

Portfolio Construction

The objective is to create a diversified portfolio of \$1 million, blending a range of crypto assets and advanced strategies. We'll use a mix of spot investments, yield farming, staking, DeFi strategies, and derivatives like options to hedge risk and capture returns across different market environments.

Asset Allocation Strategy:

Asset Class	Investment Vehicle	Allocation (\$)	Allocation (%)
Layer 1 Tokens	Spot (BTC, ETH)	\$300,000	30%
DeFi Blue Chips	Spot (UNI, AAVE)	\$100,000	10%
Yield Farming	Liquidity Pools	\$200,000	20%
Stablecoin Strategies	Stablecoin Lending	\$150,000	15%
Options & Futures	Options Contracts	\$100,000	10%
Delta-Neutral Strategy	Perpetual Futures	\$100,000	10%
NFT Exposure	NFT-Backed Tokens	\$50,000	5%

Key Details on Strategies:

- Layer 1 Tokens (BTC, ETH, SOL):**
 - These assets act as a core portfolio component with high liquidity and established adoption.
 - Allocation: \$300,000 (30%).
- DeFi Blue Chips (UNI, AAVE):**
 - Focus on protocols driving decentralized finance innovation with strong market presence.
 - Allocation: \$100,000 (10%).
- Yield Farming (DeFi Pools: ETH/USDC, BNB/USDT):**
 - Providing liquidity to DeFi pools to earn fees and governance tokens.
 - Allocation: \$200,000 (20%).

4. Stablecoin Strategies (USDC Lending via Compound, Aave):

- Lend stablecoins to earn yield with low volatility.
- Allocation: \$150,000 (15%).

5. Options & Futures:

- Use options on BTC and ETH to hedge against downside risk and enhance returns.
- Allocation: \$100,000 (10%).

6. Delta-Neutral Strategy (Perpetual Futures on BTC):

- Going long and short on highly correlated assets to generate returns without directional risk.
- Allocation: \$100,000 (10%).

7. NFT Exposure (NFT-Backed Tokens like NIFTEX, NFTX):

- Fractional ownership in NFT projects, offering exposure to this growing market.
- Allocation: \$50,000 (5%).