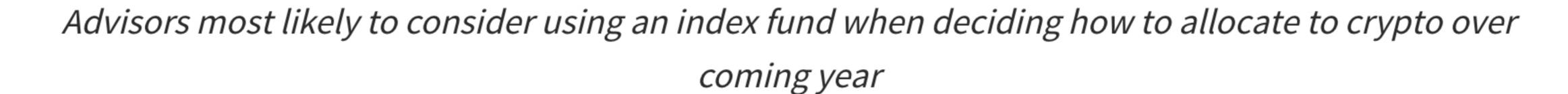
Spot Crypto ETF in Demand by Majority of Financial Advisors, Finds New Nasdaq Survey

PUBLISHED

in

APR 11, 2022 8:00AM EDT



86% of advisors who are already investing in crypto plan to increase allocations within 12 months

NEW YORK, April 11, 2022 (GLOBE NEWSWIRE) -- According to a new Nasdaq survey of 500 financial advisors who are currently or considering allocating to crypto, 72% of advisors would be more likely to invest client assets in crypto if a spot ETF product were offered in the United States.

Among advisors already investing in crypto, 86% expect to increase their allocations over the next 12 months, while 0% report plans to decrease. Of the same group, 50% are already using Bitcoin futures ETFs and 28% plan to start using them in the next 12 months.

On average, advisors currently or considering investing in crypto state that their ideal crypto allocation is 6% of a client's total portfolio. Notably, some 69% of these advisors would consider using an index fund for broad exposure, followed by sector-specific index funds (57%), actively managed funds (52%), individual digital assets (40%) and high-yield funds (31%).

Despite strong interest in a passive approach to crypto and a spot crypto ETF, the surveyed advisors are not confident that such a product will be approved in 2022. Only some 38% find it likely, 31% find it unlikely, 24% find it neither likely nor unlikely, and 7% are not sure.

"Over the last decade, financial advisors have been focused on shifting assets into index funds. As they incorporate digital assets into their investment strategies, they are expressing strong interest in a similar vehicle that can offer broad asset class exposure for their clients," said Jake Rapaport, Head of Digital Asset Index Research, Nasdaq. "The vast majority of advisors we surveyed either plan to begin allocating to crypto or increase their existing allocation to crypto. As demand continues to surge, advisors will be looking for an institutional solution to the crypto question that now dominates client conversations."

RIAs Early Adopters as Educational and ESG Opportunities Surface

The survey finds that crypto adoption is highest among registered investment advisors (RIAs), with 34% of RIAs using crypto compared to 19% of independent broker-dealers (IBDs) and 17% of wirehouse advisors. About half of RIAs (49%) report that compliance rules and restrictions are a barrier to crypto investing, compared to 78% of advisors in all other channels.

Some 10% of advisors report being very knowledgeable about crypto, and 9% feel very confident in their ability to advise clients on crypto. Virtually all advisors surveyed (98%) express interest in learning more about crypto and digital assets.

Among respondents, some 7% say that ESG is a very important consideration when determining a client's strategy toward digital assets.

"Crypto inflows through advisor channels show no signs of stopping, even as advisors grapple with compliance considerations and look for guidance from educational materials from other industry participants, including asset managers and index providers," added Rapaport. "We expect ESG and crypto considerations to converge as investors continue to direct assets into both."

In March 2022, Nasdaq and Hashdex, a leading global crypto-focused asset manager, announced the launch of the Nasdaq Advisor Academy: Digital Assets curriculum to provide all financial professionals with informative and educational resources on the digital asset ecosystem.

For more information on the Nasdaq Crypto Index™, please visit here.

MethodologyThis Nasdaq survey was conducted by 8 Acre Perspective. A total of 500 financial advisors who are currently or considering allocating to crypto were surveyed in March 2022. For further details on the survey methodology, please contact a Nasdaq media representative.

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