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Bitcoin's Role in a *Traditional Portfolio*

Matt Hougan – CIO
Mallika Kolar – Quantitative Research Analyst

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I Executive Summary

This paper examines the case for adding bitcoin to a diversified portfolio of stocks and bonds.¹ Specifically, we consider the impact that different allocations to bitcoin would have had on a traditional portfolio consisting of 60% equities and 40% bonds under a wide variety of market regimes from January 2014 through December 2025. Notably, this timeframe includes the substantial volatility that bitcoin experienced in 2022 and the drawdown at the end of 2025.

The findings are remarkable.

Bitcoin would have contributed positively to a diversified portfolio's returns in 76% of one-year periods, 94% of two-year periods, and 100% of three-year periods since 2014, assuming quarterly rebalancing.

In addition, the magnitude of that positive impact has been significant: In the median case, and assuming quarterly rebalancing, a 2.5% allocation to bitcoin would have boosted the three-year risk-adjusted return of a traditional 60/40 portfolio by 9 percentage points.

This paper builds on a significant body of literature examining bitcoin's influence on portfolio returns. One common criticism of prior papers is that the authors cherry-pick specific time periods, rebalancing strategies, or allocations to highlight positive results. This prompts a question that lingers in the back of many savvy investors' minds: "What if I didn't allocate exactly this way?"

This paper aims to address that concern by taking a comprehensive approach to the analysis. Specifically, it shows how key portfolio metrics would have fared by considering the following:

- **Extensive price data** running across multiple bear and bull markets, starting on January 1, 2014, and ending on December 31, 2025.
- **All holding periods greater than one year.** Using rolling-period analyses, the paper examines every possible one-, two-, and three-year holding period within that history.
- **A range of potential bitcoin allocations**, from 0% to 10% of the portfolio.
- **Multiple rebalancing frequencies**, including monthly, quarterly, annual, and no rebalancing.

Across all these variables, the results are compelling.

Of course, there is no guarantee that the relationship between a bitcoin allocation and portfolio performance metrics will persist going forward; past performance is no guarantee of future results. Still, the study's findings suggest bitcoin may have a powerful role to play in many diversified portfolios.

(1) This is the fifth edition of this white paper. Prior versions were published in May 2020, August 2021, August 2023, and April 2025. In this version, we have extended the study period through December 31, 2025. The methodology has remained consistent in each edition.

II Methodology

This paper examines the impact of adding a bitcoin allocation to a traditional diversified portfolio of stocks and bonds, i.e., a traditional 60/40 portfolio. Specifically, the portfolio we examined features a 60% allocation to the Vanguard Total World Stock ETF (VT) and a 40% allocation to the Vanguard Total Bond Market ETF (BND). VT holds a market-cap-weighted portfolio of global stocks covering 98% of the world's market capitalization, and BND holds a market-value-weighted portfolio representing all taxable, investment-grade U.S. bonds.

In an effort to adopt the most conservative approach, our study uses bitcoin's price return and does not add in the value of hard forks or airdrops. In practice, an investor allocating to bitcoin could have achieved a meaningfully higher total return by capturing the value of these distributions during the study period.

The paper focuses on the period between January 1, 2014, and December 31, 2025. The decision to exclude the period before 2014 was made to better represent the experience of professional asset allocators in the U.S., as the first investable bitcoin fund launched in late 2013. In addition, removing the first years of bitcoin's existence makes the analysis more conservative because bitcoin's price saw a substantial 1,537,795% appreciation between July 17, 2010, and December 31, 2013.

Importantly, the paper takes advantage of both point-in-time and rolling-period analyses. We find rolling analyses useful because they eliminate concerns about cherry-picking time periods and provide a fuller view of the frequency and magnitude of the impact a bitcoin allocation can have on a portfolio under different market regimes. For rolling analyses, instead of looking at arbitrary start and end dates, we fix a certain holding period window (e.g., one year, two years, or three years) and analyze all possible holding periods of that length in the available data.

Beyond cumulative and annualized returns, this paper also evaluates the risk-adjusted impact on returns by examining key portfolio performance metrics including Sharpe ratio, volatility, and maximum drawdown. We used a risk-free rate of 2.43% for our analysis, based on yields for the 10-year U.S. Treasury.

All returns calculated in this analysis are daily and normalized for official market trading days. Bitcoin's returns during weekends or market holidays are accounted for on the following trading session, and bitcoin's daily prices are captured at 4 p.m. ET, the time of the traditional market close. All annualized calculations are computed using 252-day periods.

III Bitcoin's Impact on a Traditional 60/40 Portfolio

Impact on Returns

We begin this study by examining the returns of a traditional 60/40 portfolio without a bitcoin allocation. During the study period, this portfolio saw a return of 128%, assuming quarterly rebalancing, which translates to an annualized return of 7.10% per year.

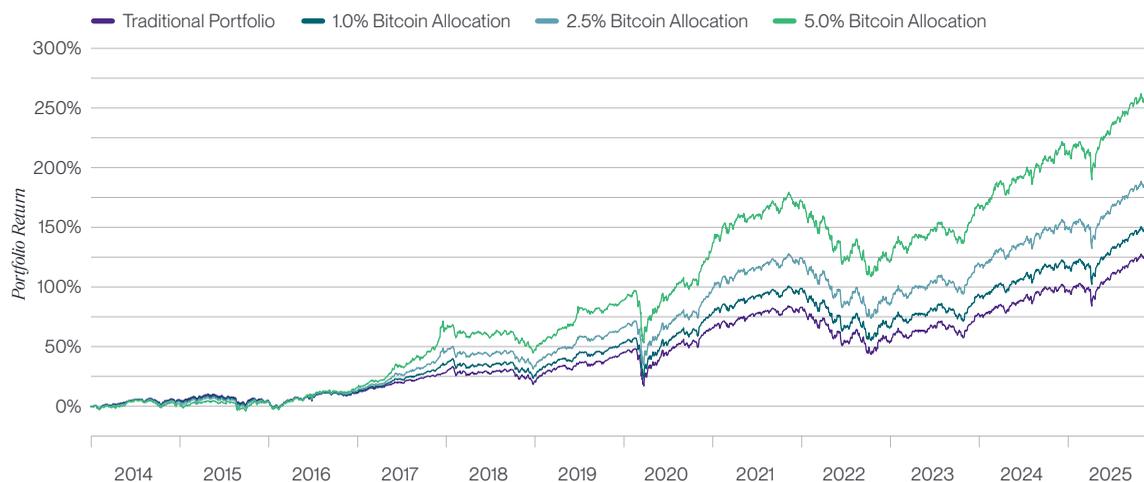
Figure 1 and Table 1 show that a modest allocation to bitcoin would have significantly improved these returns.

For instance, adding a 2.5% bitcoin allocation with quarterly rebalancing would have improved the cumulative return of the portfolio to 187.43%. This would have been achieved without major changes in either the portfolio's volatility (8.86% with bitcoin versus 8.48% without) or its maximum drawdown (23.72% with bitcoin compared to 22.07% without). The portfolio's Sharpe ratio, which measures excess returns per unit of risk (measured as standard deviation), would have improved by 38%.

Naturally, bitcoin's portfolio impact scales with the size of the allocation: A 5% allocation to bitcoin would have boosted the cumulative return of the portfolio to 258.50%, more than doubling the total return of the traditional portfolio.

Figure 1:

Traditional Portfolio With and Without Quarterly Rebalanced Bitcoin Allocations



Source: Bitwise Asset Management with data from Bloomberg. Data from December 31, 2013 to December 31, 2025.

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Table 1:

Portfolio Performance Metrics (Assuming Quarterly Rebalancing)

Portfolio	Cumulative Return	Annualized Return	Volatility (Annualized Std. Dev.)	Sharpe Ratio	Maximum Drawdown
Traditional 60/40 Portfolio	127.93%	7.10%	8.48%	0.551	22.07%
Traditional Portfolio + 1.0% Bitcoin	150.43%	7.94%	8.57%	0.643	22.73%
Traditional Portfolio + 2.5% Bitcoin	187.43%	9.18%	8.86%	0.762	23.72%
Traditional Portfolio + 5.0% Bitcoin	258.50%	11.21%	9.68%	0.907	25.35%

Source: Bitwise Asset Management with data from Bloomberg. Data from December 31, 2013 to December 31, 2025.

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It is fair to note, however, that the price of bitcoin rose sharply during this period, from \$755 at the start of 2014 to \$87,544 on December 31, 2025. A natural follow-up question is: “How would allocating to bitcoin have impacted a portfolio during more variable market conditions?”

Generalizing Bitcoin’s Portfolio Impact Through Rolling Analyses

It is possible to have a fuller understanding of the impact of adding bitcoin to the traditional portfolio by looking at rolling return periods rather than picking arbitrary start and end dates.

First, we will consider the impact of a 2.5% bitcoin allocation using a three-year rolling period and quarterly rebalancing. Later, we will analyze the impact of different allocation sizes, holding periods, and rebalancing frequencies.

The results of this analysis are remarkable, showing that bitcoin would have contributed positively to the cumulative three-year return of a traditional portfolio for every possible start date since 2014. The median, maximum, and minimum contribution are shown in Table 2.

Table 2:

Contribution of 2.5% Bitcoin Allocation to a Traditional 60/40 Portfolio (3-Year Rolling Cumulative Returns, Assuming Quarterly Rebalancing)

Maximum Contribution	Median Contribution	Minimum Contribution	Frequency of Positive Contributions	Frequency of Negative Contributions
22.46 pp	8.58 pp	1.36 pp	100.00%	0.00%

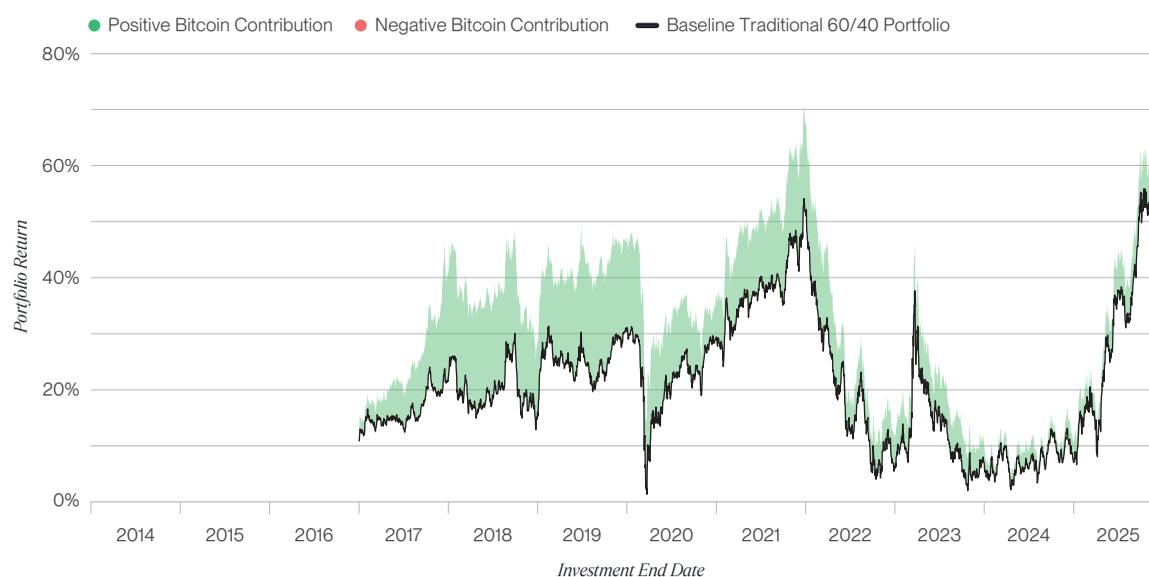
Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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Figure 2 shows the impact visually, capturing all possible three-year holding periods during our study. To interpret the chart, consider that the first data point on the left shows the returns for the three-year period ending January 1, 2017, while the last data point on the right shows the returns for the three-year period ending December 31, 2025. The other data points in between represent the cumulative returns for every other three-year window in this study. The black line represents the three-year rolling returns of the traditional portfolio, while the green shade shows the positive contribution that a bitcoin allocation delivered for each three-year period. All told, it captures 3,287 different three-year periods.

Figure 2:

**Contribution of 2.5% Bitcoin Allocation to a Traditional 60/40 Portfolio
(3-Year Rolling Cumulative Returns, Assuming Quarterly Rebalancing)**



Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

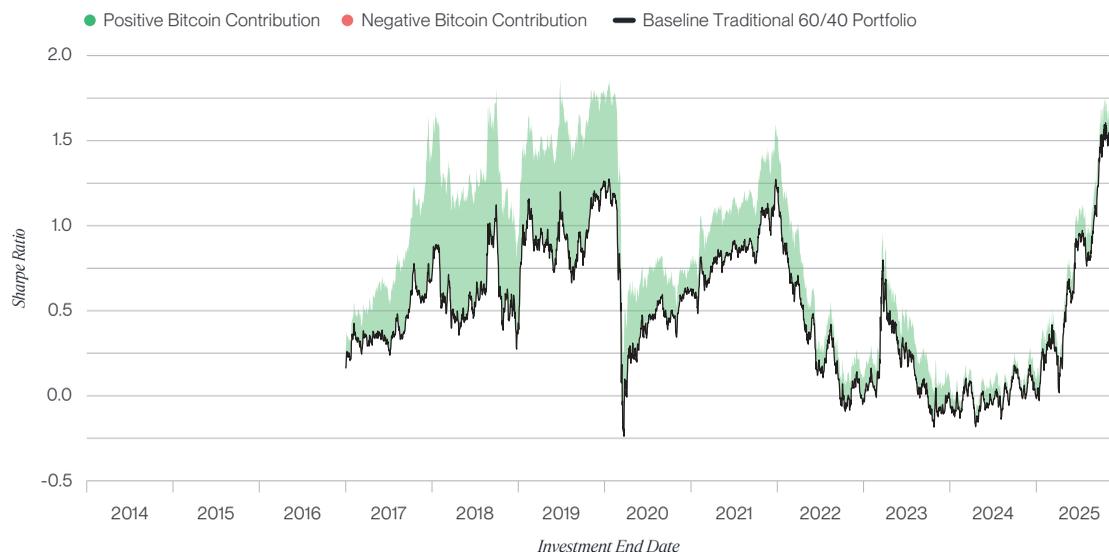
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Although the size of the impact ebbs and flows throughout the study period, the median contribution is 9 percentage points, which is notable for a 2.5% allocation.

Importantly, the positive contribution from a bitcoin allocation does not come at the price of greater volatility. Figure 3 shows the improvement to a traditional portfolio's Sharpe ratio during these same rolling three-year windows. As with cumulative returns, a bitcoin allocation has a positive impact on the traditional portfolio's overall Sharpe ratio for every possible three-year period in our study.

Figure 3:

**Contribution of 2.5% Bitcoin Allocation to a Traditional 60/40 Portfolio
(3-Year Rolling Sharpe Ratio, Assuming Quarterly Rebalancing)**



Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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When considering these investing parameters on a historical basis, it is hard to overstate the power and consistency of bitcoin as an enhancer of diversified portfolios.

IV

The Three Key Questions When Allocating to Bitcoin

Investors allocating to bitcoin must answer three critical questions:

01	What is the minimum acceptable holding period for a bitcoin allocation?
02	What is the best rebalancing frequency for a bitcoin allocation?
03	How much bitcoin should you add to a portfolio?

We have evaluated each of these questions separately to help investors make the best possible decisions in light of the available historical data.

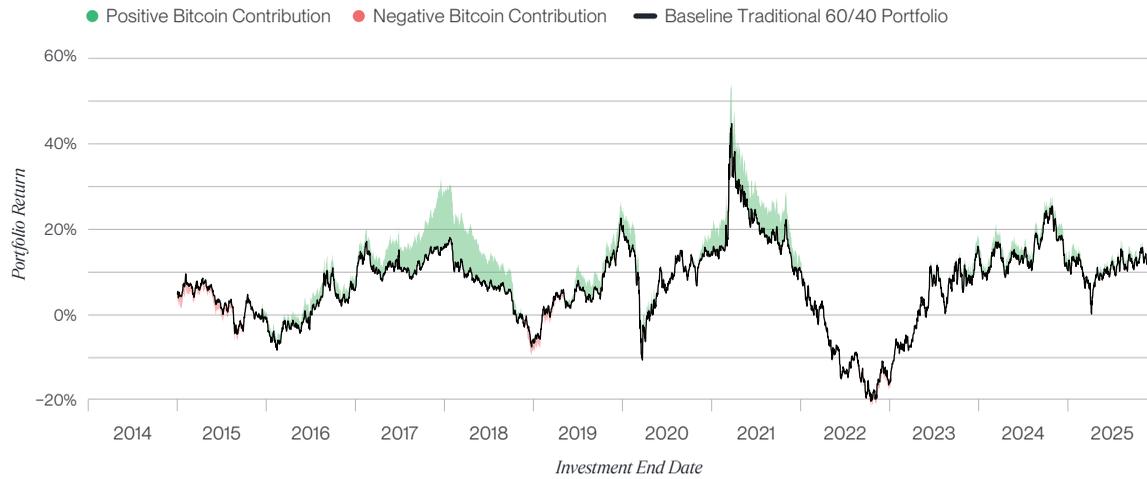
Question 1: What is the Minimum Acceptable Holding Period for a Bitcoin Allocation?

To examine the most appropriate holding period, we reran the rolling cumulative return and Sharpe ratio metrics for holding periods varying from one to three years, using a 2.5% bitcoin allocation and quarterly rebalancing as the base case.

Figures 4-6 below show that impact.

Figure 4:

Contribution of 2.5% Bitcoin Allocation to a Traditional 60/40 Portfolio (1-Year Rolling Cumulative Returns, Assuming Quarterly Rebalancing)

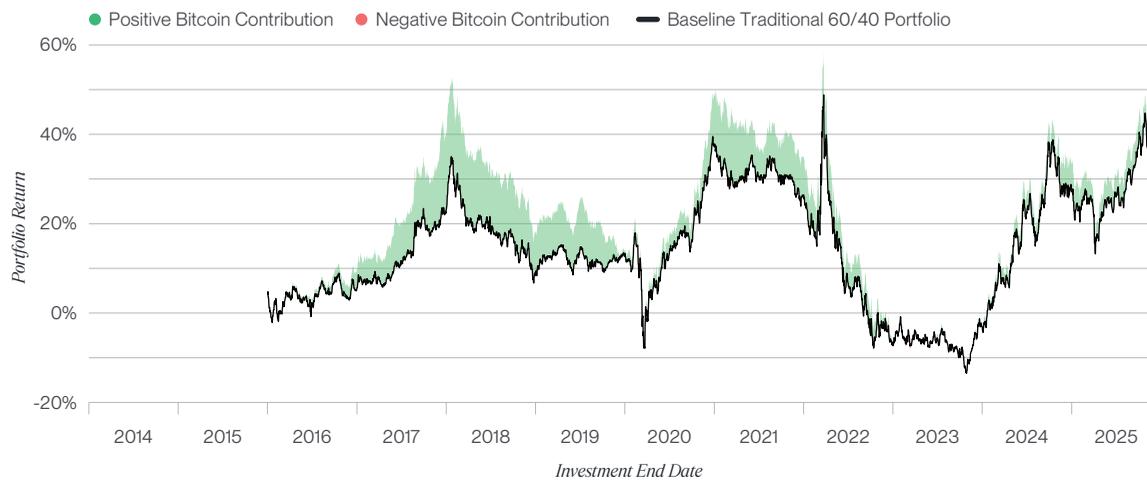


Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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Figure 5:

Contribution of 2.5% Bitcoin Allocation to a Traditional 60/40 Portfolio (2-Year Rolling Cumulative Returns, Assuming Quarterly Rebalancing)

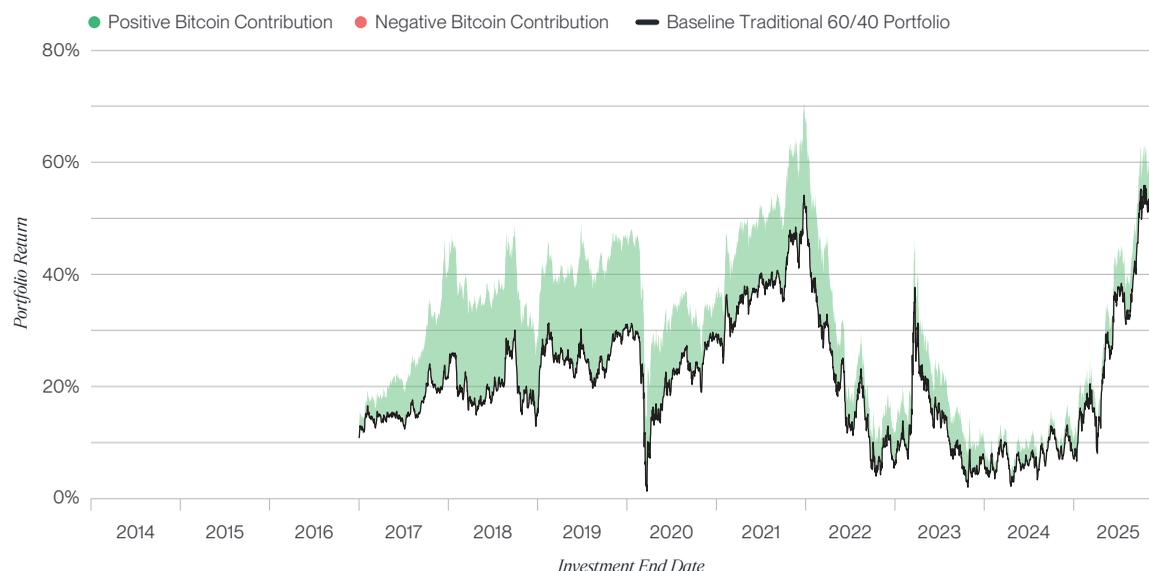


Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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Figure 6:

Contribution of 2.5% Bitcoin Allocation to a Traditional 60/40 Portfolio (3-Year Rolling Cumulative Returns, Assuming Quarterly Rebalancing)



Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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This analysis shows that bitcoin's generally positive contribution to a portfolio's returns remained strong across various holding periods. Specifically, bitcoin had a positive impact in 76% of the one-year periods we examined, 94% of the two-year periods, and 100% of the three-year periods.

It is worth noting that, even in the one-year study, where we see the highest rate of negative contributions, there was a positive skew in the extreme outcomes: The best-case scenario contributed 16.68 percentage points to returns, while the worst-case contribution detracted 2.96 percentage points from returns. The median case added 2.17 percentage points to returns.

The contribution to the traditional portfolio's Sharpe ratio was similar, as shown in Table 3. Here, the case is even stronger, with bitcoin contributing to an improved Sharpe ratio in 80% of one-year periods, 98% of two-year periods, and 100% of three-year periods.

Generally speaking, the longer the holding period, the better the results.

Table 3:

**Contribution of a 2.5% Bitcoin Allocation to a Traditional 60/40 Portfolio
Across Different Holding Periods (Assuming Quarterly Rebalancing)**

	Change in Cumulative Returns					Change in Sharpe Ratio				
	Max	Med	Min	Win Rate	Loss Rate	Max	Med	Min	Win Rate	Loss Rate
1 YR	16.68 pp	2.17 pp	-2.96 pp	75.58%	24.42%	2.02	0.23	-0.56	79.57%	20.43%
2 YR	20.24 pp	4.92 pp	-1.26 pp	93.81%	6.19%	1.27	0.22	-0.05	97.95%	2.05%
3 YR	22.46 pp	8.58 pp	1.36 pp	100.00%	0.00%	0.88	0.25	0.05	100.00%	0.00%

Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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Question 2: What is the Best Rebalancing Frequency for a Bitcoin Allocation?

The decision on how frequently to rebalance a portfolio carries extra weight when dealing with an asset that displays bitcoin’s historical level of volatility. Without rebalancing, even a small allocation to bitcoin can grow to dominate a portfolio’s risk/return characteristics.

To address this issue, we compared the cumulative and risk-adjusted returns of a traditional portfolio featuring a bitcoin allocation under four different rebalancing strategies: monthly, quarterly, and annual rebalancing, along with no rebalancing.

Figure 7 and Table 4 below highlight the substantial impact that a rebalancing strategy can have on a portfolio. As might be expected with a highly volatile but upwardly biased asset, lower rebalancing frequencies generally lead to higher volatility, higher cumulative returns, and significantly higher maximum drawdowns. Conversely, more frequent rebalancing strategies dampen both the volatility and return impact.

Figure 7:

Impact of Different Rebalancing Strategies on a Traditional 60/40 Portfolio With a 2.5% Bitcoin Allocation



Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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Table 4:

Portfolio Performance Metrics

Portfolio	Cumulative Return	Annualized Return	Volatility (Annualized Std. Dev.)	Sharpe Ratio	Sortino Ratio	Maximum Drawdown
Traditional 60/40 Portfolio (No Rebalancing)	140.02%	7.56%	9.32%	0.551	0.050	23.21%
2.5% Bitcoin Allocation (No Rebalancing)	421.46%	14.74%	21.53%	0.572	0.058	50.91%
2.5% Bitcoin Allocation (Annual Rebalancing)	232.45%	10.52%	9.40%	0.861	0.077	24.20%
2.5% Bitcoin Allocation (Quarterly Rebalancing)	187.46%	9.19%	8.86%	0.763	0.067	23.72%
2.5% Bitcoin Allocation (Monthly Rebalancing)	167.77%	8.55%	8.82%	0.693	0.061	23.62%

Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

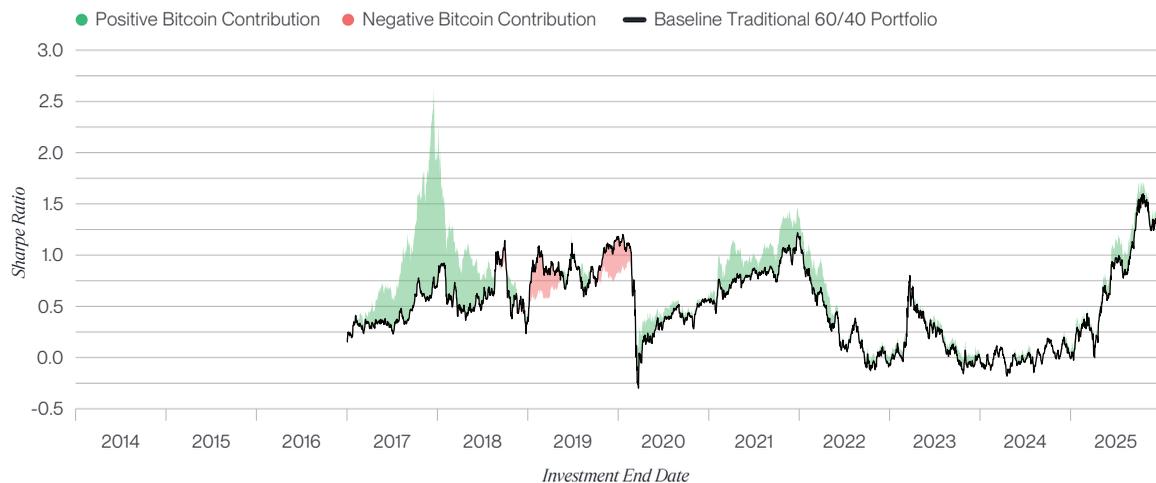
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There is a clear relationship between cumulative returns and volatility. The bitcoin allocation with no rebalancing leads to a jump in portfolio volatility (from from 9.32% to 21.53%) and a large uptick in maximum drawdown (from 23.21% to 50.91%). Adding any rebalancing strategy, however—monthly, quarterly, or annual—significantly reduces the volatility and maximum drawdown compared to allocating to bitcoin without rebalancing.

It is notable that the strategy with no rebalancing, while delivering the highest absolute return of the various bitcoin-enhanced portfolios, delivers one of the lowest Sharpe ratios. This suggests that investors pay a high cost in risk to gain this added return. As Figures 8 to 11 below show, incorporating a rebalancing strategy may both enhance the portfolio’s efficiency and boost risk-adjusted returns.

Figure 8:

No Rebalancing – Contribution of 2.5% Bitcoin Allocation to a Traditional 60/40 Portfolio (3-Year Rolling Sharpe Ratio)

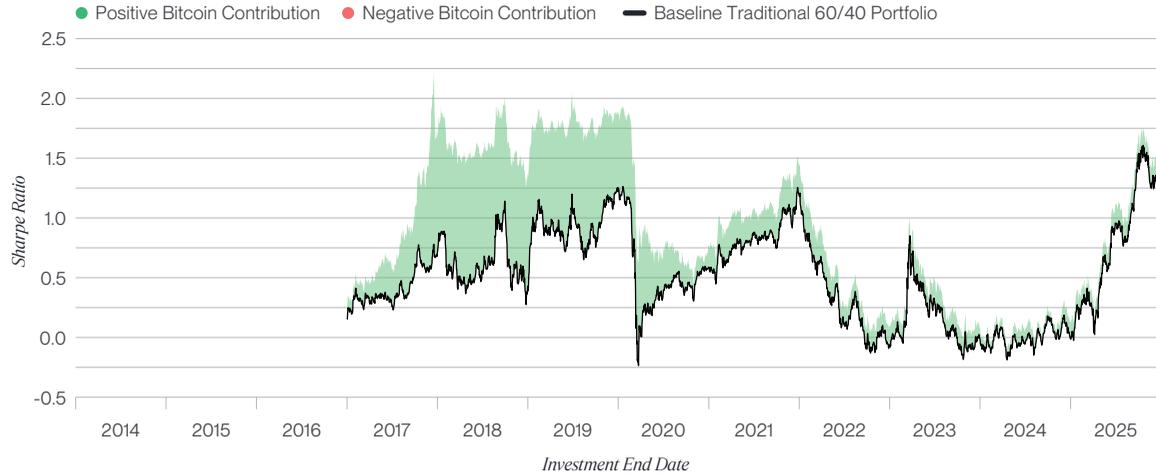


Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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Figure 9:

Annual Rebalancing – Contribution of 2.5% Bitcoin Allocation to a Traditional 60/40 Portfolio (3-Year Rolling Sharpe Ratio)

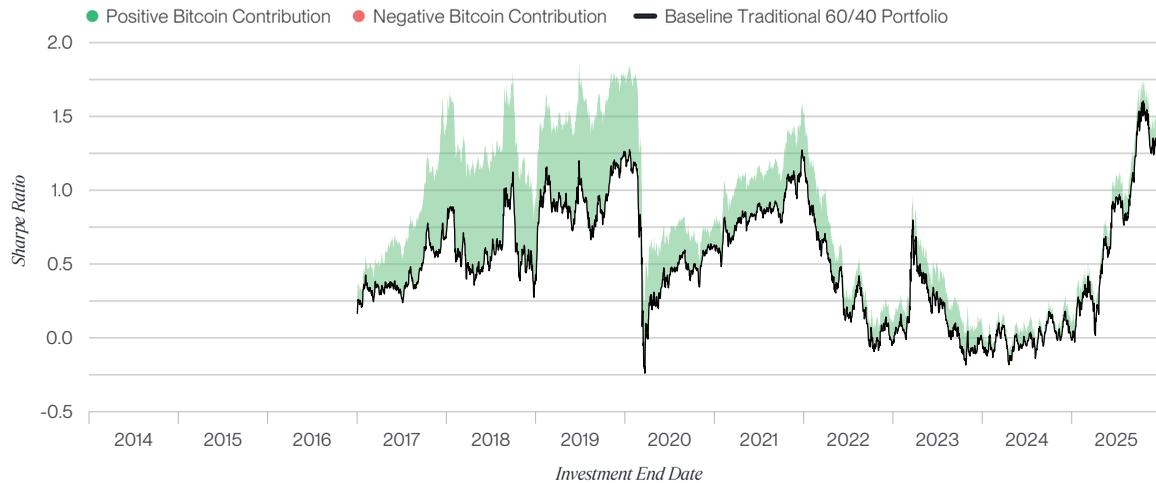


Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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Figure 10:

Quarterly Rebalancing – Contribution of 2.5% Bitcoin Allocation to a Traditional 60/40 Portfolio (3-Year Rolling Sharpe Ratio)

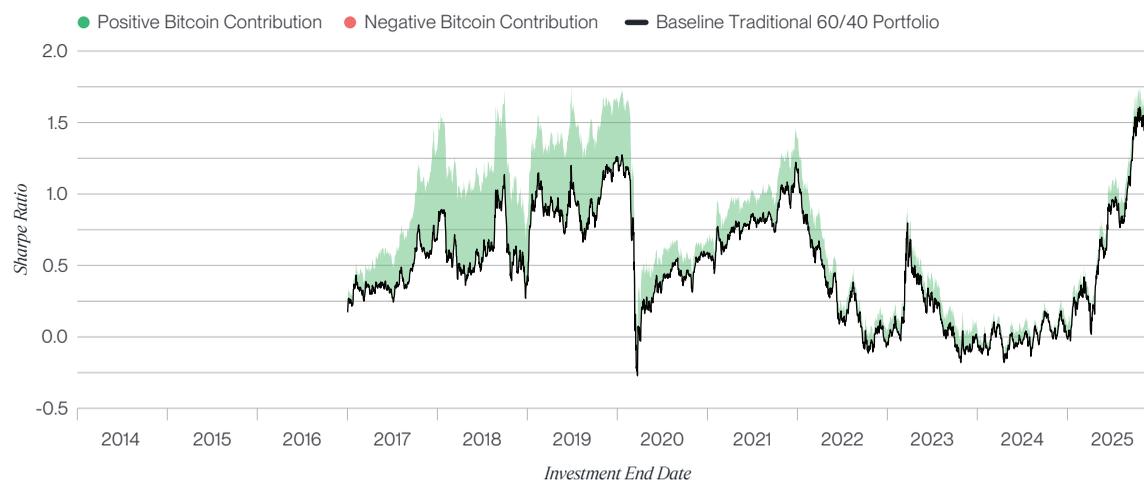


Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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Figure 11:

Monthly Rebalancing – Contribution of 2.5% Bitcoin Allocation to a Traditional 60/40 Portfolio (3-Year Rolling Sharpe Ratio)



Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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Question 3: How Much Bitcoin Should You Add to a Portfolio?

Perhaps the most important question when allocating to crypto is: How big of a position should you have?

The four figures below address that question.

The data shows the impact that allocating between 0% and 10% of a portfolio to bitcoin over a three-year period would have had on cumulative return, standard deviation, Sharpe ratio, and maximum drawdown, respectively.

The figures are informationally dense and bear explanation.

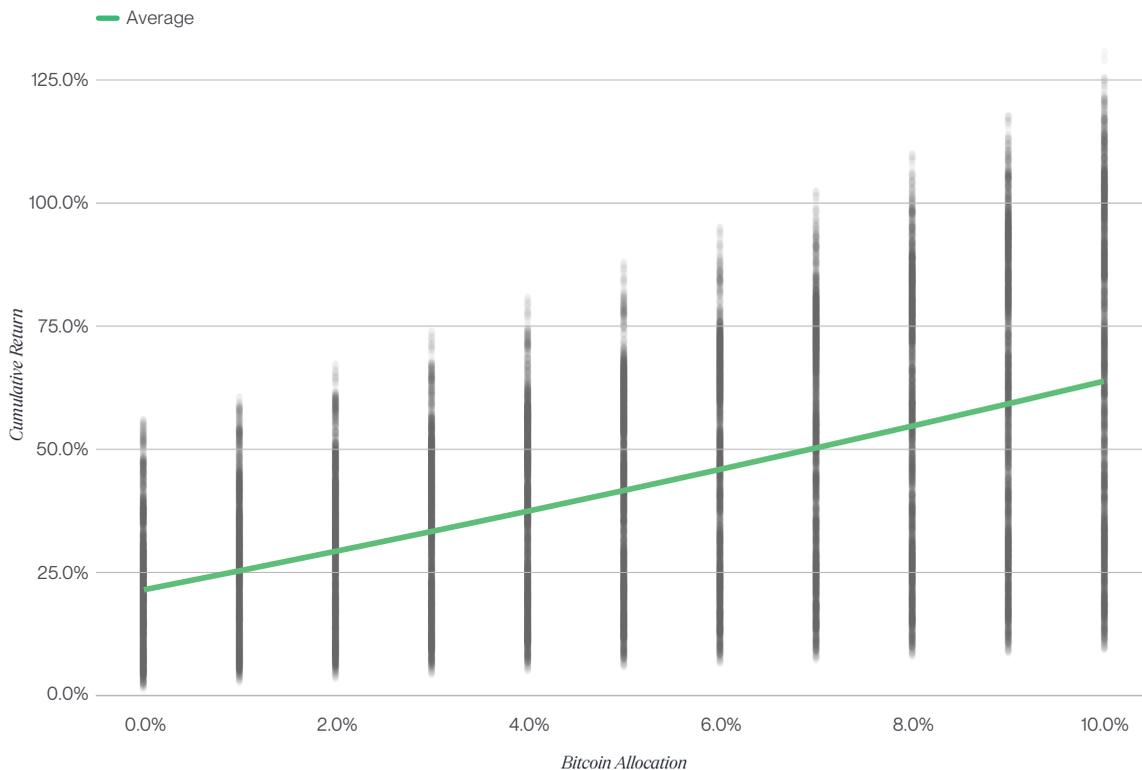
Each vertical dotted line represents all of the three-year windows between January 1, 2014, and December 31, 2025, for a given bitcoin allocation. Therefore, each vertical line contains 3,287 dots, or one for each three-year period; darker regions indicate heavier concentrations of dots. The green line indicates the average for each bitcoin allocation size.

The leftmost vertical dotted line shows the traditional portfolio, i.e., with a bitcoin allocation of 0%, and the vertical lines to the right represent bitcoin allocations increasing in 1% increments up to 10%. Bear in mind that there is no chronological relationship among the lines as we move to the left or to the right; different lines represent different bitcoin allocations only.

As seen in Figure 12, the cumulative return tells a clear story: The more bitcoin the better. As the green line shows, there is a nearly linear relationship between the amount of bitcoin added to the portfolio and the cumulative return.

Figure 12:

Three-Year Rolling Cumulative Return by Bitcoin Allocation (Assuming Quarterly Rebalancing)



Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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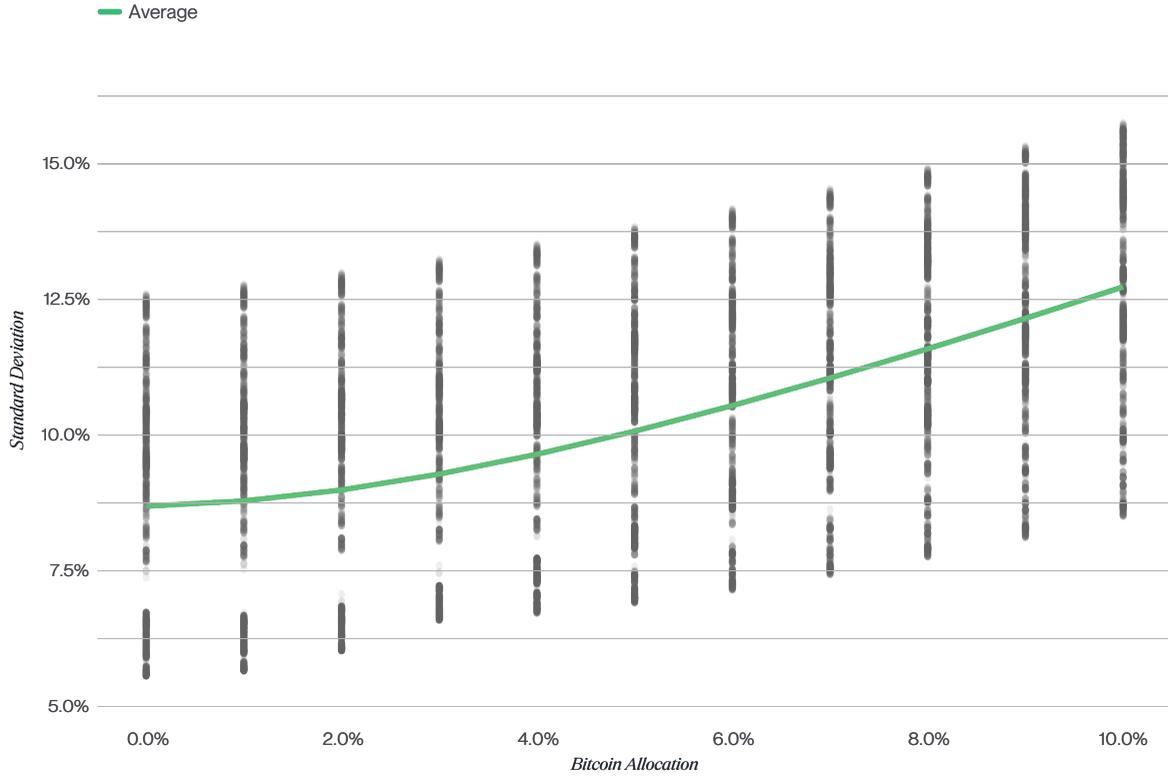
That return, however, comes with the potential drawback of added volatility.

Figure 13 shows the impact of higher bitcoin allocations on standard deviation, a common measure of portfolio volatility. Clearly, as the bitcoin allocation increases, the portfolio's volatility does as well.

Interestingly, however, the relationship here is not linear; the green line has a distinctive swoosh-like shape. This suggests that small allocations to bitcoin—roughly between 0.5% and 2.0%—have a minimal impact on portfolio volatility, but the impact increases quickly as the size of the allocation goes up.

Figure 13:

Three-Year Rolling Standard Deviation by Bitcoin Allocation (Assuming Quarterly Rebalancing)



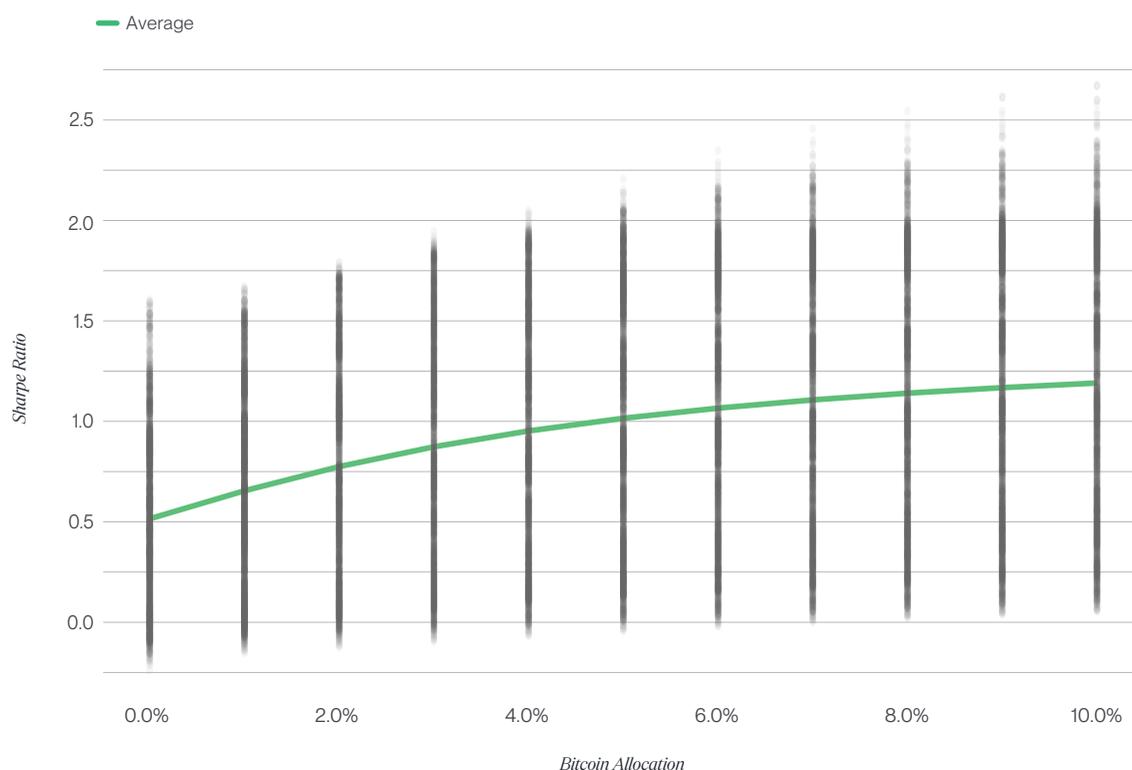
Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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Figure 14 combines the data from Figures 12 and 13 by examining Sharpe ratios. Like the standard deviation figure, this one has a distinct shape, rising sharply at first and then flattening out as the size of the portfolio allocation increases. The chart shows that adding bitcoin to a portfolio tends to increase risk-adjusted returns, but that the incremental benefit of adding more bitcoin to a portfolio starts to stabilize at about a 5% bitcoin allocation.

Figure 14:

Three-Year Rolling Sharpe Ratio by Bitcoin Allocation (Assuming Quarterly Rebalancing)



Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

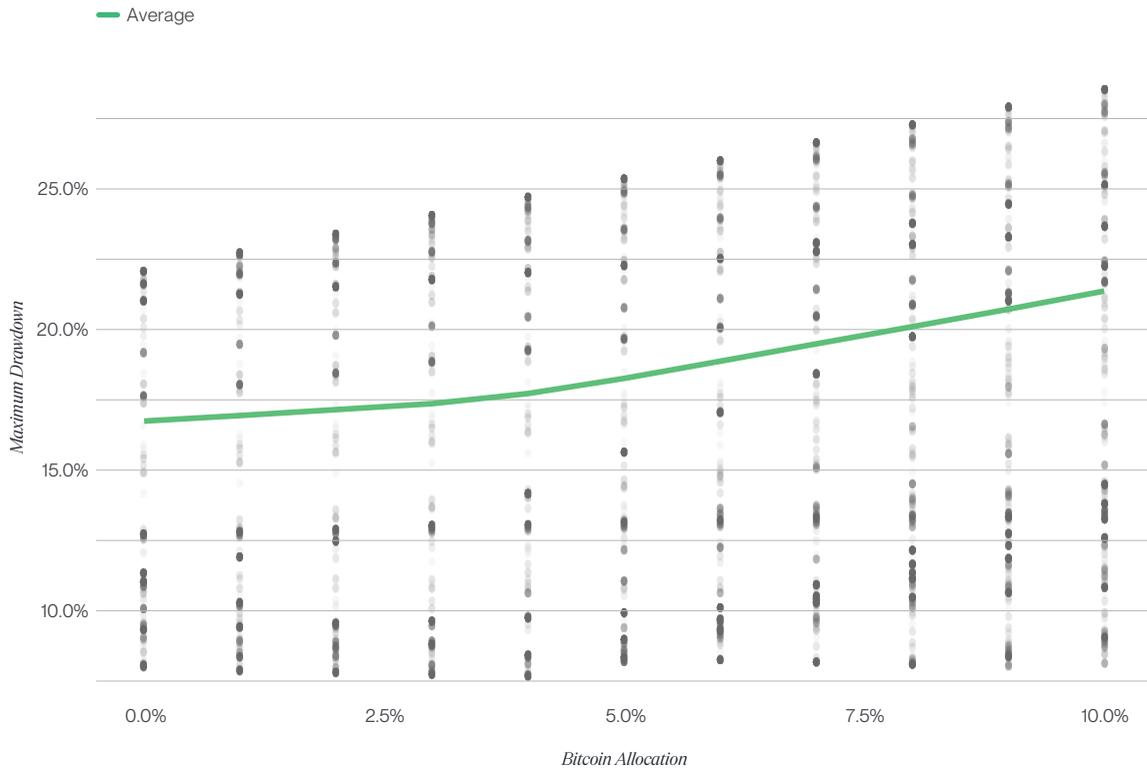
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Figure 15 looks at the impact that different allocations to bitcoin has on a portfolio's maximum drawdown. The shape of the green line's curve here is notable. It shows that, on average, adding bitcoin to a portfolio has little impact on the portfolio's maximum drawdown over three-year periods for allocations between 0.5% and 4.5%. This fact may surprise some observers, as bitcoin itself is very volatile. But bitcoin's returns are not typically correlated with stocks or bonds, which can blunt the impact of overall volatility.

Things change at 5% or higher, however: The impact on maximum drawdown begins to increase rapidly. Given that maximum drawdowns can have a significant impact on investor psychology and behavior, most investors may be most comfortable with a bitcoin allocation of 5% or less.

Figure 15:

Three-Year Rolling Maximum Drawdown by Bitcoin Allocation (Assuming Quarterly Rebalancing)



Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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Table 5 below summarizes the impact of different bitcoin allocations on all four of the key portfolio metrics over the study period.

Table 5:

Portfolio Performance Metrics by Bitcoin Allocation (Assuming Quarterly Rebalancing)

	Cumulative Return			Sharpe Ratio			Standard Deviation			Maximum Drawdown		
	Min	Avg	Max	Min	Avg	Max	Min	Avg	Max	Min	Avg	Max
	<i>Bitcoin Allocation</i>											
0%	1.34%	21.83%	55.88%	-0.239	0.582	1.605	5.59%	8.17%	12.60%	6.39%	14.66%	22.07%
1%	2.98%	27.55%	60.53%	-0.151	0.788	1.984	5.68%	8.38%	12.77%	6.50%	14.74%	22.73%
2%	3.78%	33.47%	75.54%	-0.122	0.921	2.135	6.05%	8.89%	12.99%	7.80%	15.10%	23.39%
3%	4.57%	39.62%	94.87%	-0.094	1.011	2.199	6.61%	9.56%	13.23%	7.73%	15.94%	24.05%
4%	5.35%	45.99%	115.52%	-0.067	1.077	2.268	6.74%	10.32%	14.64%	7.67%	16.89%	24.71%
5%	6.12%	52.58%	137.67%	-0.042	1.128	2.327	6.93%	11.13%	17.08%	8.21%	17.91%	25.35%
6%	6.88%	59.41%	161.47%	-0.018	1.170	2.383	7.16%	11.97%	19.48%	8.27%	18.94%	26.00%
7%	7.63%	66.48%	186.79%	0.004	1.204	2.455	7.45%	12.83%	21.81%	8.19%	19.93%	26.64%
8%	8.36%	73.78%	213.68%	0.024	1.233	2.542	7.77%	13.69%	24.07%	8.11%	20.86%	27.27%
9%	9.06%	81.32%	242.20%	0.042	1.258	2.612	8.13%	14.56%	26.25%	8.05%	21.77%	27.90%
10%	9.71%	89.12%	272.39%	0.058	1.280	2.670	8.52%	15.42%	28.35%	8.15%	22.65%	29.06%

Source: Bitwise Asset Management with data from Bloomberg. Data from January 1, 2014 to December 31, 2025.

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V

Conclusion

In this study, we evaluated the effects of adding bitcoin to a traditional portfolio consisting of stocks and bonds. Our analysis encompassed a substantial set of data from January 2014 to December 2025, which included multiple bull and bear market cycles for bitcoin—including the sharp pullback in 2022 and the drawdown in the latter half of 2025. To ensure objective evaluation, we employed rolling-period analyses to mitigate potential data-selection bias. We also explored various rebalancing strategies, allocation sizes, and holding periods.

The results show that, historically, adding bitcoin to a portfolio would have boosted both absolute and risk-adjusted returns for all three-year holding periods since 2014, assuming an appropriate rebalancing strategy was in place.

The study highlights three key factors investors should consider when making a bitcoin allocation: time frame, rebalancing frequency, and position size. These are individual decisions for each investor, but we note some interesting historical patterns:

- **Time Frame: As holding periods increase above two years, the historical record of positive contributions has approached 100%.** Bitcoin is a volatile asset, and its short-term outlook is extremely difficult to predict. It has experienced multiple 50%-plus drawdowns in its history and may experience more in the future. Still, allocating to bitcoin has improved a portfolio's cumulative and risk-adjusted returns in 100% of three-year periods, 94% of two-year periods, and 76% of one-year periods since 2014.
- **Rebalancing Frequency: Adding an asset with a significant degree of volatility in a portfolio makes rebalancing critical.** Generally, a quarterly rebalancing strategy has delivered a healthy balance between capturing bitcoin's asymmetric upside returns and keeping drawdowns under control.
- **Position Sizing: Maximum drawdowns are perhaps the foremost factor for investors to consider when deciding how much bitcoin to add to their portfolio.** Over three-year holding periods, adding larger and larger allocations to bitcoin would have monotonically increased a diversified portfolio's cumulative returns. But our study showed that the impact on Sharpe ratios generally started to level off at the 5% allocation level. We also found that the impact on maximum drawdowns began to increase rapidly at allocations of 5% or more. This may make it uncomfortable for investors to allocate above this level.

Although past performance is no guarantee of future results, the empirical evidence from this study underscores a salient observation: For a traditional portfolio of stocks and bonds, bitcoin has historically been a very effective tool to enhance risk-adjusted returns.



Risks and Important Information

No Advice on Investment; Risk of Loss: Prior to making any investment decision, each investor must undertake its own independent examination and investigation, including the merits and risks involved in an investment, and must base its investment decision—including a determination whether the investment would be a suitable investment for the investor—on such examination and investigation.

Crypto assets are digital representations of value that function as a medium of exchange, a unit of account, or a store of value, but they do not have legal tender status. Crypto assets are sometimes exchanged for U.S. dollars or other currencies around the world, but they are not currently backed nor supported by any government or central bank. Their value is completely derived by market forces of supply and demand, and they are more volatile than traditional currencies, stocks, or bonds.

Trading in crypto assets comes with significant risks, including volatile market price swings or flash crashes, market manipulation, and cybersecurity risks and risk of losing principal or all of your investment. In addition, crypto asset markets and exchanges are not regulated with the same controls or customer protections available in equity, option, futures, or foreign exchange investing.

Crypto asset trading requires knowledge of crypto asset markets. In attempting to profit through crypto asset trading, you must compete with traders worldwide. You should have appropriate knowledge and experience before engaging in substantial crypto asset trading. Crypto asset trading can lead to large and immediate financial losses. Under certain market conditions, you may find it difficult or impossible to liquidate a position quickly at a reasonable price.

The opinions expressed represent an assessment of the market environment at a specific time and are not intended to be a forecast of future events, or a guarantee of future results, and are subject to further discussion, completion and amendment. The information herein is not intended to provide, and should not be relied upon for, accounting, legal or tax advice, or investment recommendations. You should consult your accounting, legal, tax or other advisors about the matters discussed herein.