

Kaiko Indices Rebalancing Report

Quarterly Update: Q3 2025

Overview

The Q3 2025 rebalancing period (July 1st – October 1st) captured a quarter of resilient institutional demand and dynamic price action across digital assets. Rebalancing is a time-driven process that ensures Kaiko Indices remain representative, transparent, and aligned with current market conditions by systematically adjusting constituent weights and reviewing eligibility criteria. This quarterly report provides comprehensive analysis of performance returns, rebalancing changes, key market trends, and methodology, revealing compelling performance patterns across all index families—from blue-chip to thematic strategies.

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About



Kaiko Indices offers institutional-grade rates and indices, setting the standard for reliability and transparency in the digital asset market. As a regulated Benchmark Administrator under the EU BMR framework and compliant with IOSCO principles, we empower exchanges, asset managers, and financial institutions with trusted data solutions that support robust settlement and risk management practices.

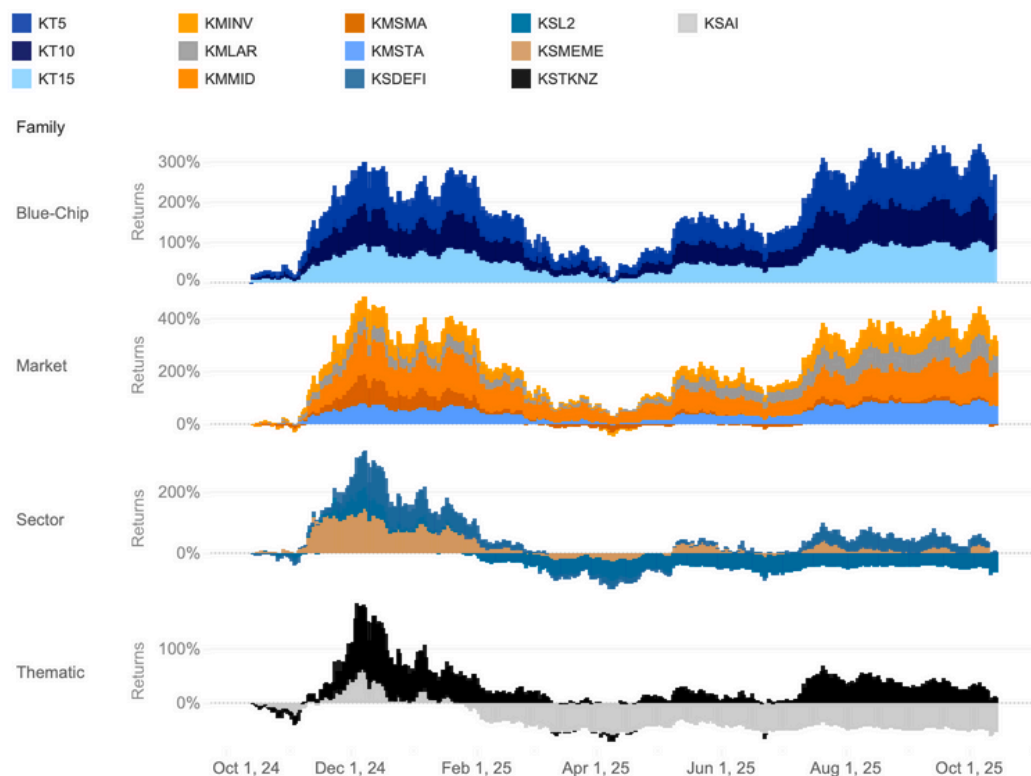
Part 1

Executive Summary

The latest rebalancing period (01/07/2024-01/10/2025) took place amid resilient institutional demand, evolving policy signals, and dynamic price action across digital assets. Despite ongoing macroeconomic uncertainty, both established and emerging cryptocurrencies demonstrated notable strength, with investors increasingly turning to diversified strategies to manage risk and capture opportunities.

Q3 2025 rebalancing results reveal robust performance across Kaiko’s index families. The Blue-Chip segment, especially KT5 and KT10, delivered strong positive returns, outperforming previous quarters. Market and Sector indices also posted substantial gains, mirroring broader positive momentum in the crypto market. Thematic indices showed mixed outcomes, reflecting shifting trends within thematic asset classes. Overall, the results underscore the advantages of diversification, as Kaiko’s indices effectively captured growth across multiple market segments and adapted to evolving conditions.

Kaiko Indices Performance



Part 1

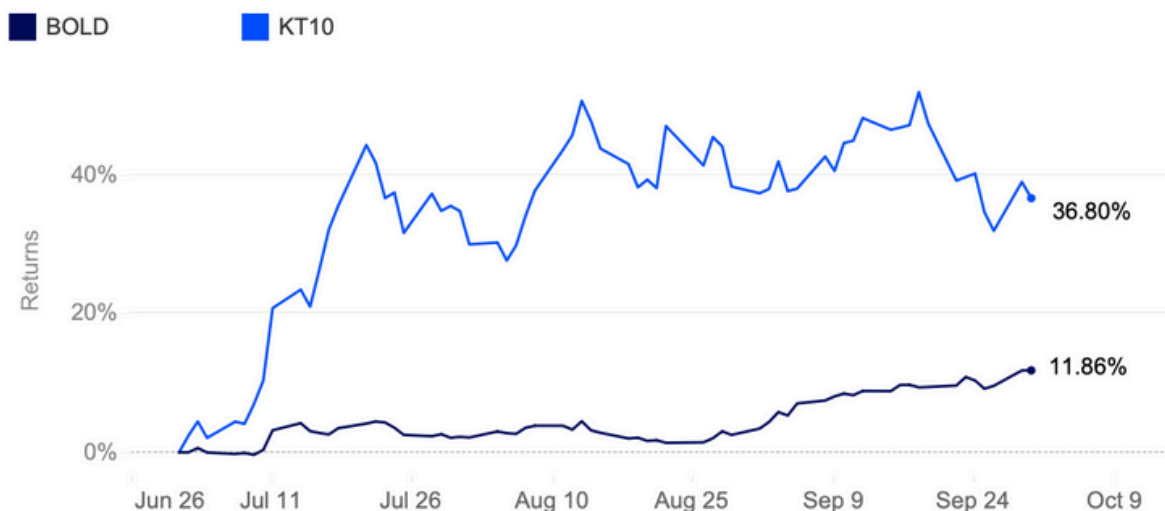
Executive Summary

Key Highlights:

Both KT10 and BOLD delivered strong risk-adjusted returns. Both indices outperformed BTC over the quarter, with BOLD nearly doubling Bitcoin's returns, adding 11.8% between June and September while the former climbed just 6.8%.

While the KT10 outperformed BOLD, it had significantly higher volatility. BOLD benefits from its inverse volatility weighting to dampen the volatility associated with Bitcoin. However, despite being historically high, Bitcoin volatility has been coming down quarter-on-quarter over the past few years. This has led BOLD to allocate more to digital gold in the process, and as a result capture both record rallies in Bitcoin and Gold this year.

Key Index Highlight: BOLD & KT10



Part 2

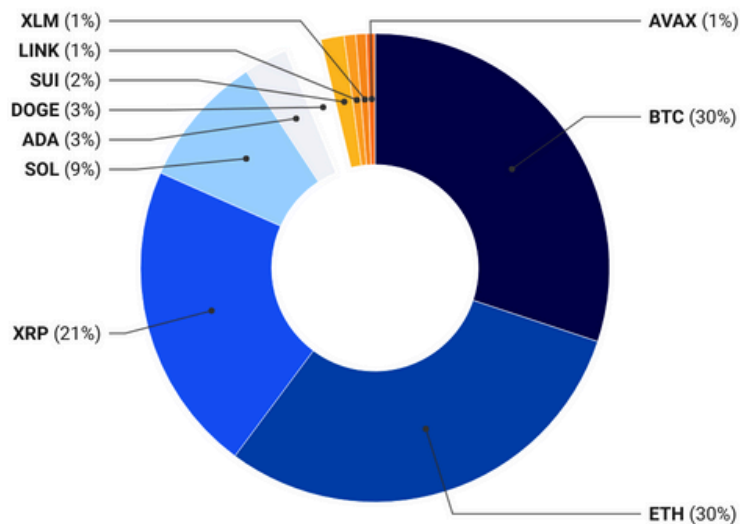
Featured Indices

Kaiko 10 Index (KT10)

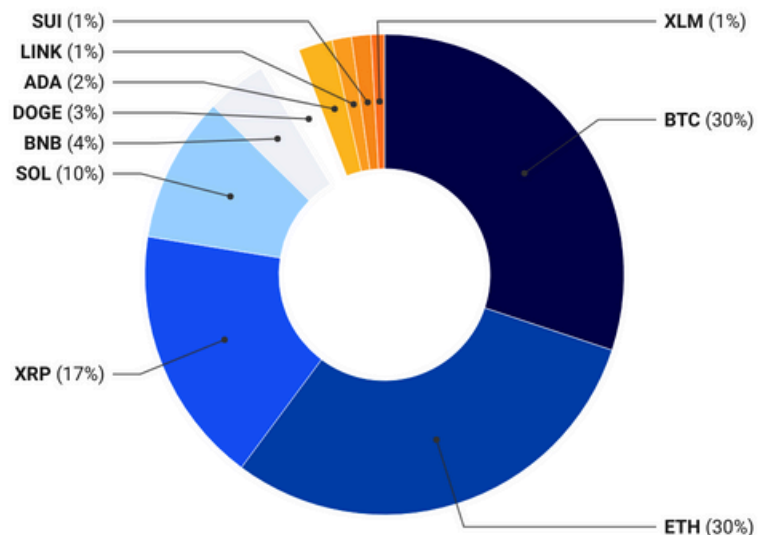
The Kaiko 10 Index (KT10) is a trusted cryptocurrency index designed for structured product fund benchmarking. It tracks the performance of the leading 10 crypto-assets according to Kaiko Indices' digital assets vetting, enabling investors to expand their strategies beyond BTC and ETH while maintaining liquidity and mitigating concentration risk.

Rebalancing Weight Adjustments

Q2 Rebalancing:



Q3 Rebalancing:



Between Q2 and Q3 rebalancing, the KT10 index saw a notable change with the addition of BNB, while AVAX exited the basket. The allocations to BTC and ETH remained steady as the two dominant assets, both capped at 30%. XRP's weighting decreased from 21% to 17%, while the proportions for ADA, DOGE, SOL, SUI, LINK, and XLM stayed at the same level.

Overall, the rebalancing maintained stability among most assets, with the primary adjustments being the introduction of BNB and the reduction in XRP's share. These changes reflect liquidity dynamics in the market as well as price performance during the quarter. BNB in particular has excelled in recent months, setting consecutive record highs in 2025 as it consistently trades above \$1k. Its latest record high above \$1.3k this month was now captured in the KT10's returns, showcasing the benefit of BNB's addition post-rebalancing.

Part 2

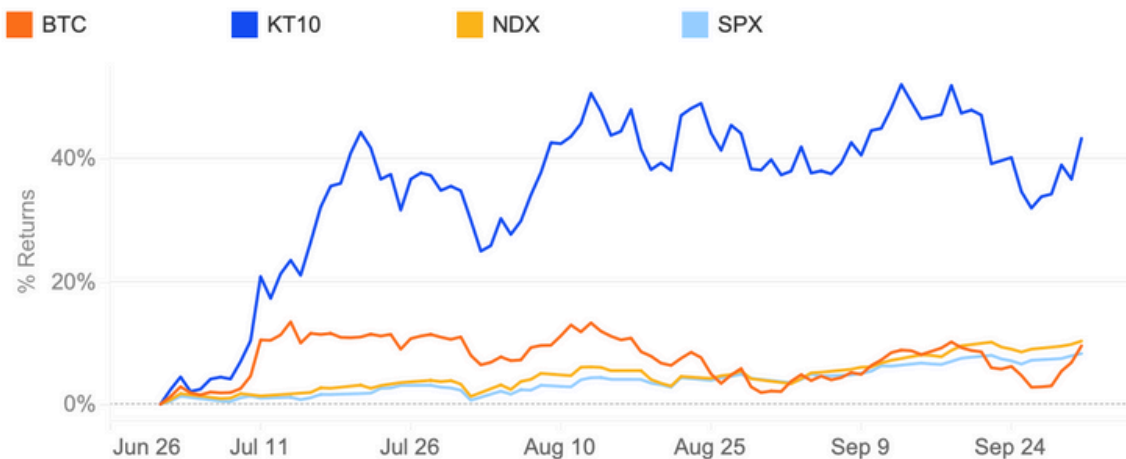
Featured Indices

Kaiko 10 Index (KT10)

Analyst Commentary:

Over the last quarter, we observe that the KT10 index outperformed BTC and equity indices such as the SPX (S&P500) and NDX (NASDAQ). The index's volatile nature enables it to capture market performance bursts and stand out positively. Year-to-date, the KT10 has returned +8.7% with realized volatility of nearly 60%.

KT10 Outperforms Bitcoin & Equity Indices



Rotations into lower cap crypto assets created discrete bursts in performance. KT10's construction captures these idiosyncratic rallies better than equity indices driven by broad macro factors and dominated by just a few major firms.

Furthermore, rolling 30d correlation versus SPX and NDX declined through August, reducing the drag from equity risk-off days and allowing crypto-specific trends to dominate.

Part 2

Featured Indices

Kaiko BOLD Index

This index combines bitcoin and gold through an inverse volatility weighting methodology that dynamically adjusts allocations based on each asset's risk profile, ensuring balanced exposure between digital and traditional stores of value. The weights are rebalanced monthly to maintain equal risk contribution.

BOLD Individual Asset Weights Overtime



Below, we observe that the BOLD index's performance is driven by Bitcoin, but with much more controlled volatility, making it less sensitive to market shocks. The advantage of such an index is that it captures Bitcoin's returns while hedging with gold. The current performance of gold (reaching historic highs) has thus been able to limit losses related to Crypto's Black Friday (10/10/2025). As a result, the index shows a YTD of around +47% with controlled volatility of roughly 16%.

BOLD Performance During Q3



Part 3

Core Index Families

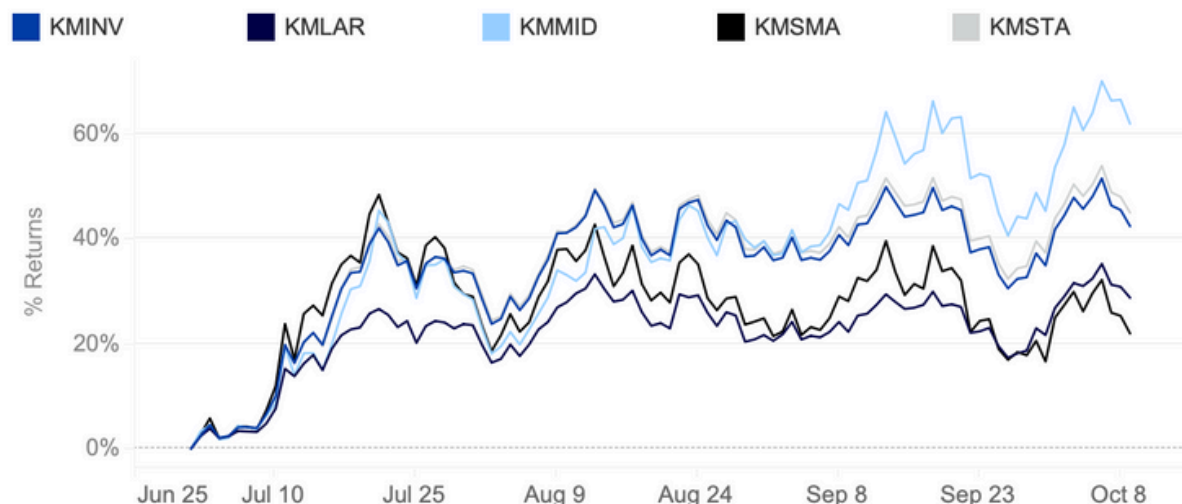
Market Indices

Kaiko Market Indices track the investable digital asset universe across large, mid, and small cap segments, segmented by capitalization.

Name ▾	Family	Price	24h %	Top 5 Assets
KMSTA Kaiko Standard Index	Market	9,182.52	↗ +1.82%	    
KMSMA Kaiko Small Cap Index	Market	9,493.43	↗ +2.13%	    
KMMID Kaiko Mid Cap Index	Market	183.63	↗ +0.53%	    
KMLAR Kaiko Large Cap Index	Market	12,083.37	↗ +2.29%	  
KMINV Kaiko Investable Index	Market	11,282.11	↗ +1.88%	    

From late June to early October, all Kaiko indices advanced with frequent swings. Each index within the market indices family significantly outperformed both BTC and the S&P 500 over the past quarter. KMMID stood out as the top performer, peaking above 60–70% in September, while KMINV and KMSTA reached highs around 45–55%. KMSMA and KMLAR were more defensive, ending near 20% and 30%. The indices' synchronized movements highlight broad market strength and a notable September rally.

Kaiko Market Indices Performance



Part 3

Core Index Families

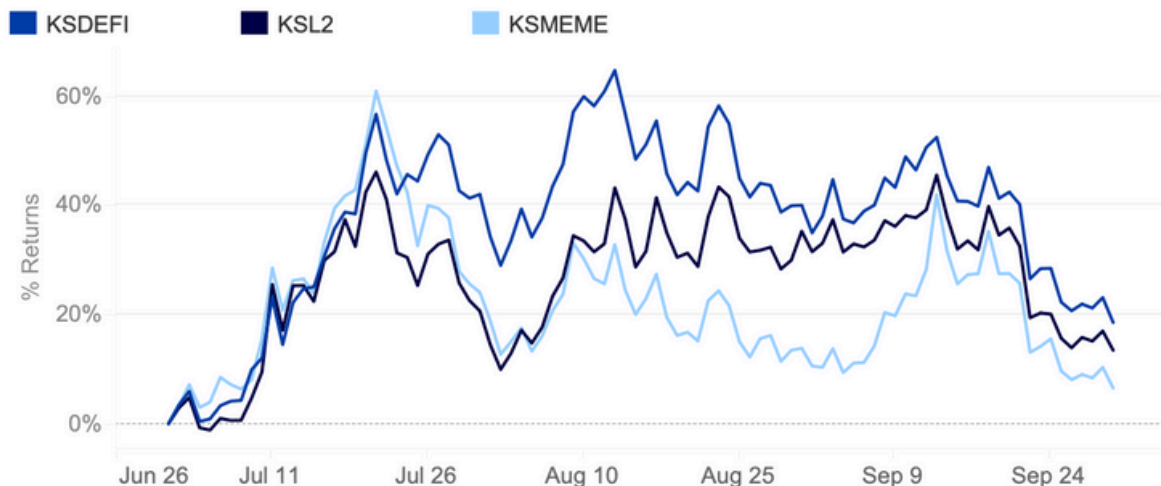
Kaiko Sector & Thematic Indices

Sector Indices

The Kaiko Sector Indices focus on specific sector of the cryptocurrency market, such as decentralized finance, blockchain infrastructure, or Meme. By targeting distinct areas of innovation and growth, these indices provide targeted exposure to key drivers shaping the digital asset landscape.

Name	Family	Price	24h %	Top 5 Assets
KSDEFI Kaiko DeFi Index	Sector	109.46	↑ +0.83%	
KSMEME Kaiko Meme Index	Sector	160.3	↑ +2.54%	
KSL2 Kaiko L2 Index	Sector	20.71	↑ +2.35%	

Sector Indices Performance



From late June to mid-August, the sector indices rallied strongly, led by KSDEFI, which peaked near 60–65% in early August before declining. KSL2 followed a similar, though milder, trajectory with highs around 40–45%. KSMEME was the most volatile—spiking near 60% in July before falling behind through August and September. All three indices showed synchronized swings and lost momentum after early August, ultimately ending the quarter with positive but narrowing returns.

Part 3

Core Index Families

Kaiko Sector & Thematic Indices

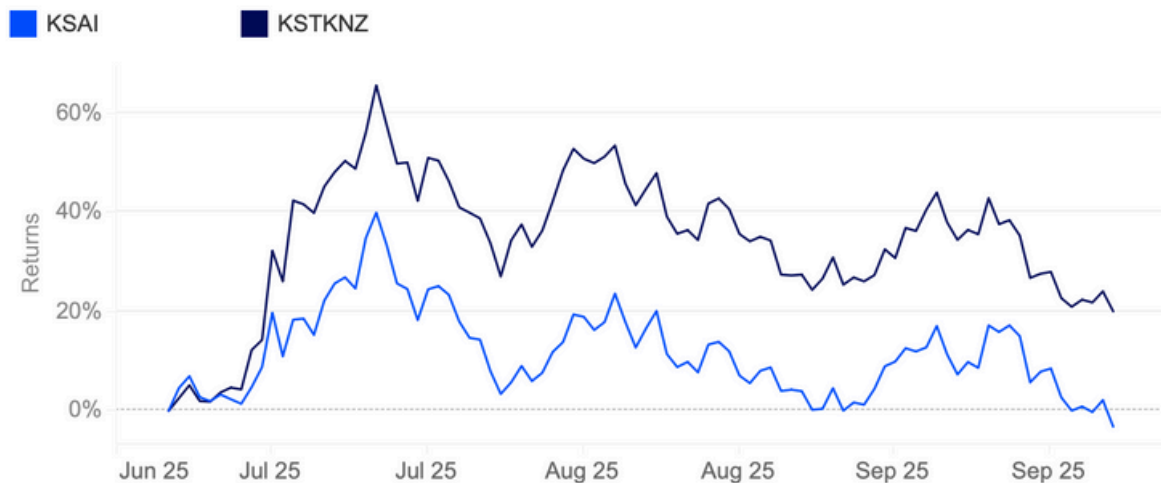
Thematic Indices

The Kaiko Thematic Indices provide a targeted exposure to broader themes or use cases derived from the digital asset industry. These assets, represented in this family, often serve as building blocks for specialized areas, enabling Kaiko's thematic indices to provide investors with exposure to these complex and evolving use cases.

Name	Family	Price	24h %	Top 5 Assets
KSAI Kaiko AI Index	Thematic	100.18	-0.81%	    
KSTKNZ Kaiko Tokenization Index	Thematic	49.4	+2.03%	    

The Kaiko Tokenisation Index (KSTKNZ) finished the quarter in the green, while the Kaiko AI Index (KSAI) closed down between June and September. Both indices saw their highest returns in late June and early July, followed by a period of decline and stabilization.

Thematic Indices Performance



The quarterly returns highlight the potential for strong performance within Thematic strategies, in particular those that capture dominant narratives. As the promise of tokenization gains momentum we can see this materialize in meaningful returns, higher than Bitcoin, for the associated index. This underscores the value of ongoing monitoring and diversification in capturing opportunities across digital asset sectors.

Part 3

Core Index Families

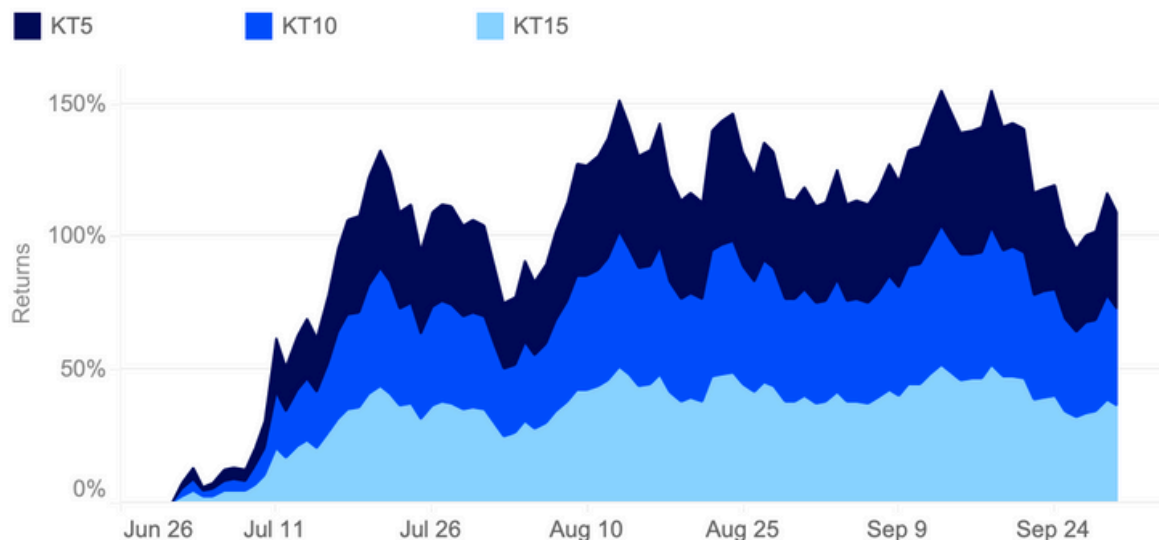
Blue Chip Indices

The Kaiko Blue Chip Indices track the top-performing digital assets by market capitalization and liquidity, offering a clear and reliable benchmark for the digital asset market. These indices are available as Top 5, Top 10, and Top 15 capturing the performance of the most liquid and widely traded assets.

Top 5 Assets

Name ^	Family	Price	24h %	
KT5 Kaiko 5 Index	Blue-Chip	663.92	▲ +1.97%	    
KT10 Kaiko 10 Index	Blue-Chip	1,452.81	▲ +1.88%	    
KT15 Kaiko 15 Index	Blue-Chip	1,165.51	▲ +1.87%	    

Bluechip Indices Track Closely in Q3



Throughout Q3, the KT5, KT10, and KT15 indices tracked closely together, each capturing strong gains early in the quarter before stabilizing at elevated levels. They maintained this positive performance through to the end of the period.

This close alignment highlights the breadth of returns in the market at present, notably how altcoins have begun to see some outperformance relative to Bitcoin. ETH, XRP, and BNB all set new record highs in Q3, hinting at the early signs of an altcoin season.

Part 4

Rebalancing Methodology

Kaiko Indices are rebalanced quarterly to ensure they remain representative and diversified. At each rebalancing, the weights of all index constituents are recalculated based on their relative market capitalization and liquidity over the past 90 days. For blue-chip indices, a capping factor is applied to prevent any single asset from dominating the index: if an asset's weight exceeds a predefined threshold, its weight is reduced to the cap, and the excess is redistributed proportionally among the other constituents. This iterative process continues until no asset surpasses the capping threshold, supporting a balanced index composition.



For a full breakdown of Kaiko Indices families and detailed rebalancing procedures, please refer to the complete methodology available on our website.

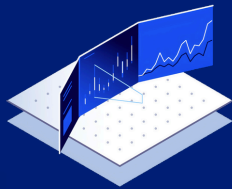
kaiko.com/indices-resources

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Ready to Get Started?

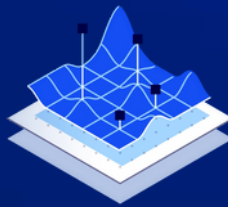
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