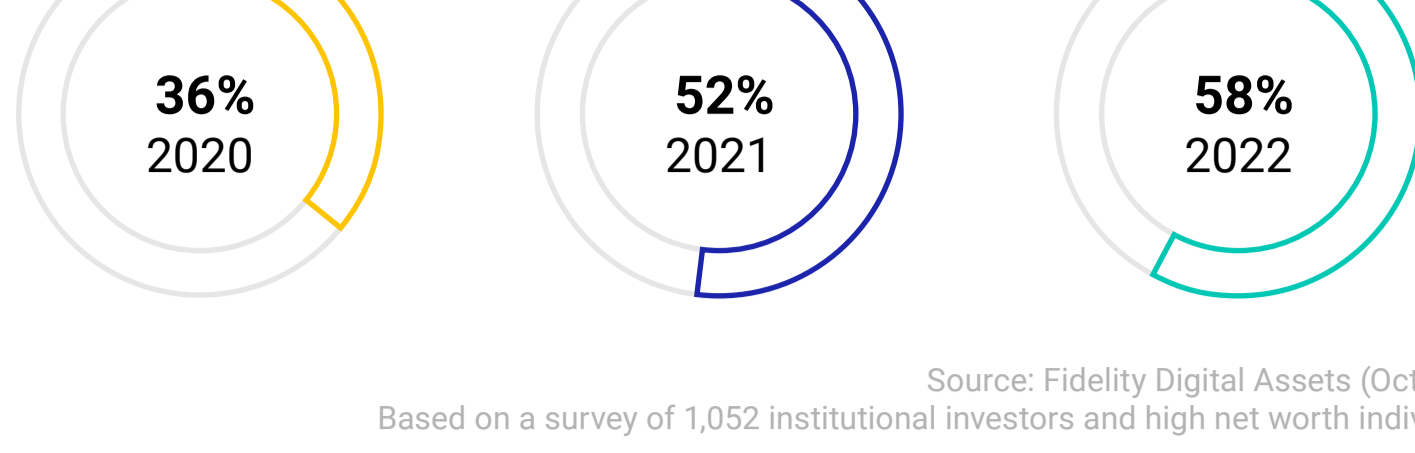


How Institutional Investors Can Approach Digital Assets

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

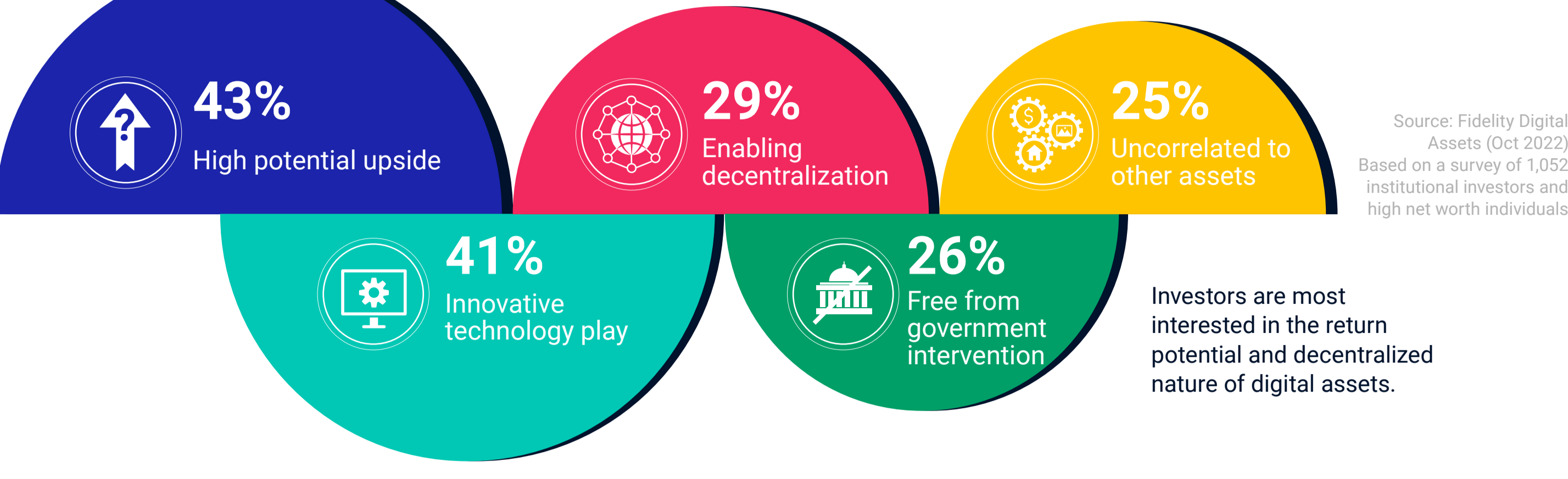


Percent of Institutional Investors Invested in Digital Assets



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

Top Appeals of Digital Assets



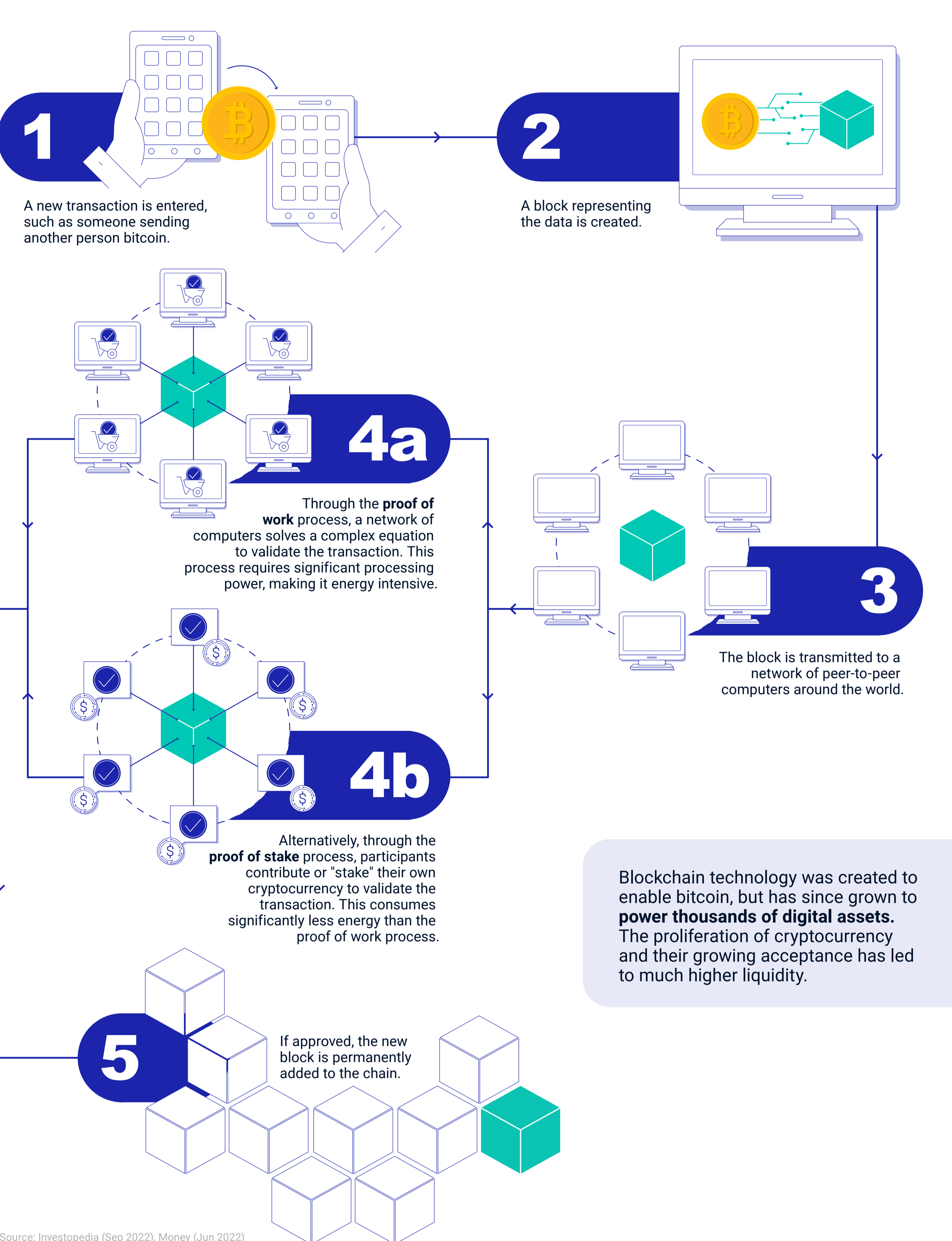
It's clear digital assets have growing acceptance, but what exactly are they?

Digital Assets, Explained

A digital asset is something you can buy and sell online that derives its value from ownership or use rights.

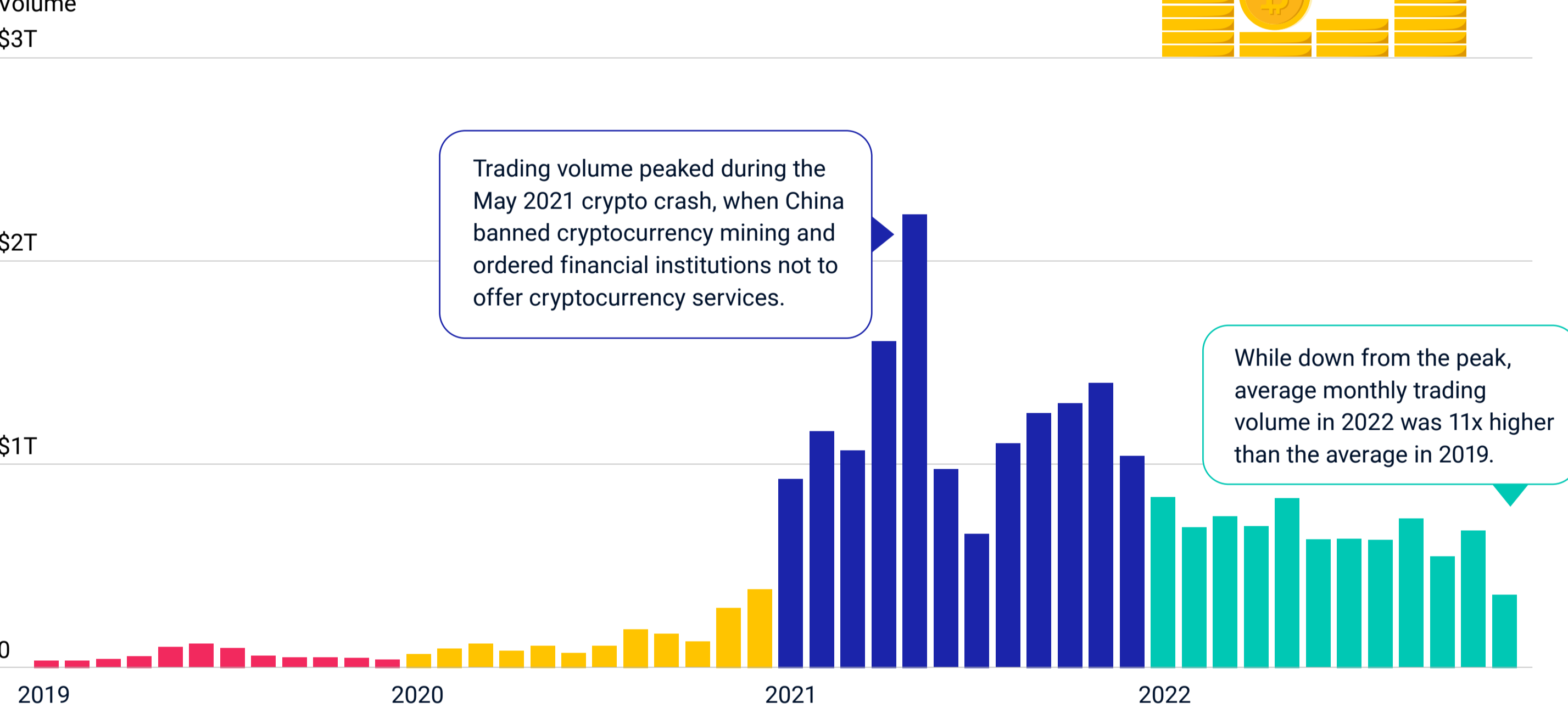
Digital assets are powered by blockchain technology, a public digital database where data is stored in "blocks" that are linked together in an unchangeable "chain".

Here's how it works.



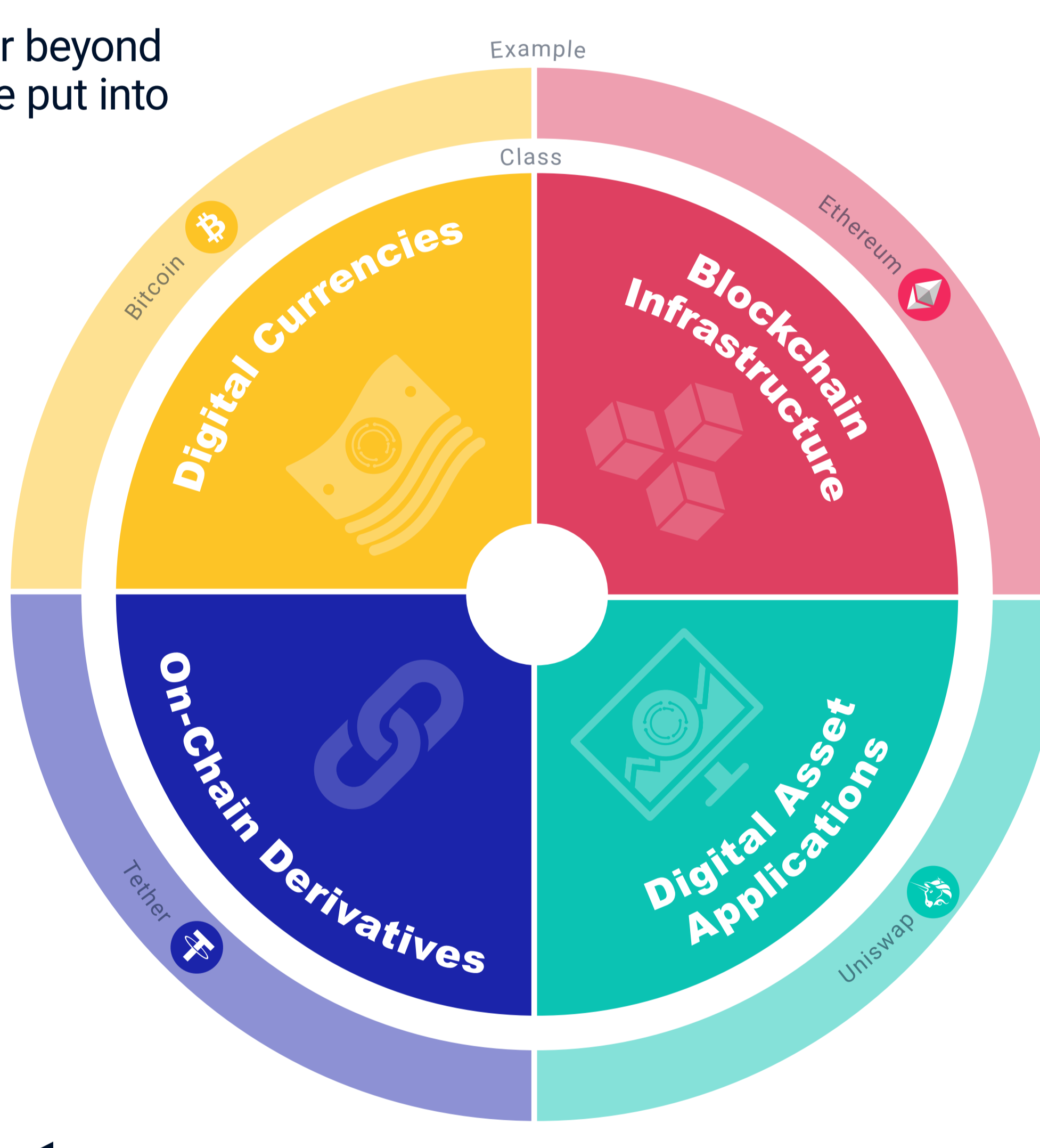
Blockchain technology was created to enable bitcoin, but has since grown to power thousands of digital assets. The proliferation of cryptocurrency and their growing acceptance has led to much higher liquidity.

Cryptocurrency Exchange Volume, Spot Market



Today, digital assets go far beyond cryptocurrency and can be put into 4 main classes.

- Digital Currencies**
Assets native to blockchains that primarily enable the transfer of value.
- Blockchain Infrastructure**
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 or group of assets.
- Digital Asset Applications**
Assets that are native to an on-chain application that provides a specific service or product to blockchain users.



Exposure to Digital Assets



With the aim to help institutional investors make portfolio decisions, MSCI has launched four digital assets indexes:

MSCI Global Digital Assets Index

Designed to represent the performance of the 30 largest digital assets

Asset count **30**

MSCI Global Digital Assets Top 20 Index

Designed to represent the performance of the 20 largest digital assets

Asset count **20**

MSCI Global Digital Assets Smart Contract Index

Designed to represent the performance of digital assets associated with Smart Contract features

Asset count **10**

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**

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.

Learn more about MSCI's Digital Assets Indexes

