

Bitcoin can have a role in the modern portfolio

Bitcoin and other cryptocurrencies are electronic-only money that acts as a digital store of value with diversification potential for many investors.

Talking points

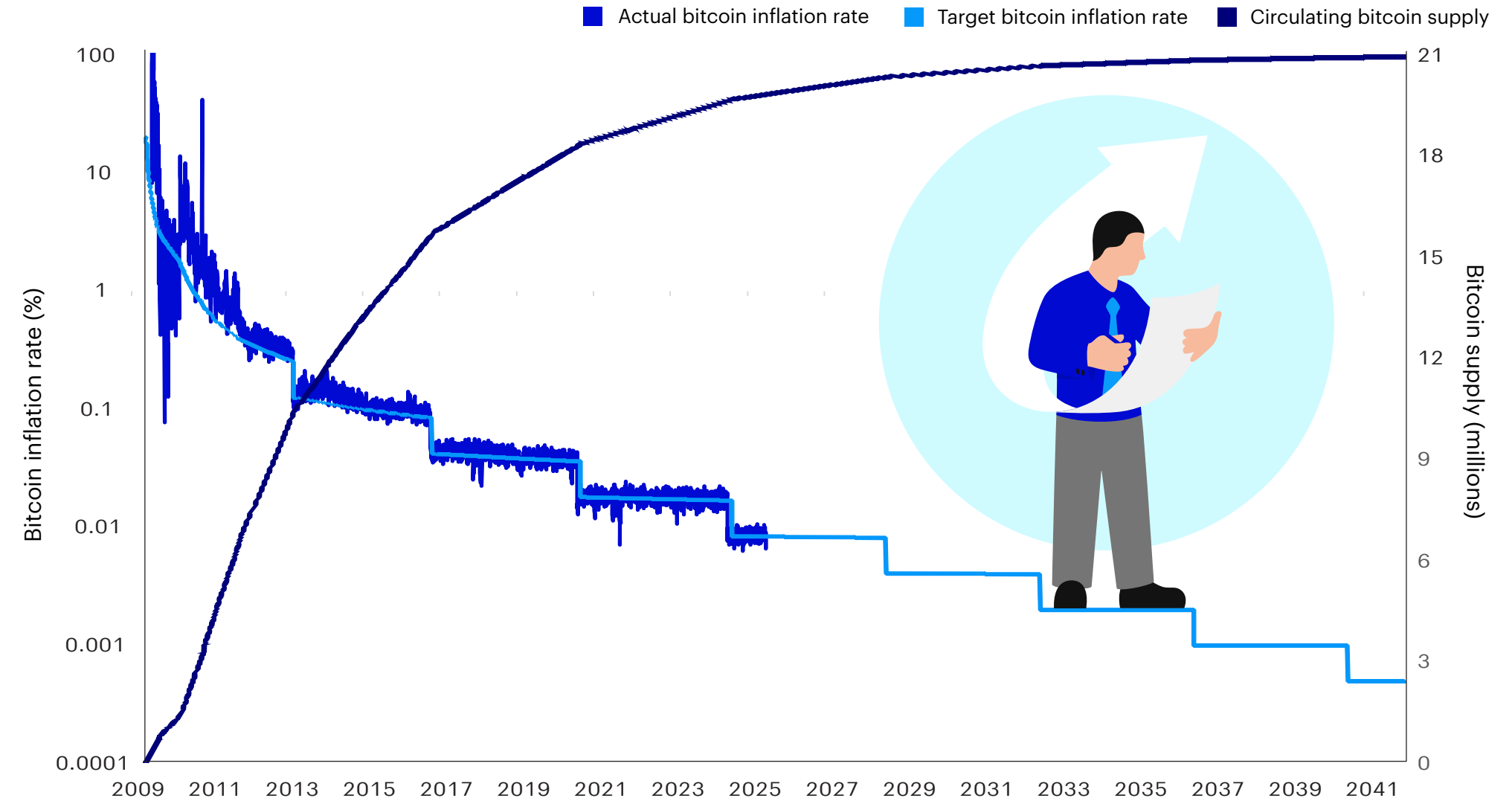
- 1** Bitcoin can be seen as a store of value because it's scarce and not controlled by a single entity.
- 2** Bitcoin's unique qualities may help it diversify a portfolio.
- 3** Bitcoin has become more accessible to investors, which further regulatory progress could expand.

Proof points

- **Scarce:** Bitcoin is a digitally enforced scarce asset. While only 21 million bitcoins will likely ever exist, that hard cap can change, at least in theory.
- **Unchanging:** While bitcoin's price can be volatile, its fixed supply stands in contrast to fiat currencies like the dollar, which can be inflated through central bank policy.
- **Shielded:** Bitcoin is shielded by a decentralized network, so no central authority to date has been able to alter its issuance or ledger.
- **Reliable:** Bitcoin's network has operated 99.99% of the time since its launch in 2009. This despite market crashes, regulatory pressures, and attacks.

Bitcoin can be seen as a store of value because it's scarce and not controlled by a single entity

Bitcoin inflation rate vs. bitcoin supply



Source: Galaxy as of 4/25/2025. Forward-looking statements are not guarantees of future results. They involve risks, uncertainties, and assumptions. There can be no assurance that actual results will not differ materially from expectations.

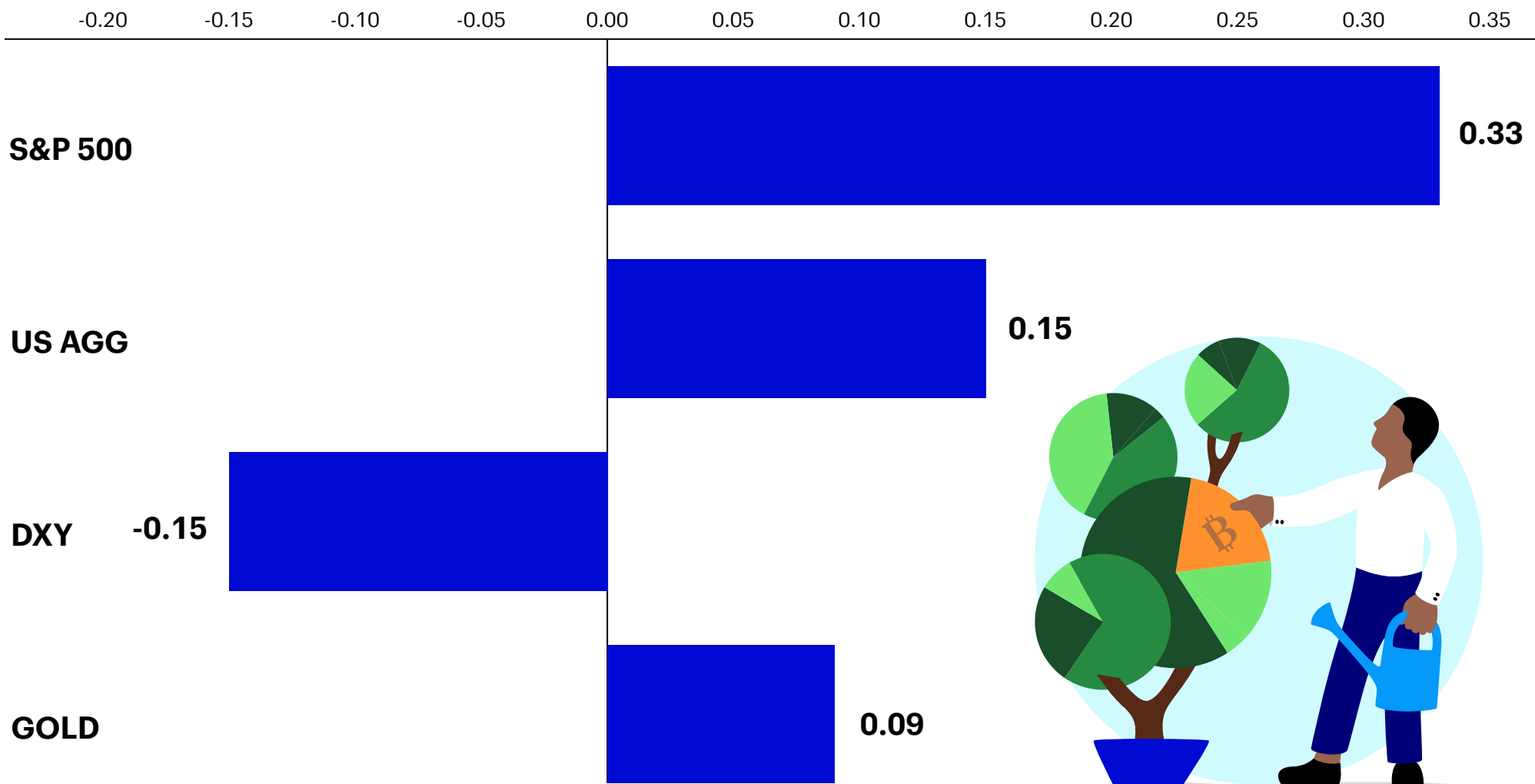
Proof points

- **Low correlation:** Bitcoin has shown low or negative correlation to equities and bonds over multi-year periods. However, correlation between bitcoin and certain traditional assets can and has shifted occasionally.
- **History of performance:** Bitcoin, with its 76.6% return, has generally outperformed many traditional asset classes over the last 10 years despite its volatility.¹
- **Decreasing volatility:** Bitcoin’s price has been known to vary widely, as reflected in the ‘Bitcoin inflation rate’ chart. But those price swings have moderated over time with growing institutional adoption.

1. Bloomberg and Invesco, as of December 31, 2024. All returns are unhedged total returns in USD. Bitcoin (76.6%) = Bloomberg Galaxy Bitcoin Index; S&P 500 (13.1%) = Global ex-US Stocks (5.9%) = MSCI World ex USA Index; EM Stocks (4.0%) = MSCI Emerging Markets Index; US Bonds (1.3%) = Bloomberg US Aggregate Bond Index; Global Bonds (0.2%) = Bloomberg Global Aggregate Bond Index. The Bloomberg Galaxy Bitcoin Index is designed to measure the performance of a single bitcoin traded in US dollars. The S&P 500® Index is an unmanaged index considered representative of the US stock market. The MSCI World ex USA Index is an unmanaged index considered representative of stocks of developed countries excluding the United States. The MSCI Emerging Markets Index captures large- and mid-cap representation across 26 Emerging Markets (EM) countries. With 1,198 constituents, the index covers approximately 85% of the free-float-adjusted market capitalization in each country. The Bloomberg US Aggregate Bond Index is an unmanaged index considered representative of the US investment-grade, fixed-rate bond market. The Bloomberg Global Aggregate Bond Index is an unmanaged index considered representative of the global investment-grade, fixed-rate bond market. **Past performance is no guarantee of future results. An investment cannot be made directly into an index.**

Bitcoin’s unique qualities may help it diversify a portfolio

Bitcoin correlation to other investments



Source: Galaxy Digital Research from 11/30/2013 to 3/31/2025. The S&P 500® Index is an unmanaged index considered representative of the US stock market. The Bloomberg US Aggregate Bond Index (US AGG) is an unmanaged index considered representative of the US investment-grade, fixed-rate bond market. The US Dollar Index (DXY) measures the value of the US dollar relative to majority of its most significant trading partners. Investments cannot be made directly in an index.

Proof points

- **Direct ownership:** Investors can target their bitcoin exposure by investing directly through a major cryptocurrency exchange.
- **Derivatives:** Investors may gain bitcoin exposure indirectly with derivatives found in exchange-traded products (ETPs).
- **Broad exposure:** Investors can look to companies that engage with cryptocurrencies and leverage blockchain technology to find bitcoin exposure.
- **Exchange-traded products (ETP):** Investors may opt for ETPs that hold bitcoin to mitigate the risk of managing personal digital wallets and dealing with unregulated crypto platforms.

Bitcoin has become more accessible to investors, which further regulatory progress could expand

Growth of cryptocurrency since 2013



Source: CoinMarketCap as of 7/15/2025.

Contact us

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This presentation is for general educational use only and should not to be construed as an offer of investment advice or financial products. Investors should consult a financial professional before making any investment decisions if they are uncertain whether an investment is suitable for them.

Investing in bitcoin and other cryptocurrencies involves risk and may not be suitable for all investors.

As with any comparison, Financial Professionals should be aware of the material differences in products. Differences include, but are not limited to, expenses, management style, and liquidity. Financial Professionals should make their investors aware of these differences before investing.

Flaws in the source code of bitcoin, or flaws in the underlying cryptography, could leave the bitcoin network vulnerable to a multitude of attack vectors. A disruption of the internet may affect the use of bitcoin and subsequently the value of the shares.

All investing involves risk, including the risk of loss.

Cryptocurrencies such as bitcoin are considered a highly speculative investment due to their lack of guaranteed value and limited track record. Because of their digital nature, they pose risk from hackers, malware, fraud, and operational glitches. Bitcoins and other cryptocurrencies are not legal tender and are operated by a decentralized authority, unlike government-issued currencies. Cryptocurrency exchanges and cryptocurrency accounts are not backed or insured by any type of federal or government program or bank.

Digital assets, including crypto funds, are highly speculative and volatile. They may become illiquid at any time and are intended for investors with a high-risk tolerance. Investors could lose the entire value of their investment. Digital assets are largely unregulated and may be more susceptible to fraud and manipulation.