

CRYPTO FUND RESEARCH

# Q3 2025 Crypto Fund Quarterly Report

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

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# 1. Market Overview

**+10.2%**

CFR INDEX Q3 2025

**+6.5%**

BITCOIN Q3 2025

**\$93.4B**

INDUSTRY AUM

**870**

ACTIVE FUNDS

## CFR Crypto Fund Index vs. Bitcoin

Monthly returns for Q3 2025

-10% -6% -2% 2% 6% 10% 7.2% 8% Jul '25 1.8% -6.5% Aug '25 0.9% 5.4% Sep '25 CFR Index Bitcoin

The CFR Crypto Fund Index returned +10.2% in Q3 2025, outperforming Bitcoin's +6.5% return by 3.7 percentage points. July was the strongest month for the index at +7.2%, while September saw the most modest performance at +0.9%.

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 – September 2025

\$0 \$25,000 \$50,000 \$75,000 \$100,000 \$125,000 \$117,072 \$118,347 Dec-16 May-18 Oct-19 Mar-21 Aug-22 Jan-24 Jun-25 Sep-25 CFR Index Bitcoin

Since inception in January 2017, a \$1,000 investment in the CFR Crypto Fund Index would have grown to approximately \$117,072 by the end of Q3 2025, representing a cumulative return of +11,607%. Over the same period, a \$1,000 investment in Bitcoin would have grown to \$118,347 (+11,735%).

Source: Crypto Fund Research

## Monthly Returns Heatmap — Q3 2025

Average net-of-fees returns by strategy and month

Strategy	Jul	Aug	Sep	Q3 2025
Fund of Funds	+2.6%	+1.8%	+1.4%	+5.9%
Algorithmic/Quant	+4.6%	+0.3%	+0.8%	+5.7%
Long Only	+11.8%	-0.1%	+1.6%	+13.4%
Venture/ICO	+0%	+0%	+0%	+0%
Multi-Strategy/Other	+12.3%	+5.3%	+1%	+19.5%
Index/Tracker	+11.8%	-4.9%	+2.9%	+9.4%
CFR Index	+7.2%	+1.8%	+0.9%	+10.2%
Bitcoin	+8%	-6.5%	+0%	+6.5%

Multi-Strategy/Other led all strategies in Q3 2025 with a total return of +19.5%, while Venture/ICO posted the lowest return at +0%. Across all strategies, Jul was the strongest month of the quarter.

Source: Crypto Fund Research

## 2. Performance by Strategy

### Q3 2025 Performance by Fund Strategy

Average quarterly return by strategy vs. Bitcoin benchmark

0%4%8%12%16%20%19.5%Multi-Strategy/Other13.4%Long Only9.4%Index/Tracker5.9%Fund of Funds  
5.7%Algorithmic/Quant0%Venture/ICO6.5%BitcoinQ3 2025 Return

Multi-Strategy/Other funds were the top-performing strategy in Q3 2025 with an average return of +19.5%. Venture/ICO funds posted the most modest returns at +0%. The index's +10.2% return in Q3 2025 was down from +10.9% in Q2 2025.

Source: Crypto Fund Research

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

Growth of \$100 invested January 1, 2025

\$70\$80\$90\$100\$110\$120\$105\$99\$103\$106\$100\$114\$113JanFebMarAprMayJunJulAugSepSepCFR  
IndexFund of FundsAlgorithmic/QuantLong OnlyVenture/ICOMulti-Strategy/OtherIndex/Tracker

Through September 2025, Multi-Strategy/Other funds delivered the strongest year-to-date return at +14.4%, followed by the CFR Index at +4.9%. Fund of Funds funds trailed at -1% YTD.

Source: Crypto Fund Research

## Q3 2025 Return Distribution — Quartile Spread

Top quartile, median, and bottom quartile returns by strategy

-10%-6%-2%2%6%10%0%0%-0.1%Multi-Strategy/Other0%-0%-0.1%Long Only0%-0.1%-0.2%  
Index/Tracker0.1%0%-0%Algorithmic/Quant0%-0%-0%Fund of FundsTop QuartileMedianBottom Quartile

Return dispersion in Q3 2025 was widest among Index/Tracker funds, where top-quartile performers gained 0% while bottom-quartile funds returned -0.2% — a spread of 0.2 percentage points. Fund of Funds funds showed the tightest clustering with a spread of just 0 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\$93BQ1 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 Q3 2025, down 6.4% from \$99.9B in Q2 2025. Industry AUM peaked at \$101.5B in Q1 2025.

Source: Crypto Fund Research

## Crypto Funds by Type

Distribution of funds across primary categories, Q3 2025

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

Of the 871 crypto funds tracked in Q3 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, Q3 2025

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

As of Q3 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, Q3 2025

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

The average crypto fund in Q3 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 Q3 2025, Algorithmic/Quant funds have the highest Sharpe ratio at 2.51. Since-inception metrics reflect performance from January 2017 through September 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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