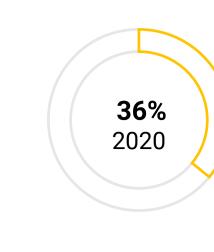
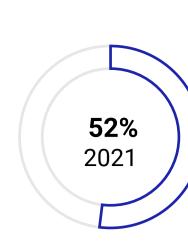
How Institutional Investors Can

Approach Digital Assets

While individual investors were early adopters of bitcoin and other digital assets, institutional interest has grown.

Percent of Institutional Investors Invested in Digital Assets







Source: Fidelity Digital Assets (Oct 2022)

Based on a survey of 1,052 institutional investors and high net worth individuals.

Institutional investors are drawn to the market for a number of reasons.

Top Appeals of Digital Assets

43% **29%** Enabling High potential upside decentralization 41% Innovative

technology play

Uncorrelated to other assets 26%

Free from

government intervention

Source: Fidelity Digital Assets (Oct 2022) Based on a survey of 1,052 institutional investors and

Investors are most interested in the return potential and decentralized nature of digital assets.

It's clear digital assets have growing

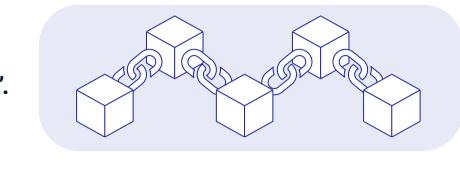
acceptance, but what exactly are they?

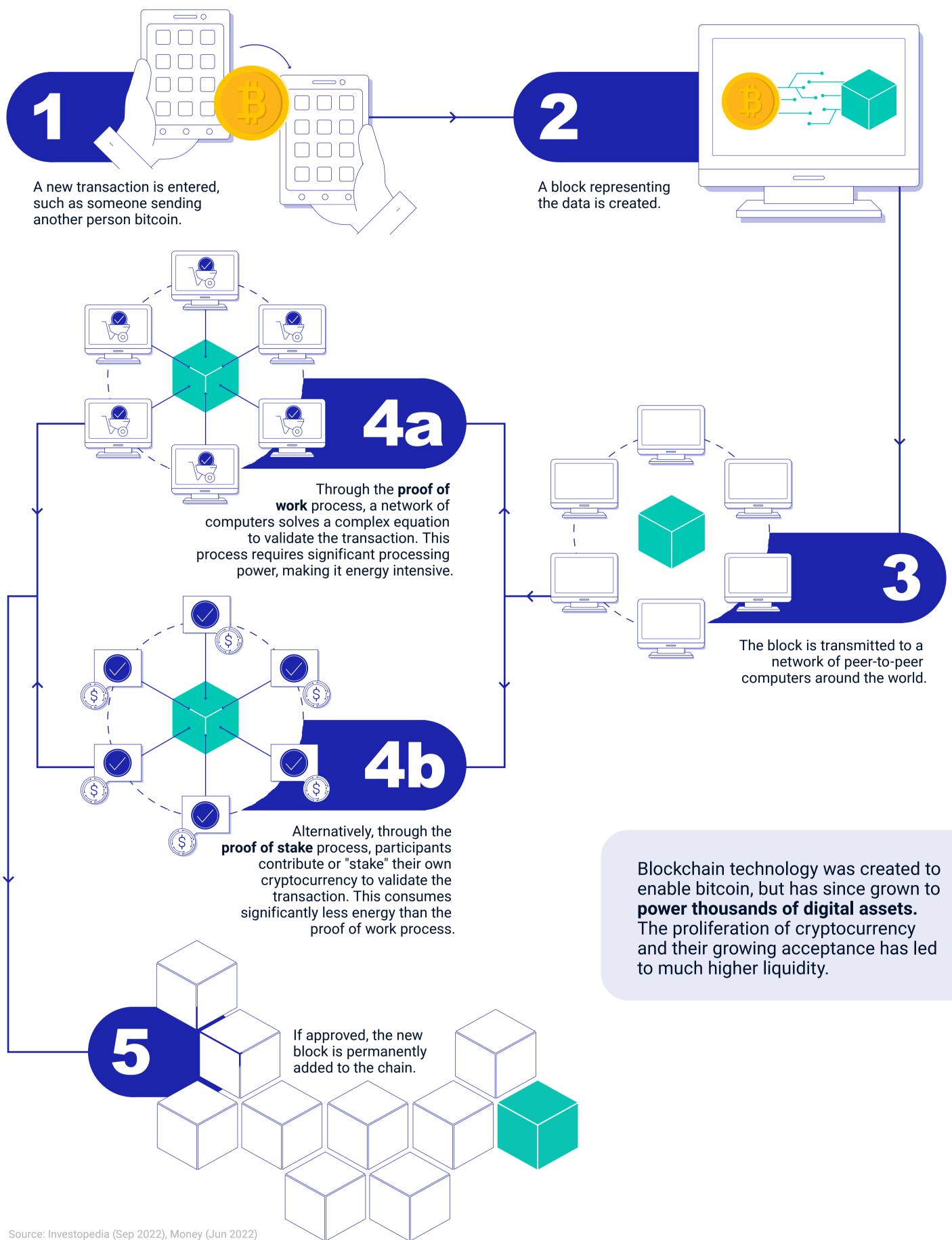
Digital Assets, Explained

and sell online that derives its value from ownership or use rights. Digital assets are powered by blockchain

technology, a public digital database where data is stored in "blocks" that are linked together in an unchangeable "chain". Here's how it works.

A digital asset is something you can buy



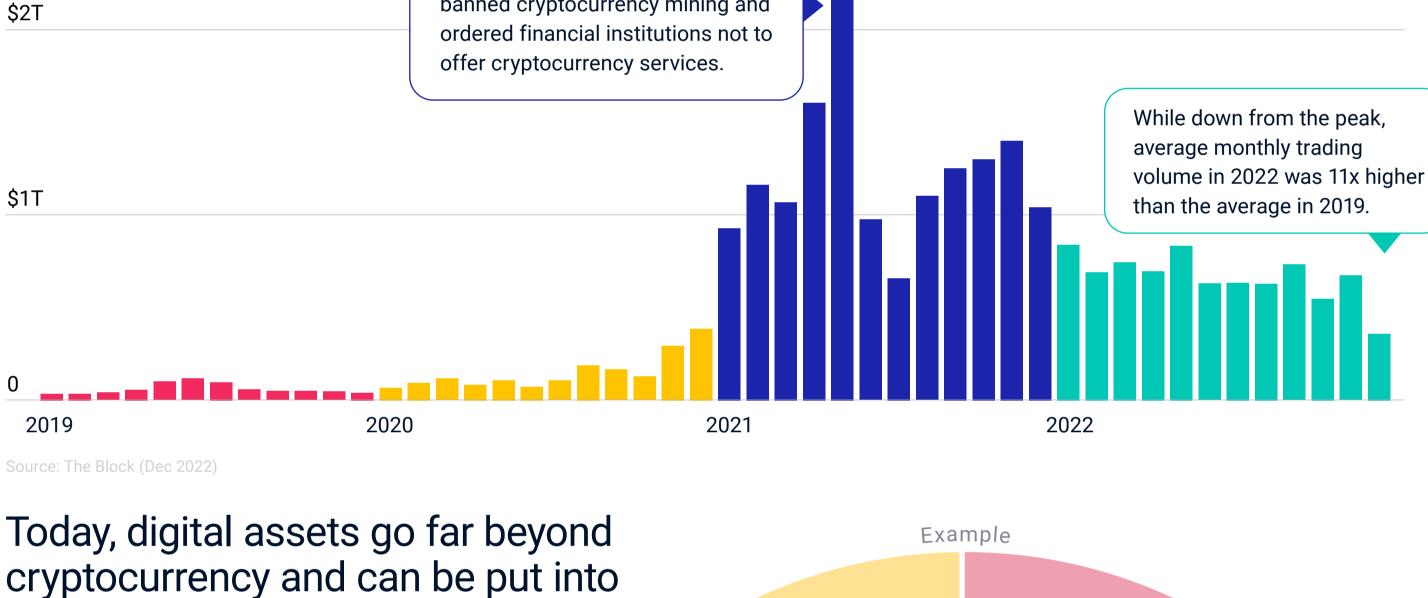


Volume

Cryptocurrency Exchange Volume, Spot Market

\$3T





Trading volume peaked during the

May 2021 crypto crash, when China

banned cryptocurrency mining and

4 main classes. **Digital Currencies** Assets native to blockchains that primarily enable the

Blockchain Infrastructure

transfer of value.

Assets that support the development, interoperability, scale, and growth of blockchain technologies.

On-Chain Derivatives Assets that are based on, or have value linked to, a different underlying asset

Digital Asset Applications

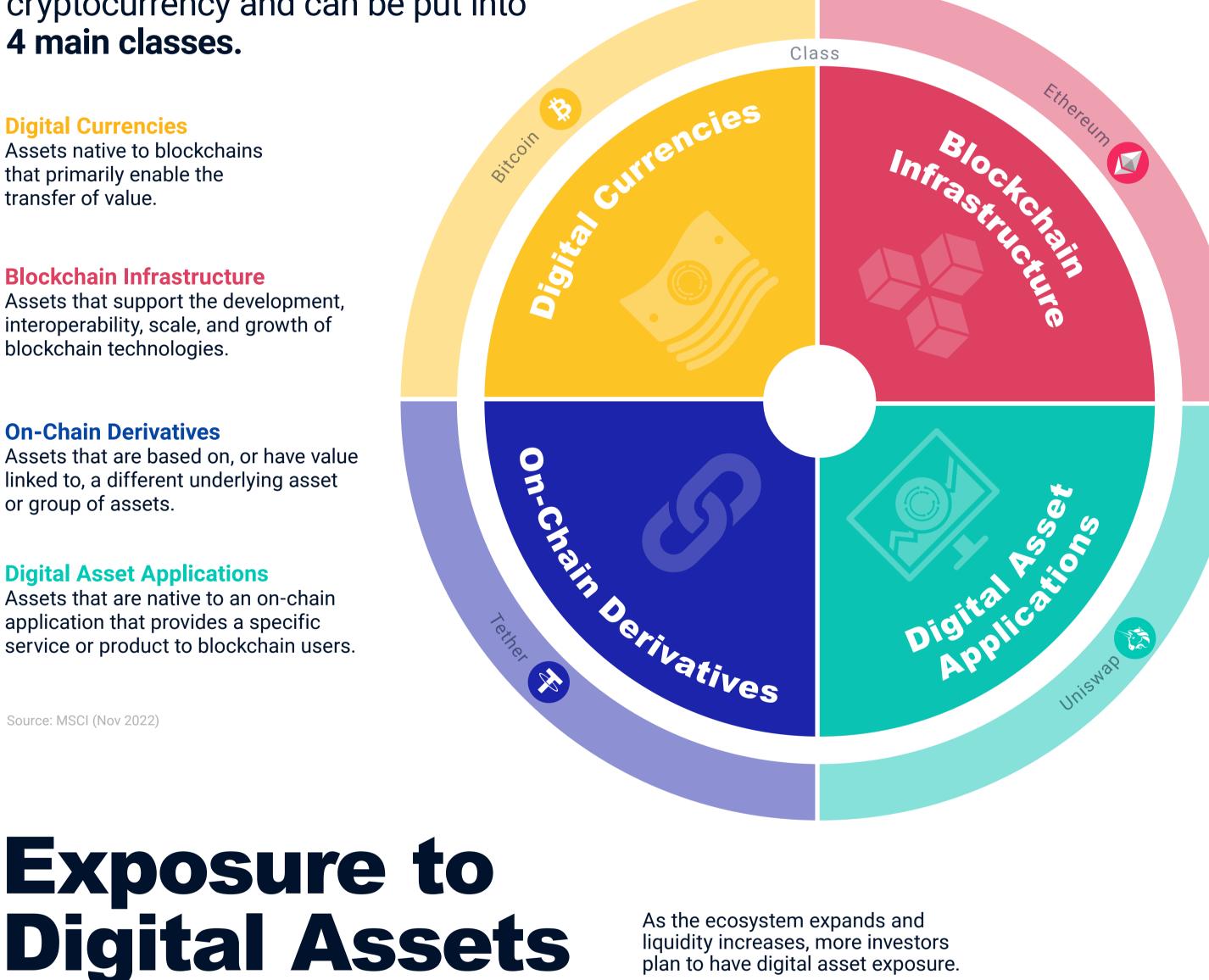
or group of assets.

Assets that are native to an on-chain

application that provides a specific

service or product to blockchain users. Source: MSCI (Nov 2022)

Exposure to



81% of institutional investors 74% plan to buy or believe digital assets should invest in digital assets be part of a portfolio in the near future Source: Fidelity Digital Assets (Oct 2022). Based on a survey of 1,052 institutional investors and high net worth individuals.

make portfolio decisions, MSCI has launched four digital assets indexes:



With the aim to help institutional investors



MSCI Global Digital Assets Index Designed to represent the performance of the 30 largest digital assets Asset count 30

MSCI Global Digital Assets Smart Contract Index

Asset count 10



Tools for

Transparency

Digital assets are an emerging asset class with growing interest. Institutional investors seeking to better understand the risks and

explore opportunities may use MSCI's Digital Assets Indexes.

MSCI Global Digital Assets ex Proof-of-Work Index

Designed to represent the performance of digital assets that do not rely on the energy intensive proof-of-work consensus mechanism Asset count 10

MSCI Global Digital

Assets Top 20 Index

of the 20 largest digital assets

Asset count **20**

Designed to represent the performance

Learn more about MSCI's Digital Assets Indexes

Powering better investment decisions. msci.com

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