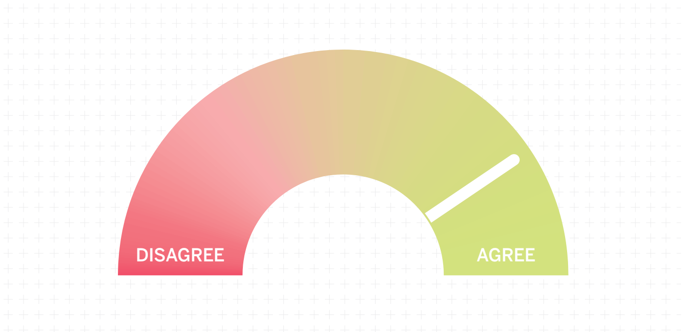
Beyond crypto, the convergence between traditional finance and the digital asset economy continues to progress. Tokenization of Real World Assets, most notably in money market funds, is showing increasing commercial viability.

The direction of travel is clear; digital assets are moving from experimentation to integration within the broader investment toolkit.

Giselle Lai
Associate Investment Director,
Digital Assets

QUESTION

Crypto assets have an important role to play in the global financial industry

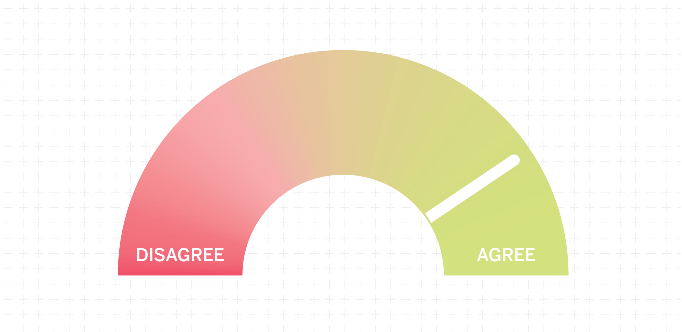


83%

BELIEVE IN CRYPTO'S ROLE IN THE FUTURE GLOBAL FINANCIAL INDUSTRY

QUESTION

Stablecoins have an important role to play in the global financial industry



82%

BELIEVE IN STABLECOINS' ROLE IN THE FUTURE GLOBAL FINANCIAL INDUSTRY

83 percent of respondents agree that crypto assets will play an important role in the future global financial industry compared with 82 percent for stablecoins. It is a narrow gap though disagreement is more pronounced for stablecoins.

Crypto's conviction comes from its increasing role as credible diversifier and multi-dimensional properties. Bitcoin's immutable scarcity supports its role as a strong store of value, while Ethereum and other smart contract platforms give investors entry into decentralised ecosystems aimed at capturing growth across a variety of crypto subsectors. These factors alone should explain why most respondents are bullish over longer time horizons.

Meanwhile, stablecoins are moving quickly into the mainstream, and an impressive list of leading traditional financial institutions such as banks and payment companies are lining up to launch their own stablecoins. Popular issuers are now applying for bank charters and IPOs, while Circle's growing market capitalisation and successful IPO (now valued USD 36bn) demonstrate how quickly stablecoins benefited as regulatory conditions drastically improved. Tether recently announced it surpassed half a billion users and is now reportedly raising funding which could propel the issuer to rank as one of the world's most valuable companies at a half a trillion-dollar valuation.

Their use as settlement instruments and as on- and off-ramps has already made them indispensable tools to both crypto and traditional finance markets, and the possibility of yield-bearing stablecoins via tokenization and DeFi strategies could extend their relevance even further.

Among those still sceptical of crypto's role in the future, 60 percent said regulatory progress and a better understanding of the market would change their view. Hesitation is less about the asset class and more about the conditions that would make an allocation possible.

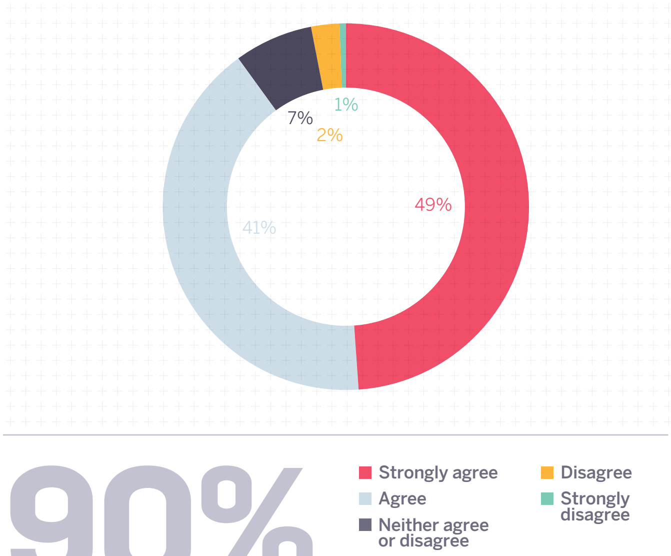
Spotlight on High Net Worth Individuals

High Net Worth Individuals (HNWIs) formed the largest cohort in this year's survey, which is why we decided to explore their specific needs and perspectives in more detail. They often allocate a far higher share of their own investable wealth, sometimes 10-20 percent or even more as observed in our survey. This of course shows a much greater conviction (and risk appetite) in crypto assets and the market in general.

What we found is a view of crypto's role as both a driver of wealth creation and an opportunity for wealth preservation and intergenerational planning. But there are clear expectations that private banks and wealth managers must provide dedicated advisory services in order to guarantee the same level of oversight and safeguards that govern their private wealth portfolios.

HNWI SPOTLIGHT QUESTION

Is the role of crypto assets important in your long-term wealth preservation and legacy planning?



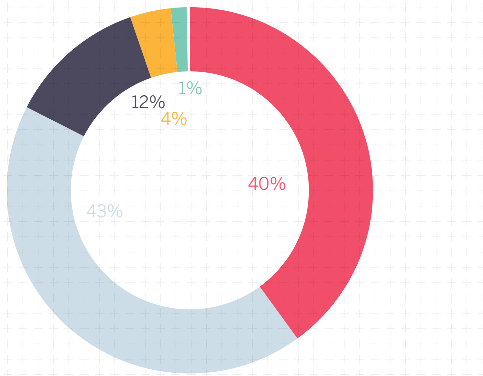
90%

AGREE THAT CRYPTO IS IMPORTANT IN LONG-TERM WEALTH PRESERVATION

An overwhelming 90 percent of HNWIs agree that crypto assets are important for wealth preservation and legacy planning, with more than half strongly agreeing. Large allocations relative to their overall investable wealth supports conviction in the market's potential, but the fact that portfolio diversification and safe haven demand were also top drivers shows that HNWIs want a variety of instruments that can achieve outsized returns, compound wealth and ultimately preserving it across generations.

HNWI SPOTLIGHT QUESTION

How likely are you to ask your existing advisor to add crypto services via a regulated partner?

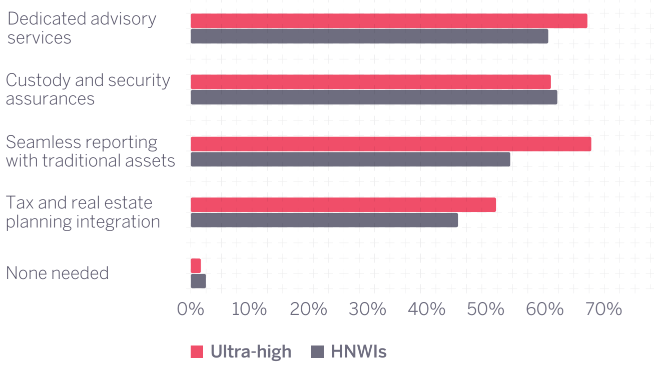


82%
TO ASK EXISTING ADVISOR TO ADD CRYPTO SERVICES

82 percent of respondents reported they would prefer to add crypto exposure through their existing advisor if offered via a regulated partner. This points to a very clear interest in the asset class, but only through familiar and established advisory relationships. Most expect their advisors to take the lead in identifying credible crypto services in order to make sure that any exposure fits within regulatory boundaries (as well as for their own portfolio requirements).

HNWI SPOTLIGHT QUESTION

What level of integration between your private bank/wealth manager and crypto investments would make you more comfortable allocating to crypto assets?



61%
WANT DEDICATED ADVISORY SERVICES

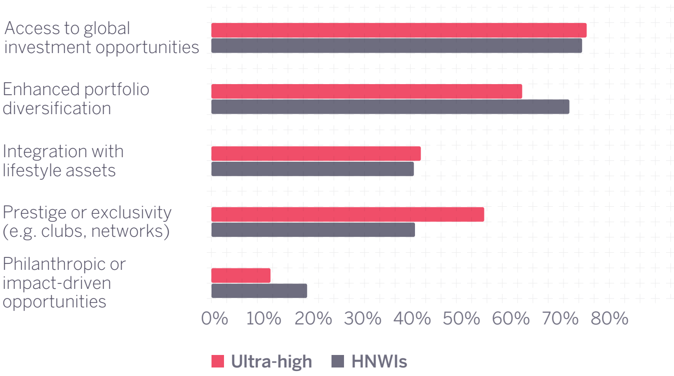
HNWIs place the highest importance on dedicated advisory services, with custody and security assurances almost on the same level, and more than half asking for seamless reporting alongside traditional assets. What they want is for crypto to be handled by their trusted advisors, and this also includes reporting needs and integrations within the same long-term wealth architectures as their current assets – be it properties, trusts or inheritance plans.

Interestingly, ultra-HNWIs place a greater emphasis on seamless reporting with traditional assets (14 percent higher), tax and real estate planning (7 percent higher) and dedicated advisory services (7 percent higher).

Naturally, this is due to the complexity of their portfolios, which may include things like multi-jurisdictional exposures such as real estate and tax obligations. Onboarding this group would mean that private banks and wealth managers would have to convince them that crypto as an investable asset class can function inside the same frameworks that already manage their wealth – in addition to new crypto-specific risks like volatility and asset custody concerns.

HNWI SPOTLIGHT QUESTION

Beyond financial returns, what additional benefits would motivate you to invest more in crypto assets?



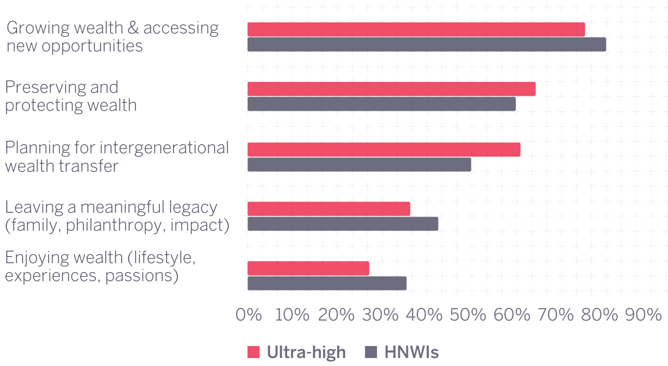
73%

WANT ACCESS TO GLOBAL INVESTMENT OPPORTUNITIES

Access to global investment opportunities was the strongest motivation for HNWIs, which means that crypto is primarily used as a means to create additional wealth. Ultra-HNWIs place greater importance on prestige and exclusivity and may see crypto as a means to gain access to new networks, or to improve their standing in elite circles. HNWIs reported a slight preference on portfolios diversification, likely due to crypto's greater impact on smaller portfolio sizes – whereas for ultra-HNWIs this may be less significant.

HNWI SPOTLIGHT QUESTION

Which of the following areas are most important to you when thinking about your wealth and lifestyle?



82%

WANT TO GROW THEIR WEALTH

The very strong interest in growing wealth was consistent across both HNWIs and ultra-HNWIs, but the slightly higher tilt from HNWIs again supports the argument that crypto can have a far greater impact on smaller portfolio holdings.

Ultra-HNWIs, however, showed a much greater interest in planning for intergenerational wealth transfer, as well as a slightly higher interest in preserving and protecting wealth. This indicates that larger fortunes are thinking more in terms of long-term continuity, and this is where assets like Bitcoin carry the most appeal.

Ultra-HNWIs are looking for store-of-value characteristics such as scarcity and permanence, and of course protection against long-term risks like currency debasement. They are looking for store of value that can be handed down through vehicles designed to protect and pass on wealth.

In closing

Crypto assets are legitimate portfolio diversifiers

Portfolio diversification has overtaken the pursuit of crypto's "megatrend" potential as the leading investment driver, showing how crypto has shifted from a speculative trade to an independent diversifier in traditional portfolios.

The higher knowledge levels among respondents this year plays a large role in this change. Investors now want to see how the asset class fits inside mandates, which in practice means understanding valuation models, a better understanding of on-chain activity, and knowing whether token models can deliver sustainable value accrual that justifies inclusion alongside traditional assets.

Education therefore becomes a condition for larger allocations, and many respondents indicated they would allocate (or allocate more) once these mechanics are better understood – the same way any new diversifier gradually wins its place in a portfolio.

Megatrend exposure and safe haven appeal remain core drivers

While diversification is the primary reason for allocations, the decision to increase or hold positions often comes down to expectations of higher returns. Some conviction remains therefore that the cycle still has further to run.

Inflation concerns and de-dollarisation trends continue to support Bitcoin's safe haven appeal, but the expectations of higher short-term returns are mostly tied to an "altseason" that often comes late in the market cycle. Ethereum, Solana and other decentralised platforms are positioned to benefit if it materialises.

Meanwhile, the high interest in tokenised mutual funds and equities may signal where demand could shift once regulatory conditions allow these products to come to market, offering investors a different entry point into other asset classes altogether.

Actively managed exposure leads investment strategies

Actively managed exposure has overtaken other investment strategies this year, with passive vehicles close behind and both now larger than single-token exposure. The shift toward actively managed shows investors want discretion in how they position, as new legislation is introduced and questions linger over whether the cycle is nearing its peak.

Passive exposure has also grown, driven by the success and availability of crypto ETFs that give traditional investors a familiar way to scale exposure without handling custody directly. Bitcoin and Ethereum still carry the bulk of conviction, alongside interest in other competitor Layer 1s, but single token exposure is no longer the dominant strategy.

While only a small minority still rely on a single strategy, most investors are now shaping their allocations with a lot more foresight. They are preparing for changing market conditions while keeping their conviction in the long-term trajectory intact. It is a natural progression that shows how higher knowledge levels are now driving investors to seek ways of capturing crypto's multi-dimensional properties.

Further research

Sygnum's 2025 Future Finance Report includes a large cohort of traditional investors, most of whom are already invested in crypto assets. Three quarters of this year's respondents came from an independent investor research panel, providing us with a comprehensive view of how adoption among traditional investors has grown over the last twelve months. We acknowledge, however, that this still may not fully capture the broader traditional market, where many investors remain unexposed to crypto assets.

Among non-crypto activated respondents, the split was quite even between those planning to invest, those undecided, and those with no intention at all. The common thread was that better knowledge and understanding of the asset class and improved regulatory conditions would make an allocation more likely, which is a great starting point for analysing how "new money" can enter the market.

These investors display a far lower risk appetite and conservative timelines, but they also represent the largest pool of potential inflows. Understanding their pain points and conditions that would allow them to commit capital will be important for gauging how the next wave of adoption can take place. This warrants further analysis and investigation.

An in-depth report on non-crypto activated traditional investors warrants further analysis and investigation.

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About Sygnum

Sygnum is a global digital asset banking group, founded on Swiss and Singapore heritage. We empower professional and institutional investors, banks, corporates and DLT foundations to invest in digital assets with complete trust. Our team enables this through our institutional-grade security, expert personal service and portfolio of regulated digital asset banking, asset management, tokenization and B2B services.

In Switzerland, Sygnum holds a banking license and has CMS and Major Payment Institution licences in Singapore. The group is also regulated in the established global financial hubs of Abu Dhabi, Luxembourg and is registered in Liechtenstein.

We believe that the future has heritage. Our crypto-native team of banking, investment and digital asset technology professionals are building a trusted gateway between the traditional and digital asset economies that we call Future Finance. To learn more about how Sygnum's mission and values are shaping this digital asset ecosystem, please visit **www.sygnum.com**

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