

# Balanced Exposure to the Blockchain Economy

## Why Blockchain?

Blockchain goes far beyond bitcoin, as it solves transparency and verifiability for financial systems and ownership of digital goods.

All traditional assets, from currencies to art, are being reimaged as provably scarce and secure assets on public blockchains.

# The Impending Blockchain Revolution

Public blockchains are disrupting centralized "Big Tech", as people are looking for technologies that don't compromise their online privacy and cybersecurity.

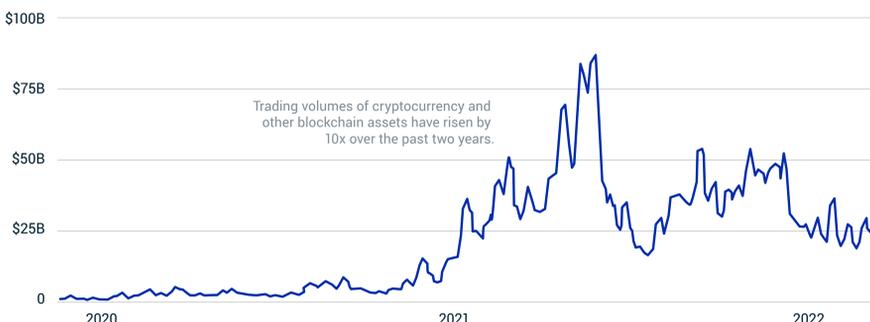
Consumers are less trusting with their financial data, and blockchain is providing a trust-minimized option.

## Global and U.S. Trust in Technology Sector



As consumers switch to trustless public blockchains, the sector is rapidly expanding to meet their needs.

## Daily Cryptocurrency Exchange Volume



Let's dive into the products and use-cases powering the blockchain-based financial revolution.

# The Many Trends of Blockchain Adoption

The blockchain revolution is enabling more efficient and transparent financial systems, digital asset ownership, and non-inflationary hard money assets.



Digital hard money and assets



Decentralized finance (DeFi)



Unique goods and collectibles markets through NFTs

With more than \$280 billion in Total Value Locked (TVL) across decentralized applications, the blockchain-powered financial revolution is already underway.

Source: Defillama (March 2022)

## Top DeFi Protocols by Total Value Locked



**Total Value Locked (TVL)** is the amount of capital that is currently engaged or "locked" in smart contracts of DeFi applications. For example, collateral for loans or capital allocated to liquidity mining and yield farms.

Aave and Compound are lending protocols with algorithmically set interest rates based on the supply and demand of each asset.

The term "locked" does not necessarily mean capital is inaccessible. Some DeFi apps and smart contracts lock up capital for a certain amount of time, while others allow for instant withdrawal.



The world's leading companies are already investing in and implementing blockchain and crypto solutions.



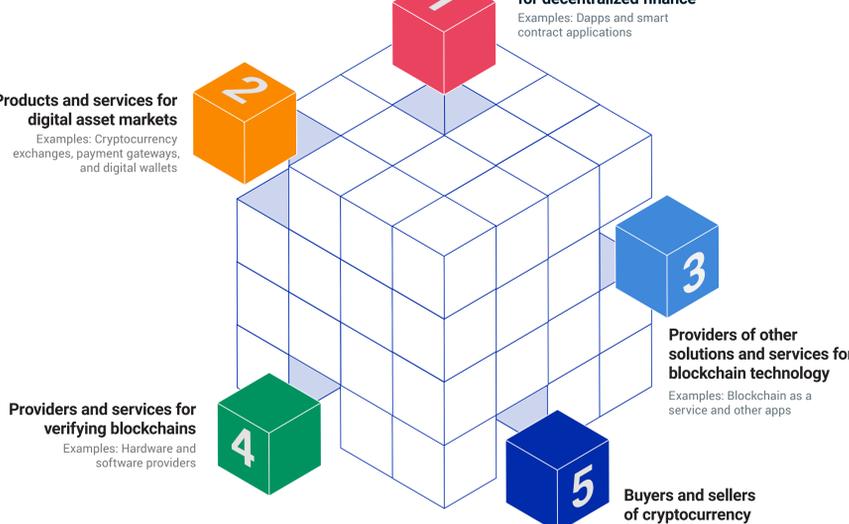
# Introducing the MSCI Blockchain Index

Between hardware, software, and product providers, the blockchain sector is broad, and getting exposure to the sector's various industries can be difficult.

The MSCI Blockchain Index provides robustness by focusing on leading hardware, product, and service providers.

## Blockchain Economy

Developed in collaboration with ARK, the index focuses on five interconnected categories of the blockchain economy.



## MSCI Blockchain Index Performance



With a variety of industries contributing to the blockchain sector, the MSCI Blockchain index seeks to represent the performance of companies providing products and services to the blockchain economy.



## The blockchain revolution is already underway.

Billions of dollars interact with decentralized finance every day and the world's largest companies are integrating crypto payments and blockchain solutions.

As blockchain continues to revolutionize asset ownership and payment systems, the MSCI Blockchain Index seeks to represent the performance of companies in this flourishing sector.

Discover the blockchain sector through MSCI's Blockchain Index in collaboration with ARK Invest.