Syz Capital selects Coinbase to launch innovative BTC Alpha Fund

Monday, 03/10/2025

Pfäffikon, 10 ***March 2025,*** Syz Capital, the $2 billion alternatives investment arm of the family-owned Syz Group, has launched the Syz Capital BTC Alpha Fund, with Coinbase as Prime Broker and Custodian. This pioneering fund of crypto hedge funds taps into volatility, market inefficiencies, and fragmented liquidity to deliver low volatility uncorrelated returns, denominated in bitcoin - a first for any financial institution globally.

Building on the 2023 launch of SyzCrest—now a global leader in crypto hedge fund allocation—the new bitcoin-denominated, market-neutral fund underscores Syz Group’s mission to be a leader in new innovations in the digital asset space.

A record-setting debut

The fund launches with approximately 2,000 BTC (around $180mn), establishing a new milestone in BTC-denominated funds of funds.

"*This strategy caters to bitcoin holders and corporates, leveraging SyzCrest's 20-month track record of 20% annualised gross returns with just 6% volatility*," said **Richard Byworth, Managing Partner at Syz Capital**. "*Coinbase, the top digital asset custodian for the Wall Street ETFs, impressed us with their security protocols and flexibility to create governance structures, making them the clear choice.* "

"*As the trusted custodian for the world's largest institutions, Coinbase is proud to support Syz Capital in launching their groundbreaking BTC-denominated fund. Institutional investors are increasingly looking for secure, compliant, and innovative ways to gain exposure to digital assets, and the Syz Capital BTC Alpha Fund is a prime example of how the ecosystem is evolving. We're excited to provide the robust infrastructure and security that enables forward-thinking funds like this to thrive*," said **Lauren Abendschein, Vice President, Coinbase Institutional.**

Targeting high single digit annual returns with quarterly liquidity, the BTC Alpha Fund balances strong returns with low volatility – which has been designed to be even lower with this portfolio – halving the volatility of the USD fund to 3%. Our Syz BTC Alpha Fund will have with no management fees, only performance-based earnings, it aligns Syz Capital's interests with its investors'. The minimum investment is 10 BTC.

Tailored for Bitcoin stakeholders

Initially created for Swiss based bitcoin holders, the fund quickly drew interest from international corporate treasuries seeking reliable yield options for their BTC holdings. Backed by 30 years of Syz Capital's hedge fund expertise and five years in crypto, the team employs rigorous due diligence and has selected 10 leading managers from 300 candidates globally.

Diverse strategies—including statistical arbitrage, futures basis trading, DeFi liquidity, and market making—ensure low correlation and low volatility returns. "*As one of the largest BTC fund of funds, we've secured very favourable terms, capacity and liquidity for our investors,*" **Byworth** noted.

The fund will hard close on 1st April 2025.