

February 2025 crypto basket rebalance

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Key Takeaways

- WisdomTree's crypto basket ETPs—MEGA, BLOC, and WALT—remain unchanged in asset composition following the February 2025 rebalance, though portfolio weights have been adjusted to reflect market dynamics.
- Altcoins, led by XRP, have outperformed mega-cap cryptocurrencies over the past year, but their higher volatility underscores the risk-reward trade-off in crypto investing.
- By maintaining a disciplined, institutional-grade approach to crypto investing, WisdomTree's diversified crypto basket ETPs continue to provide secure and efficient market exposure amid evolving digital asset trends.

- Related Products [WisdomTree Physical CoinDesk 20](#), [WisdomTree Physical Crypto Mega Cap Equal Weight](#), [WisdomTree Physical Crypto Mega Cap](#), [WisdomTree Physical Crypto Altcoins](#) Find out more

Earlier this year, we launched the [WisdomTree Physical CoinDesk 20 ETP \(WCRP\)](#), an innovative exchange-traded product (ETP) designed to provide investors with broad-based exposure to the crypto market. WCRP tracks the CoinDesk 20 Index, which represents the largest and most liquid cryptocurrencies, offering a diversified entry point for investors.

The launch of the [WisdomTree Physical CoinDesk 20 ETP \(WCRP\)](#) builds on our commitment to delivering institutional grade, physically backed crypto investment products, a standard we have upheld for over five years. With WCRP, we are continuing to bridge the gap between traditional finance and digital assets, making crypto investing more accessible, efficient, and secure.

A proven track record in crypto baskets

Alongside [WCRP](#), we continue to manage three well-established crypto basket ETPs, each designed to meet the diverse needs of crypto investors:

- [WisdomTree Physical Crypto Mega Cap Equal Weight \(MEGA\)](#)
 - Tracks the WisdomTree CF Crypto Mega Cap Equal Weight Index.
 - Offers equal weighted exposure to bitcoin and ether, ensuring a balanced allocation to the two dominant cryptocurrencies.

- [WisdomTree Physical Crypto Market ETP \(BLOC\)](#)
 - Tracks the WisdomTree CF Crypto Market Index.
 - Provides broad-based exposure to the evolving crypto ecosystem, capturing a diversified mix of cryptocurrencies.
- [WisdomTree Physical Crypto Altcoins ETP \(WALT\)](#)
 - Tracks the WisdomTree CF Crypto Altcoins Index.
 - Targets the high growth potential of altcoins, focusing on emerging blockchain networks beyond Bitcoin and Ethereum.
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- Tracks the WisdomTree CF Crypto Altcoins Index.
- Targets the high growth potential of altcoins, focusing on emerging blockchain networks beyond Bitcoin and Ethereum.

Together, these products offer investors a range of strategies, from blue-chip crypto exposure to broader market diversification and high growth altcoins, reinforcing our commitment to institutional-grade digital asset investing.

Latest crypto basket rebalance

As part of our regular process, the WisdomTree Crypto Index Committee assessed the compositions of our three crypto basket ETPs—MEGA, BLOC, WALT—ahead of the February 2025 rebalance. The Committee determined that no changes were needed to the underlying assets, meaning the building blocks of these baskets remained the same.

While asset inclusion remained unchanged, the ETPs still experienced portfolio turnover, as individual asset weights were adjusted in line with each index's methodology. This is a natural outcome of the rebalancing process, ensuring the baskets continue to accurately reflect their target market exposures.

Figure 1: Actual pre-rebalance and target post-rebalance building block weights

Source: WisdomTree. 10 March 2025. Historical performance is not an indication of future performance and any investment may go down in value.

The rebalancing process resulted in the following two-way turnovers, driven by shifts in market capitalisations:

- 10.0% for [WisdomTree Physical Crypto Mega Cap Equal Weight \(MEGA\)](#)
- 17.0% for [WisdomTree Physical Crypto Market ETP \(BLOC\)](#)
- 10.8% for [WisdomTree Physical Crypto Altcoins ETP \(WALT\)](#)

Regular rebalancing is essential to keeping these ETPs aligned with their respective investment strategies, adjusting for market dynamics while maintaining a clear and consistent methodology.

Performance

Over the past year, altcoins, particularly XRP, have outperformed crypto mega caps. However, they continue to exhibit higher volatility, reflecting their greater risk-reward profile in the market.

Figure 2: Year-to-date crypto basket performance

Source: WisdomTree. 28 February 2025. Volatility is calculated using 3-month daily USD returns and is annualised. 1M = One month. 3M = Three months. YTD = Year to date. 1Y = One year. Mega Cap = WisdomTree CF Crypto Mega Cap Equal Weight Index. Large Cap = WisdomTree CF Crypto Market Index. Altcoins = WisdomTree CF Crypto Altcoins Index. CoinDesk 20 = CoinDesk 20 Index. Historical performance is not an indication of future performance and any investment may go down in value.

Conclusion: a smarter approach to crypto investing

With the February 2025 rebalance, WisdomTree's crypto basket ETPs remain aligned with their investment objectives, adapting to market shifts while maintaining a disciplined, institutional-grade approach to digital asset investing.

As the crypto market evolves, investors are increasingly recognising the benefits of diversified, risk-adjusted strategies over single-asset exposure. Our suite of crypto basket ETPs, spanning mega caps, broad market indices, and altcoins, offers a range of solutions to navigate this rapidly changing landscape.

By delivering transparent, physically-backed, and professionally managed crypto investment products, WisdomTree continues to bridge the gap between traditional finance and digital assets, empowering investors with secure and efficient access to the crypto ecosystem.

Important Risks Related to this Article

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