SEPTEMBER 2025

Digital Assets Quarterly

Chart Pack

MarketVector™

Digital Assets Update Q3 2025

MarketVector™

Commentary

Crypto Market Rebound and Bullish Sentiment: The crypto market surged in Q3 2025, with Bitcoin breaking above $120,000 and Ether surging past $4,200 amid a broad upswing. The total digital asset market capitalization surpassed $4 trillion in July, and Ethereum even notched new all-time highs as strengthening on-chain activity and regulatory clarity fueled optimism. Investor sentiment turned bullish alongside these gains, as a global survey found roughly 66% of crypto users plan to increase their exposure despite lingering macro risks. [1][2]

Macro Tailwinds from Monetary Policy Shifts: The macroeconomic climate provided tailwinds for crypto in Q3 as inflation in the United States continued to moderate from post-pandemic highs and policymakers signaled a move away from strict monetary tightening. In September the Federal Reserve enacted its first interest rate cut of 2025, citing diminished inflation risks and growing concern over employment, which bolstered investor confidence in risk assets. Anticipation of easing financial conditions helped improve sentiment toward riskier investments, adding momentum to cryptocurrency markets despite some persistent economic uncertainties. [3]

Landmark U.S. Crypto Legislation: In a historic step, the United States enacted its first federal crypto law in Q3 2025 as the GENIUS Act was signed in July, creating a comprehensive regulatory framework for payment stablecoins and placing their issuance under bank supervision. The law mandates full reserve backing in cash or Treasurys and rigorous audits for stablecoin issuers, effectively ending the previous "gray zone" and prompting some banks to start planning their own regulated digital dollar tokens. The U.S. House of Representatives also advanced the Digital Asset Market Clarity Act to delineate SEC and CFTC oversight of crypto, indicating bipartisan momentum toward clearer rules for exchanges and investors. [2]

Regulatory Shift and Global Standards: U.S. regulators pivoted toward a more accommodative crypto stance in Q3, with the SEC's new leadership dropping lawsuits against major exchanges and exploring rule changes to allow digital asset trading on traditional stock exchanges. SEC Chair Paul Atkins introduced a pro-innovation agenda — including potential safe harbors for token sales and clarity on broker-dealer rules — marking a sharp reversal from the previous administration's hardline approach. Meanwhile, other jurisdictions from the EU to Asia pushed forward on digital asset regulation, from Europe's implementation of stablecoin standards to Hong Kong and Singapore expanding crypto licensing, reflecting a worldwide drive for regulatory clarity. [4]

Major Hacks Highlight Ongoing Risks: Despite overall growth, the crypto sector faced major security incidents in Q3 2025, with hackers stealing over $140 million in July alone through 17 separate attacks on exchanges and DeFi protocols. The largest was a $44 million breach of India's CoinDCX exchange, while a $42 million exploit of the GMX platform saw the hacker return funds after being paid a $5 million bounty. Analysts warn that 2025 is on track for record crypto thefts — exacerbated by mega-heists like the Lazarus Group's $1.5 billion Bybit hack — underscoring persistent vulnerabilities even as security measures tighten. [5]

Institutional Adoption and New Crypto Products: Institutional participation accelerated in Q3 2025 as regulators approved faster pathways for crypto exchange-traded funds, spurring a wave of Bitcoin, Ether and even altcoin ETF launches that attracted tens of billions of dollars in inflows. Traditional finance and tech firms also expanded crypto integration, highlighted by Chainlink's partnership with Intercontinental Exchange to enhance blockchain market data and PayPal's rollout of a U.S. dollar stablecoin for transactions on its platforms. These moves by established players signal growing mainstream acceptance of digital assets, as more institutions bridge into the crypto ecosystem to meet rising demand from investors and users. [1]

[1] investingnews
[2] cryptorank
[3] abcnews
[4] Reuters
[5] Coingeek

Index Highlights: Q3 2025 Summary

This quarter's tape was defined by powerful, but concentrated, gains led by Ethereum and crypto-exchange equities, while correlations crept higher across major crypto sectors—reducing diversification just as volatility cooled in the leaders.

Performance at a glance.
Ethereum led with a +64.9% quarter, while **Centralized Exchanges** advanced **+55.1%**. Broader large-cap proxies (**Digital Assets 10** and **Digital Assets 5**) delivered **~+35%**, and **Smart Contract Platforms** gained **+37.8%**. Laggards included **Media & Entertainment (-1.1%)**, **Digital Assets Small (+8.3%)**, and **Bitcoin (+6.1%)**, underscoring the quarter's preference for scale and balance-sheet resilience.

Risk-adjusted leaders.
On a gain-to-pain basis, Centralized Exchanges ranked highest over the last twelve months, followed by **Bitcoin** and the **Digital Assets 5/10** suites—signaling that quality/liquidity factors continued to be rewarded even beyond raw price returns.

Breadth & cycle tone.
Market breadth improved versus early-year troughs but remained uneven: the share of assets above their 200-day average rose without matching prior-cycle peaks, and the % outperforming Bitcoin (90D) oscillated rather than trending—consistent with a maturing advance. Sector drawdowns from prior highs illustrate dispersion: **CEX ~0%**, **broad large caps ~-3%**, while **Infrastructure, DeFi, and Media & Entertainment** remain far below peak levels.

Correlations & diversification.
Rolling 90-day correlations versus Bitcoin pushed into the **0.6–0.9** band among key sectors (Smart Contracts, DeFi, Infrastructure), compressing diversification benefits. Crypto's linkage to **Nasdaq** drifted higher and stayed positive across most sectors, while the **U.S. dollar** correlation for Bitcoin remained negative on balance—preserving some macro hedging properties).

Volatility picture.
Bitcoin's 90-day annualized volatility cooled toward the low-30s by quarter-end, while **Meme assets** and **Infrastructure** stayed notably higher—another sign that leadership is stabilizing even as the periphery remains fragile.

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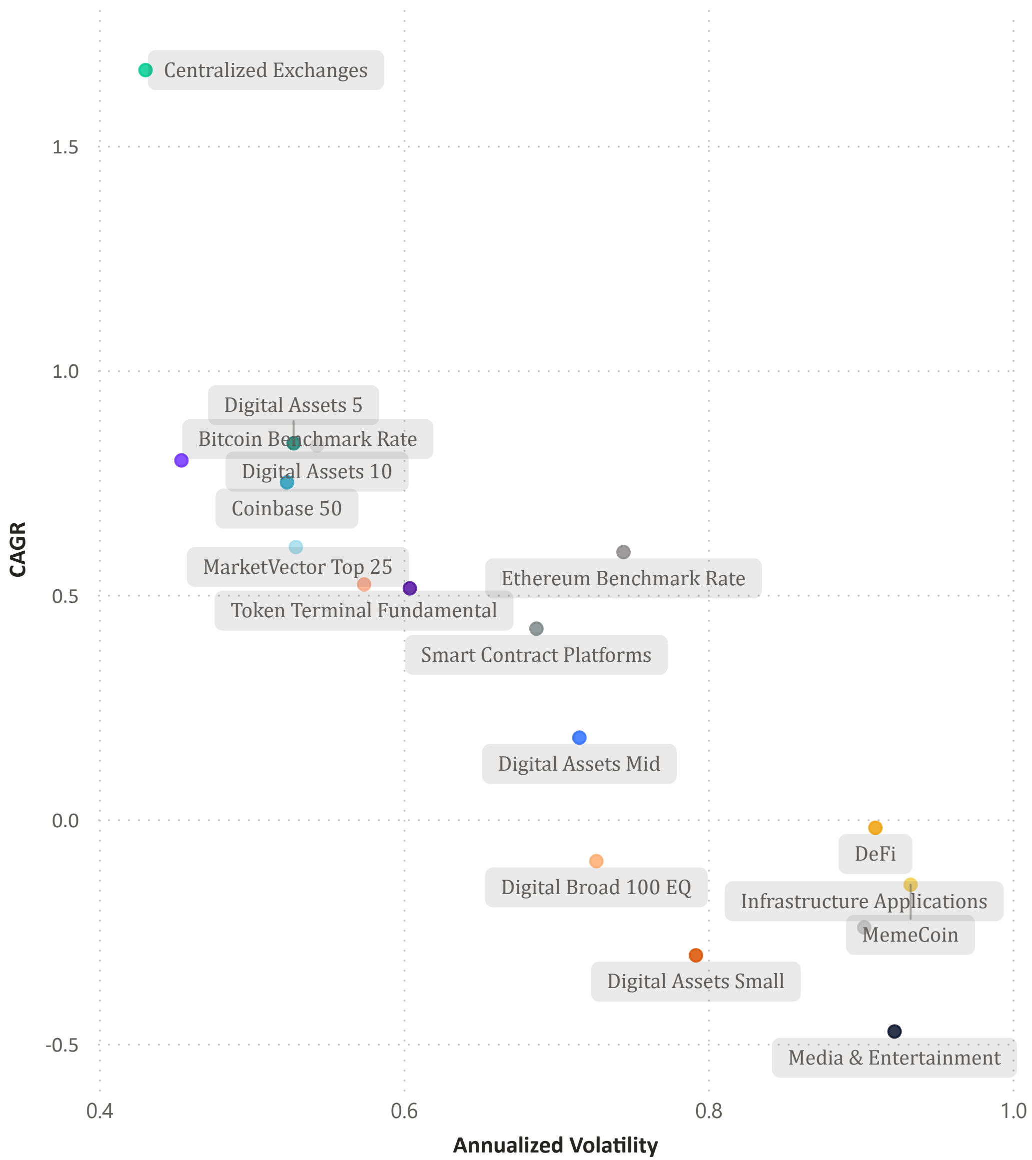
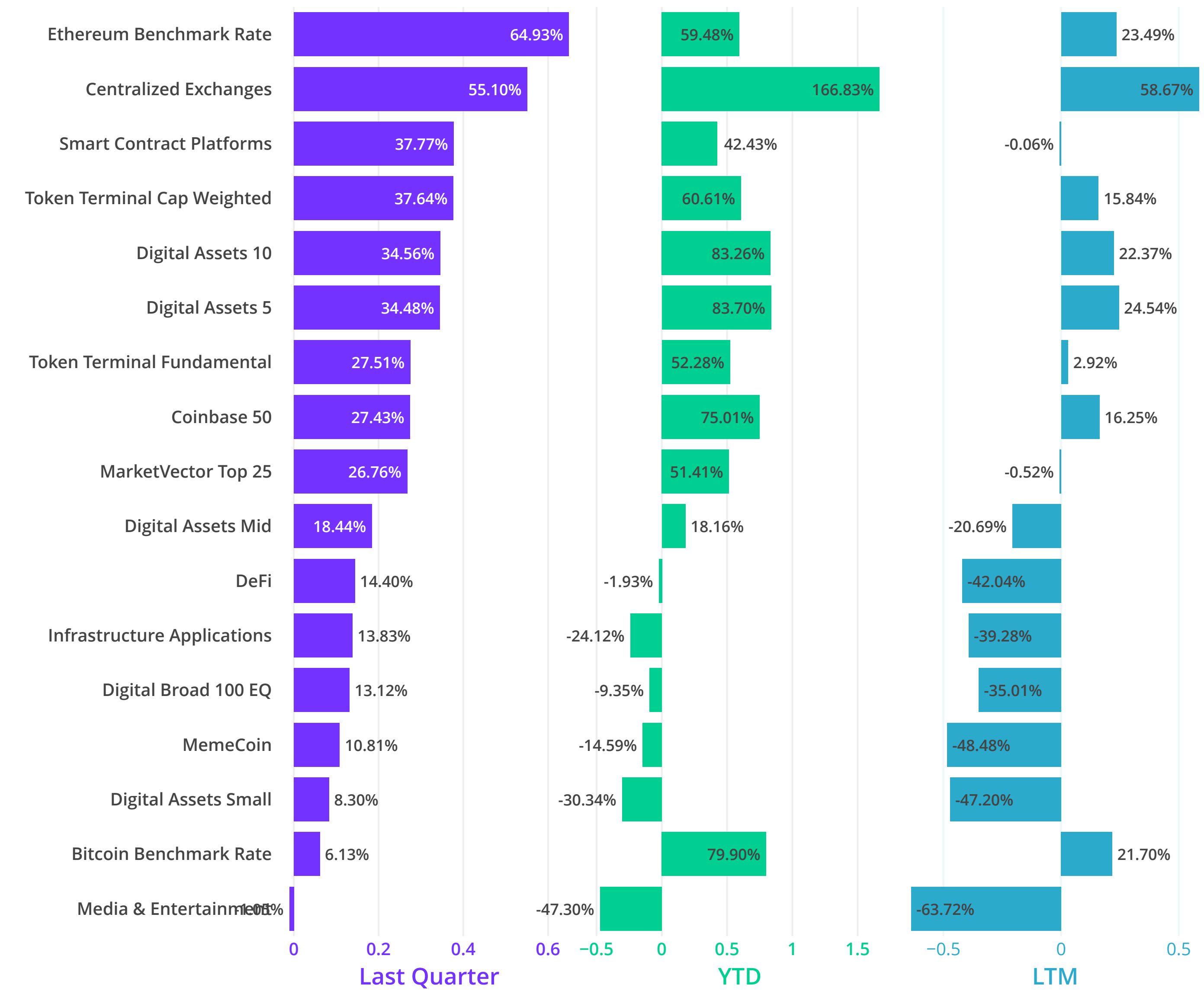
Highlights

Digital Asset Snapshot Q3 2025

Risk - Return Snapshot [Sep 2024 - Sep 2025]



Index Performance



Data as of September 30, 2025

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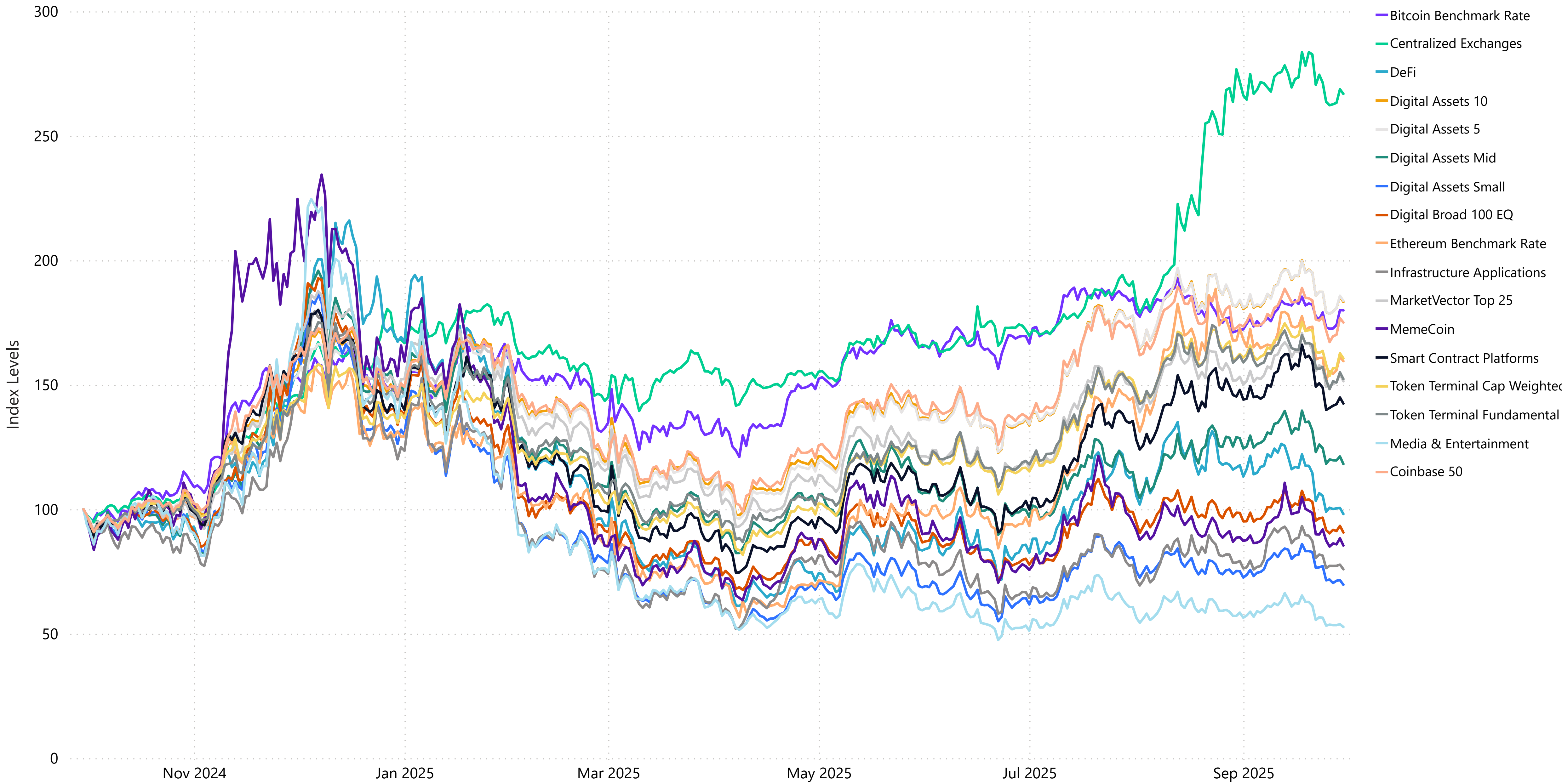
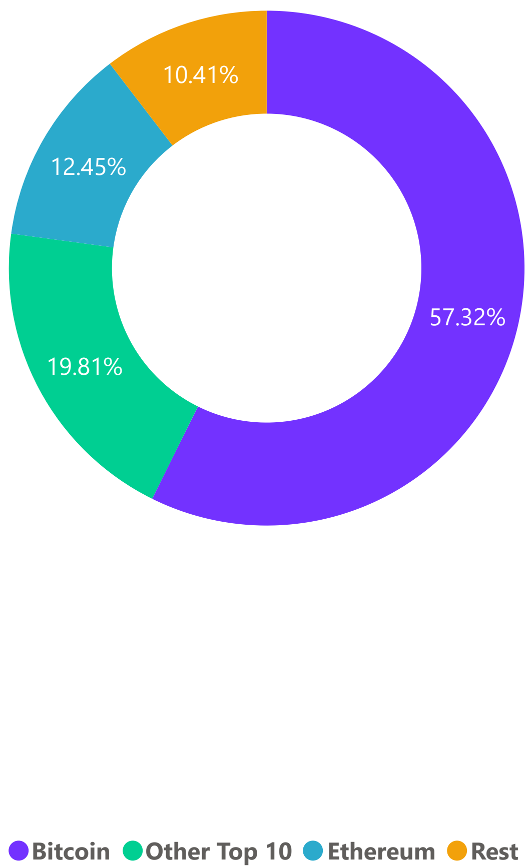
LTM Return



Digital Asset Snapshot Q3 2025

MarketVector™

Mkt Cap Split of Major Digital Assets

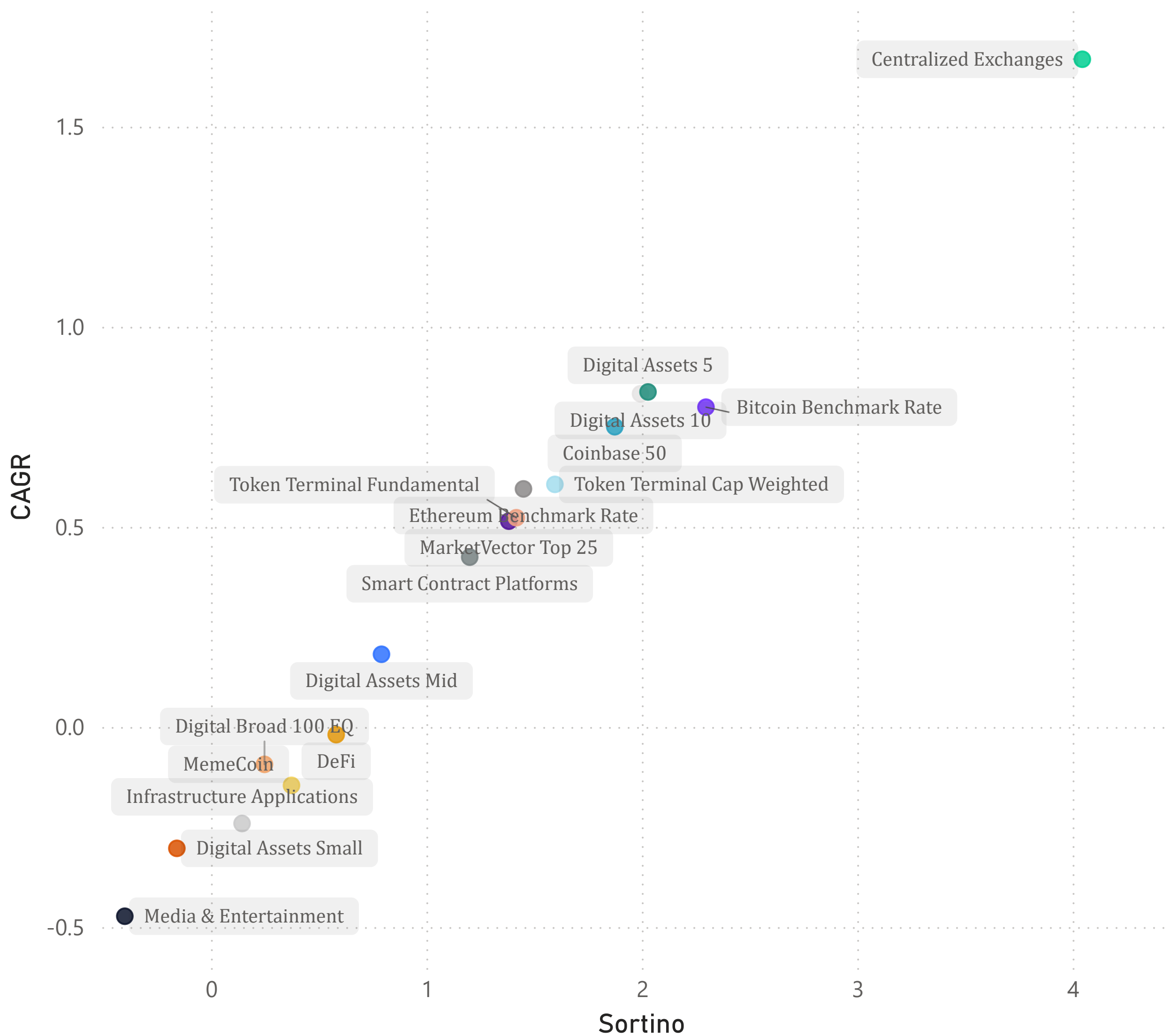


Ratio Summary [Dec 2021- Sep 2025]

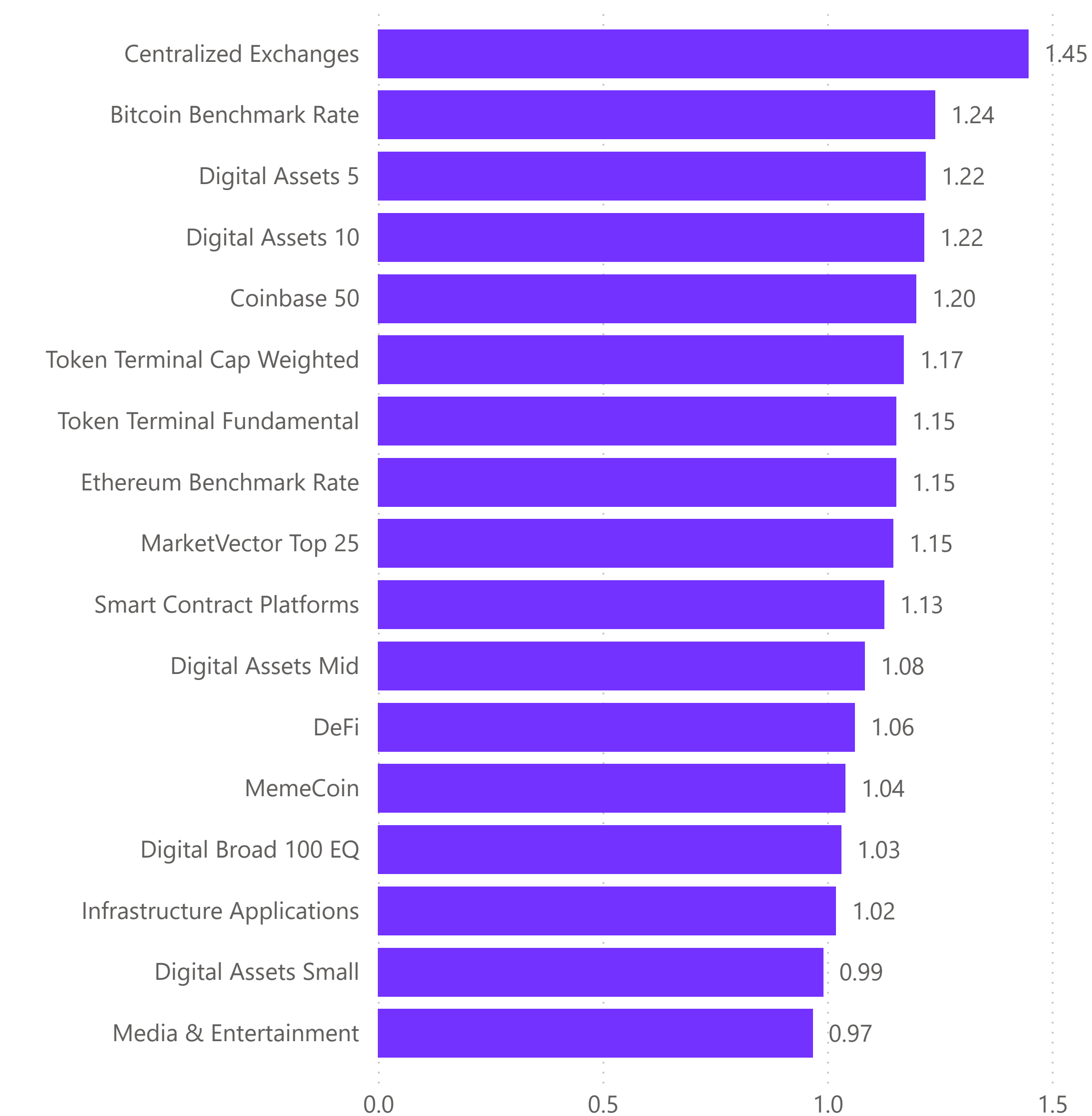
Index	Total Return	CAGR	Sharpe Ratio	Sortino Ratio	Max Drawdown	Annualized Volatility
Bitcoin Benchmark Rate	148.13%	27.42%	0.65	0.96	-67.12%	51.55%
Centralized Exchanges	138.42%	26.07%	0.63	0.89	-65.70%	53.47%
MemeCoin	12.80%	3.26%	0.48	0.76	-83.92%	99.78%
Digital Assets 100	59.98%	13.35%	0.42	0.60	-66.56%	49.47%
Digital Assets 5	51.15%	11.64%	0.41	0.57	-70.89%	55.18%
Digital Assets 10	49.09%	11.24%	0.40	0.56	-70.61%	56.37%
Token Terminal Cap Weighted	30.81%	7.42%	0.34	0.47	-69.64%	56.57%
Ethereum Benchmark Rate	13.22%	3.37%	0.33	0.48	-75.70%	68.28%
Token Terminal Fundamental	10.42%	2.68%	0.28	0.39	-71.37%	59.58%
MarketVector Top 25	-10.95%	-3.04%	0.19	0.26	-75.23%	60.31%
Smart Contract Platforms	-35.04%	-10.86%	0.11	0.15	-83.28%	67.42%
Infrastructure Applications	-66.67%	-25.39%	0.02	0.02	-82.82%	82.88%
DeFi	-71.24%	-28.27%	-0.02	-0.03	-82.95%	84.30%
Digital Assets Mid	-59.76%	-21.55%	-0.08	-0.12	-82.81%	66.89%
Digital Broad 100 EQ	-60.16%	-21.76%	-0.14	-0.20	-76.34%	62.27%
Digital Assets Small	-81.42%	-36.16%	-0.33	-0.44	-86.81%	71.21%
Media & Entertainment	-97.65%	-63.21%	-0.80	-1.07	-97.93%	84.68%

Risk - Return Measures

Sortino - Return (LTM)



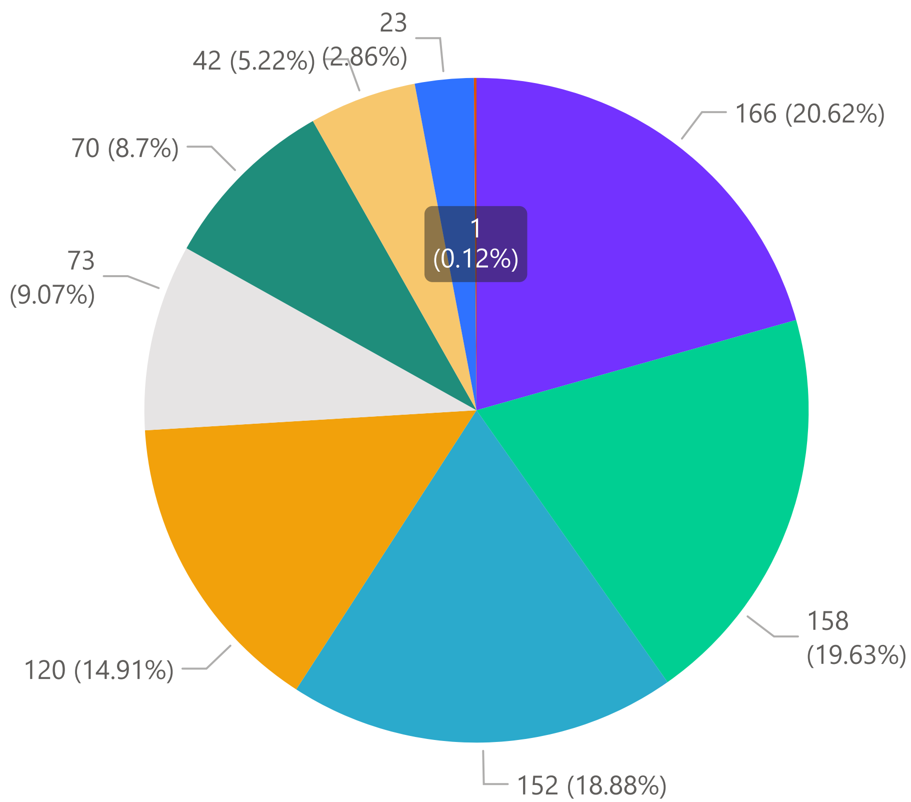
Gain-Pain Ratio (LTM)



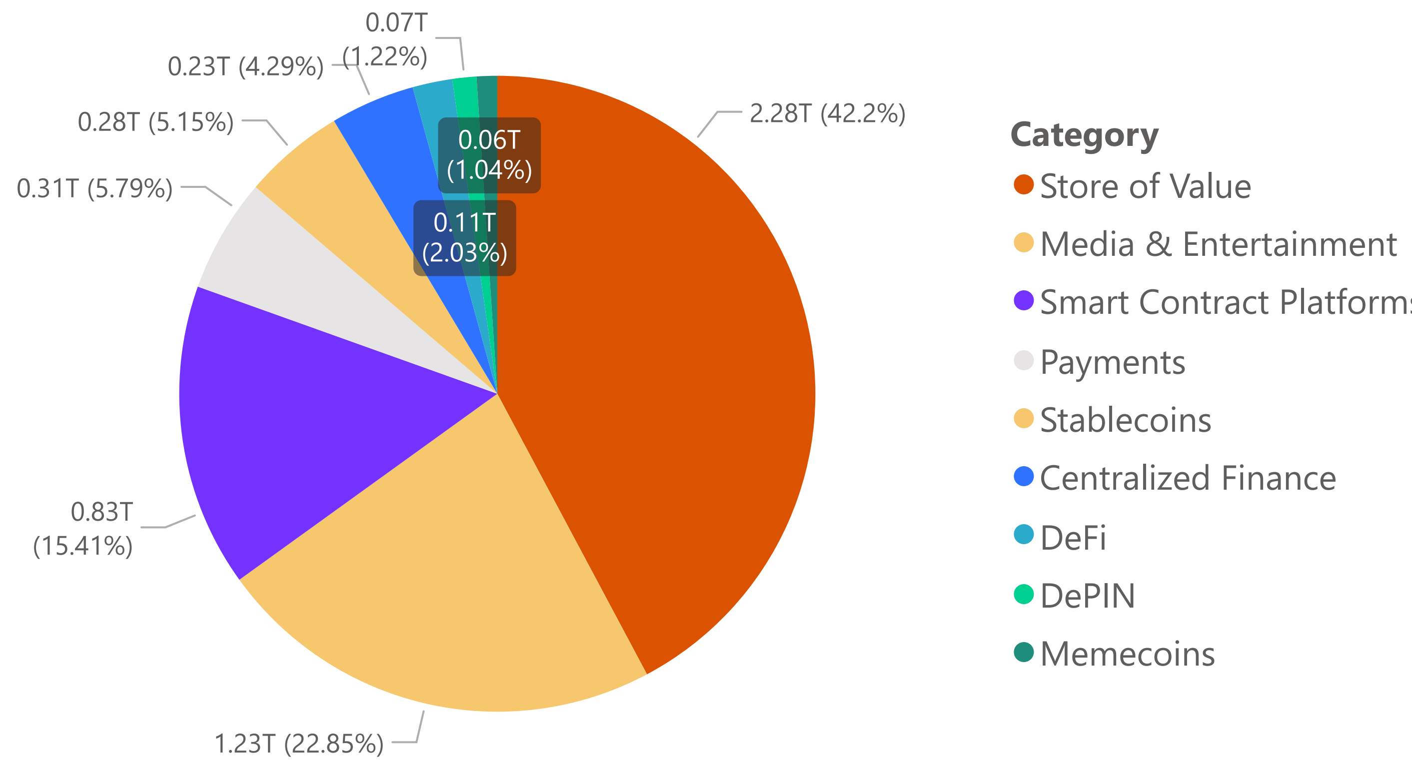
***Sortino Ratio:** Measures risk-adjusted returns, focusing only on downside volatility to evaluate performance relative to negative risk.
***Gain-Pain Ratio:** Compares cumulative positive returns to cumulative losses, highlighting the efficiency of returns relative to downside risk.

Data as of September 30, 2025

Tokencount by Category



MarketCap by Category



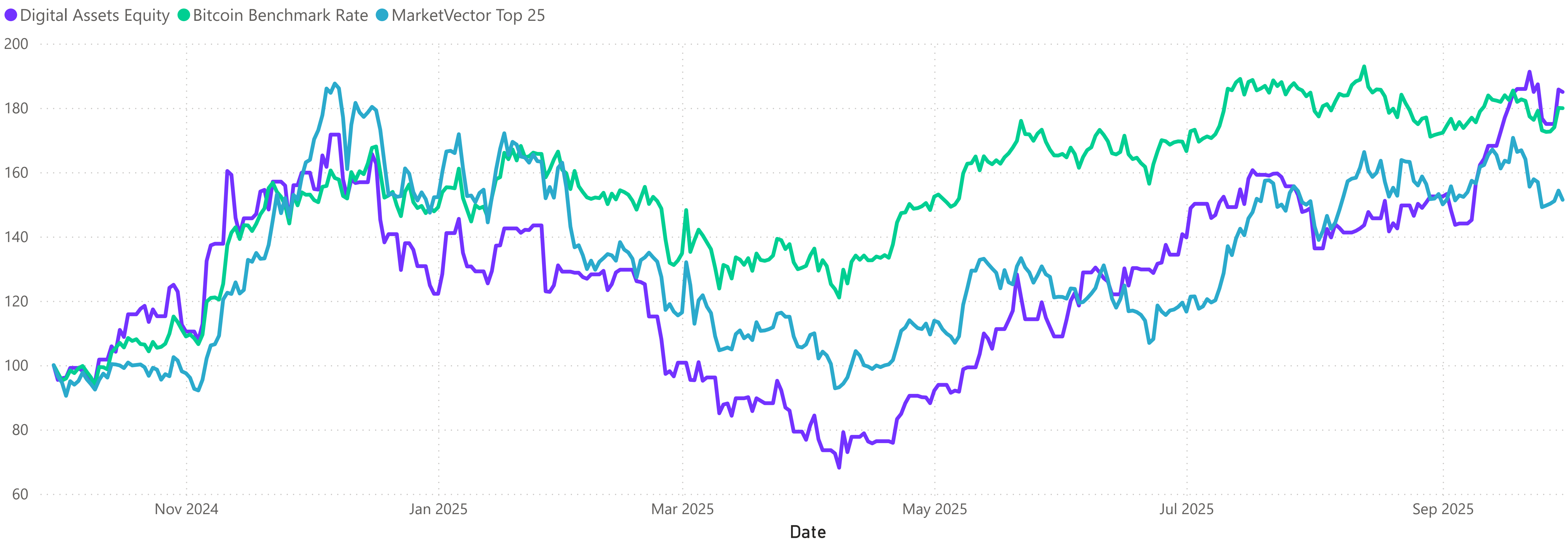
Sum of categorized Tokens:

805

Data as of September 30, 2025

Comparison: Crypto Stocks to Crypto

MVDAPP compared to Crypto (LTM)



Ratio Summary (LTM)

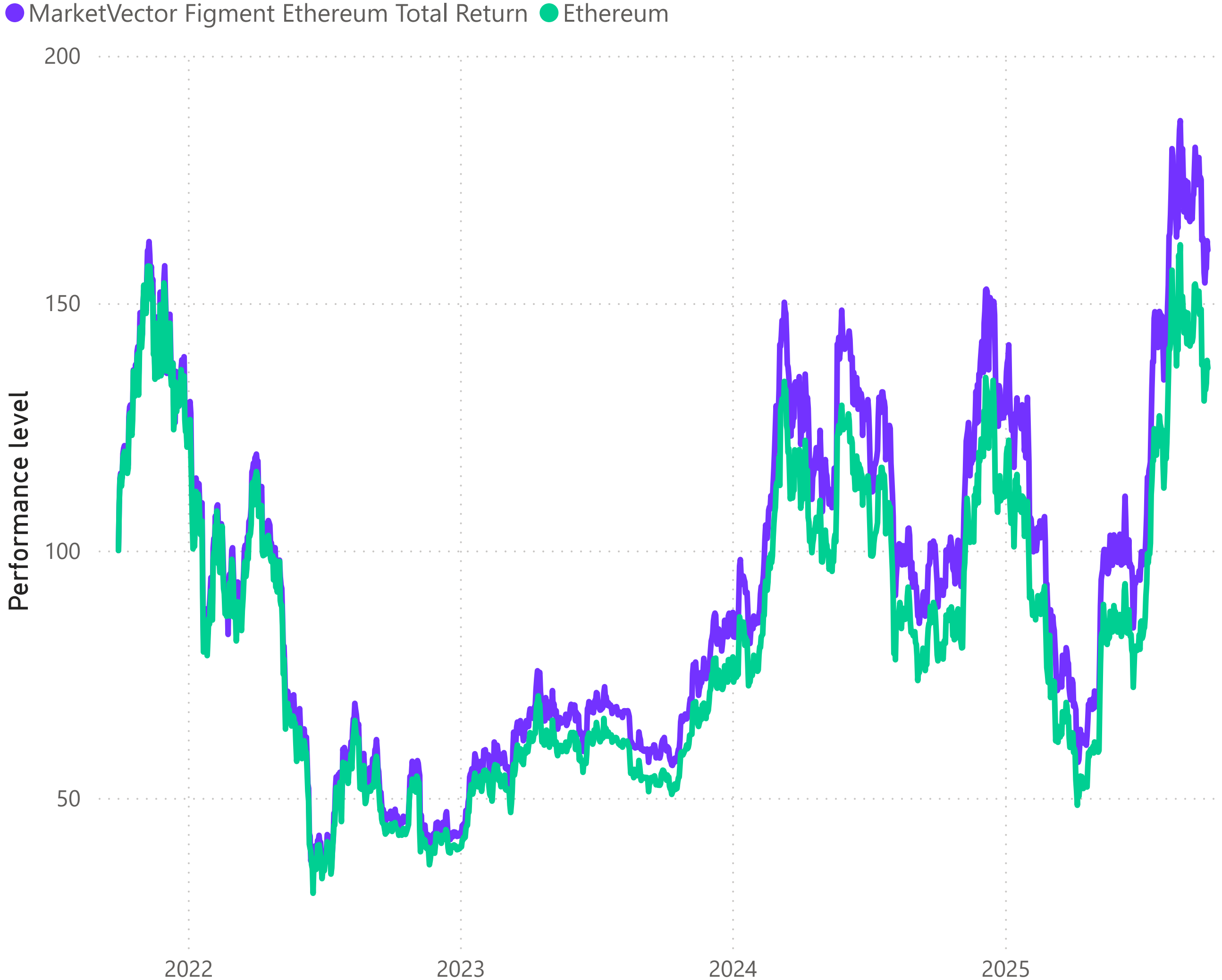
Index	Total Return	CAGR	Sharpe Ratio	Sortino Ratio	Annualized Volatility	Calmar Ratio	Gain-Pain Ratio	Max Drawdown	Average DD Period	Longest DD Period
Bitcoin Benchmark Rate	79.90%	79.90%	1.43	2.30	45.42%	2.85	1.24	-28.04%	22	119
Digital Assets Equity	84.95%	84.95%	1.16	1.80	70.99%	1.41	1.23	-60.33%	37	280
MarketVector Top 25	51.41%	51.41%	0.92	1.38	60.42%	1.02	1.15	-50.52%	31	297

Data as of September 30, 2025

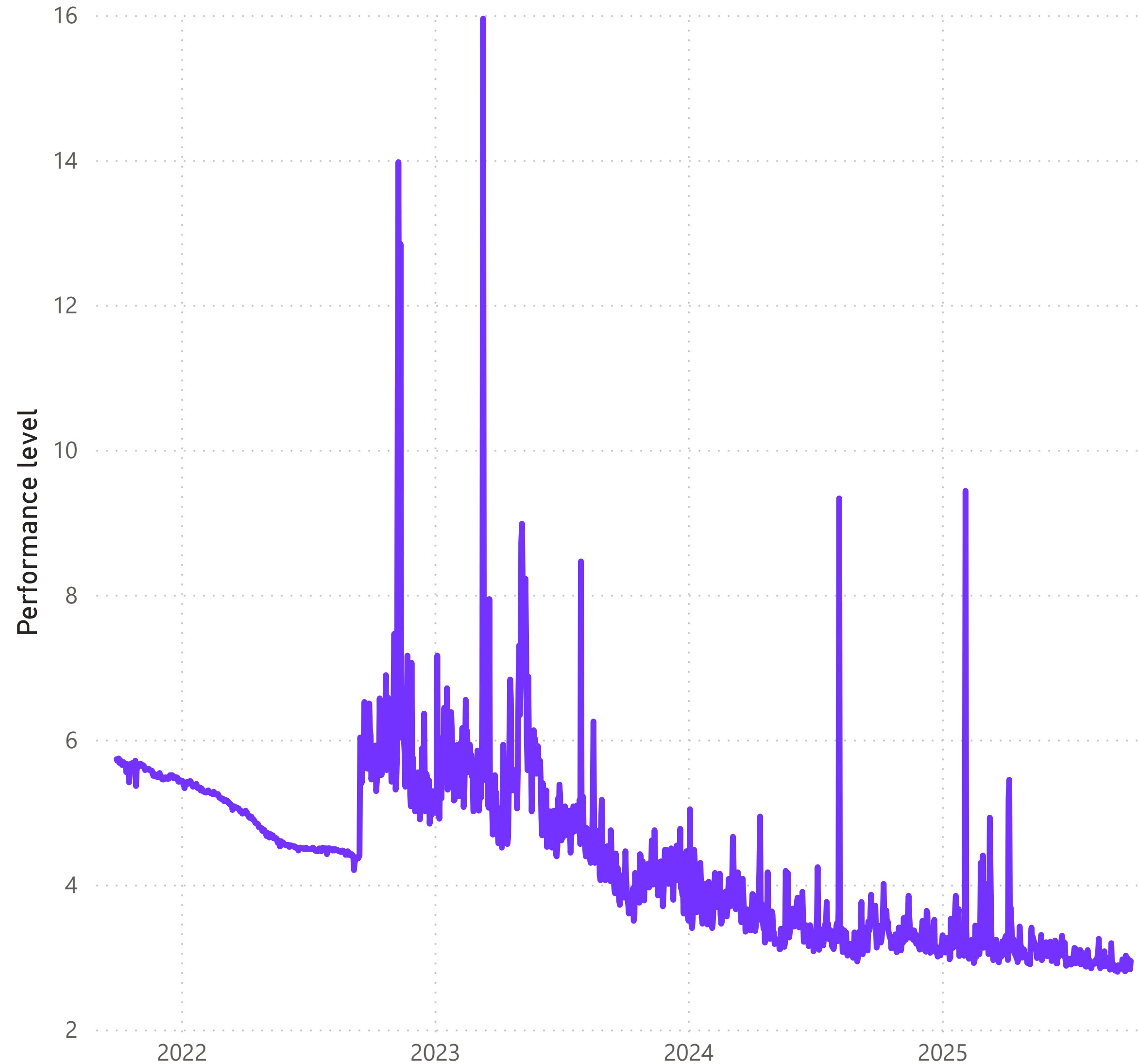
Ethereum Performance + Staking

MarketVector™

Ethereum Price Performance (EBR) MarketVector Figment Ethereum Total Return Performance (MVETHTR)



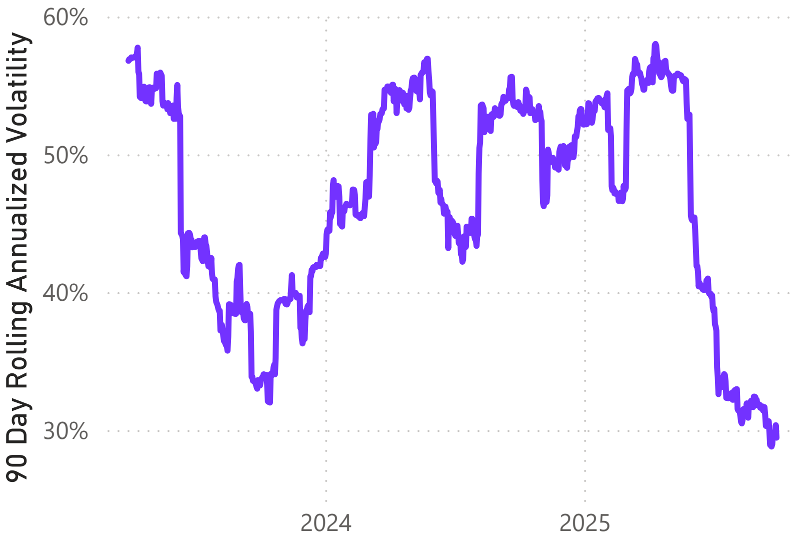
Ethereum Annualized Staking Rewards Rate (STKR)



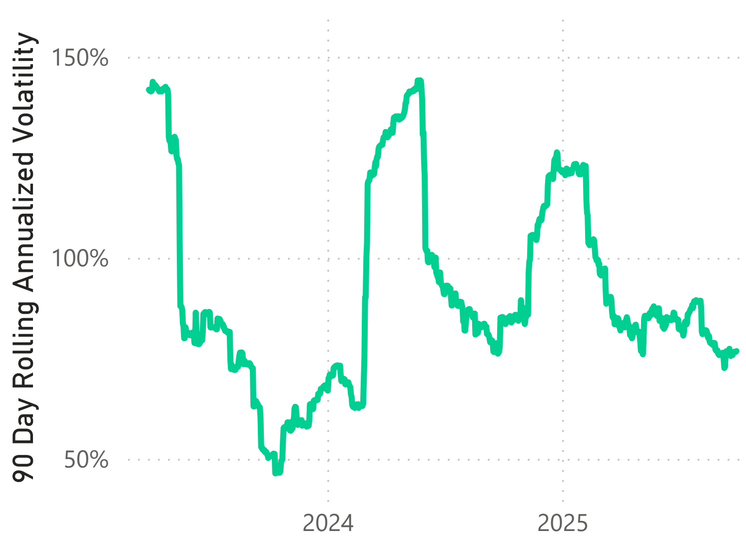
Data as of September 30, 2025

Rolling Volatility in Digital Assets

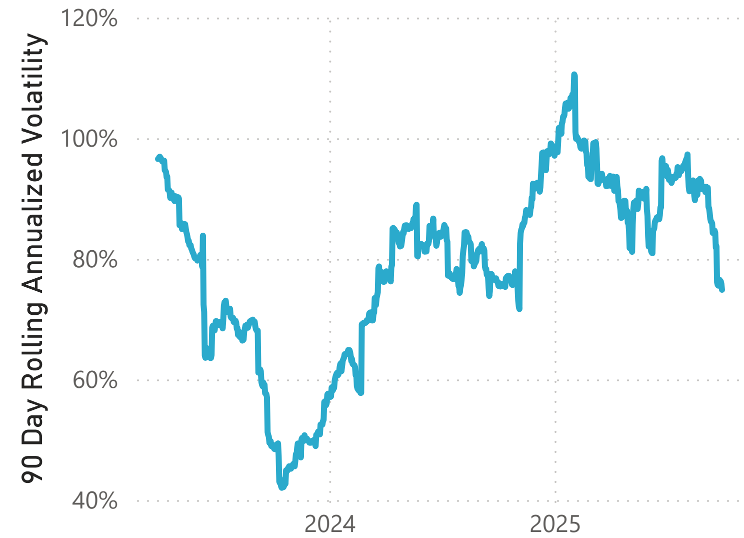
Bitcoin



MemeCoin

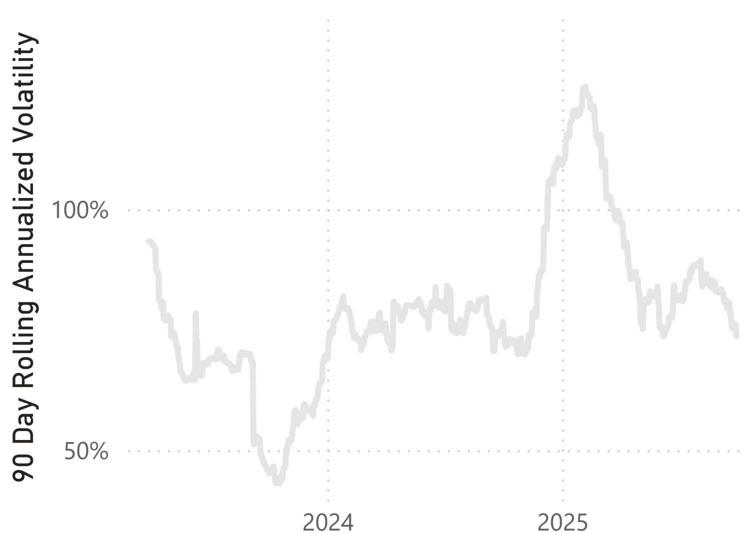


Decentralized Finance



Infrastructure Applications

Media & Entertainment

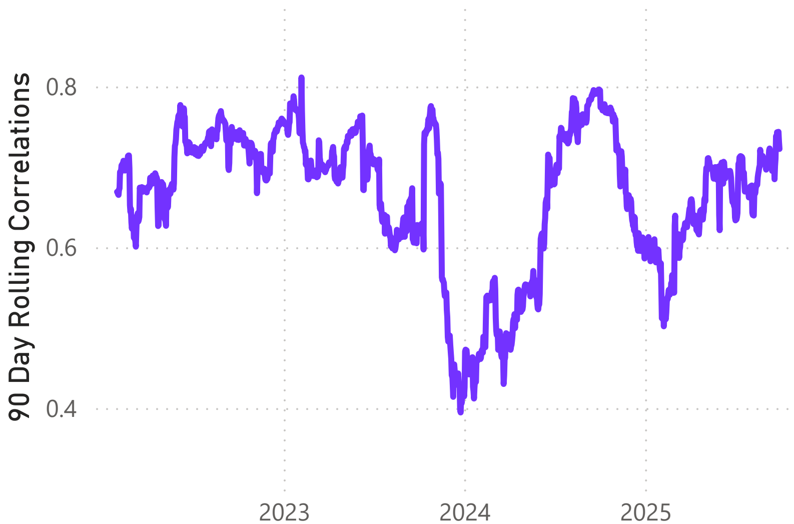


Smart Contract Platforms

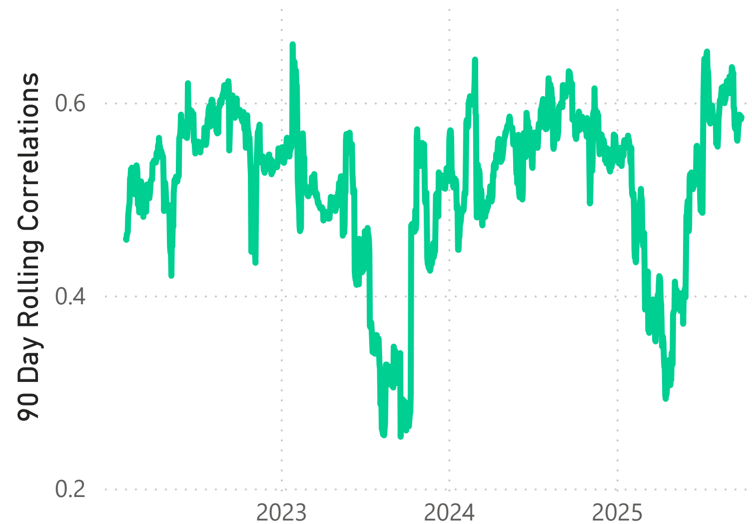
Data as of September 30, 2025

BTC - Crypto Sector Correlation

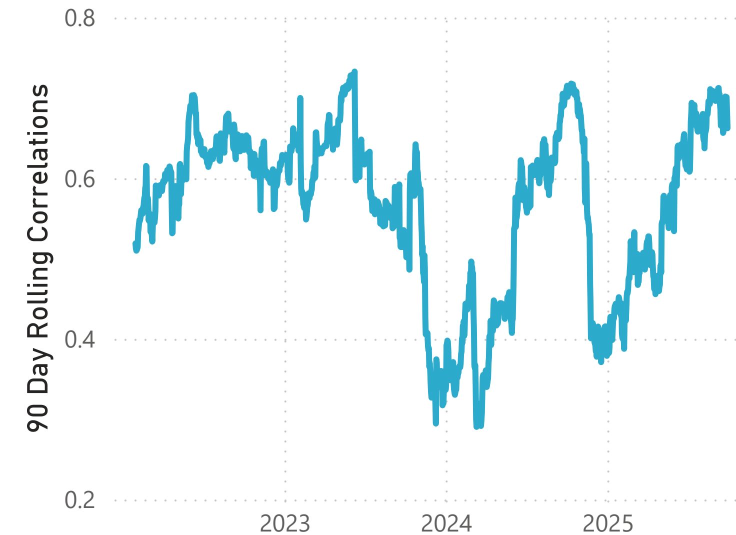
Smart Contract Platforms



Memecoins

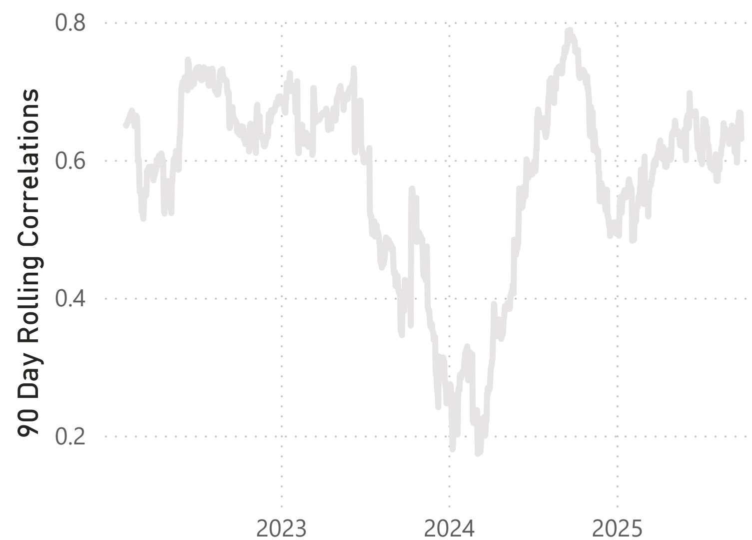


Media & Entertainment

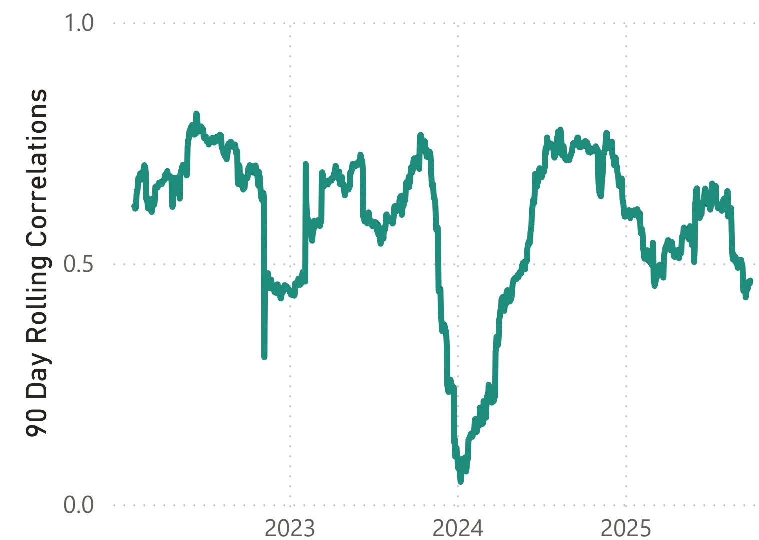


Infrastructure Applications

Decentralized Finance



Centralized Exchanges



Data as of September 30, 2025

BTC - Sector Correlation Matrix (LTM)

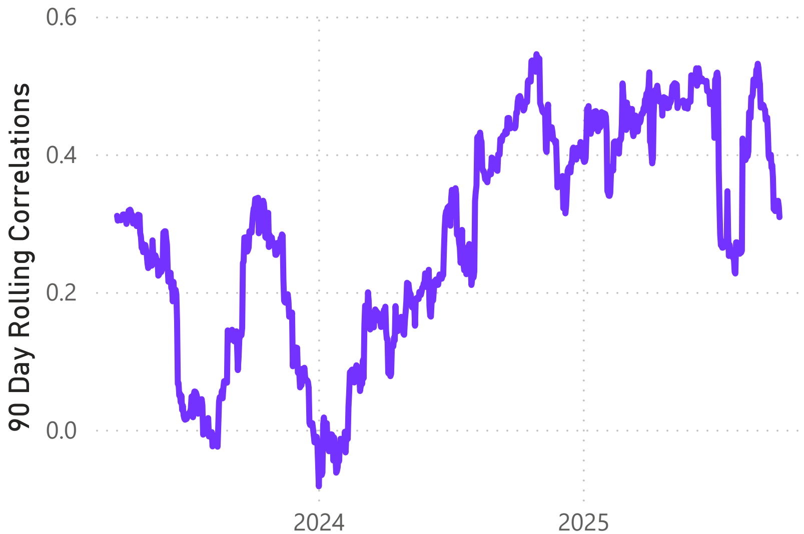
MarketVector™

	Bitcoin Benchmark Rate	Smart Contract Platforms	Coinbase 50	DeFi	Infrastructure Applicatio...	Centralized Exchanges	Media & Entertainment	MemeCoin
Bitcoin Benchmark Rate	1	0.64	0.6	0.58	0.56	0.54	0.52	0.5
Smart Contract Platforms	0.64	1	0.86	0.88	0.91	0.73	0.86	0.77
Coinbase 50	0.6	0.86	1	0.78	0.81	0.68	0.76	0.87
DeFi	0.58	0.88	0.78	1	0.89	0.66	0.85	0.7
Infrastructure Applications	0.56	0.91	0.81	0.89	1	0.68	0.9	0.76
Centralized Exchanges	0.54	0.73	0.68	0.66	0.68	1	0.68	0.63
Media & Entertainment	0.52	0.86	0.76	0.85	0.9	0.68	1	0.77
MemeCoin	0.5	0.77	0.87	0.7	0.76	0.63	0.77	1

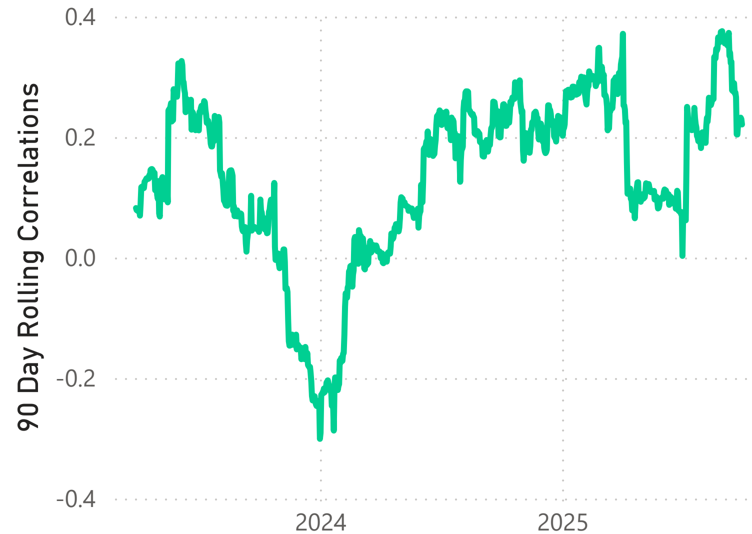
Data as of September 30, 2025

Crypto - Nasdaq Correlation

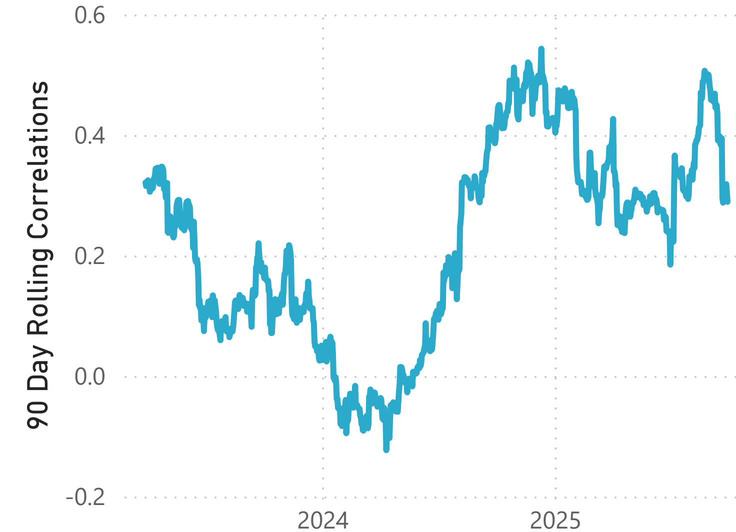
Bitcoin



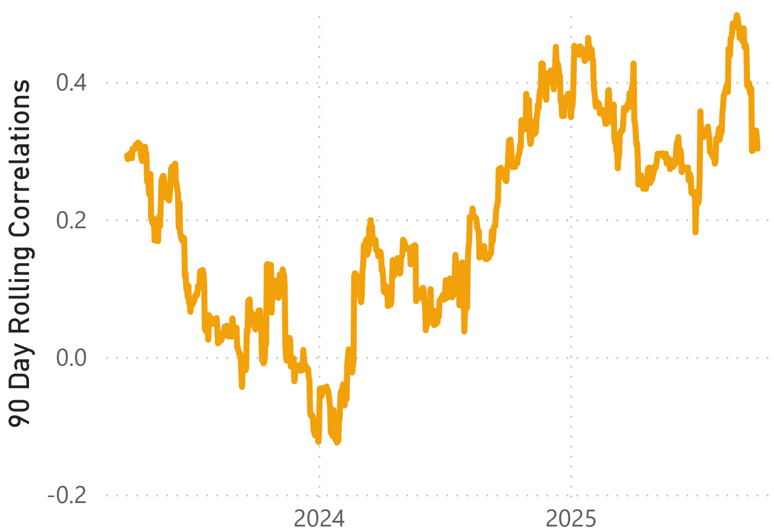
MemeCoin



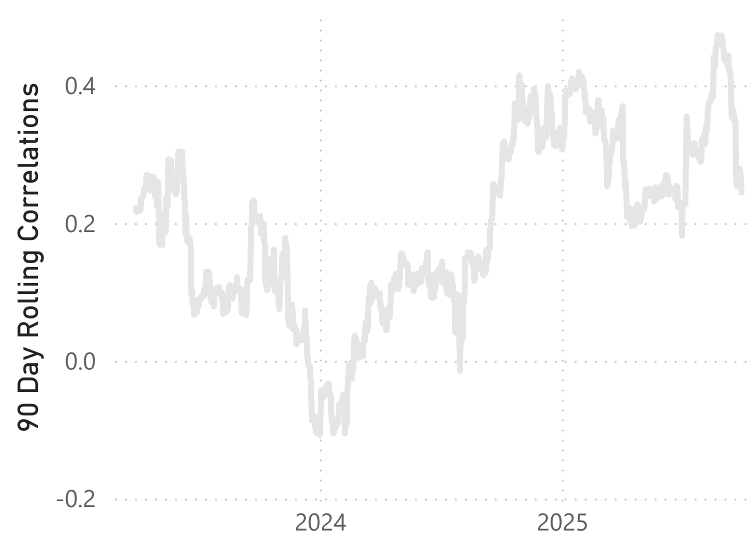
Decentralized Finance



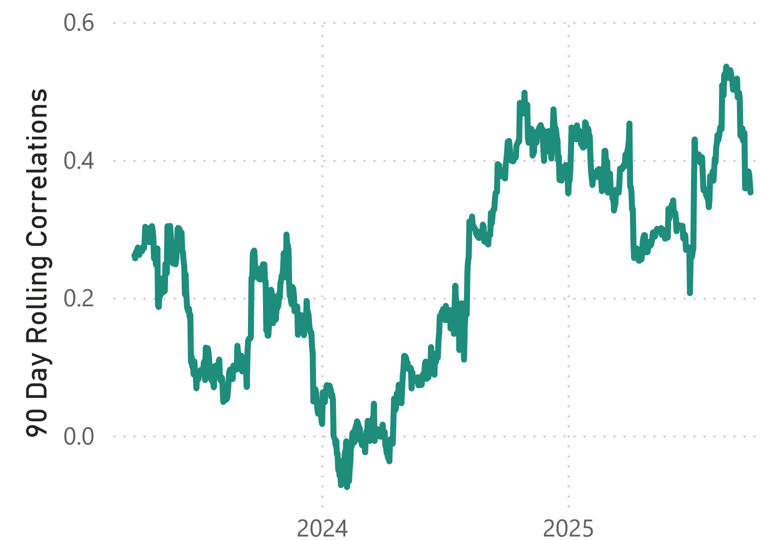
Infrastructure Applications



Media & Entertainment



Smart Contract Platforms

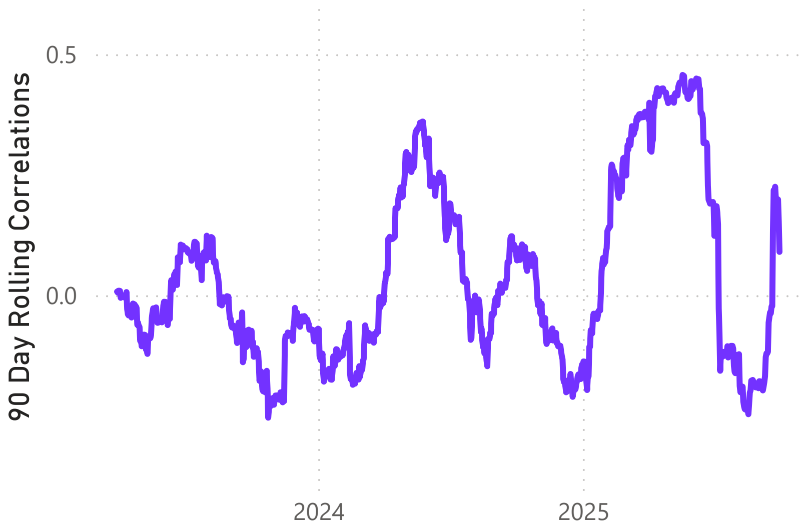


Data as of September 30, 2025

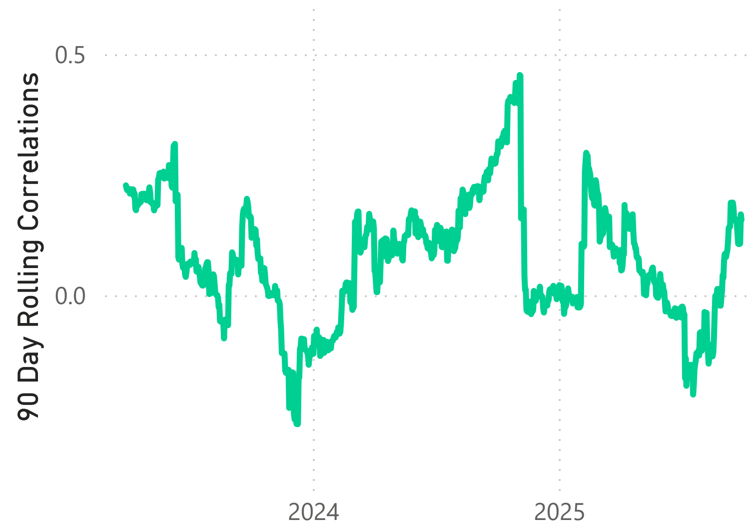
Bitcoin - Traditional Assets Correlation

MarketVector™

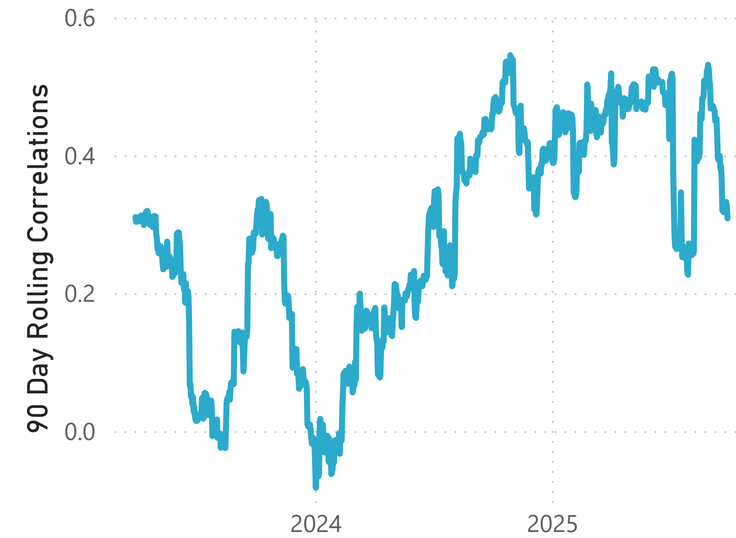
Commodities



Gold

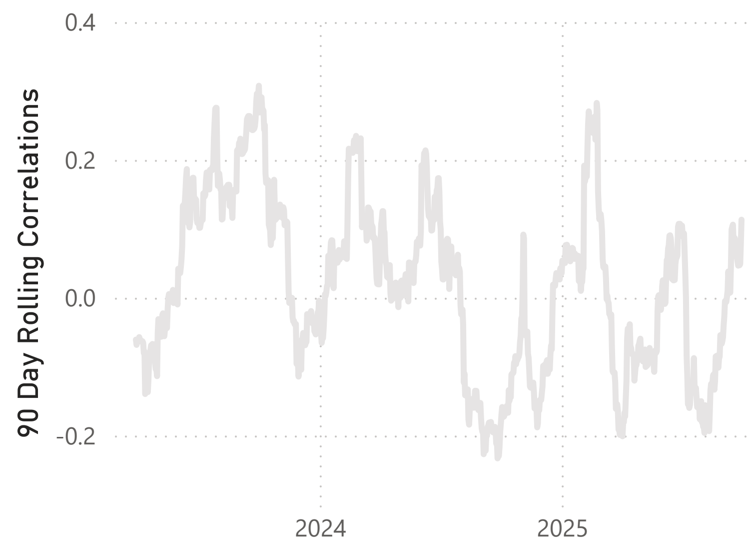


Nasdaq



Oil

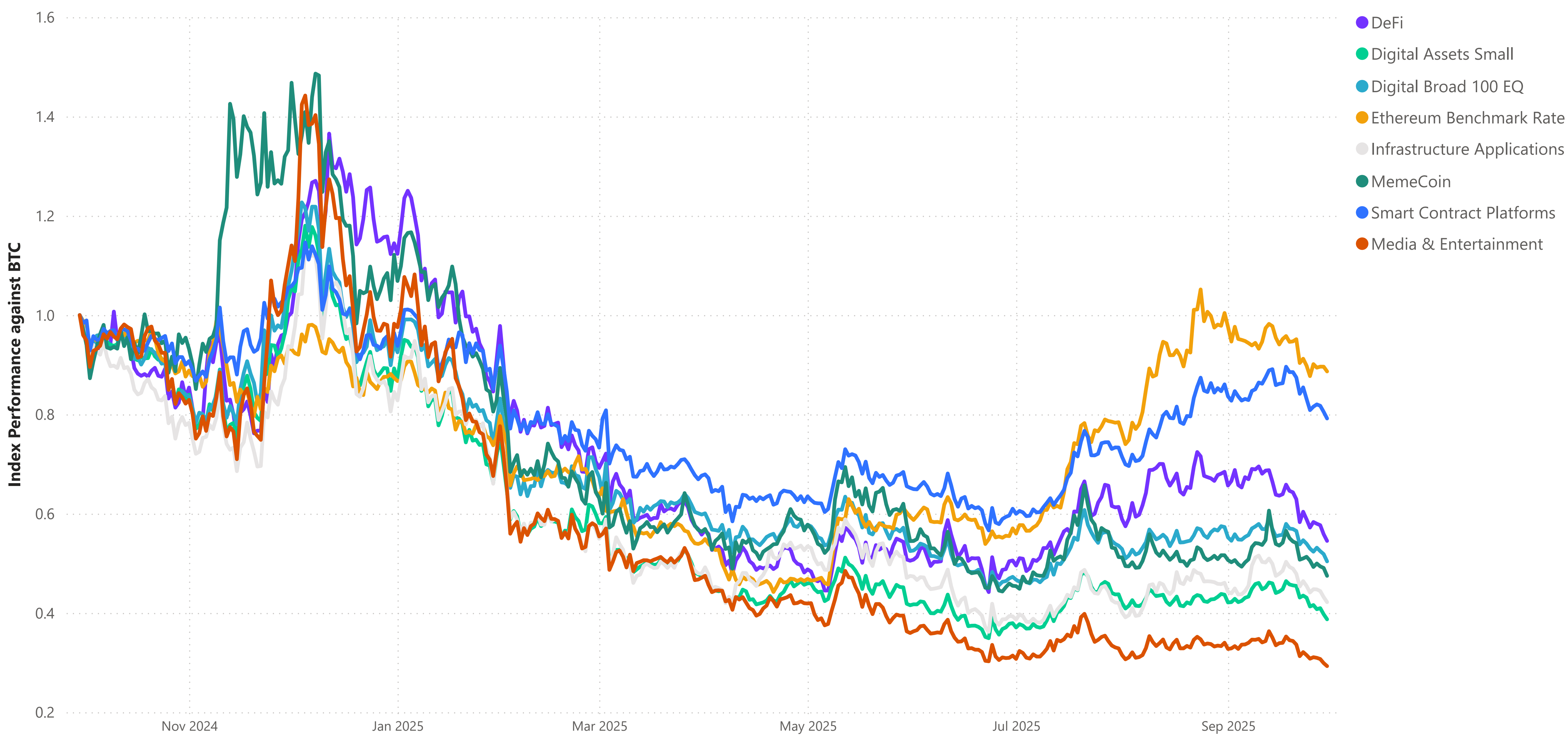
US Bonds 20Y



US Dollar

Data as of September 30, 2025

Index Performance denominated in BTC (LTM)



Data as of September 30, 2025

Cross-Asset Performance Overview (since 2021-12-31)

Asset	Last 7 Days Return	Last 30 Days Return	Last 90 Days Return	YTD Return	LTM Return	3Y Return	Max Drawdown	Sharpe Ratio
Gold	2.60%	11.76%	14.95%	46.81%	46.25%	129.82%	-21.03%	1.09
Bitcoin Benchmark Rate	2.06%	4.62%	4.15%	21.70%	79.90%	479.58%	-67.12%	0.65
Centralized Exchanges	-2.81%	-1.79%	55.22%	58.67%	166.83%	369.68%	-65.70%	0.63
Digital Assets Large	-1.16%	1.41%	13.38%	16.82%	73.97%	331.45%	-64.98%	0.49
MemeCoin	-4.97%	-3.78%	10.20%	-48.48%	-14.59%	350.52%	-83.92%	0.48
American Crypto Leaders	-2.21%	1.04%	32.74%	8.53%	116.49%	350.79%	-83.47%	0.45
Nasdaq	0.36%	5.25%	9.00%	17.44%	23.01%	127.71%	-34.83%	0.43
Digital Assets 100	-1.41%	1.02%	13.39%	13.82%	69.00%	292.25%	-66.56%	0.42
Digital Assets 5	-1.92%	-0.24%	31.93%	24.54%	83.70%	307.91%	-70.89%	0.41
Digital Assets 10	-2.18%	-0.29%	31.96%	22.37%	83.26%	306.05%	-70.61%	0.40
Ethereum Benchmark Rate	-0.80%	-7.64%	60.03%	23.49%	59.48%	206.28%	-75.70%	0.33
Commodities	-0.13%	0.88%	1.95%	5.51%	9.38%	11.61%	-29.12%	0.29
MarketVector Top 25	-4.05%	-1.18%	24.81%	-0.52%	51.41%	164.79%	-75.23%	0.19
Smart Contract Platforms	-5.42%	-3.73%	36.19%	-0.06%	42.43%	137.38%	-83.28%	0.11
Infrastructure Applications	-7.25%	-4.23%	10.59%	-39.28%	-24.12%	17.82%	-82.82%	0.02
DeFi	-7.87%	-16.66%	11.25%	-42.04%	-1.93%	4.78%	-82.95%	-0.02
Digital Assets Mid	-6.21%	-8.03%	16.45%	-20.69%	18.16%	11.71%	-82.81%	-0.08
Digital Broad 100 EQ	-5.90%	-8.01%	13.34%	-35.01%	-9.35%	16.70%	-76.34%	-0.14
Digital Assets Small	-9.15%	-7.25%	6.85%	-47.20%	-30.34%	-31.94%	-86.81%	-0.33
US aggregated Bonds	-0.08%	0.79%	1.60%	3.46%	-0.71%	11.43%	-16.61%	-0.75
Media & Entertainment	-6.91%	-9.87%	-5.67%	-63.72%	-47.30%	-86.24%	-97.93%	-0.80

Data as of September 30, 2025

Post US-Election Cycle Monitor (Bitcoin)

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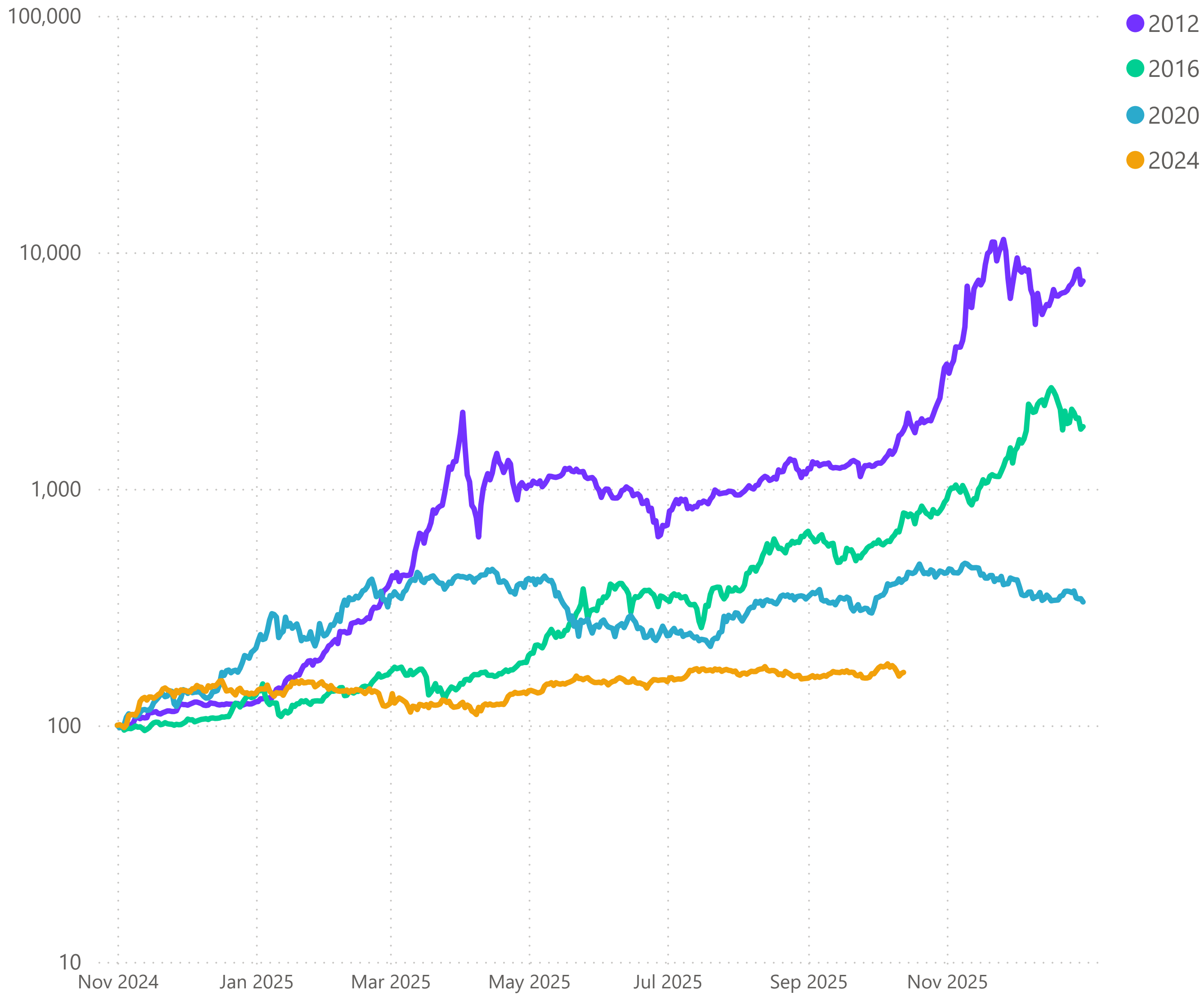
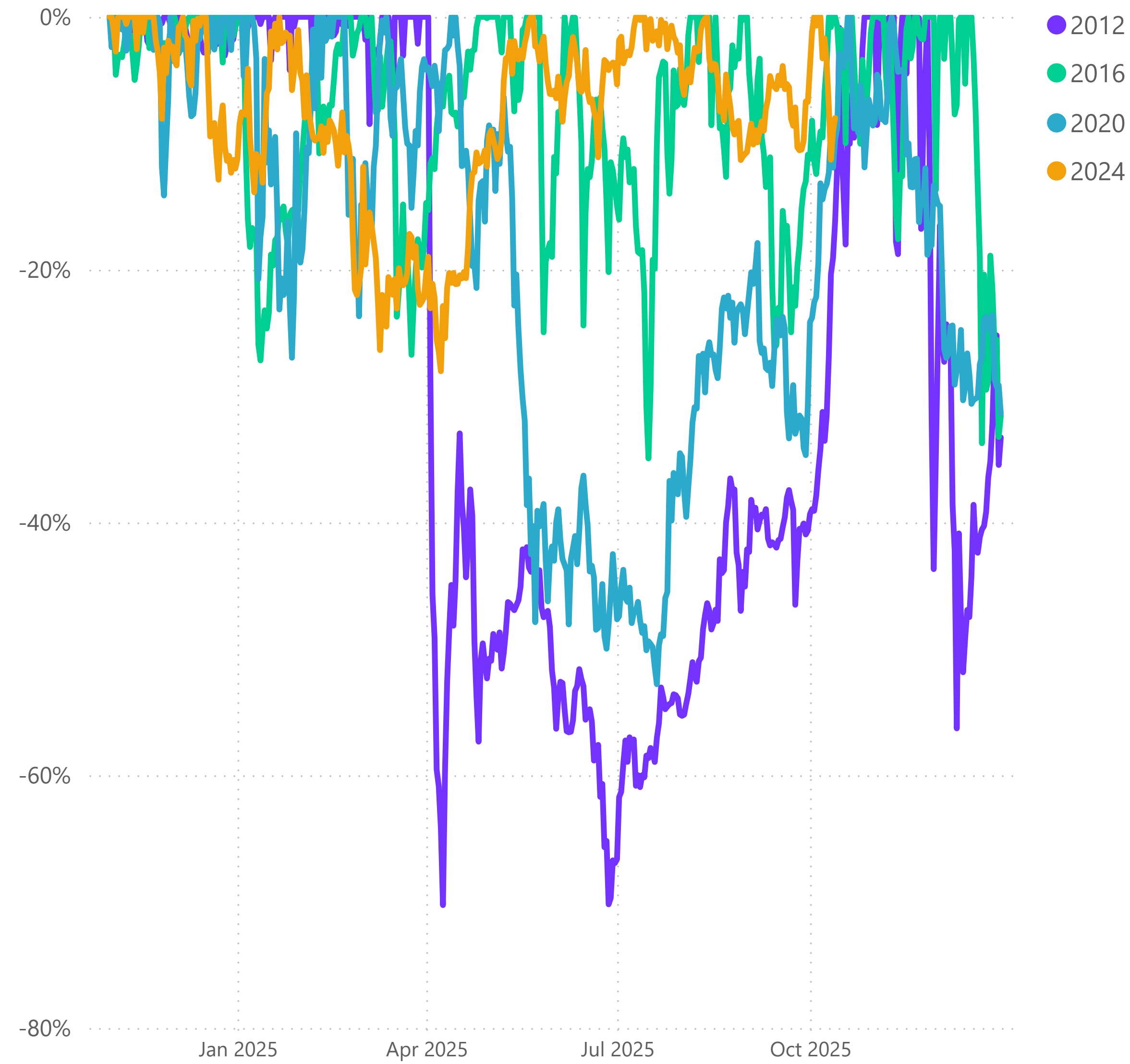
Performance



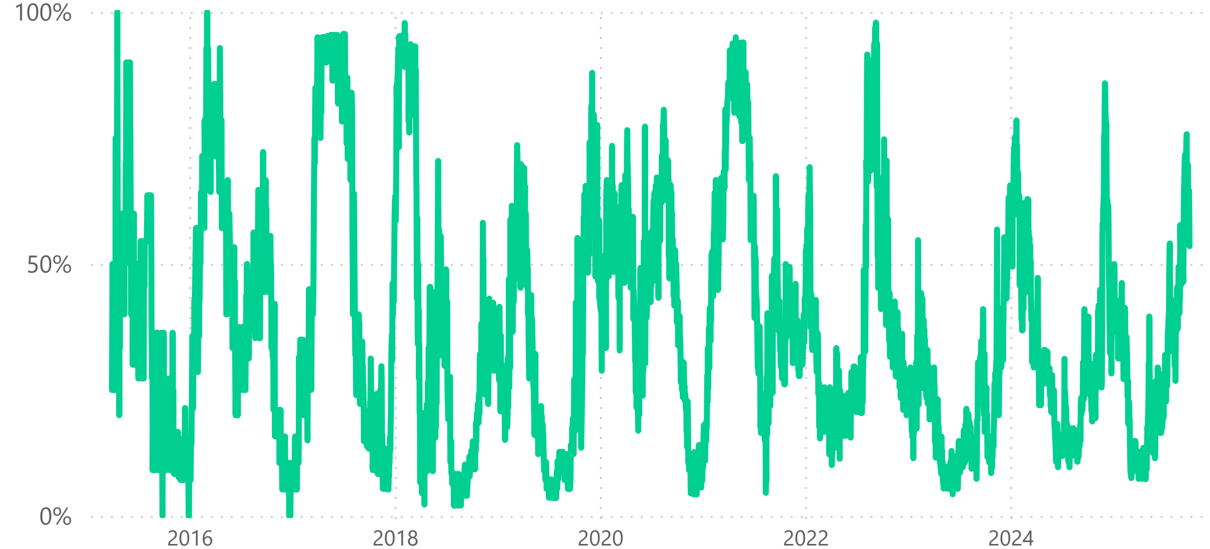
Drawdowns



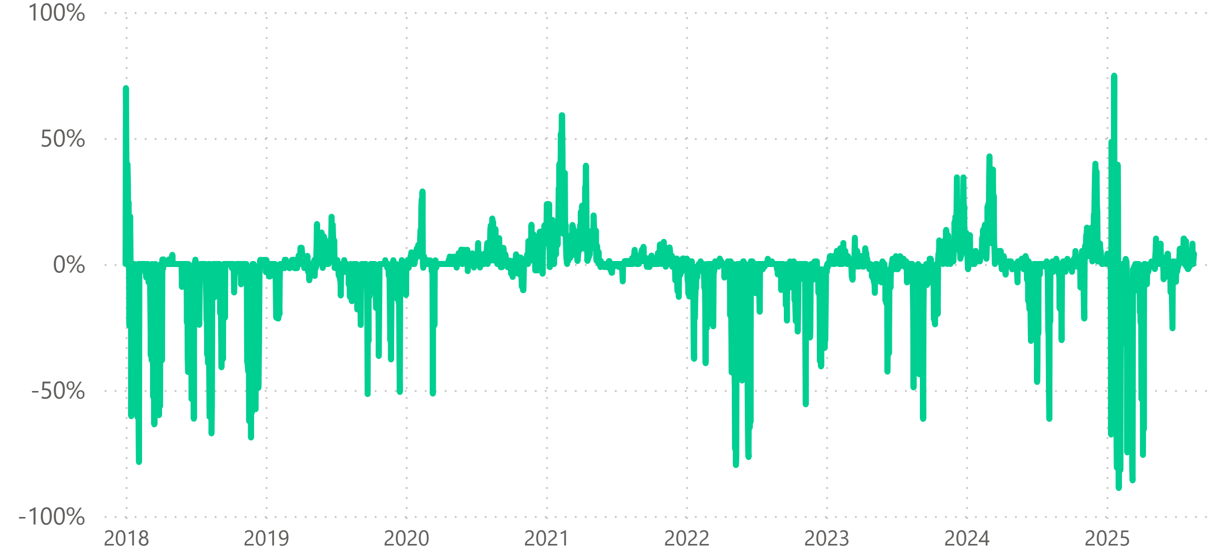
Data as of September 30, 2025

Crypto Indicator Suite

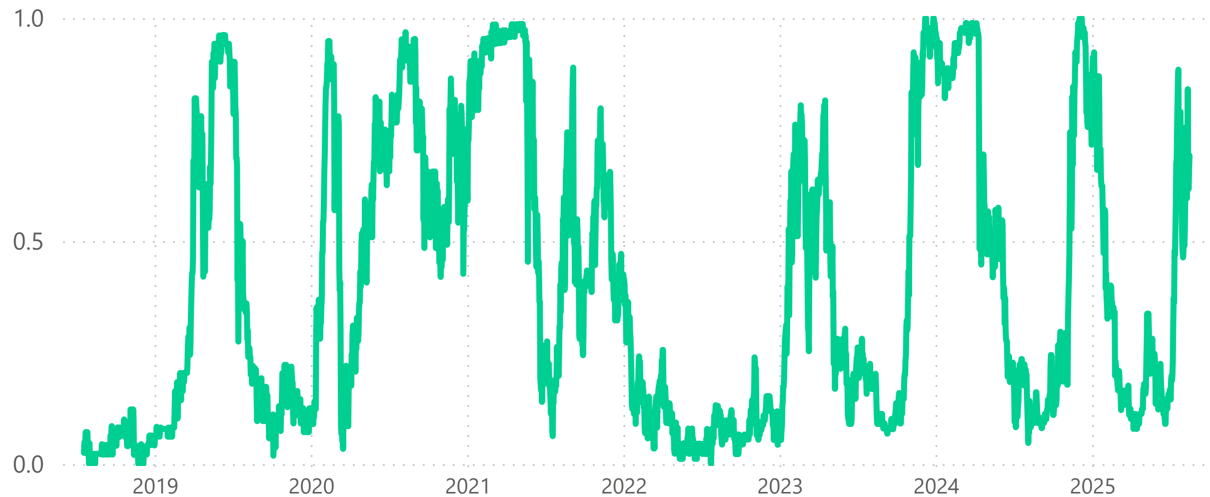
% of Assets outperforming Bitcoin - 90D



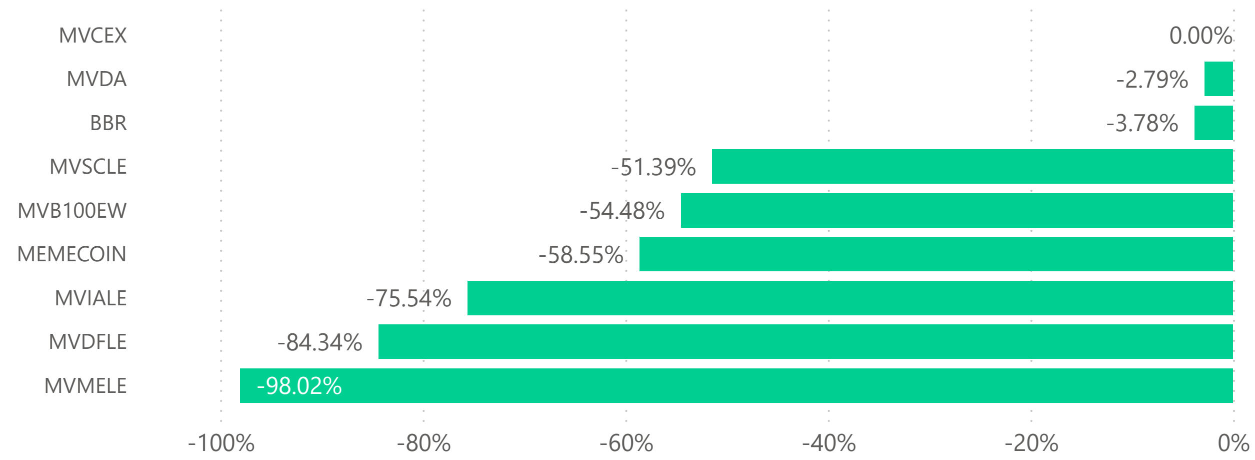
New Highs / Lows - 200D



% of Coins above Moving Average - 200D



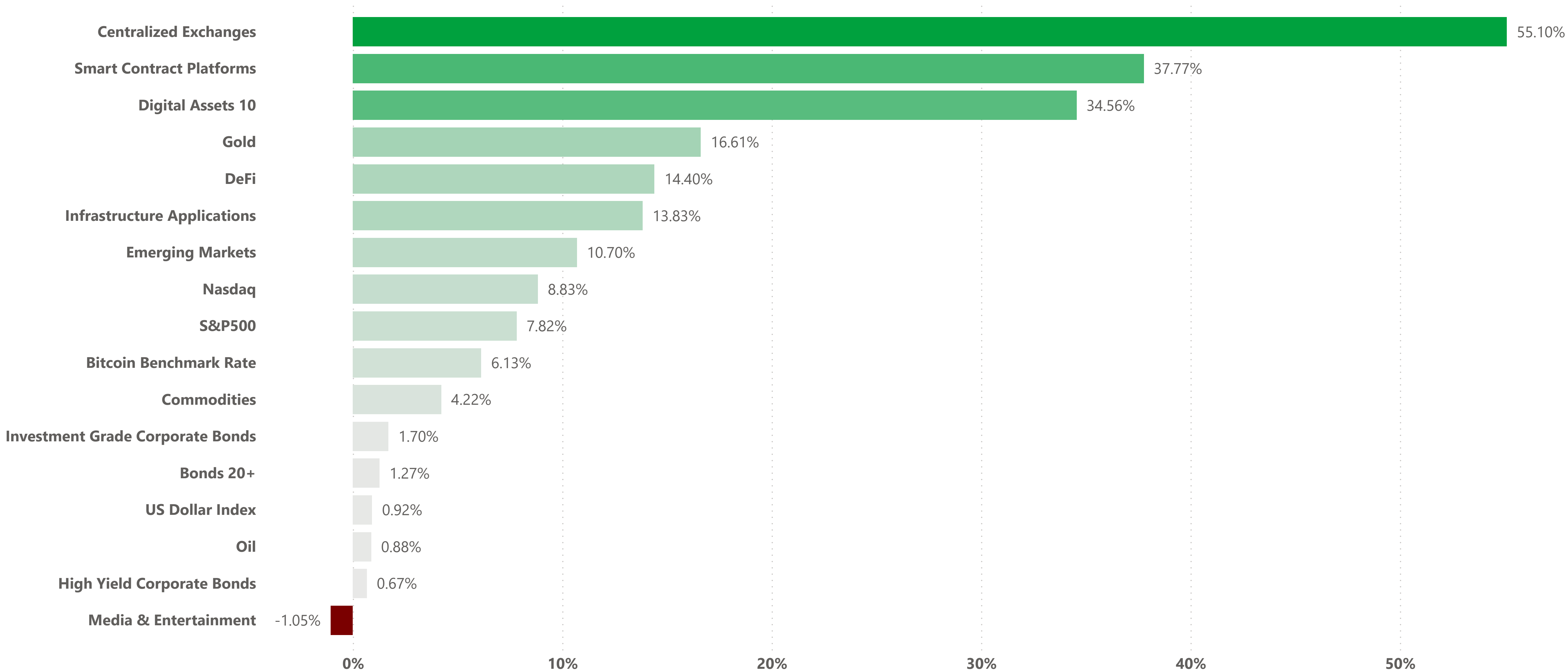
% down from All Time High - Crypto Sectors



Data as of September 30, 2025

Digital Assets vs Traditional Assets

Quarterly Return Comparison



Data as of September 30, 2025

Index Short Names Directory

MarketVector™

Crypto

Ticker	Name
AGG	US aggregated Bonds
BBR	Bitcoin Benchmark Rate
COIN50	Coinbase 50
EBR	Ethereum Benchmark Rate
MAGA10	American Crypto Leaders
MEMECOIN	MemeCoin
MVB100EW	Digital Broad 100 EQ
MVCEX	Centralized Exchanges
MVDA	Digital Assets 100
MVDA10	Digital Assets 10
MVDA25	MarketVector Top 25
MVDA5	Digital Assets 5
MVDALC	Digital Assets Large
MVDAMC	Digital Assets Mid
MVDASC	Digital Assets Small
MVDFLE	DeFi
MVETHTR	MarketVector Figment Ethereum Total Return
MVIALE	Infrastructure Applications
MVMELE	Media & Entertainment
MVSCLE	Smart Contract Platforms
MVTT10F	Token Terminal Fundamental
MVTT10M	Token Terminal Cap Weighted
STKR	Ethereum Staking Reward Rate

TradFi

Ticker	Name
DAPP	Digital Assets Equity
DX-Y.NYB	US Dollar Index
EEM	Emerging Markets
GLD	Gold
GSG	Commodities
HYG	High Yield Corporate Bonds
LQD	Investment Grade Corporate Bonds
MVDAPP	Digital Assets Equity
QQQ	Nasdaq
SPY	S&P500
TLT	Bonds 20+
USO	Oil

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