

## Billionaire Ray Dalio Endorses 15% Allocation to Bitcoin and Gold Amid U.S. Debt Concerns

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Billionaire investor Ray Dalio has shifted his stance on Bitcoin and gold, now suggesting that investors consider allocating up to 15% of their portfolios to the two assets, amid mounting concerns over the United States' spiralling national debt.

In a noticeable departure from his 2022 recommendation of just 1–2% exposure to Bitcoin, Dalio warned of what he calls a “debt doom loop” fuelled by unsustainable government

borrowing. Speaking recently on the U.S. fiscal outlook, Dalio referred to the projected \$12 trillion in Treasury issuance required over the coming year to service the country's ballooning \$36.7 trillion debt.

His remarks come as the U.S. Treasury confirmed on Monday that it expects to borrow \$1 trillion in the third quarter alone, \$453 billion more than previously forecast, with an additional \$590 billion expected in the fourth quarter. These figures reinforce broader fears of long-term economic instability in the United States, a trend that increasingly influences global financial markets.

Dalio, founder of Bridgewater Associates and one of the world's most influential hedge fund managers, described Bitcoin and gold as "effective diversifiers," particularly in a financial climate where fiat currencies risk being devalued against tangible assets. While he maintains a preference for gold over Bitcoin, citing its long-standing role as a store of value, he acknowledged that both assets offer resilience in turbulent times.

In a recent interview, Dalio explained: "Governments can see who is doing what transactions on," referencing blockchain transparency as a double-edged sword. He also highlighted concerns around potential vulnerabilities at the code level, which could jeopardise Bitcoin's credibility as a viable alternative to traditional currencies.

Although Dalio owns "some Bitcoin," he characterised his 15% recommendation as flexible, suggesting that the specific allocation between Bitcoin and gold should depend on individual investor strategy and risk appetite. "The ratio between BTC and gold is up to you," he added.

Despite the caution, his revised stance reflects growing acceptance among seasoned investors that traditional financial systems are facing significant strain, largely due to fiscal mismanagement and unchecked debt issuance. As the United States continues to push the limits of sovereign borrowing, assets like gold and Bitcoin are increasingly viewed as hedges against inflation and institutional instability.

At the time of writing, Bitcoin was trading at just over \$118,000 during Tuesday's Asian market hours, a testament to its growing role in the global asset mix, even if questions about its future utility remain.