



21Shares ByteTree

# BOLD ETP (BOLD SW)

JUNE 2025

## **BOLD invests in Bitcoin and Gold.**

BOLD combines the world's two most liquid alternative assets on a risk-adjusted basis. Due to their natural low correlation, an excess return of circa 5% p.a. over the long term has been generated as Bitcoin has matured. This is a key feature of this asset pairing that has also led to higher risk-adjusted returns.

For more information on how BOLD is constructed, [please visit our website.](#)



# Legal Disclaimer

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# ByteTree Research: Expertise in Multi-Asset Portfolios

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- ByteTree is an investment research company specialising in multi-asset portfolios.
- Top down and bottom up, value-driven approach.
- Embraces alternative assets such as commodities and digital.



# 21Shares - World's Largest Provider of Digital Asset ETPs

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- 21Shares is a technology company that creates financial on-ramps to invest, trade, and secure digital assets.
- Private Investors and institutions can use our products to get exposure to digital assets in a simple, safe, and easy way using your conventional broker and bank.
- 21Shares AG is based in Zurich, Switzerland. With its traditions of international neutrality, national sovereignty and regulatory stability, we believe this is the best jurisdiction in the financial world. You can count on Switzerland's privacy, neutrality, and stability when making your crypto investments.
- Founded 2018.

21SHARES

46 ETPs

Listed on 10+ Exchanges

\$9.4 Billion USD

In Assets Under Management



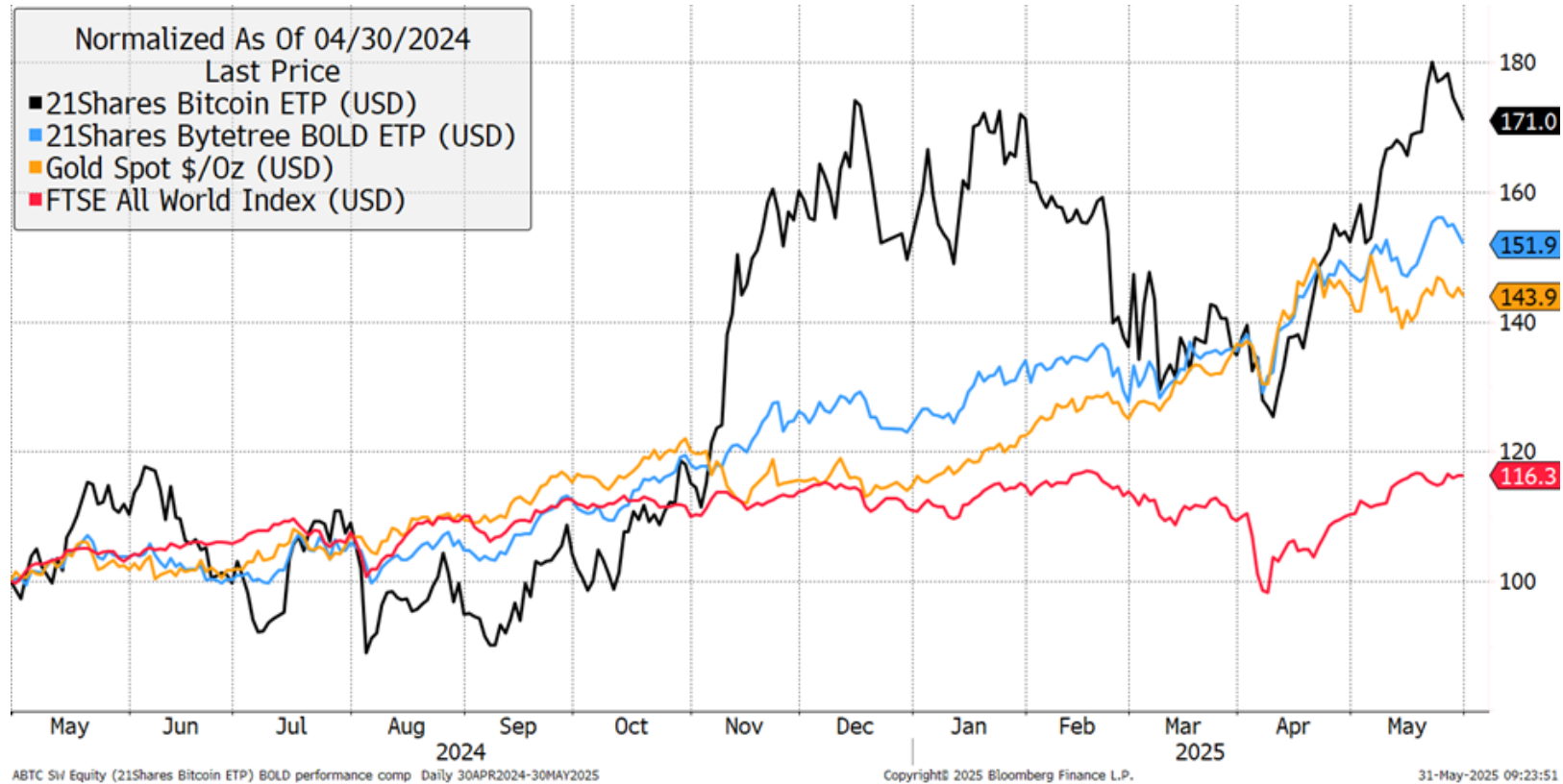


# BOLD Monthly Rebalancing

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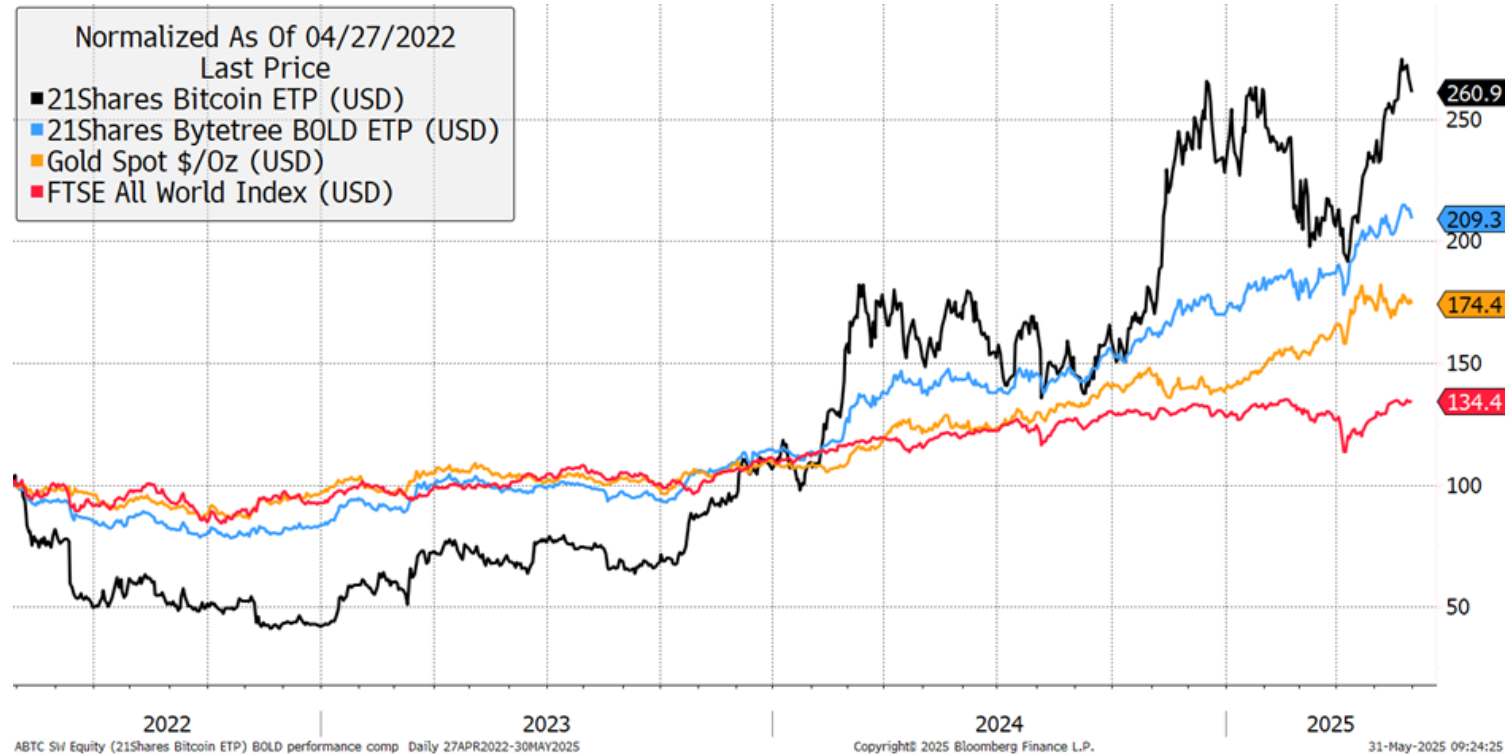
- The **21Shares ByteTree BOLD ETP (BOLD)** invests in Bitcoin and Gold. BOLD combines the world's two most liquid alternative assets on a risk-adjusted basis. Due to their naturally low correlation, the diversification benefits of holding both assets have been unusually high. Bitcoin prefers risk-on market conditions, while Gold prefers risk-off.
- Following rebalancing on 30th May 2025, the new target weights for the BOLD Index are 29.8% Bitcoin and 70.2% Gold, a 1.7% increase for Bitcoin over the previous month. Once again, as Bitcoin's volatility remains stable and Gold's volatility increases, the BOLD Index has increased exposure to Bitcoin at the expense of Gold. This is Bitcoin's highest-ever target weight in the history of the BOLD Index.
- The target weights last month were 28.1% and 71.9% (Bitcoin to Gold). Price changes over the month led to the last day's weights at 30.9% Bitcoin and 69.1% Gold. This means the latest rebalancing has seen 1.1% added to Gold and reduced from Bitcoin to meet the new target weights.

# BOLD vs Global Equities – Past Year



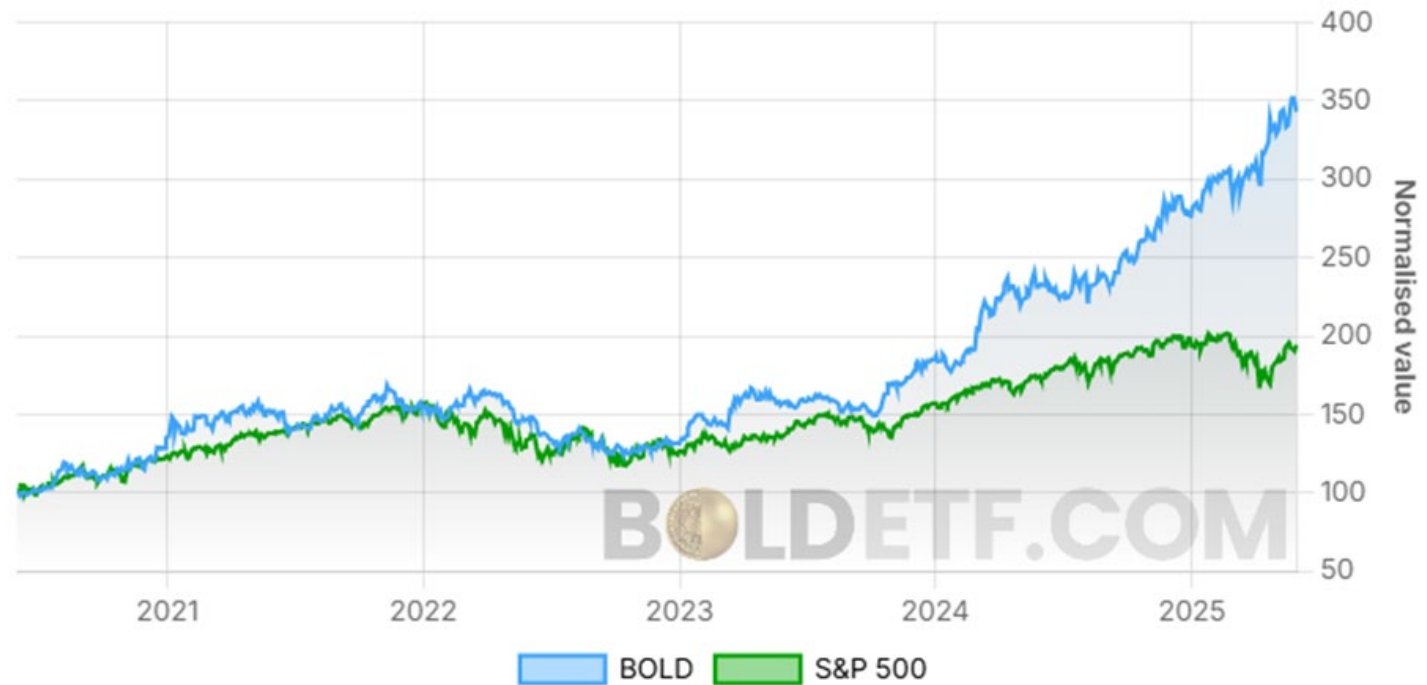
Source: Bloomberg

# BOLD vs Global Equities – Since Inception 27 April 2022



# BOLD vs S&P 500 – Five Years

**BOLD vs S&P 500**





# Bitcoin + Gold = BOLD

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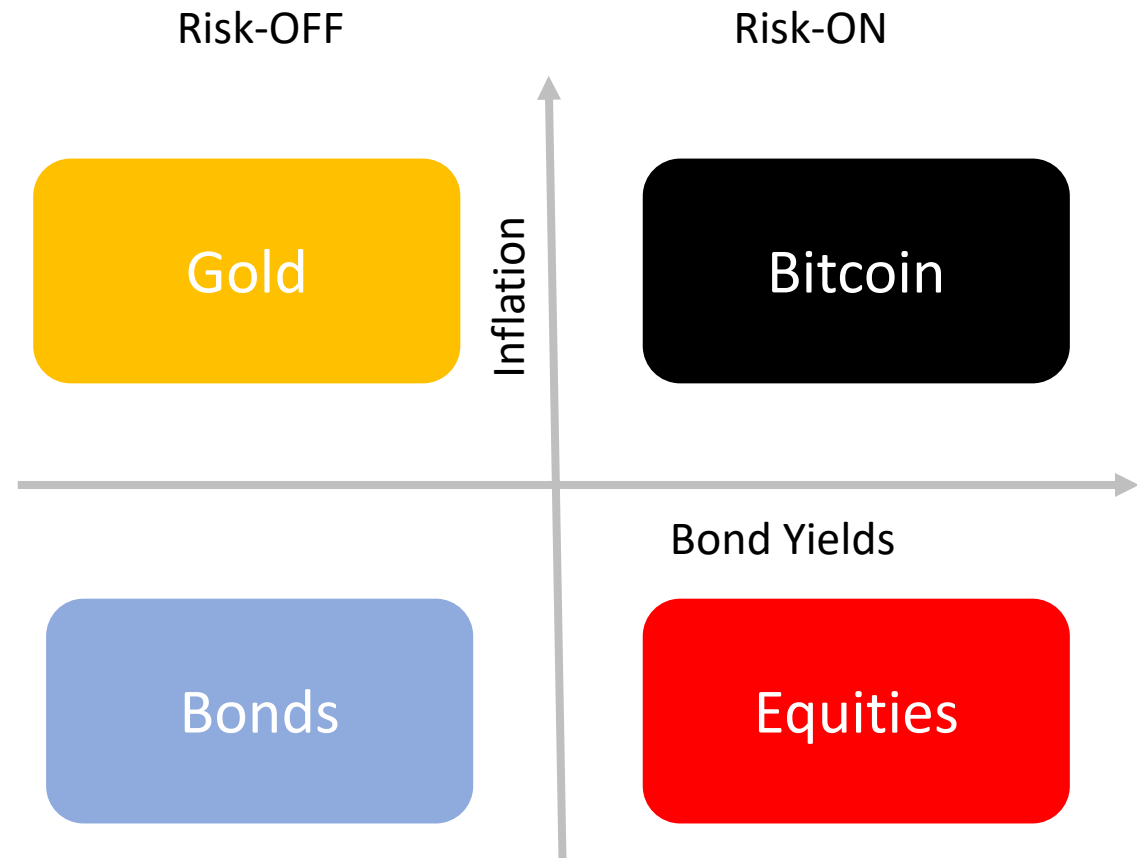
- Limited supply makes Bitcoin and Gold a natural pairing.
- The two most liquid alternative assets.
- Gold is stable, and Bitcoin is volatile.
- Risk-weighting using inverse volatility.
- Monthly rebalancing transactions can add 5% or more p.a.

***“I would take the gold...  
I would like to sprinkle  
a little bit of bitcoin into  
that mix too.”***

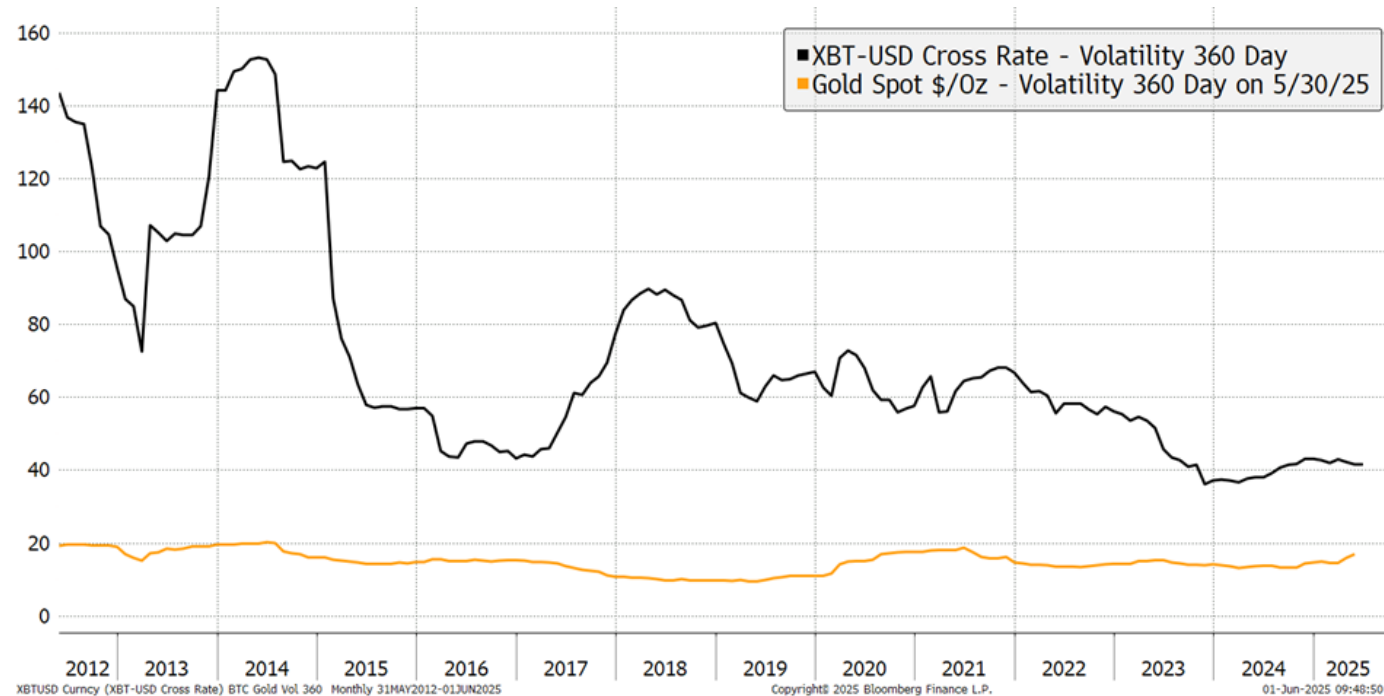
**Ray Dalio**  
Bridgewater Associates

# Asset Allocation in Macro Environments

- Bitcoin and Gold are positively correlated with inflation.
- Gold outperforms when real interest rates are falling.
- Bitcoin outperforms during a risk-on environment, normally when rates are rising.



# Bitcoin and Gold – Historical Volatility



Source: Bloomberg

# Volatility Is the Tool Used to Equalise Risk

## Inverse Volatility Weights

	Volatility over past 360 days (v)	Inverse volatility (1/v)	Calculation	Weight
Bitcoin	39.2%	2.55	$2.55/8.57$	29.8%
Gold	16.6%	6.02	$6.02/8.57$	70.2%
		$2.55 + 6.02 = 8.57$		

• Higher volatility leads to a lower weight  
• If the assets' volatility was the same, the weights would be 50/50

- 360-day realised volatility captures the asset's risk.
- Bitcoin volatility has historically been high but has been structurally falling.
- Using inverse volatility, asset allocation is risk-weighted.

# BOLD – Historical Monthly Target Weights

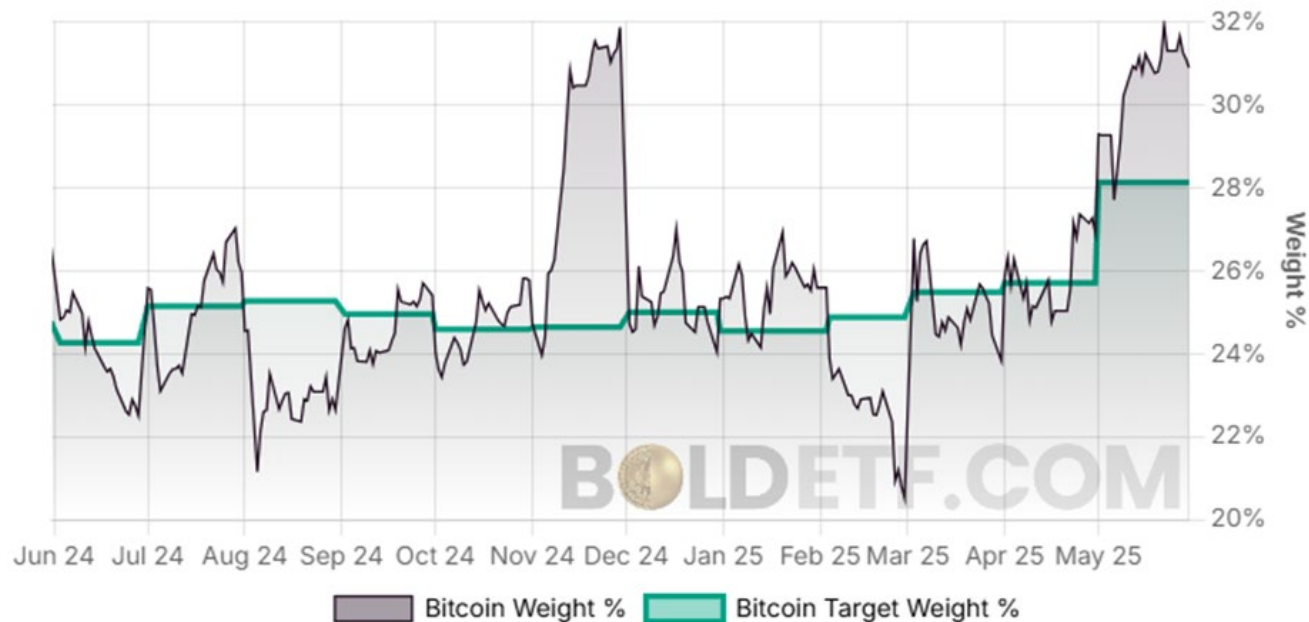


- Highest Bitcoin weight when volatility is low and vice versa.
- Low Bitcoin exposure in late 2017 and 2018 when volatility was high.
- Bitcoin volatility is structurally falling.
- Gold weight is the residual, as the volatility is more stable.



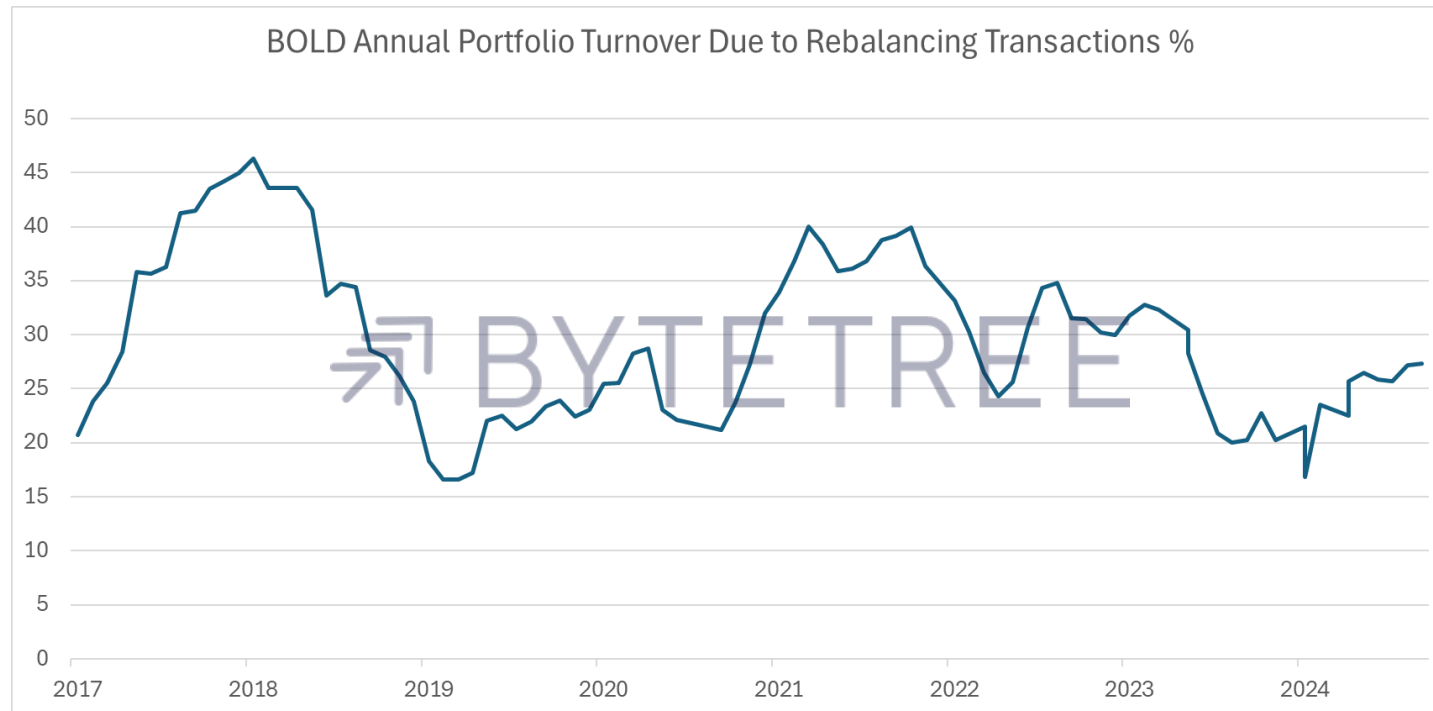
# BOLD – Bitcoin Daily Weights

**Bitcoin Daily Weight**



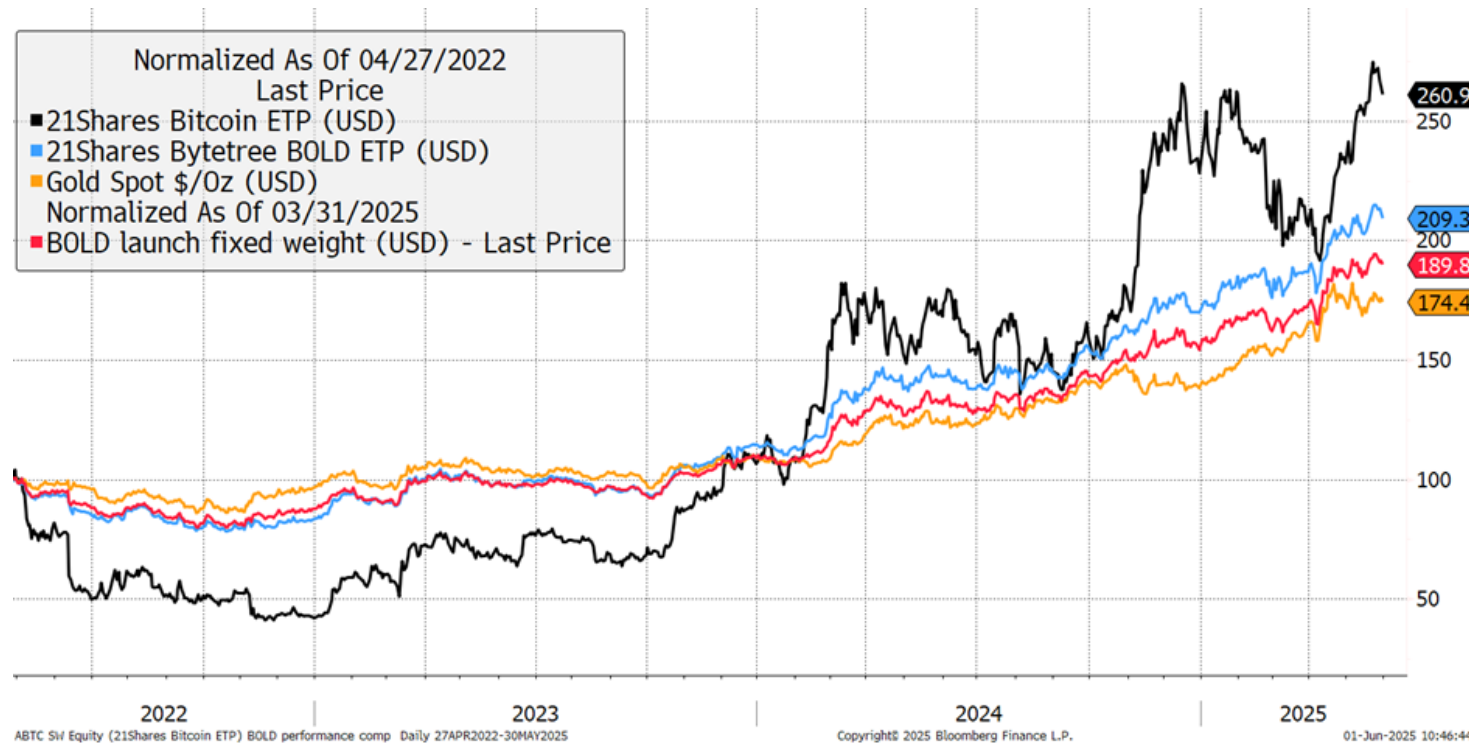
- Daily weights are more volatile as they respond to changes in Bitcoin and Gold prices.
- Rebalancing reduces the asset that appreciated and boosts the laggard.
- Highest Bitcoin exposure 33%, lowest 6%.

# BOLD – Annual Turnover from Rebalancing Transactions



- Annual turnover from rebalancing transactions ranges between 20% to 45%.

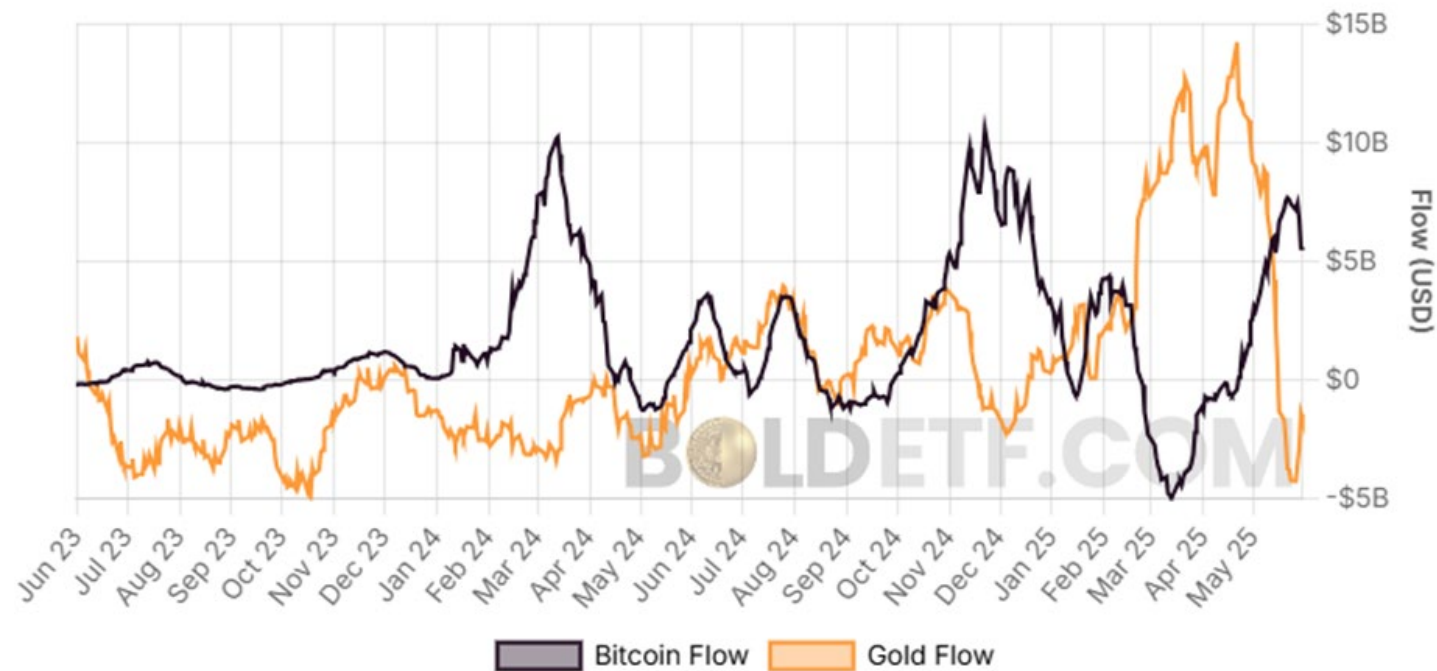
# BOLD – Excess Return from Rebalancing



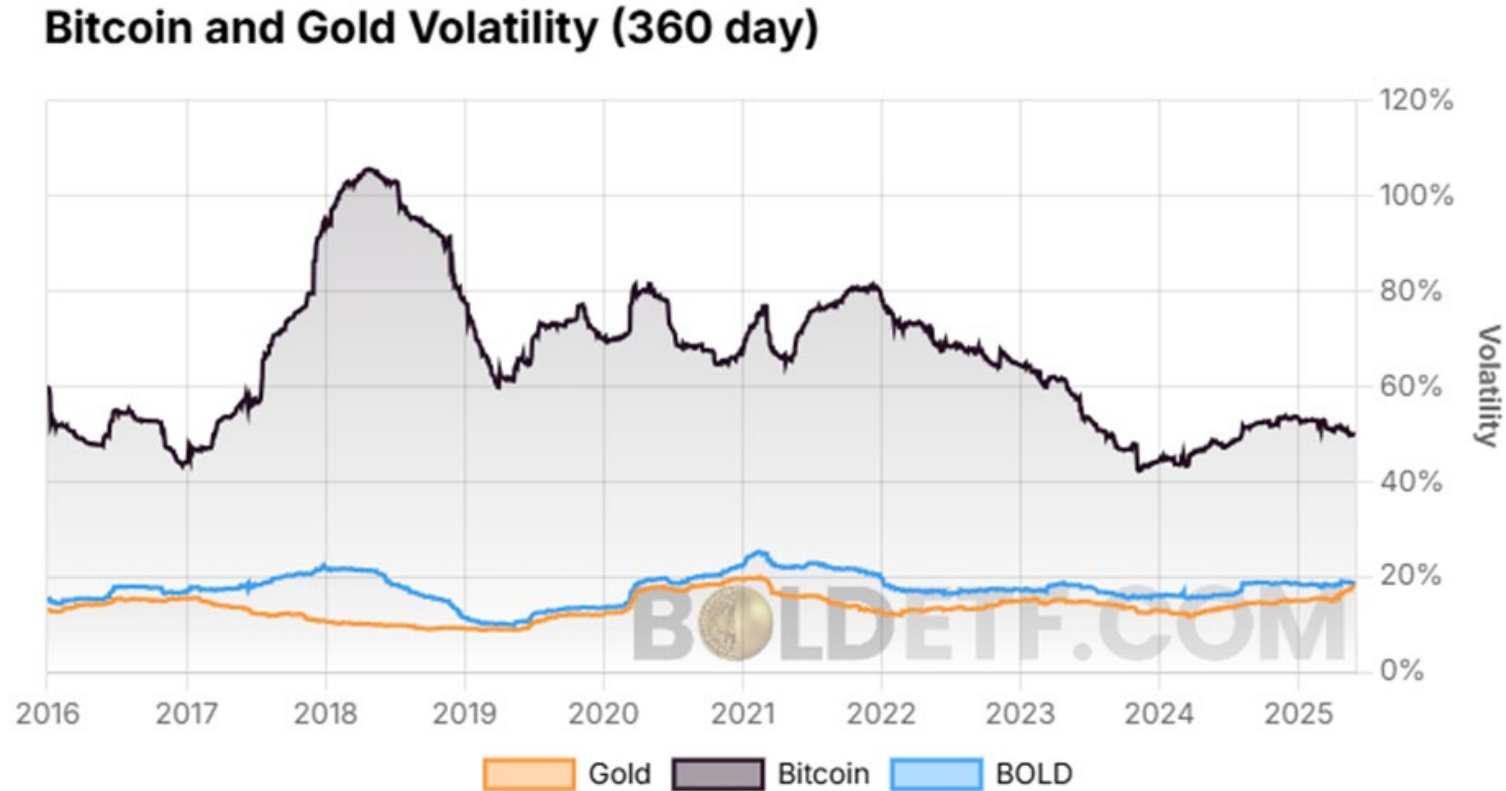
- Red line denotes start weight with no rebalancing transactions and no fees
- Blue line for BOLD includes fees
- Excess return of 19.5% over three years

# Bitcoin and Gold ETF Flows - Natural Negative Correlation

Bitcoin/Gold ETF Inflows - USD (30 day)



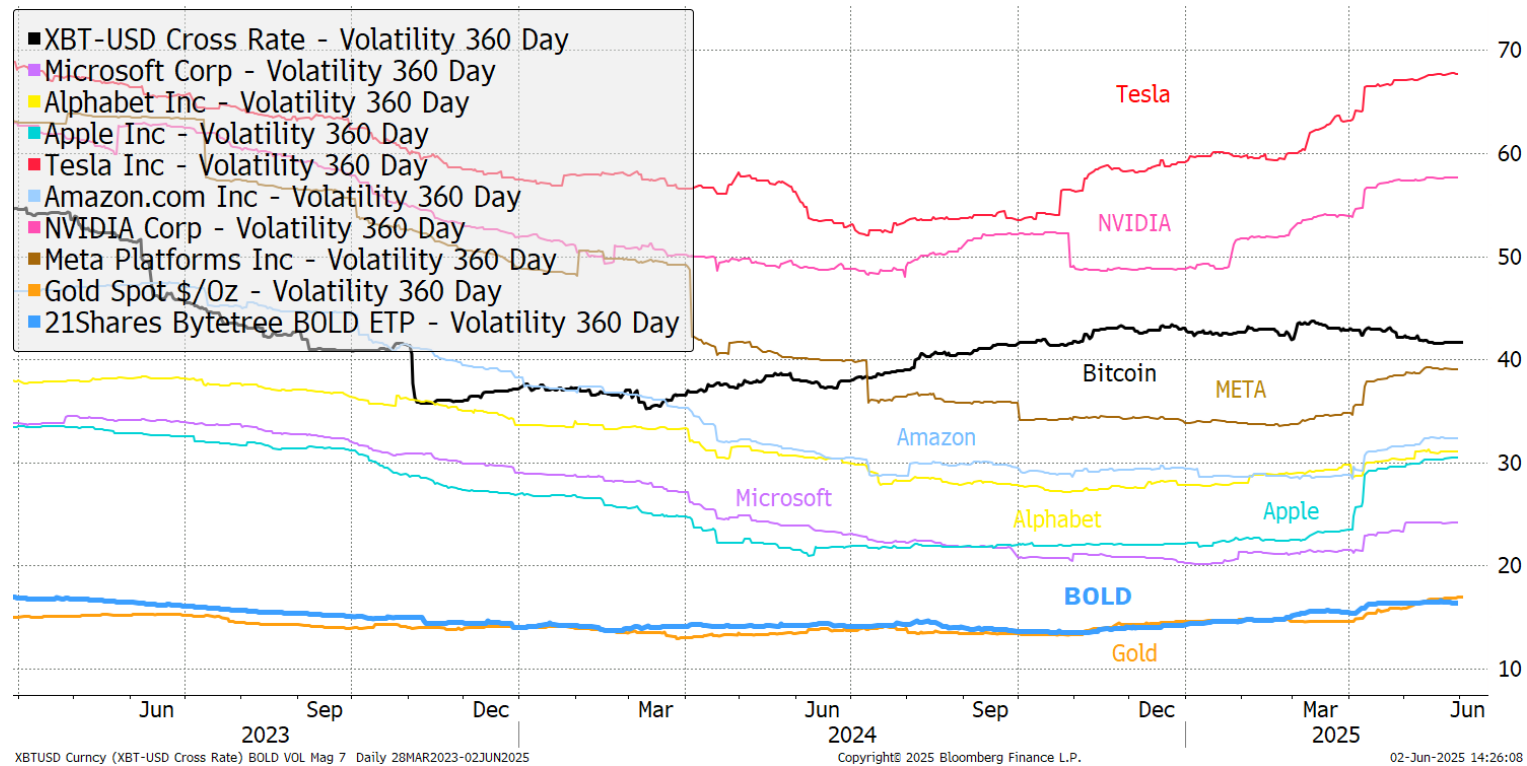
# Volatility: Bitcoin and Gold



Source: [BOLDET.F.com](https://boldef.com)



# Volatility: Magnificent 7 and BOLD



Source: Bloomberg

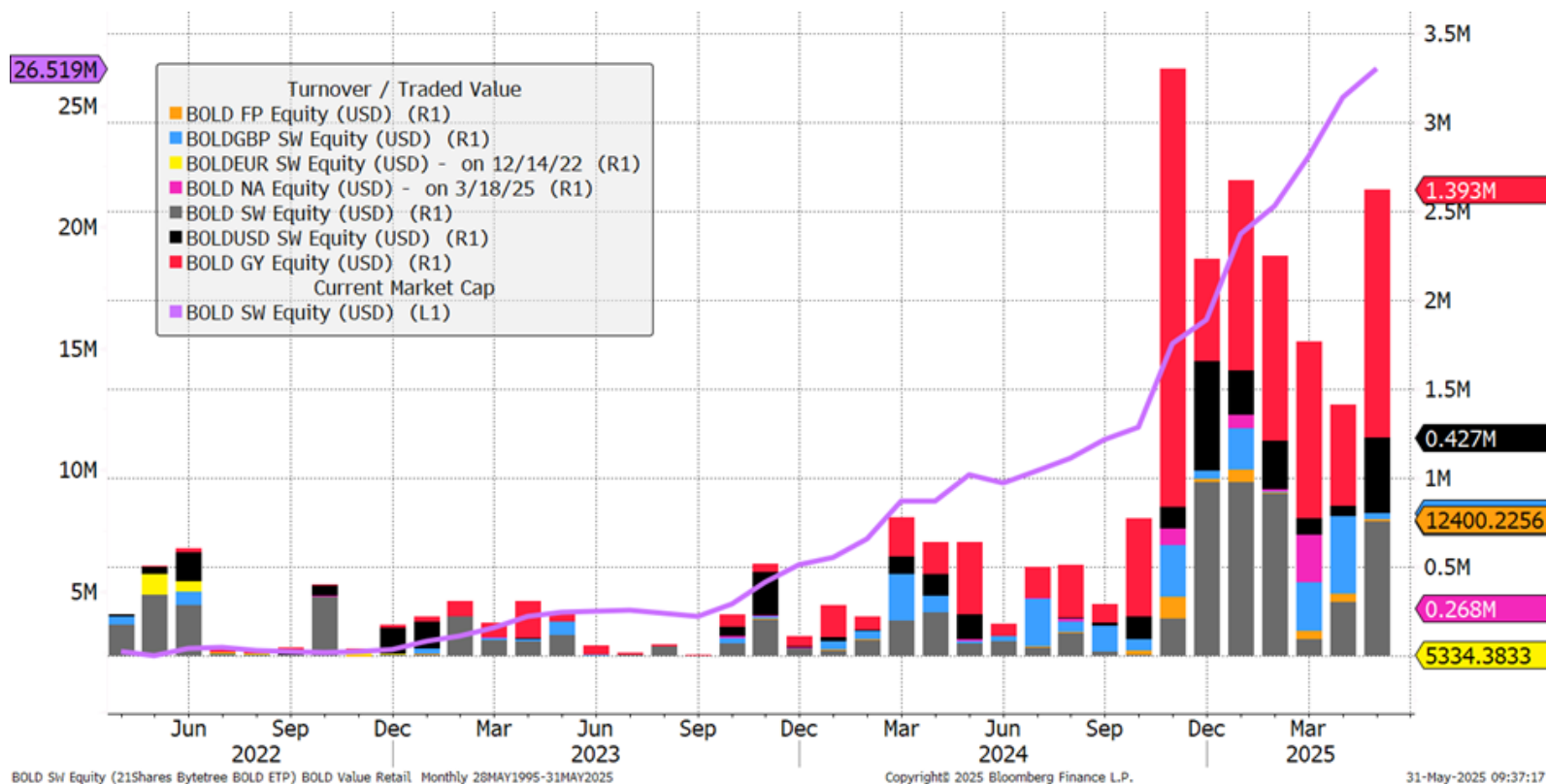
# Risk-Adjusted Returns

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	IRR %	Volatility %	Sharpe
<b>Bitcoin</b>	32.6%	61.9%	0.53
<b>Gold</b>	10.9%	14.4%	0.76
<b>BOLD</b>	20.5%	17.4%	1.18

*Data from 1 January 2018 to 31 December 2024*

# 21Shares ByteTree BOLD ETP with Volumes in USD



Source: Bloomberg

# BOLD ETF Fund details

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<b>Issuer</b>	<a href="#">21Shares AG, Switzerland</a>
<b>Launch date</b>	27 April 2022
<b>Fee</b>	0.65% per annum
<b>Assets Under Management</b>	\$26.5 million
<b>Custody</b>	Copper Technologies (Swiss) for Bitcoin, JP Morgan for Gold
<b>Investment Objective</b>	Risk-weighted Bitcoin and Gold Exposure
<b>Benchmark</b>	<a href="#">Kaiko ByteTree BOLD Index</a>
<b>Rebalancing Frequency</b>	Monthly
<b>ISIN, SEDOL, WKN</b>	CH1146882308, BK81V89 CH, A3GYXW
<b>Tickers SIX</b>	BOLD SW, BOLDUSD SW, BOLDEUR SW, BOLDGBP SW
<b>Tickers other</b>	BOLD GY, BOLD FP, BOLD NA
<b>Listings</b>	Switzerland, Germany, France, Netherlands
<b>Currency</b>	USD, EUR, CHF, GBP

# Summary

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- BOLD combines Bitcoin and Gold on a risk-weighted basis.
- Bitcoin is the most established and liquid digital asset, representing technology.
- Gold is the historical store of value, representing commodities.
- Monthly rebalancing transactions adjust the weights of each asset, and capture value from uncorrelated volatility.
- Expected inflation protection with long-term capital growth.

***BOLD rebalances Bitcoin and Gold exposure on a monthly basis, resulting in superior risk-adjusted returns compared to both assets held in isolation.***



# More Information and Contact Us

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**ETF**

[21Shares.com](https://www.21Shares.com)

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