
What is the CoinDesk 20 Index?

The CoinDesk 20 Index (CD20) measures the performance of top digital assets. Characteristics include:

- Designed for implementation at scale with liquidity and exchange-listing requirements
- Market capitalization weighted with a 30% cap on the largest constituent (currently bitcoin) and a 20% cap on all other members (currently capping ether)
- Excludes stablecoins
- Calculated and published once every five seconds
- Captures over 90% of the digital asset market as of 12/31/2023 (the digital asset market is represented by the CoinDesk Market Index which excludes stablecoins)
- Built using the CoinDesk Indices' [Digital Asset Classification Standard \(DACs\)](#) and drawn from the [CoinDesk Market Index \(CMI\)](#) universe
- Complete details available in the CoinDesk 20 [Index Methodology](#)

When did the CoinDesk 20 Index launch?

The CoinDesk 20 Index launched on January 12, 2024 with a base date of October 4, 2022.

Why did CoinDesk Indices create the CoinDesk 20 Index?

As the new digital asset class emerges, market participants and observers will need a new reference index to measure performance, invest, and trade. The CoinDesk 20 Index has been designed with liquidity, diversification benefits, and implementation in mind. This index is the reference for crypto and the new building block for investment products.

What's different about the CoinDesk 20 Index?

The CoinDesk 20 Index is built for trading. The weighting caps promote diversification across all constituents, a feature investors can appreciate. CoinDesk Indices constructed the CoinDesk 20 to be the liquid, investable "unit of exposure" to the digital asset class.

How does the CoinDesk 20 Index fit into CoinDesk Indices' product line?

CoinDesk Indices has the longest digital asset index track record and powers the world's largest digital asset products. We serve class-leading asset managers, ETP issuers, exchanges, market-makers, custodians, and service providers. Our products include single-token price references, multi-token broad-market and sector products, and systematic strategies. Our team has experience in traditional finance indexing, financial markets, derivatives, and, of course, crypto.

The CoinDesk 20 index is built on our market-leading DACs taxonomy and is drawn from our broad CoinDesk Market Index, and is aimed at what the market needs for the next chapter: a reference and benchmark index of the top digital assets, designed for implementation at scale.

Why did we decide to include memecoins in the index?

We believe that certain memecoins have proven utility. The memecoins in the index are of sufficient market cap and have achieved a level of adoption over a period of years as a currency and meet all other index inclusion criteria.

How often will the index be reconstituted and rebalanced?

The index is reconstituted and rebalanced quarterly based on a published schedule.

Why is bitcoin's weight higher or lower than the 30% cap?

Exact weights can fluctuate between quarterly reconstitutions.

With the spot bitcoin ETF approval, why did we limit the bitcoin weighting? Shouldn't bitcoin have a greater weighting?

Once bitcoin becomes more traditionally accessible, we believe many investors will turn their attention from just bitcoin to seeking more diversified digital asset exposures with a certain balance between established constituents that may otherwise dominate returns with alternative sources that are liquid and robust. Accordingly, the intention behind the CoinDesk 20 is to have a 50/50 portfolio split with 50% bitcoin/ether (30% bitcoin and 20% ether) and then 50% in alts i.e., the other 18 assets.

How does this index potentially benefit individual traders?

The CoinDesk 20 Index is designed to be investable and tradable. We take the largest cap tokens from the CoinDesk Market Index and apply additional criteria, including liquidity analysis to support product implementation at scale.

To learn more about our offerings, contact a CoinDesk Indices specialist today at sales@coindesk-indices.com or visit our website at coindeskmarkets.com.

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