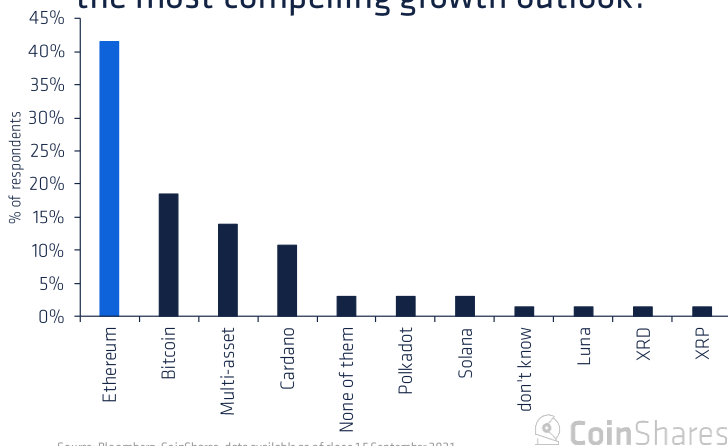


15th September 2021 (for data as at 31st August 2021)

42% of investors see Ethereum as having the most compelling growth outlook

- Our inaugural bi-monthly survey to gauge changes in portfolio positioning, growth outlook, investment challenges and investor sentiment in digital assets. The survey represents over US\$400bn of assets under management
- 35% of investors see their investments into digital assets as predominantly a speculative one. Although, 25% see it as a diversification tool.
- Of the survey respondents who said they had not invested, regulation (21%) was cited as the main reason for not investing.
- Politics, government bans and regulation make up 58% of the perceived key risks for digital assets.

Which digital asset do you believe has the most compelling growth outlook?



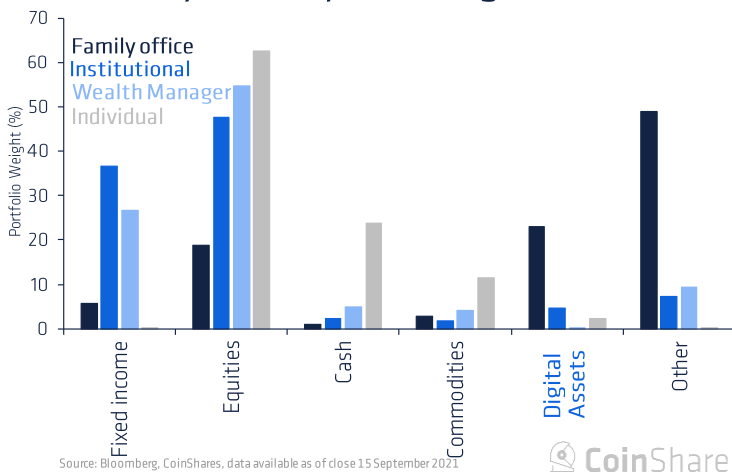
Source: Bloomberg, CoinShares, data available as of close 15 September 2021



42% of investors see Ethereum as having the most compelling growth outlook, and by a significant margin, outstripping Bitcoin at 18%. This mirrors the growth in assets under management (AuM) we have seen in Ethereum, where market share of investment products has risen from 11% at the beginning of the year to 26% today.

The popularity of multi-asset investments highlights investors desire to diversify in this new asset class.

Current portfolio positioning



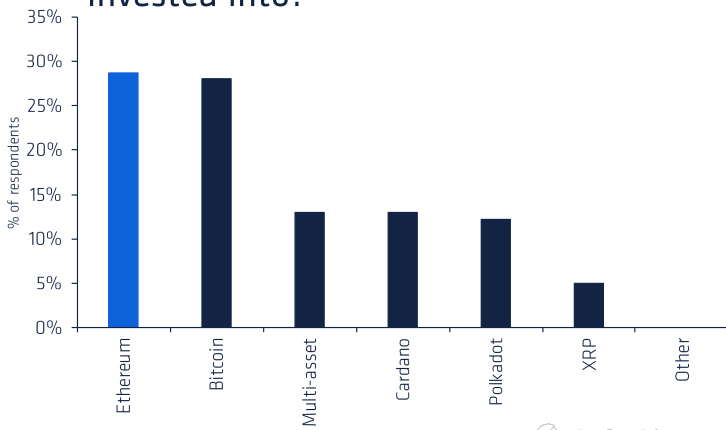
Source: Bloomberg, CoinShares, data available as of close 15 September 2021



We see wildly different portfolio allocations across differing investor profiles. Family offices, often the more flexible investors, have the highest allocation to digital assets at 23% while retail and institutional investors remain very cautious. Of our survey respondents, wealth managers have allocated only 0.1% so far.

If you would like to regularly contribute to the survey, please follow this [link](#) - survey window opens for 2 weeks at the beginning of every month

Which digital assets have you invested into?



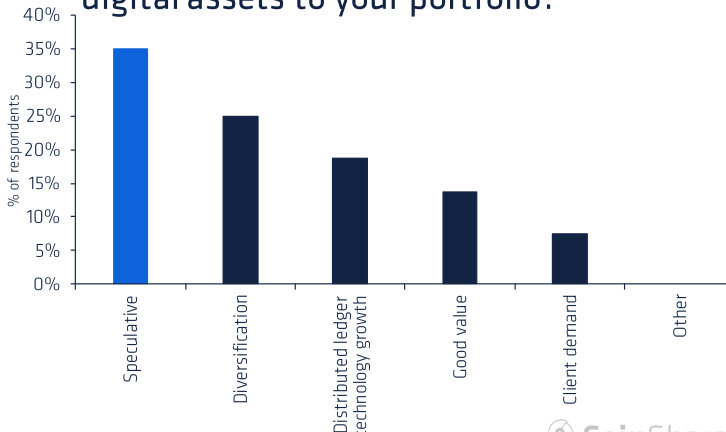
Source: Bloomberg, CoinShares, data available as of close 15 September 2021



Ethereum and Bitcoin remain at the core of digital asset investment portfolios, while Cardano and Polkadot are increasing in popularity.

While investors see Ethereum as having the most compelling growth outlook, their current positioning suggests they have not fully invested yet.

What were your reasons for adding digital assets to your portfolio?



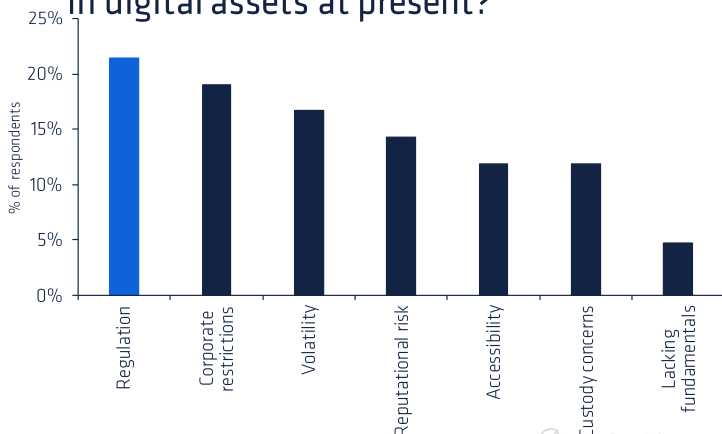
Source: Bloomberg, CoinShares, data available as of close 15 September 2021



35% of investors see their investments into digital assets as predominantly a speculative one. Although, 25% see it as a diversification tool. Others see digital assets as an effective way to invest into the growth of distributed ledger technology.

Interestingly, despite the retail-led investment into digital assets, client demand was not a major reason for investing.

What is preventing you from investing in digital assets at present?



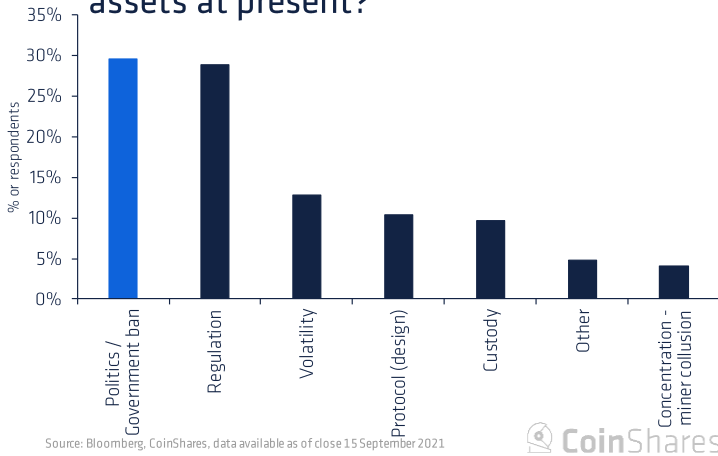
Source: Bloomberg, CoinShares, data available as of close 15 September 2021



Of the survey respondents who said they had not invested, regulation (21%) was cited as the main reason for not investing. Closely linked to this were corporate restrictions at 19%.

Volatility and remains a big concern amongst investors. Encouragingly, very few of the respondents see digital assets as lacking fundamentals.

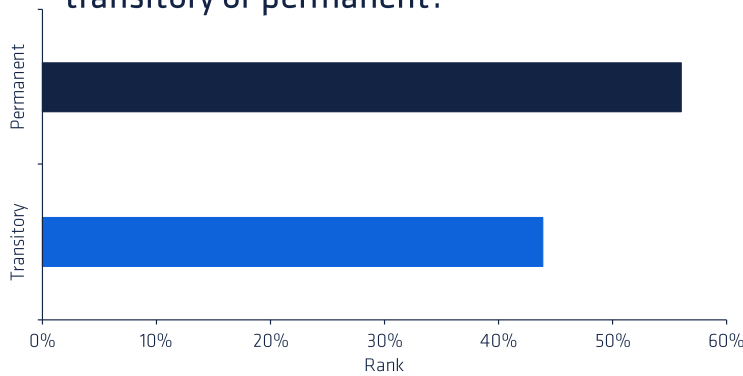
What are the key risks for digital assets at present?



Politics, government bans and regulation make up 58% of the perceived key risks for digital assets.

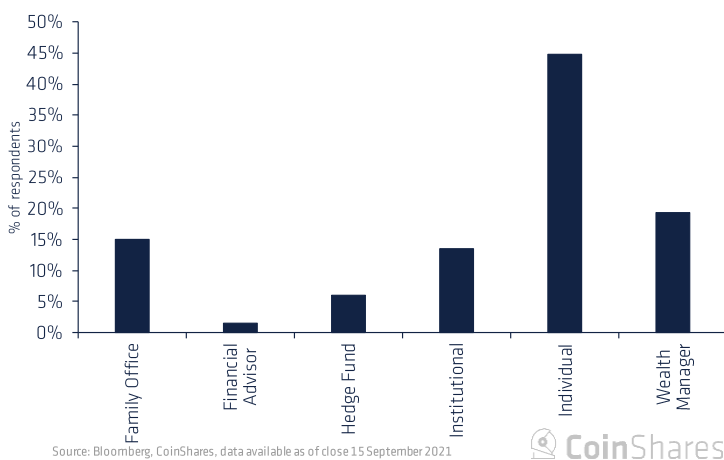
Our analysis has highlighted a close link between government regulation and volatility in digital asset prices. We believe this is understandable given we are witnessing the birth of a new asset class, with regulators only just beginning to work out ways to regulate.

Zeitgeist question: Is Inflation transitory or permanent?

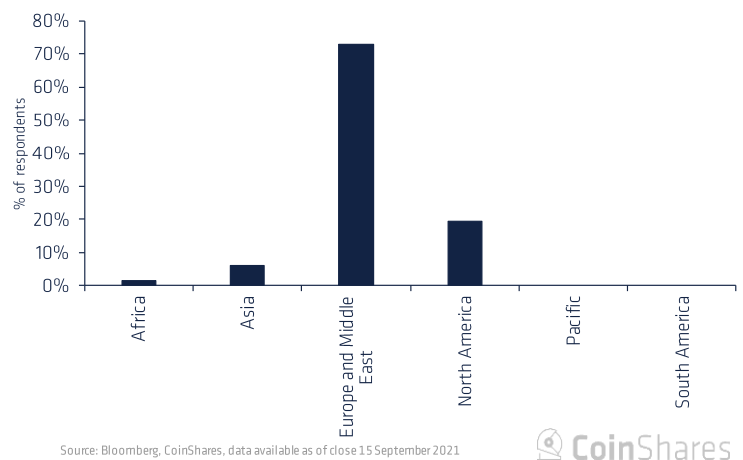


Opinion on whether inflation is transitory or permanent is very mixed in our survey. We had suspected, due to Bitcoin's deflationary characteristics, that our survey respondents would predominantly believe inflation was more permanent. Looking at those investors by who responded saying they have digital assets in their portfolio demonstrates there is no link.

What type of investor are you?



Where are you / your fund domiciled



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