

28. 4. 2026 | [Michl Aleš](#)

# A Central Bank. And Bitcoin.

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Good morning. Today, I want to talk about a strange combination: A central bank. And Bitcoin.

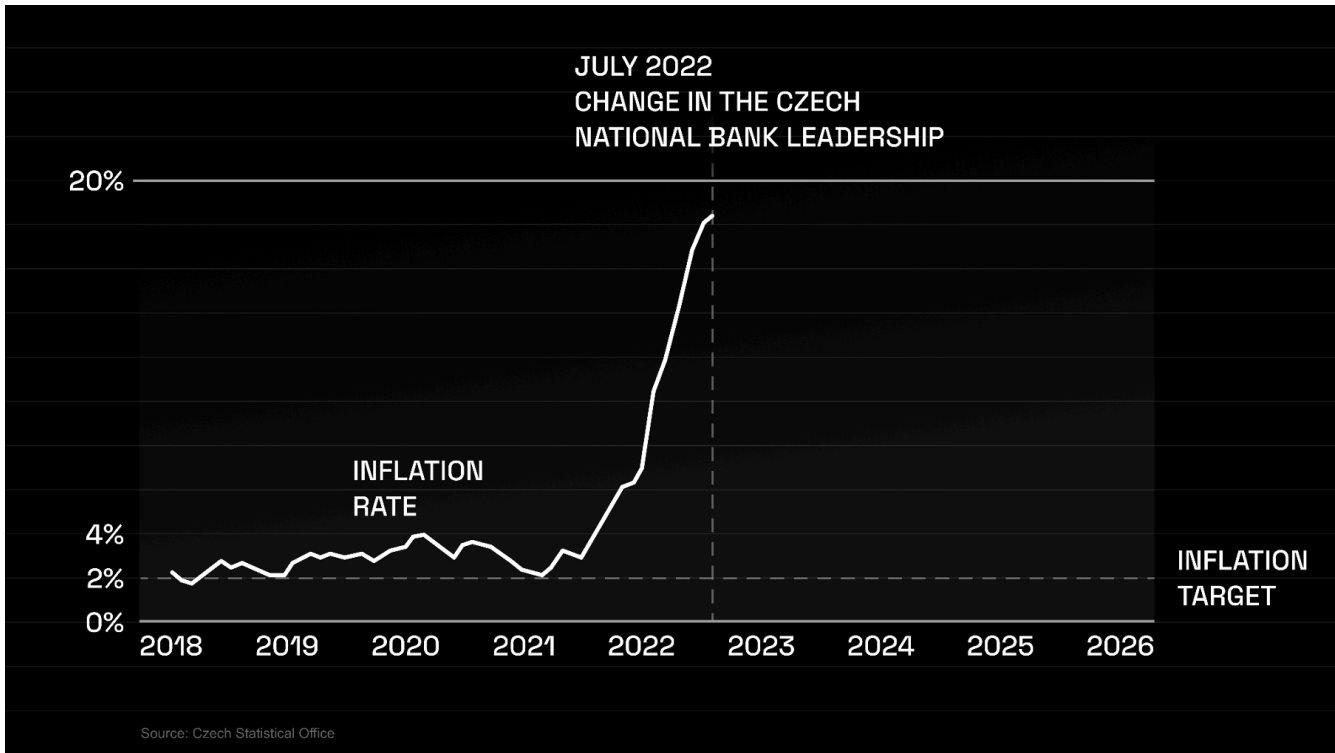
Most people do not put these two things together. I do.

In monetary policy, a central bank must be conservative. But it must think ahead.

When I became Governor of the Czech National Bank in mid-2022, inflation in my country was

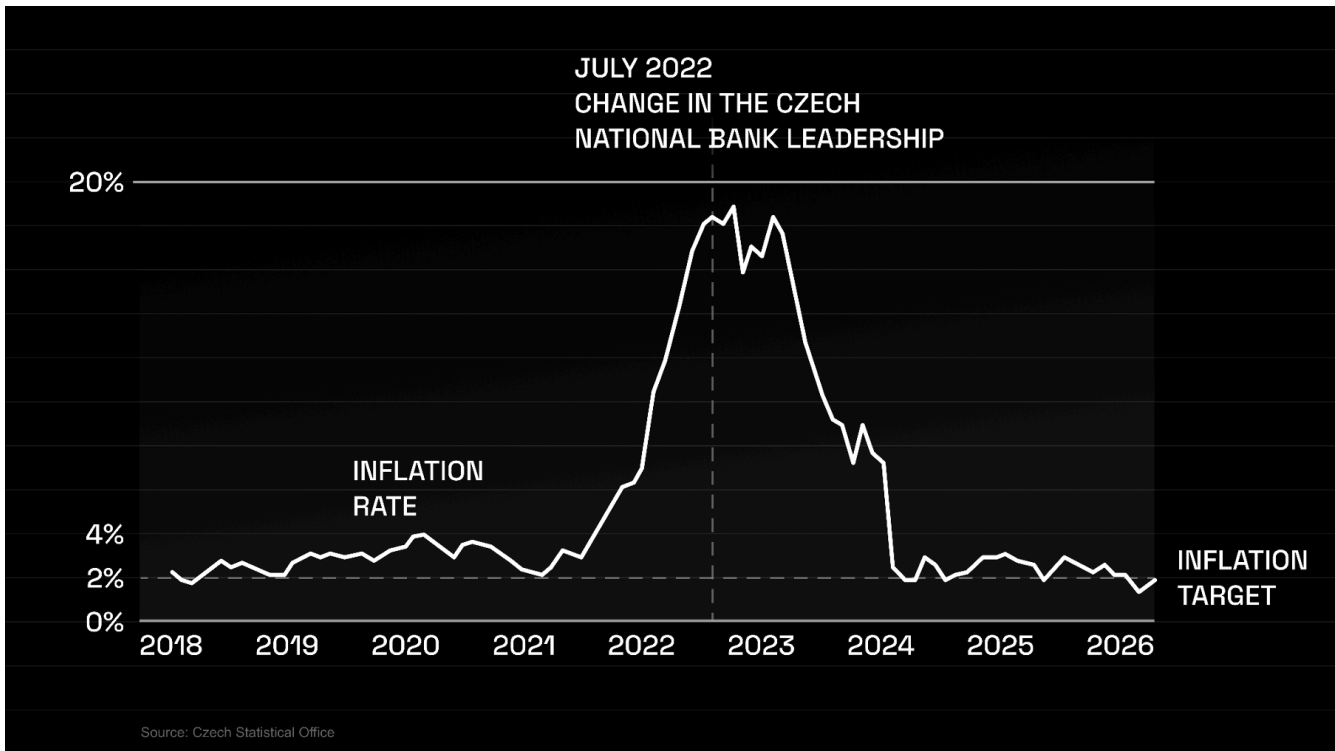
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It was a serious moment. When I took office, I said we would bring inflation back to 2 percent within two years.

And we did. Not with magic. With discipline.



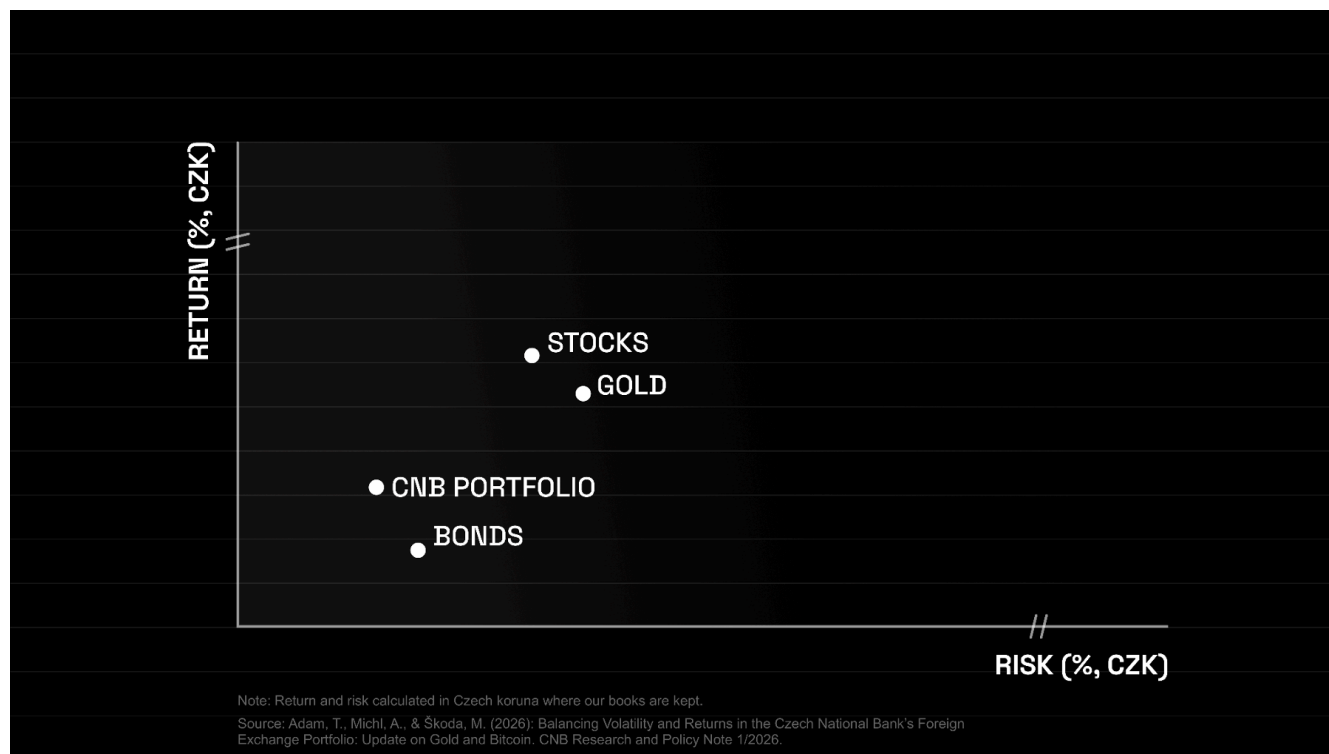
I said this clearly: Even before COVID, money was too cheap for too long. For too long, the system promoted borrowing. For too long, our currency the Czech koruna was weakened.

We changed that. We kept policy tighter for longer. We supported saving. And the Czech koruna became strong. That, for me, is conservative monetary policy. Our rule is simple: stay hawkish forever.

We also manage very large foreign exchange reserves. Very large. We manage about 180 billion dollars in reserves. That is about 44 percent of Czech GDP. Relative to the size of our economy, our reserves are among the largest in the world.

So we have to build the right portfolio for the future.

Here, you can see the long-term risk and return. It is based on Czech koruna data, the currency in which our books are kept (see methodology in <https://www.cnb.cz/en/economic-research/research-publications/research-and-policy-notes/Balancing-Volatility-and>Returns-in-the-Czech-National-Banks-Foreign-Exchange-Portfolio-Update-on-Gold-and-Bitcoin-00001/>).



Bonds are at the low end. Low risk. Low return. Stocks and gold can offer higher returns. But they also bring higher risk.

The next point is the Czech National Bank's portfolio. Over the past four years, we increased the share of equities from 15 to 26 percent. We also increased the share of gold from almost

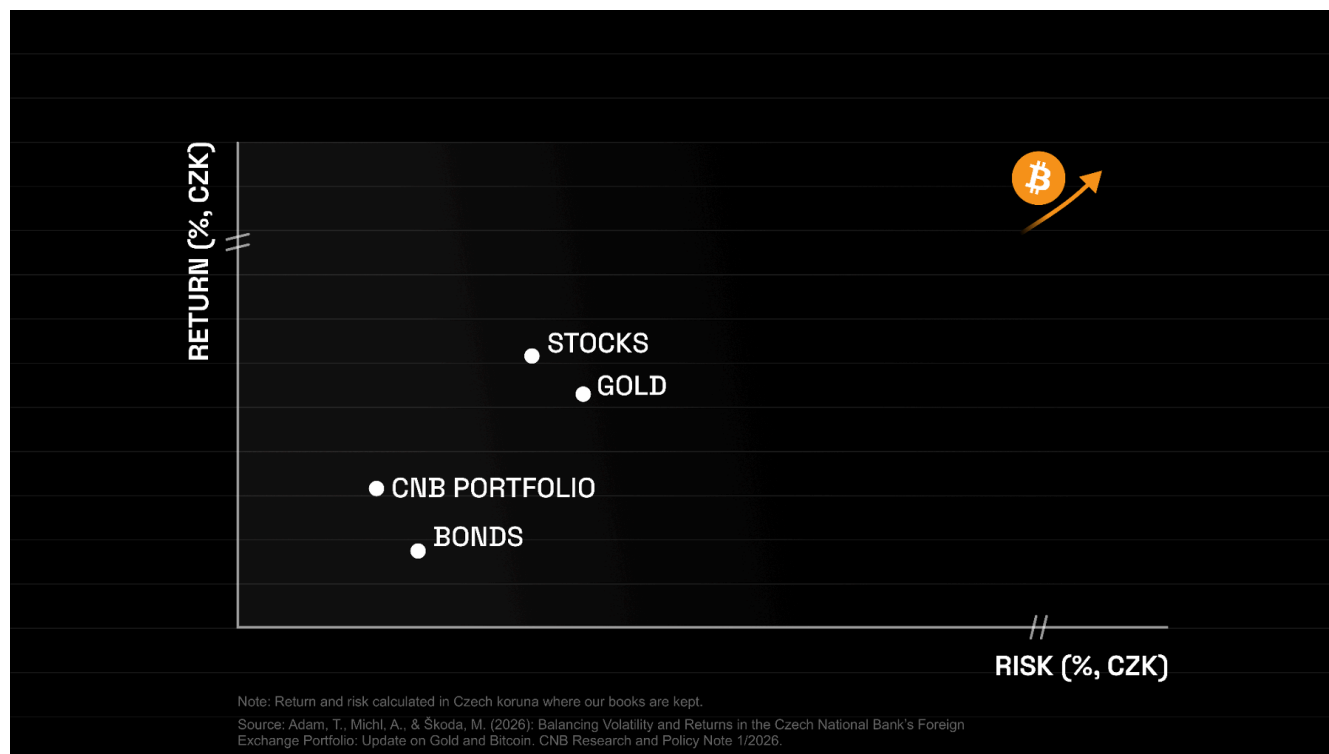
zero to 6 percent.

We built a diversified portfolio. A higher expected return than before. Lower risk than an all-stock portfolio. And even lower risk than an all-bond portfolio.

But then came the next question. Can we do more? Can we build an even stronger portfolio for the future? This is where Bitcoin comes in.

The first time I used Bitcoin, I bought a coffee in Prague about ten years ago. Today, that coffee comes to about 350 dollars. It was the most expensive coffee of my life.

Bitcoin has had very high returns. But honestly, it looks risky. It is much more volatile than other assets. One day, its price may be much higher. Or it could go to zero. Yes, zero.



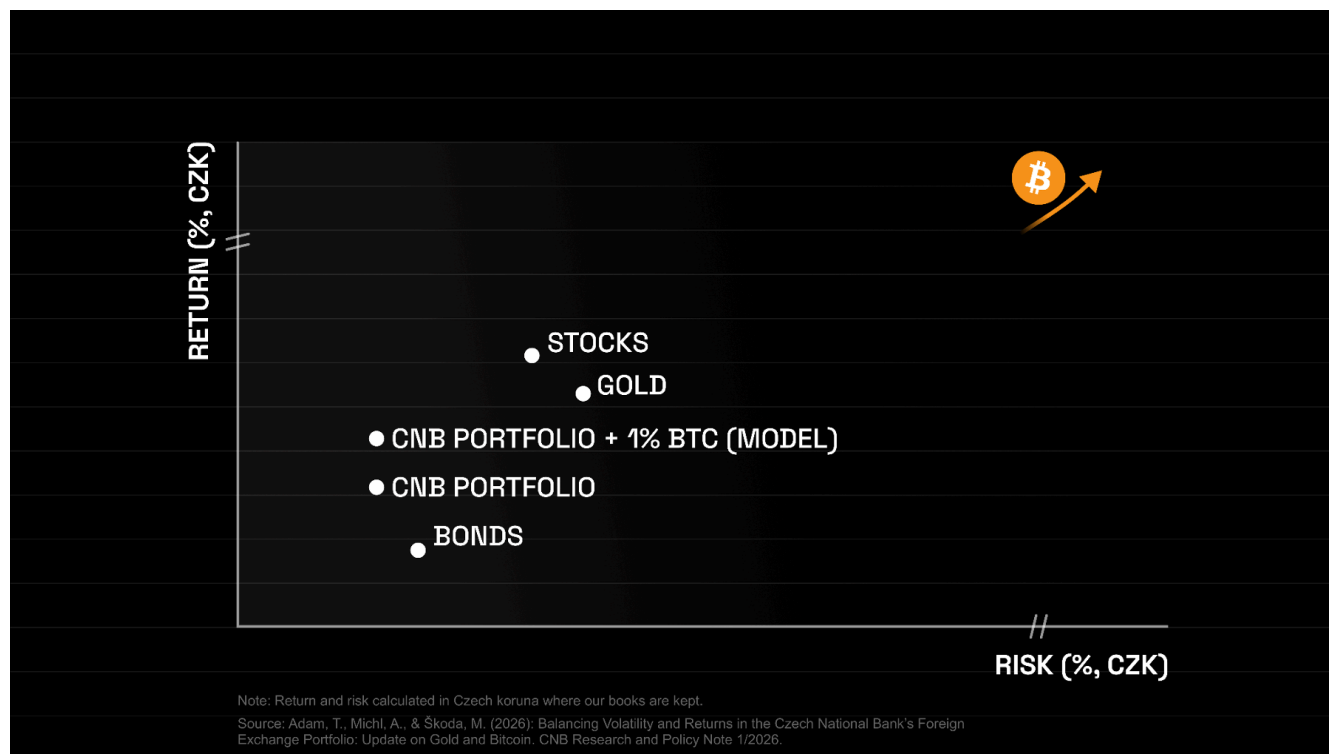
And that is true for other assets too. A stock can go to zero. Even a bond can fail. That is why it is not wise to bet on just one asset.

We have to think about the whole portfolio.

The next point on the chart is what we found in our new analysis (<https://www.cnb.cz/en/economic-research/research-publications/research-and-policy-notes/Balancing-Volatility-and>Returns-in-the-Czech-National-Banks-Foreign-Exchange-Portfolio-Update-on-Gold-and-Bitcoin-00001/>).

This is our model portfolio with 1 percent in Bitcoin. And here comes the interesting part.

With 1 percent in Bitcoin, the expected return goes up. And the overall risk stays about the same. That is what our new study shows.



Why?

Because Bitcoin has low long-term correlation with many traditional assets. It does not move in the same way.

And that matters.

When you add an asset like this, the whole portfolio can work better. The return can go up. And the risk can stay about the same.

That is diversification.

Over the long term, Bitcoin can provide returns that are not closely linked to other assets. In some ways, it is similar to venture capital. But it is much more liquid.

So we started a separate test portfolio with Bitcoin

([https://www.cnb.cz/en/about\\_cnb/cnbblog/First-test-portfolio-of-digital-assets-at-the-CNB/](https://www.cnb.cz/en/about_cnb/cnbblog/First-test-portfolio-of-digital-assets-at-the-CNB/)).

A test portfolio. Not a revolution. Not a political statement. A test.

We will run it for two years. Then we will publish the results. Then we will decide what comes next.

Be conservative in monetary policy. Be innovative in how we work. This is the future.

Thank you.

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