

CRYPTO FUND RESEARCH

# Q1 2025 Crypto Fund Quarterly Report

Performance benchmarks, strategy analysis, industry demographics, AUM trends, and the crypto fund industry.

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# Table of Contents

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## 1. Market Overview

- CFR Crypto Fund Index vs. Bitcoin
- Growth of \$1,000 Since Inception
- Monthly Returns Heatmap

## 2. Performance by Strategy

- Q1 2025 Performance by Fund Strategy
- Year-to-Date Cumulative Returns
- Return Distribution — Quartile Spread

## 3. Industry Demographics

- Fund Launches vs. Closures
- Cumulative Crypto Fund AUM
- Crypto Funds by Type
- Crypto Funds by Region
- Fee Structure by Strategy

## 4. Risk-Adjusted Performance

- Risk Metrics Table
- Beta to Bitcoin by Strategy

## 5. Methodology & Disclaimers

# 1. Market Overview

<p><b>-14.1%</b></p> <p>CFR INDEX Q1 2025</p>	<p><b>-11.6%</b></p> <p>BITCOIN Q1 2025</p>	<p><b>\$93.4B</b></p> <p>INDUSTRY AUM</p>	<p><b>870</b></p> <p>ACTIVE FUNDS</p>
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### CFR Crypto Fund Index vs. Bitcoin

Monthly returns for Q1 2025

-20% -14% -8% -2% 4% 10% 1.8% 9.6% Jan '25 -11.1% -17.6% Feb '25 -5.1% -2.2% Mar '25 CFR Index Bitcoin

The CFR Crypto Fund Index returned -14.1% in Q1 2025, underperforming Bitcoin's -11.6% return by 2.5 percentage points. January was the strongest month for the index at +1.8%, while February saw the most modest performance at -11.1%.

Source: Crypto Fund Research. CFR Crypto Fund Index methodology at [cryptofundresearch.com/cfr-crypto-fund-index/](https://cryptofundresearch.com/cfr-crypto-fund-index/)

### CFR Crypto Fund Index vs. Bitcoin — Growth of \$1,000

December 2016 – March 2025

\$0 \$24,000 \$48,000 \$72,000 \$96,000 \$120,000 \$95,839 \$85,655 Dec-16 Apr-18 Aug-19 Dec-20 Apr-22 Aug-23 Dec-24 Mar-25 CFR Index Bitcoin

Since inception in January 2017, a \$1,000 investment in the CFR Crypto Fund Index would have grown to approximately \$95,839 by the end of Q1 2025, representing a cumulative return of +9,484%. Over the same period, a \$1,000 investment in Bitcoin would have grown to \$85,655 (+8,466%).

Source: Crypto Fund Research

## Monthly Returns Heatmap — Q1 2025

Average net-of-fees returns by strategy and month

Strategy	Jan	Feb	Mar	Q1 2025
Fund of Funds	+2.5%	-9.4%	-4.5%	-11.4%
Algorithmic/Quant	-0.7%	-3.1%	-2.3%	-6%
Long Only	+2.3%	-18.5%	-6.9%	-22.3%
Venture/ICO	+0%	+0%	+0%	+0%
Multi-Strategy/Other	+4.5%	-16.9%	-7.1%	-19.3%
Index/Tracker	+8.8%	-23.7%	-5.8%	-21.8%
CFR Index	+1.8%	-11.1%	-5.1%	-14.1%
Bitcoin	+9.6%	-17.6%	-2.2%	-11.6%

Venture/ICO led all strategies in Q1 2025 with a total return of +0%, while Long Only posted the lowest return at -22.3%. Across all strategies, Jan was the strongest month of the quarter.

Source: Crypto Fund Research

## 2. Performance by Strategy

### Q1 2025 Performance by Fund Strategy

Average quarterly return by strategy vs. Bitcoin benchmark

-30%-24%-18%-12%-6%0%0%Venture/ICO-6%Algorithmic/Quant-11.4%Fund of Funds-19.3%Multi-Strategy/Other-21.8%Index/Tracker-22.3%Long Only-11.6%BitcoinQ1 2025 Return

Venture/ICO funds were the top-performing strategy in Q1 2025 with an average return of +0%. Long Only funds posted the most modest returns at -22.3%. The index's -14.1% return in Q1 2025 was down from +24.4% in Q4 2024.

Source: Crypto Fund Research

## 2025 Year-to-Date Cumulative Returns by Strategy

Growth of \$100 invested January 1, 2025

\$70\$78\$86\$94\$102\$110\$86\$89\$94\$78\$100\$81\$78  
JanFebMarMarCFR IndexFund of Funds  
Algorithmic/QuantLong OnlyVenture/ICOMulti-Strategy/OtherIndex/Tracker

Through March 2025, Venture/ICO funds delivered the strongest year-to-date return at +0%, followed by the CFR Index at -14.1%. Long Only funds trailed at -22.3% YTD.

Source: Crypto Fund Research

## Q1 2025 Return Distribution — Quartile Spread

Top quartile, median, and bottom quartile returns by strategy

-10%-8%-6%-4%-2%0%-0%-0.1%-0.3%Multi-Strategy/Other-0.1%-0.2%-0.2%Long Only-0.1%-0.2%-0.3%  
Index/Tracker0%0%-0.1%Algorithmic/Quant0%0%-0.2%Fund of FundsTop QuartileMedianBottom Quartile

Return dispersion in Q1 2025 was widest among Multi-Strategy/Other funds, where top-quartile performers gained -0% while bottom-quartile funds returned -0.3% — a spread of 0.3 percentage points. Long Only funds showed the tightest clustering with a spread of just 0.1 points, indicating more consistent returns across the category.

Source: Crypto Fund Research

## 3. Industry Demographics

### Cumulative Crypto Fund AUM

Estimated total assets under management, billions USD

\$0B\$24B\$48B\$72B\$96B\$120B\$93B  
Q1 2017Q3 2018Q1 2020Q3 2021Q1 2023Q3 2024Q1 2026Q1 2026  
Industry AUM (\$B)

Crypto fund industry AUM stood at an estimated \$93.4B at the end of Q1 2025, down 6.4% from \$99.9B in Q4 2024. Industry AUM peaked at \$101.5B in Q1 2025.

Source: Crypto Fund Research

## Crypto Funds by Type

Distribution of funds across primary categories, Q1 2025

Hedge Fund (50.6%) Venture Capital (45.8%) Private Equity / Other (3.6%)

Of the 871 crypto funds tracked in Q1 2025, Hedge Fund make up 50.6% (441 funds). Venture Capital make up 45.8% (399 funds), Private Equity / Other make up 3.6% (31 funds).

Source: Crypto Fund Research

## Crypto Funds by Region

Primary office location, Q1 2025

North America (51.8%) Europe (21.3%) Asia (18.7%) Offshore (4.5%) Middle East (2.2%) Other (1.5%)

As of Q1 2025, crypto funds are distributed across: North America (51.8%), Europe (21.3%), Asia (18.7%), Offshore (4.5%), Middle East (2.2%). About 4.5% of funds are based exclusively offshore.

Source: Crypto Fund Research

## Average Fee Structure by Strategy

Management and performance fees, Q1 2025

Management Fee Performance Fee Algorithmic/Quant 1.90% 23.38% Long Only 2.40% 19.62% Venture/ICO 2.00% 22.50% Multi-Strategy/Other 2.11% 21.03% Index/Tracker 2.02% 20.00% Strategy 0.00% 0.00% Fund of Funds 0.00% 0.00% Algorithmic/Quant 0.00% 0.00%

The average crypto fund in Q1 2025 charges a 1.30% management fee and 13.32% performance fee. Long Only funds charge the highest management fees at 2.40%, while Algorithmic/Quant funds charge the highest performance fees at 23.38%.

Source: Crypto Fund Research

## 4. Risk-Adjusted Performance

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On a risk-adjusted basis through Q1 2025, Algorithmic/Quant funds have the highest Sharpe ratio at 2.51. Since-inception metrics reflect performance from January 2017 through March 2025.

Metric	Fund of Funds	Algorithmic/Quant	Long Only	Venture/ICO	Multi-Strategy/Other	Index/Tracker	All Funds
Annualized Return	70.9%	82.3%	431.1%	49.9%	1,357.5%	60.6%	528.0%
Sharpe Ratio	1.47	2.51	1.05	1.23	1.93	0.67	1.86
Sortino Ratio	85.73	9.74	6.53	5.33	34.19	1.89	21.63
Beta (to BTC)	0.32	0.27	0.76	0.64	0.45	0.93	0.46
Max Drawdown	-30.7%	-29.4%	-59.2%	-71.8%	-33.5%	-73.5%	-53.9%
Correlation (to BTC)	0.54	0.33	0.73	0.43	0.54	0.76	0.51
Std Dev (Annualized)	37.5%	28.7%	63.7%	56.8%	44.7%	65.9%	44.3%
Skewness	0.41	1.05	0.58	1.84	0.78	0.95	0.86

### Beta to Bitcoin by Fund Strategy

Since inception, higher = more correlated to BTC

Fund of Funds 0.32 Algorithmic/Quant 0.27 Long Only 0.76 Venture/ICO 0.64 Multi-Strategy/Other 0.45  
Index/Tracker 0.93 All Funds 0.46

Index/Tracker funds have the highest beta to Bitcoin at 0.93, followed by Long Only at 0.76, meaning their returns most closely track Bitcoin's movements. Algorithmic/Quant funds have the lowest beta at 0.27, indicating returns that are least correlated with Bitcoin price swings.

Source: Crypto Fund Research

## 5. Methodology & Disclaimers

**About the CFR Crypto Fund Index:** The CFR Crypto Fund Index is an equal-weighted composite of crypto funds that report monthly performance data to Crypto Fund Research. The index base value is 1,000 as of December 2016. The index is not investable and is provided for benchmarking purposes only.

**Data Sources:** All data is sourced from Crypto Fund Research's proprietary database. Performance data is reported voluntarily by participating funds. Fund demographics, geography, and team data come from the Crypto Fund List. Risk metrics are calculated using monthly returns since inception.

**Disclaimer:** This report is for informational purposes only and does not constitute investment advice. Past performance is not indicative of future results. Crypto Fund Research makes no representation or warranty as to the accuracy or completeness of the information contained herein.

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